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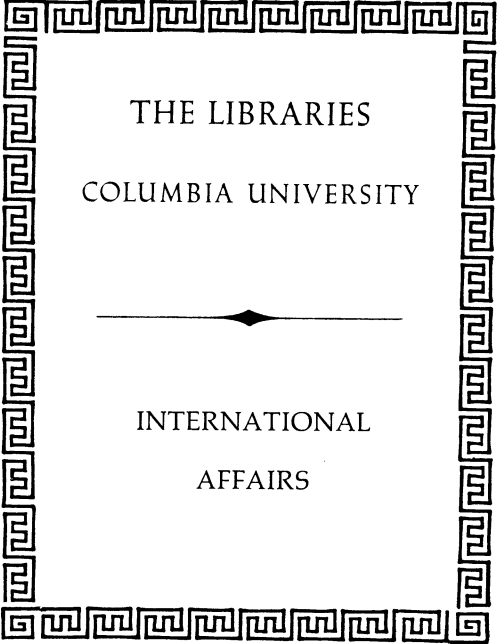
1945

Volume VI

THE BRITISH
COMMONWEALTH
THE FAR EAST

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Foreign Relations
of the
United States
Diplomatic Papers
1945

Volume VI

The British Commonwealth
The Far East



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PREFACE

This volume was prepared under the direct supervision of the former Chief of the Foreign Relations Division, E. Ralph Perkins, assisted by the present Chief, S. Everett Gleason and by Rogers P. Churchill.

The compilations on the relations of the United States with the United Kingdom were the work of John P. Glennon and former staff members N. O. Sappington and Laurence Evans. Mr. Sappington was also responsible for the documentation of American relations with Australia, Canada, the Union of South Africa, French Indochina, and the Netherlands East Indies.

The selection and editing of the documents delineating American policy toward Japan was the work of Herbert A. Fine and John G. Reid. Mr. Fine also compiled the documentation on the policies of the United States with respect to Korea, the Philippines and Siam.

The compilation on the relations of the United States with India was the work of Ralph R. Goodwin.

The Publishing and Reproduction Services Division (Jerome H. Perlmutter, Chief) was responsible for the technical editing of the volume.

WILLIAM M. FRANKLIN
*Director, Historical Office,
Bureau of Public Affairs*

MARCH 3, 1969

PRINCIPLES FOR THE COMPILATION AND EDITING OF "FOREIGN RELATIONS"

The principles which guide the compilation and editing of *Foreign Relations* are stated in Department of State Regulation 1350 of June 15, 1961, a revision of the order approved on March 26, 1925, by Mr. Frank B. Kellogg, then Secretary of State. The text of the current regulation is printed below:

1350 DOCUMENTARY RECORD OF AMERICAN DIPLOMACY

1351 *Scope of Documentation*

The publication *Foreign Relations of the United States, Diplomatic Papers*, constitutes the official record of the foreign policy of the United States. These volumes include, subject to necessary security considerations, all documents needed to give a comprehensive record

of the major foreign policy decisions within the range of the Department of State's responsibilities, together with appropriate materials concerning the facts which contributed to the formulation of policies. When further material is needed to supplement the documentation in the Department's files for a proper understanding of the relevant policies of the United States, such papers should be obtained from other Government agencies.

1352 *Editorial Preparation*

The basic documentary diplomatic record to be printed in *Foreign Relations of the United States, Diplomatic Papers*, shall be edited by the Historical Office, Bureau of Public Affairs of the Department of State. The editing of the record shall be guided by the principles of historical objectivity. There shall be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing shall be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

- a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
- b. To condense the record and avoid repetition of needless details.
- c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
- d. To avoid giving needless offense to other nationalities or individuals.
- e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternatives presented to the Department before the decision was made.

1353 *Clearance*

To obtain appropriate clearances of material to be published in *Foreign Relations of the United States, Diplomatic Papers*, the Historical Office shall:

- a. Refer to the appropriate policy offices of the Department and of other agencies of the Government such papers as appear to require policy clearance.
- b. Refer to the appropriate foreign governments requests for permission to print as part of the diplomatic correspondence of the United States those previously unpublished documents which were originated by the foreign governments.

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THE BRITISH COMMONWEALTH OF NATIONS

UNITED KINGDOM

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840.50/1-445: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 4, 1945—7 p. m.
[Received January 5—7:35 a. m.]

118. Hawkins² and Penrose³ had a further conversation on commercial policy today with Liesching,⁴ Eady,⁵ Robbins,⁶ Fergusson⁷ and Shackle.⁸ The United Kingdom officials commented on the oral summary of the trend of thought among experts in Washington which Hawkins had given at a previous meeting. The substance [of] the British views follows:

(1) They think that our ideas are tilted in favor of countries whose main obligation would be to reduce tariffs as against countries whose obligations would involve extensive action not only on tariffs but also on preferences and quantitative restrictions. Any redress of this balance must be sought almost solely in escape clauses.

(2) As regards tariffs, they think that the draft convention⁹ treats high tariffs no more severely than low tariffs. United Kingdom officials had proposed to introduce X ceiling but they recognize its disadvantages and will not necessarily revert to it. They suggest for study a formula X divided by Y plus Z per cent where X equals duty

¹ For previous documentation relating to these subjects, see *Foreign Relations*, 1944, vol. II, pp. 1 ff.; and *ibid.*, vol. III, pp. 31 ff.

² Harry C. Hawkins, Minister-Counselor of Embassy for Economic Affairs at London.

³ Ernest F. Penrose, Special Assistant to the Ambassador in London.

⁴ Sir Percivale Liesching, Second Secretary, British Board of Trade.

⁵ Sir Wilfrid G. Eady, Joint Second Secretary, British Treasury.

⁶ Lionel C. Robbins, Director of the Economic Section of Offices of the British War Cabinet.

⁷ Sir David Fergusson, Permanent Secretary of the British Ministry of Agriculture and Fisheries.

⁸ Robert J. Shackle, Principal Assistant Secretary, British Board of Trade.

⁹ Draft Multilateral Convention on Commercial Policy, October 1944, not printed; for previous discussion concerning this draft convention, see *Foreign Relations*, 1944, vol. II, pp. 1 ff.

on July 1, 1939, Y equals percentage initial reduction and QQ equals an ad valorem constant. The object of this formula is to achieve greater reduction of high than of low tariffs.

(3) They strongly object to our ideas from the viewpoint of the treatment of infant industries and "defense" industries, particularly the former. The basis of their objection is that countries in an early stage of industrial development, and especially those dependent largely on import duties for revenue, would react strongly against an attempt to veto any new tariffs and confine infant industry protection to subsidies and would demand a "tariff let out". The United Kingdom officials refer to our oral summary of the substance of article XVII¹⁰ and say that under the convention a country would be forced to adopt quantitative restrictions and would be debarred from raising tariffs to meet an emergency situation. They stress the "deep seated feelings" in countries which are largely agricultural in favor of developing subsidiary industries for purposes of diversification, and argue that proposals on the lines of the draft convention would at once arouse fears that sufficient revenue could not be raised for these purposes and suspicious [*suspensions*] that the developed countries were trying to restrict local development to gain or retain the market for their own manufactures.

We have pointed out that revenue duties could be imposed to raise revenue for subsidies to infant industries, but United Kingdom officials appear to favor some sort of exception, perhaps on a principle similar to that in our article XVII, or by permitting duties tapering off to zero according to a time schedule to meet the needs of infant industries. They were, however, extremely vague as to the criteria of an "infant industry".

(4) United Kingdom officials also consider that subsidies alone are inadequate for the protection of defense industries and at first connected defense industries with infant industries. When we pointed out that defense industries are not necessarily infant industries, Liesching and Robbins suggested that decisions might be made in the security organization¹¹ on the question what defense industries might be protected in particular places to facilitate international security.

(5) Even apart from questions of infant and defense industries, United Kingdom officials argue that the cutting of duties and freezing them would involve hardship in countries where import duties constitute a large proportion of total revenue and where fiscal administrative organization is weak. They suggest that there should be an

¹⁰ Article XVII permitted the imposition of quotas on articles in "emergency situations" to protect domestic producers, subject to certain specified provisions.

¹¹ For documentation on preliminaries to the establishment of an international organization for the maintenance of international peace and security, see *Foreign Relations, 1944*, vol. I, pp. 614 ff.; for documentation on the United Nations Conference on International Organization, held at San Francisco, April 25-June 26, 1945, see *ibid.*, 1945, vol. I, pp. 1 ff.

exception to meet such cases. We again pointed out that this could be met by revenue duties.

(6) The United Kingdom officials [feel?] that there should be provision for new duties exceeding the tariff floor to be substituted for quotas in cases where at present quotas without duties or with low duties are applied. It has become clear in the course of the conversations that in general they do not favor quantitative restrictions on any products except food and would like to facilitate a change from such restrictions of tariffs.

(7) As regards the floor they think it will probably be necessary to allow tariffs to rise to the floor.

(8) The United Kingdom officials consider that provision should be made to cover cases where substantial rises in prices have already reduced specific duties in real terms. Liesching referred to the 1939 level as "grotesquely inappropriate" by the circumstances of some countries, for example Iraq, and particularly countries whose governmental organization is unable to administer ad valorem duties.

Our impression from this discussion taken as whole is that the United Kingdom officials have departed widely from their approach in the Washington conversations, especially in regard to the part played by subsidies in relation to other forms of protection; that on major points their new position is likely to create serious obstacles to the attainment of satisfactory post war commercial policy; and that they have been drawn into this position under pressure from ministerial quarters and from the attitudes of India and Australia and the anticipated attitudes of other countries in a relatively early stage of development.¹²

We are continuing the conversations tomorrow.

WINANT

840.50/1-545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 5, 1945—7 p. m.

[Received 9:05 p. m.]

159. Hawkins, Steere¹³ and Penrose had another conversation today with Liesching, Eady, Robbins, Fergusson and Shackle. The

¹² Instruction 558 to Ottawa, January 19, enclosed a paraphrase of this and several subsequent telegrams with the following comment:

"With reference to the penultimate paragraph of telegram no. 118, January 4, the Department is not entirely in accord with the Embassy's feeling that the points mentioned in the telegram indicate a wide divergence from the previous British view or that they would be likely to develop into serious obstacles. It should be borne in mind that the comment on the British views expressed in this series of telegrams is that of individuals and does not necessarily reflect the Department's opinion." (840.50/1-1945)

¹³ Lord V. Steere, Agricultural Attaché at the Embassy in London.

main points put forward by the United Kingdom officials are as follows:

1. In a discussion of the difficulties of preventing discrimination in state trading, Liesching and Eady took a somewhat more hopeful view than Robbins and Fergusson of the possibility that the concept of commercial considerations could gradually, by a sort of case law procedure, be given an objective content.

2. United Kingdom officials are apprehensive of the effect of an escape clause relating to emergency situations, along the lines of article XVII of our tentative draft. They think this is a crucial question and discussed it at length. One of the major attractions to them of a multilateral convention is that United States would give a lead in the reduction of tariffs and that what was done by one country would be done by all. In view of the creditor position and general economic importance of United States they feared that such an escape clause would create the impression that the United States could nullify or throw out of gear the whole tariff reduction on the plea of emergency situations. Officials are concerned about the reactions of some of their more skeptical ministers and of United Kingdom manufacturers. They would particularly fear the application of such a provision to textiles.

Hawkins pointed to the temporary nature of such restrictions and outlined the history of such escape clauses in our trade agreements and showed how rarely they had been invoked in practice. United Kingdom officials were impressed by the record and asked for as detailed data as possible. They are anxious to have such data, apparently for use in talking with ministers. We referred also to the scarce currencies clause in the monetary agreement.¹⁴ United Kingdom officials are impressed by the usefulness of this clause to check abuses of an emergency escape clause. Robbins referred to opposition to this clause by Williams¹⁵ and others in United States and added, "people here will watch with breathless interest what happens to the scarce currencies clause in Congress". United Kingdom officials added that even though they might rely on us not to use an emergency escape clause unduly, there was no assurance that such a clause would not be abused by other countries. They hope by separate agricultural proposals (see Embassy's 11114 December 15¹⁶) to avoid the general use of quotas.

¹⁴ Reference is to article VII of the Articles of Agreement of the International Monetary Fund resulting from the Bretton Woods Conference; for text, see Department of State, *Proceedings and Documents of the United Nations Monetary and Financial Conference*, Bretton Woods, New Hampshire, July 1-22, 1944 (Washington, Government Printing Office, 1948) vol. I, pp. 952-954. For documentation relating to the Conference, see *Foreign Relations, 1944*, vol. II, pp. 106 ff.

¹⁵ John H. Williams, Dean of the Graduate School of Public Administration, Harvard University, and Vice President of the Federal Reserve Bank of New York.

¹⁶ *Foreign Relations, 1944*, vol. II, p. 102.

3. United Kingdom officials question the desirability of complete prohibition of export duties and suggest parallel treatment of export and import duties. They think the infant industry argument is also applicable to export taxes in relation to processing industries. They appear to have in mind some of their crown colonies and while they admit the force of the argument against export duties based on freedom of access to raw materials, they feel that in some cases this argument might be offset by the principle of colonial trusteeship.

4. As regards existing preferences United Kingdom officials say they will have to insist on a minimum floor of 5% ad valorem. They consider that having preferential margins plus such a minimum floor would be an adequate counterpart to a reduction of tariffs by 50%. However, when questioned, they admit that the technique suggested by us for reducing preferential margins by horizontal reductions in most favored nation rates would not be unacceptable provided their suggested floor was agreed to. They are not willing to accept any formula that would result in a reduction of residual preferences.

Their second point on preferences is that the principles to be applied to preferential import duties should be applied also to state trading and to quotas. They are vague as to the method by which this could be given quantitative application and do not appear to have got much beyond enunciation of the principle.

The discussion of preferences was left incomplete and will be resumed on Monday.¹⁷

WINANT

840.50/12-1544 : Airgram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, January 6, 1945.

A-84. To Hawkins from Haley.¹⁸ Reurtel 11114, December 15.¹⁹ Clarification of the following points regarding tentative British views on agricultural policy would be helpful to the interdepartmental Subcommittee on Agricultural Policy:

1. Is it the intention that the proposed special provisions would apply solely to primary food products, or do the British have in mind

¹⁷ January 8.

¹⁸ Bernard F. Haley, Director of the Office of Economic Affairs and Vice Chairman of the Executive Committee on Economic Foreign Policy. This committee was established in April 1944 "to examine problems and developments affecting the economic foreign policy of the United States and to formulate recommendations in regard thereto for the consideration of the Secretary of State, and, in appropriate cases, of the President." Its membership was interdepartmental in character. For further information, see Department of State, *Postwar Foreign Policy Preparation, 1939-1945* (Washington, Government Printing Office, 1949), pp. 218-220.

¹⁹ *Foreign Relations*, 1944, vol. II, p. 102.

provisions of a more general nature which, in their case, would probably be invoked only in respect of primary food products?

2. If the provisions would be restricted to primary food products, or even to primary agricultural products, how would such products be defined? Would they include such British products as bacon, dairy products, pork, beef and potatoes?

3. Reference is made to the objectives of price stability and production stability. How would the former be achieved under the proposed special provisions, which contemplate the imposition of a ceiling on the differential between domestic and world prices? With regard to stability of (domestic) production, is it the British view that this would be recognized in the proposed convention as a permanent and accepted objective of economic policy? Specifically, would they be inclined to resist the inclusion of accompanying provisions making it clear that measures against imports imposed on the grounds of promoting stability would be merely of a transitional character and looking toward the relaxation and ultimate removal of such measures as soon as practicable? (For example, see following provisions of draft multilateral convention ²⁰ which Mr. Hawkins took to London :

a) "Proposed redraft of paragraph 2(d) of Article XVII [XVIII]", dated October 12, 1944. Numbered paragraph 3 of this paper is pertinent.

b) Paragraphs 3 and 4 of Article XXVII, Section F, as set forth in the Report of the Committee on Trade Barriers dated October 9, 1944 (ECEFP D-65/44-STB D-9/44).[.]

4. In cases in which tariffs or quotas are used for the purpose of stabilizing production (reurtel paragraph 3), how would the reduction of protection be determined if the production target were exceeded and to what extent would protection be reduced (reurtel paragraph 4)? It seems clear that in the case of subsidies, as illustrated by the pre-war United Kingdom wheat act,²¹ the British have in mind that appropriate reduction would be achieved by limiting the subsidy in effect to a goal quantity. It is not clear how this would be done if tariffs or quotas were used in lieu of subsidies.

5. In the case of subsidies, under the special provisions proposed by the British what would prevent countries from regularly promoting production in excess of the target quantity by means of subsidies which are limited to the target quantity but are larger per unit than necessary to achieve the target? For example, it seems to us that under the Wheat Act the British could have raised the guaranteed return from 10 shillings per cwt. to 13 shillings per cwt. (thus in effect further stimulating production) and this would not be in violation

²⁰ Not printed; but see footnote 9, p. 1.

²¹ Reference is to the Wheat Act of 1932; 22 & 23 Geo. V, Ch. 24.

of the proposed special provisions so long as the deficiency payments were limited to 136 million cwt. In other words, there does not seem to be under the British proposals a limit on the use of subsidies which would be effective in practice. Such a limit would be provided, of course, if in such cases the production or marketing of the domestic product were subject to quantitative restrictions. This, however, does not appear to be contemplated.

6. With regard to the moving average (reurtel paragraph 4), it is assumed that this refers to a moving average of the world price, and not to a moving average of the percentage. Please correct our impression if we have misunderstood.

7. With regard to the permitted percentage differential between domestic and world prices (reurtel paragraph 4) : would this percentage be uniform for all products? It is stated that this percentage would be the subject of international agreement. Does this mean periodic international agreement, or merely that it would be fixed in the proposed convention, and would, like the rest of the convention, have to be negotiated?

8. Do the British proposals envisage provisions which would eliminate export subsidies on the products subject to the special provisions they have in mind?

The Embassy's comments would be appreciated as to the extent to which our draft proposals, particularly those relating to quotas in conjunction with domestic restriction measures and those relating to domestic subsidies, might meet the problems which seem to be worrying the British. [Haley.]

STETTINIUS

840.50/1-845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 8, 1945—7 p. m.

[Received January 8—6:48 p. m.]

261. Hawkins, Steere and Penrose had another conversation today with Liesching, Eady, Robbins and Shackle.

1. The tentative position of the UK officials on preferences may now be summed up as follows. They are willing to agree in accordance with the method first proposed by the Canadians to what they call "closing margins" of preference in connection with a substantial tariff cut. They think that this would leave a greatly reduced residue of preferences which would not have serious diversionary influences on trade and would at the same time meet their domestic political pressures based on sentiment rather than economics. They continue to

adhere to the position stated in section 4 of Embassy's 159, January 5 that they would not be willing to accept any cut in the preferential margins that would remain and they will hold out for a 5% floor.

You will doubtless want to make a detailed examination of the effects of these proposals.

We understand privately that UK Ministerial opinions on the subject are still not crystallized and that some ministers feel that they cannot make up their minds until they have more data before them. They are not likely to base their ultimate decisions wholly on economic grounds.

We expressed serious concern regarding the ideas of the UK officials on the extension of the principle of preferences to state trading and quotas (paragraph 2 of section 4 of Embassy's 159, January 5) and asked them how they proposed to apply the principle. The only concrete idea as to methods came from Robbins who suggested that in state trading the price to preferential sources of imports should not differ by a percentage greater than that of the preferential margin.

2. UK officials expressed concern about the idea of sanctioning import restrictions in conjunction with government sponsored measures to restrict similar domestic products. They think that this would leave too wide an opening and would allow restrictions concerned not only with primary products but also with semi-manufactured and manufactured products. They themselves think that their separate agricultural proposals would cover all legitimate needs and that it would be dangerous to extend permission to impose such restrictions beyond agricultural products. Eady and Robbins referred to the possibility that a government-sponsored rationalization or a cartel arrangement operating under government sanction might open the door to extensive restrictions of imports of manufactured products.

The conversations will be continued on Thursday.²²

WINANT

840.50/1-1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 12, 1945—8 p. m.

[Received January 13—7 a. m.]

433. Hawkins, Steere and Penrose had another conversation yesterday with Liesching, Eady, Robbins and Shackle. The subject of discussion was exchange controls in relation to a multilateral commercial convention.

²² January 11.

The UK attitude on this subject is dominated by the change in their debtor-creditor position during the war and particularly by the amount of blocked sterling which has accumulated. Their concern on this subject has deepened since the completion of the calculations which were embodied in the statement of requirements for Stage II of Lend-Lease, particularly.²³

Robbins, with the concurrence of his colleagues, said there would be the greatest difficulty in finding acceptance in UK of anything that went beyond Bretton Woods in regard to the transition period.²⁴ This would apply to any provision in a commercial convention that would shorten the transition period and any that would prevent an increase in blocked balances. Eady considers that there should be no reference to blocked balances in a commercial convention and that so far as exchange is concerned the position in the monetary fund agreement should be adhered to.

The UK officials discussed the problem of blocked balances in detail. They stressed not only the magnitude of the balances, but also the fact that a large part of the balances are owed to creditor countries which are in a weak economic position and which will, therefore, wish to obtain goods against at least part of their sterling as soon as possible after the war. In this respect the UK is in a markedly different position from what it was at the end of the last war.

Pointing to the huge deficit which the UK will face on both current and capital account the officials emphasize that when Lend-Lease stops it will be extraordinarily difficult to balance their current account let alone make a contribution towards the reduction of their indebtedness. When in urgent need of imports in the early post-war years they might [be] obliged to import goods against temporarily blocked sterling from countries willing to accept such an arrangement. They add that, of course, in practice there is a substantial limit to the extent to which other countries would agree to export on such terms.

Robbins, discussing modes of unblocking, said that if all unblocking was done "without strings attached" the rate of unblocking would have to be much slower than otherwise. Their economically poor creditors, however, would want to use their balances as soon as possible and would press for the form of unblocking that would enable them to make the most use of them.

²³ This statement, "British Requirements for the First Year of Stage II", not printed. This statement was presented in October 1944 by the United Kingdom delegation during the discussions on Stage II of lend-lease then taking place in Washington. Stage II (also called Phase II) usually referred to the period of lend-lease between the defeat of Germany and the defeat of Japan. For documentation on this subject, see *Foreign Relations*, 1944, vol. III, pp. 31 ff.

²⁴ See *Proceedings and Documents of the United Nations Monetary and Financial Conference*, pp. 965-966.

In response to questions UK officials expressed unwillingness to resort to direct loans either to facilitate unblocking or even to finance essential imports any further than might be temporarily required by inability to obtain them by alternative means. The viewpoint they expressed on this subject was substantially identical with that which we have noticed in Annex A, especially paragraphs 4 and 5 in their document "British Requirements for the First Year of Stage II".

Shackle expressed the view that too rigid an application of the rule of nondiscrimination in exchange in the transition period might tend to contract trade rather than facilitate recovery. As an example, he said that it might prevent UK from obtaining oranges from South America without enabling them to obtain them from California instead. He thinks the best plan would be to lay down as a general rule that there should not be more discrimination than is unavoidable during the transition and to provide for consultation with the countries concerned in all cases.

In brief, the position of UK officials is that the commercial policy convention should contain no provisions regarding exchange which go beyond what is contained in the monetary fund agreement.

The UK officials said they would be quite willing to enter into detailed discussions with us at a suitable time on ways and means of reducing discrimination to a minimum in connection with the difficulties of their financial position generally.

WINANT

841.24/1-1245

The Director of the Office of Wartime Economic Affairs (Taft) to the Vice Chairman of the War Production Board (Batt)

WASHINGTON, January 12, 1945.

DEAR BILL: You have inquired from me as to the United States position on requests by the British for the allocation of items to be purchased for cash which are in short supply in the United States, in the light of the understanding arrived at on lend lease in Phase II, and in 1945, recently announced by Mr. Morgenthau, Mr. Stettinius and Mr. Crowley.²⁶

This question is not answered by specific language in any of the documents which came out of these discussions, and the discussions themselves did not amount to any firm undertakings by any one, since

²⁶ Press release by Secretary of the Treasury Henry Morgenthau, Jr., Secretary of State Edward R. Stettinius, Jr., and Foreign Economic Administrator Leo T. Crowley, dated November 30, 1944, is reprinted in *Foreign Relations, 1944*, vol. III, p. 80.

they were always subject to appropriate action by the allocating agencies having jurisdiction.

The War Production Board is not directly concerned with the White Paper ²⁷ at all, but passes upon requests for items in short supply on the basis of the end uses proposed in the light of war necessities. It should continue to apply exactly the same criteria, bearing in mind, of course, that other things being equal, the British should not be penalized in any way because they now propose to pay cash, where before they got certain items on lend lease. In other words, the War Production Board should continue to operate just as it has in the past, prior to the recent arrangements for lend lease in 1945.

The matter will no doubt be re-examined after the defeat of Germany.

Sincerely yours,

CHARLES P. TAFT

840.50/1-1745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 17, 1945—2 p. m.

[Received 2:10 p. m.]

580. Hawkins and Penrose yesterday continued their conversation with Liesching, Eady, Robbins and Shackle.

(1) Liesching and Shackle raised the question whether there should not be a clause which would restrain a country from imposing an import duty together with a countervailing internal tax on a given product, and using the revenue from them to subsidize domestic production of the same or a similar product. They suggested that import duties should not be regarded as offset by an internal duty, and therefore as coming within the category of nonprotective, revenue duties, if the proceeds were used to subsidize the same or similar products.

Shackle wondered whether any provision was practicable to prevent protection through the imposition of a prohibitive import duty together with a countervailing excise duty on a product which cannot be produced internally but which is to some extent in competition with another domestic product. Shackle stated as an illustration that Poland at one time had such a duty on citrus fruits to assist domestic apple growers.

(2) The UK officials think that any provision exempting from other provisions of the convention any products that might be "declared to

²⁷ For the text of the British White Paper, September 19, 1941, relating to distribution of lend-lease material, see Department of State *Bulletin*, September 13, 1941, pp. 204-206; for documentation on this subject, see *Foreign Relations*, 1941, vol. III, pp. 16-36.

be in world surplus" would give an undue stimulus to the extension of commodity agreements that would tend to bolster up high cost production. Liesching said, "We feel a rather deepseated distrust of such agreements." He added that they have yet to see a commodity agreement that provides effectively for a shift-over from high to low cost production, and that they do not want the Wheat Agreement repeated with other commodities.²⁸

Liesching then stated with emphasis that US subsidies on cotton and wheat were, to say the least, difficult to reconcile with the spirit or the letter of article VII of the Mutual Aid Agreement.²⁹ He added that US activities in this matter were being followed with much concern in UK. Robbins and Eady underlined Liesching's statement. The officials expressed the fear that the cotton subsidy provisions of the Surplus Property Disposal Act³⁰ might be used to force a cotton agreement that would have the effect of maintaining high cost producers at the expense of low cost producers. They asked also whether they should take it for granted that the subsidy measures would be allowed to run for three years in any case or whether there was any prospect that they might be modified earlier following an international commercial policy agreement.

(3) Some questions were raised by Liesching and Shackle on the definition of a customs union. They referred to their proposals for reducing preferential margins in connection with tariff reductions, and said that it was only when preferences were treated differently from tariffs that the question of defining a customs union arose. In other words if preferences resulting from tariff reductions were permitted by the convention, those which members of a customs union continued to grant would be automatically sanctioned. However, they admitted that cases of new customs unions would not be covered if no reference were made to the meaning and conditions of a customs union. Liesching raised the question whether, so far as the consent of the international trade organization might have to be obtained for a new cus-

²⁸ Reference is to the memorandum regarding international agreement on wheat, initialed at Washington April 22, 1942, effective June 27, 1942. For text and related papers, see Department of State Executive Agreement Series No. 384, or 57 Stat. (pt. 2) 1382. For correspondence prior to the agreement, see *Foreign Relations*, 1942, vol. I, pp. 501 ff. For text of the public announcement on the agreement, see Department of State *Bulletin*, July 4, 1942, p. 582. For press releases regarding meetings of the International Wheat Council held in August 1942, provided for by the Draft Convention attached to the Memorandum of Agreement, see *ibid.*, pp. 670 and 688. Concerning subsequent meetings of this body, see R. J. Hammond, *Food*, vol. I, *The Growth of Policy* (London, His Majesty's Stationery Office, 1951), pp. 353-356.

²⁹ Preliminary agreement between the United States and the United Kingdom regarding principles applying to mutual aid in the prosecution of the war against aggression, signed at Washington, February 23, 1942. For text, see Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433. For correspondence on negotiation of the agreement, see *Foreign Relations*, 1942, vol. I, pp. 525 ff.

³⁰ Reference is to the Surplus Property Act of 1944, October 3, 1944; 58 Stat. 765.

toms union, that organization would be the appropriate body to consider the political as well as the economic aspects of the case.

(4) The UK officials raised questions concerning the relations between member and non-member countries of the international trade organization. They asked whether discriminations against non-members would be mandatory and whether it would not be difficult to apply them in some cases at least on other than tariff matters.

The questions raised under sections 3 and 4 were exploratory rather than expressions of a set position.

Further conversations will be held next Friday and Monday.³¹

WINANT

840.50/1-2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 20, 1945—7 p. m.

[Received 11:15 p. m.]

725. Hawkins, Steere and Penrose had a conversation today with Liesching, Eady, Robbins, Fergusson and Broadley³² and Wall³³ of the Ministry of Food.

1. The UK officials explained their position on their bulk food purchases as follows:

[Here follows discussion in some detail of bulk food purchases.]

2. Regarding the questions in Department's A-84, January 6, we have first worked out the following more precise statement of the substance of paragraph 4 of Embassy's 11114, December 15, 6 p. m.³⁴

In respect of any food product coming within the scope of the measure, let X equal the permitted protection which is the degree of protection required to maintain the permitted excess of domestic price over the average world price in the base period. Let P equal the actual protection at any given time. Let Y equal the specified level of production, which is the maximum level to which production is allowed to be raised by the permitted protection. The specified level is arrived at by multiplying average production in the base period by an agreed percentage. Let Q equal the actual quantity of domestic production at any given time. Then if P equals X but Q is less than Y no increase of P is allowed and domestic production must be allowed to remain P unless it can be raised by other than protectionist measures.

³¹ January 19 and 22, respectively. The conversations were held, however, on January 20 and 23; see telegrams 725, January 20, 7 p. m., and 834, January 24, 4 p. m., from London, pp. 13 and 15, respectively.

³² Herbert Broadley, Deputy Secretary, Ministry of Food.

³³ J. E. Wall.

³⁴ *Foreign Relations*, 1944, vol. II, p. 102.

On the other hand if P equals X and Q is greater than Y, then P must be reduced until Q is equal to Y.

We think that from the point of view of administrative practicability the term "domestic price" used above in the definition of X would have to be so defined as to include a measure of the effects of subsidies as well as a measure of the effects of tariffs and quotas. UK officials agree in principle that in so far as subsidies are used they shall be limited to the extent necessary to prevent total protection from rising above X but they have not yet committed themselves to a criterion by which this would be accomplished. We think that the term "receipts by farmers per unit of product" would come nearer to what is required than the term "domestic price" as ordinarily understood but this might not catch subsidies at the processing and transport stages. We shall discuss this matter further with the UK officials.

This appears to answer the question in paragraph 5 of your airgram A-84, January 6.

We have referred the first question in paragraph 3 and the question in paragraph 8 to the UK officials for an answer next week.

Following are the answers to the remaining questions. References are to the numbered paragraphs in your airgram.

1. The first of the two interpretations is the correct one.
2. The procedure would be to get agreement on a list of products which in the UK opinion should include those which you mention.
- 3, second question. These are intended as permanent and not merely transitional measures.
4. Precise formulas would be impracticable. Governments would be obligated to take adequate steps and would be judged on attainment of the required results rather than on methods.
6. Your interpretation is correct.
7. The answer to the first question is yes. The answer to the second question is that the percentage would be fixed in the initial negotiations.

WINANT

841.24/1-2045

*The Vice Chairman of the War Production Board (Batt) to the
Director of the Office of Wartime Economic Affairs (Taft)*

WASHINGTON, January 20, 1945.

DEAR CHARLIE: I talked over your letter of January 12, which had to do with British cash purchases, with our people. Their reaction is that the letter wasn't quite what they had hoped for, in the light of the kind of instruction which needed to be given to our divisions. They point out that while of course we are not directly concerned

with the White Paper, we have a very real indirect concern. As long as White Paper limitations prevent re-export from UK, the type of screening job which we are called upon to do is much simpler than it would be if we also had to take into account the problem of re-exports. They think, therefore, that it would be helpful to our people in WPB to be informed that the provisions of the September 10 White Paper continue to apply, whether procurement is for cash or lend-lease, at least until V-E Day.³⁵ Probably most of our people here are under the firm impression that White Paper limitations do not apply to materials procured for cash, and that the reason for shifting to cash is to permit re-exports.

What would you think of a paragraph like the attached inserted between the second and third paragraphs of your letter, as an attempt to make this situation clearer to our operating people? ³⁶

Sincerely yours,

BILL

[Enclosure]

It should be noted, however, that the original British White Paper of September 10, 1941, provided that the limitations upon exports set forth in that document apply to any materials of a type the use of which is being restricted in the United States on the grounds of the short supply and of which the British obtain supplies from the United States *either by cash payment or on Lend-Lease*, except for the cases cited in the White Paper, and except for materials for which waivers may be specifically made. No change in these provisions have been made in the above-mentioned understandings.

840.50/1-2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 24, 1945—4 p. m.

[Received 5:22 p. m.]

834. Hawkins and Penrose had a further conversation yesterday with Liesching, Eady, Robbins, Fergusson and Shackle. The discussion was concentrated on questions of the best procedure for obtaining international action on commercial policy.

1. The UK officials compared the multilateral approach with the bilateral and multilateral-bilateral approaches. While appreciating the complexities of the first approach, they believe that the last two approaches have such serious disadvantages that they should only be

³⁵ Reference is to the date of victory in Europe, the surrender of Germany.

³⁶ Handwritten note on the original reads: "Handled by phone with Batt Told him OK".

considered as a last resort in the event of a breakdown of attempts at the multilateral approach.

They point out that in the bilateral approach concessions are narrowed down because of the obligation to generalize them under the MFN³⁷ principle. Second, the principle of "equivalence of concessions" raises difficulties. Efforts had been made after 1860 and to some extent in the 1920's to get around these difficulties by trying to negotiate a string of bilateral agreements. But the results were largely destroyed by subsequent depressions. In any case, this approach failed to meet satisfactorily the objections to the pure bilateral approach. In addition, since an early US-UK agreement would be necessary under the bilateral or multilateral-bilateral approach, and preferences would be a major issue in such an agreement, the UK at an early stage would have to make concessions on preferences which would at once be made general. Consequently, when UK negotiated later with other countries it would not be able to get concessions in return for this.

2. Therefore, UK officials have come to the conclusion that the best procedure is to start with a statement of principles and attempt to get international agreement first on the principles and second on the establishment of an international organization charged to translate them into a detailed convention.

The UK will press strongly for a statement of general principles as the first step. On political grounds they are opposed to the presentation of a detailed convention at the start. Liesching emphasized that "not enough air has yet been let in internationally or domestically" on commercial policy. It is essential, he added, to get the subject canvassed here and among the European Allies, both among the public and among industrialists.

The UK officials conceive of the proposed statement of principles, not in the form of vague resolutions in general terms, but as concrete and specific, involving an outline of definite government commitments, and carrying with it the obligation to set up an international trade organization to work out the multilateral framework needed for the application of the principles in detail. To avoid delay they suggest that immediately following international agreement on a statement of principles an interim trade organization should be set up to start this work at once.

3. The following alternatives on the best procedure for initiating such a statement of principles were discussed as possibilities:

(a) An agreed joint statement by US-UK followed by a general conference of the United and Associated Nations.

(b) As in (a), except that the agreement of USSR and France and possibly others would be sought before a general conference was called.

³⁷ Most-favored-nation.

(c) A statement by US alone after informal agreement had been reached with UK and after US had talked it over with USSR and France; followed by a general conference.

It was recognized, of course, that the immediate task is to resolve differences developed in the course of the present talks.

WINANT

840.50/2-145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 1, 1945—4 p. m.

[Received 4:15 p. m.]

1109. Hawkins and Penrose had a conversation yesterday with Liesching, Eady, Robbins, Shackle, and Miss Kilroy (a senior Board of Trade official) on the United Kingdom position on cartels.

1. The United Kingdom officials summarized the present position of United Kingdom official thought on the subject as follows. For some years the United Kingdom Government has encouraged large units in the interests of efficiency. This process will have to continue but it is now recognized that it carries with it dangers of monopolistic developments. Government policy has been stated in paragraph 54 of the White Paper on employment policy, 6527 of 1944, and legislation will be necessary to implement that statement. Such legislation will involve inquiries into the operations of British firms involved in cartels. It is doubtful whether time can be found for the legislation in the remaining life of the present Parliament. An investigation is being made into the patents and designs acts.

2. There has been a real change of opinion on the subject and in policy in Great Britain. It is now generally agreed that the dominating aim must be expansion of trade and that restrictive cartels hamper trade. It is also agreed that restrictions that are international in scope are a subject in themselves and go beyond questions of domestic monopoly.

3. However, United Kingdom officials believe that the time is not ripe for drastic and inflexible treatment. Their impression is that United States legislation on monopoly is difficult to administer even after long experience and has been toned down by considerations based on practices. They think that attempts at world application of such legislation would be difficult and dangerous and that in the present stage of international development an experimental approach must be adopted.

4. They favor the establishment of machinery for international consultation within an international trade organization. This consultative body would deal with complaints that the general purposes of

the commercial convention were being frustrated by restrictive operations of private interests. On request it would ask governments to make investigations of operations of firms within their territories that might be parties to restrictive measures of international scope. It would not have judiciary powers and there would be no formal commitments to accept rulings from it but there would be mutual agreement and obligation to take such measures as are practicable to maintain the purposes of the convention. There would be no code of rules laid down *a priori*. Each case would be considered on its own merits. Precedents would be built up which could be appealed to. The cardinal sin would be that of frustrating the purposes of the commercial convention and thus hindering the flow of international trade. Investigations would be made in the light of the principles not only of the articles of the convention but also of the preamble, and the object would be to check international practices of private enterprises that would tend to evade these principles.

5. United Kingdom officials said they were anxious that we should realize that United Kingdom is not so cartel ridden as is popularly supposed in some quarters. They estimate that three-quarters of their exports have not been and are not likely to be subject to any form of restrictive agreements and that only 16 percent were covered by monopoly agreements.

6. They said that United Kingdom could not consider the establishment of any separate body dealing with international cartels outside the international trade organization and that provisions relating to international cartels as well as those relating to commodity agreements should be included within the general commercial convention and not made the subject of a separate convention.

7. We criticized the United Kingdom position on a number of points and urged further consideration of points set out in tentative United States official papers. However, as this would be familiar ground we have confined our message to an elucidation of the present position of United Kingdom officials.

WINANT

840.50/2-545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 5, 1945—8 p. m.
[Received February 5—4:11 p. m.]

1260. After further personal discussions foreshadowed in the last sentence on [*in*] the fifth paragraph of section 2³⁸ of Embassy's 725,

³⁸ Evidently telegram 725 was paragraphed differently on receipt in the Department than when sent from London. As herein printed, the reference is to the last sentence in the fourth paragraph of section 2, p. 14.

January 20 it has become clear that in the United Kingdom agricultural proposals subsidies are not treated in a precisely parallel manner with quotas and tariffs. The concept of protection in the definition of the symbol X given in the second paragraph of section 2 of the above message should be defined as follows:

Let X equal the permitted protection, which is the degree of protection by tariffs or quotas or both required to maintain the permitted excess of domestic price over the average world price in the base period.

“Domestic price” is conceived of as the price at the consumer and not the producer end.

It follows that in this context subsidies are not to be regarded as “protection” and this should be kept in mind in interpreting the third paragraph of section 2³⁹ of the message cited above. The term “protectionist measures” there used means tariffs and quotas but does not include subsidies. Thus, if in given conditions P equalled X but Q were less than Y there would be no ban on raising Q to Y by means of subsidies though there would be a ban on raising it by tariffs or quotas.

This renders invalid the second sentence in paragraph 5 of section 2 of the message cited.⁴⁰

Please bring this message to the attention of Hawkins and Steere when they arrive.

WINANT

840.50/2-545: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 8, 1945—7 p. m.

[Received February 8—5:25 p. m.]

1376. 1. Keynes⁴¹ in a personal conversation with Hawkins and Penrose said that much mutual toleration will have to be exercised on international economic matters in the transition period. For that reason, he added, it is all the more important that long term commercial policies should be worked out and agreed as soon as possible. This will keep expedients that may have to be resorted to in the transition period in their proper perspective and offset the danger that such temporary devices may harden into permanent practices.

2. Britain, said Keynes, is a traditionally free trade country and has a fundamental and inescapable interest in the multilateral organiza-

³⁹ As herein printed, the reference is to the second paragraph of section 2, p. 13.

⁴⁰ As herein printed, the reference is to the second sentence in paragraph 4 of section 2, p. 14.

⁴¹ John Maynard Keynes, Financial Adviser to the British Government.

tion of world trade. The circumstances of the great depression and the world war have drawn the United Kingdom into practices which were unavoidable in the special circumstances of the times but would be disastrous to Britain's interest if adopted here and elsewhere as permanent policies. Much nonsense has been written and said in favor of bilateral bargaining and restriction by a vocal minority in Britain who have had a somewhat open field because of the absorption of economists and administrators in government.

Keynes added that he and others will shortly organize a counter offensive to offset the effects of this restrictionist propaganda and to demonstrate to the public the necessity of multilateral economic relations to serve the interest of Britain.

3. Keynes said that the United Kingdom position on commercial policy will be a very moderate one. The amount of protection involved in the United Kingdom agricultural proposals (i.e. the values to be given to the symbols X and Y as defined in Embassy's 725 January 20, section 2 and 1260 February 5) will not be high. This is in accord with previous views expressed to United States by Liesching, Eady and Robbins.

4. It is important, however, Keynes added, to recognize that greater difficulties will arise when we enter into discussions with highly protectionist countries which are in an early stage of industrial development but are determined to industrialize. Keynes dwelt at some length on these difficulties, but in a very tentative manner, as if he were thinking aloud rather than expressing a clearly worked out [*out*] position. It may not be practicable, he said, to get some of these countries, particularly India, to enter into a convention that will go as far as United States and United Kingdom will be prepared to go. In such cases he is himself somewhat heretical with regard to the most favored nation principle, but the Board of Trade is firmly wedded to it. Therefore he thought it might not be practicable to bring every country into the convention at first. Too sharp a discrimination against nonmembers might cause political difficulties. Possibly the countries in an early stage of industrialization might be given some period to adjust before fully embracing the convention. The trouble is that though they use the infant industry argument they do not want to drop protection later.

5. Keynes thinks that there will be no difficulty in getting the world bank approved in Parliament. As regards the Monetary Fund it may be best to wait for it to pass through Congress first. He emphasized once more the vital importance to British attitudes on economic reconstruction of the prospects of the maintenance of a high level of employment in the United States and added that the opposition to the

nomination of Wallace⁴² is widely interpreted here as indicative of American unreadiness to accept the implications of a full employment policy.

WINANT

*The British Prime Minister (Churchill) to President Roosevelt*⁴³

SEBASTOPOL, 13 February, 1945.

MY DEAR FRANKLIN: 1. I have to thank you for your letter of February 10⁴⁴ about Article VII of the Lease-Lend Agreement. I cabled this home to the Cabinet and have now had a full reply from them. It appears that during the past six weeks there has been a regular series of discussions in London between a group of high British officials and three American officials led by Hawkins, who was head of the division in the State Department which deals with Commercial Policy and is now attached to the American Embassy. You may remember that discussions took place in this form at the suggestion of the State Department and were designed to ascertain informally, without of course committing either Government, where both countries now stood as a result of consideration since the talks in Washington rather more than a year ago.⁴⁵ Although Commercial Policy was the main subject, the talks covered the whole range of Article VII and seemed to our people to have let light into many obscure corners.

2. Mr. Hawkins went back a week ago to Washington to report and is due to return to London at the beginning of next month to tell us the Washington reaction to the talks. We shall then be able to consider with all practicable speed whether such differences as may be found to remain between the United States and the United Kingdom can be bridged and if so, what should be lines of procedure for consideration of policy by other United Nations.

3. The War Cabinet do not wish to commit themselves at this stage of the war to sending a high-powered delegation to Washington. This must involve bringing other countries into the discussions, notably France, at an early stage and of course the present mood of the Dominions must be ascertained before we go further on general policy.

4. In view of the above, would it not be better to wait till we have both returned home and have been able to review the progress made in the informal discussions? I shall be very glad to talk this over with you when we meet.

Yours sincerely,

WINSTON S. CHURCHILL

⁴² Henry A. Wallace had been Vice President of the United States, 1941–45. He was not renominated for the position in 1944.

⁴³ Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

⁴⁴ *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 962.

⁴⁵ See *Foreign Relations*, 1943, vol. 1, pp. 1099 ff.

*Memorandum by the Ambassador in the United Kingdom (Winant)*⁴⁶

[LONDON, undated.]

MEMORANDUM ON ARTICLE VII

(Prepared by Ambassador Winant with the assistance of Mr. Hawkins and Mr. Penrose.)

1) The period between the wars was one of international trade warfare. Each country, by raising tariffs, imposing quota restrictions, negotiating preferential arrangements, utilizing restrictive and discriminatory exchange controls, and by subsidizing exports tried to take care of its own producers at the expense of those in other countries. In consequence international trade was in large part destroyed. Since all countries are in varying degree dependent upon it for their prosperity, all suffered. The international economic policy of nations became a struggle for a shrinking world trade, and the very policies whereby each sought to save itself caused world trade to shrink still further.

2) The economic strength of the United States is greater than that of any other country. Its production and consumption is a large part of the production and consumption of the entire world. It is the greatest creditor nation. The policies it pursues and advocates will be decisive in determining whether mutual impoverishment or mutual prosperity will characterize economic policies in the postwar world.

3) The opportunity to do something about this is unparalleled but fleeting. When the war is over production and trade will be disorganized. Production in the United Nations must be converted from wartime to peacetime purposes. We speak of reconversion but it would be a tragic mistake if we and other countries merely went back to what we had before the war; if each country again sought to produce what it consumes without regard to the fact that it might more economically import more of its requirements from other countries and thus benefit itself and the countries from which it buys. The trade policies which nations adopt when the war is over will determine to a large extent the pattern of production which will develop throughout the world as production for war gives way to production for peace. Tragic and costly as this war has been it has for the time being destroyed much that is bad. The fact that the world economy is in a state of flux gives us the opportunity to create a new and better pattern. But it is an opportunity which we will have only for a relatively brief time. If things are allowed to drift, production and trade will tend to revert to what they were and will solidify into the prewar pattern

⁴⁶ Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. For subsequent consideration of this memorandum, see telegram 1844, February 22, 7 p. m., from London, *infra*.

that Secretary Hull and the present Administration sought so persistently but found so difficult to change because of the resistance of vested interests.⁴⁷

4) We should seek now international agreement on a code of rules to govern trade relations. The code should outlaw high pre-war tariffs; prohibit quota systems; rule out discriminatory trade arrangements; forbid subsidies whereby Governments throw their financial strength behind their own producers to crush the competition of those in other countries; prevent private interests through cartel arrangements from frustrating the efforts of governments to stimulate international trade. At the same time agreement should be sought on the principles to govern arrangements for stabilizing the position of primary producers who have suffered so seriously from the wide swings and erratic behavior of staple commodity prices and at the same time permit customer needs to be efficiently served. An international trade organization should be established to harmonize trade policies of nations and to study the technique whereby trade policies can be made mutually helpful rather than mutually destructive, and to formulate and supervise the operation of intergovernmental arrangements having these ends in view.

5) We have had extensive discussions of an exploratory sort with British officials on these questions and find [find] a large measure of agreement on what needs to be done. They recognize that a solution of the problems of trade relations is essential; that the mutually destructive rivalry of the past created friction and ill-feeling and that if this continues in the future, it will do much to destroy the spirit of cooperation on which success in organizing a peaceful world must rest. But the difficulty of the problems presented is also recognized; these problems have defied solution in the past.

6) The following steps are suggested for consideration:

(a) Complete our discussions with the British with a view to reaching agreement in detail on the principles that should govern postwar international trade relations; the kind of measures which nations should adopt and the commitments they should make to implement those principles; and the kind of world trade organization that should be set up to foster the application of these principles and the acceptance of these commitments.

(b) Message by the President to Congress advocating the adoption of the foregoing as the policy the U.S. should seek to implement. The fact of agreement having been reached with the British should not be stated although reference might be made to the fact that extensive exploratory discussions with them and other countries indicates the

⁴⁷ Reference is to Cordell Hull, Secretary of State, March 4, 1933, to November 30, 1944, and his efforts to liberalize United States foreign trade policies, particularly by reciprocity measures as outlined in the Trade Agreements Act, June 12, 1934, 48 Stat. 943; see *Foreign Relations*, 1935, vol. I, pp. 536 ff.

possibility that there is good prospect of wide acceptance of what we advocate.

(e) The U.S. should then put forward to other countries a statement of principles on commercial policy to serve as the basis for a United Nations conference the aim of which would be,

(i) to secure general adoption of a fairly detailed set of principles on commercial policy;

(ii) to establish at once an International Trade Organization, or at least an Interim Trade Organization which would soon be replaced by a permanent organization;

(iii) to direct the Trade Organization to translate these principles into a detailed multilateral convention to which all United and Associated Nations would be invited to adhere.

7) If the President of the United States should take the lead in advocating well thought out policies and concrete proposals in the field of international trade policy, public opinion throughout the world might well fall in behind him, and plans for reconversion to peacetime production might in large measure be made in the light of the principles and policies enunciated by him.

123 Hawkins, Harry C. : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 22, 1945—7 p. m.

[Received February 22—3 p. m.]

1844. For Hawkins. After you left I worked with Penrose on your memorandum in [on] commercial policy⁴⁸ and made some changes in it. I discussed it in its revised form with the President who took a copy with him and asked me also to take it up with Hopkins.⁴⁹ The President wanted you to contact Hopkins in Washington. I want you to do this even if it means staying longer in Washington.⁵⁰ I am sending to you this evening by messenger a letter⁵¹ and a copy of the

⁴⁸ Mr. Hawkins had left London for Washington on February 5, 1945; reference is to Ambassador Winant's memorandum, *supra*.

⁴⁹ Harry L. Hopkins, Special Assistant to President Franklin D. Roosevelt. Ambassador Winant had joined President Roosevelt and Mr. Hopkins at Alexandria, Egypt, following the Yalta Conference and proceeded with them aboard the U.S.S. *Quincy* to Algiers; see Robert E. Sherwood, *Roosevelt and Hopkins* (rev. ed.; New York, Harper and Brothers, 1950), pp. 872-873. According to a memorandum of conversation by Secretary of State Stettinius, March 14, 1945, it was at this time that Ambassador Winant's memorandum was discussed with President Roosevelt and Mr. Hopkins (840.50/3-1445).

⁵⁰ An attached hit and a manuscript note indicated that Mr. Hawkins had already returned to London without having seen this telegram. He then made a second trip to Washington early in March, discussing economic policy and Ambassador Winant's memorandum with Secretary of State Stettinius but was unable to see Mr. Hopkins because of the latter's illness (840.50/3-1445; 121.42/-3-545).

⁵¹ Not found in Department files nor in the Franklin D. Roosevelt Library, Hyde Park, N.Y.

memorandum which I left with the President. Please keep Assistant Secretary Clayton fully informed.

WINANT

Secretariat Files : Lot 122, Box 13148

*Memorandum by the Secretary of State's Staff Committee*⁵²

[Extract]

[WASHINGTON,] March 5, 1945.

METHODS AND PROCEDURES FOR THE EXPANSION OF
INTERNATIONAL TRADE

The Problem

A decision by the Department is required as to the methods and procedures which it will support in seeking to achieve basic United States objectives in the field of commercial policy. Until a Departmental position has been taken no further progress can be made, either internationally or within this Government with plans now under consideration.

Recommendations

It is recommended that the Department approve the following position:

Methods

1. The United States should seek the agreement of as many nations as possible that the following basic objectives of commercial policy should be jointly pursued:

(a) the maintenance of high levels of employment and income by domestic and international measures;

(b) substantial reduction of import duties, and the eventual elimination of quotas and exchange controls;

(c) the elimination of all forms of discriminatory trade treatment;

(d) the elimination of export subsidies and the regulation of other subsidies affecting commodities that move in international trade;

(e) the elimination of restrictive international private business arrangements;

(f) with respect to such intergovernmental commodity agreements as may be necessary to meet emergency situations with respect to primary products in surplus supply, the establishment of procedures designed to protect the interests of consuming nations, to stimulate demand and to bring about the shifting of production from less efficient to more efficient sources of supply.

⁵² This document, SC-55b, was approved by the Secretary of State's Staff Committee on February 27, 1945. The position herein set forth was to be quickly modified by the developments outlined in telegram 1685, March 5, to London, *infra*; see also memorandum by Assistant Secretary Clayton to Mr. Hawkins, April 28, p. 45.

2. In order to implement these objectives, the United States should propose and strongly support the negotiation, among as many countries as possible but including at least a nucleus of the major trading nations, of a multilateral commercial-policy agreement along the lines of the draft now under consideration in the Executive Committee on Economic Foreign Policy. This draft is summarized in Annex I attached to this document.⁵³ Briefly it would involve:

(a) recognition of the importance of maintaining high levels of employment and income by domestic and international measures and affirmation of the principle of international consultation on anti-depression policies;

(b) the substantial reduction of import duties by means of a formula applied horizontally to the tariffs of all countries, this formula to be accompanied, however, by an appropriate "escape" clause permitting temporary emergency measures limiting imports;

(c) the elimination of tariff preferences;

(d) the general abolition of quotas, subject to exceptions chiefly of an emergency or transitional nature;

(e) the general elimination of export subsidies and the regulation of other subsidies;

(f) the establishment of suitable principles concerning state trading;

(g) the regulation and eventual elimination of exchange controls by provisions consistent with and supplementary to the Monetary Fund; and

(h) the establishment of an appropriate international trade organization.

3. At the same time, the United States should propose and strongly support the negotiation among as many countries as possible, but including at least a nucleus of the major trading nations, of a multilateral understanding for the elimination of restrictive international private business arrangements, such understanding to be an integral part of the general commercial policy agreement.

4. At the same time, the United States should propose and strongly support the negotiation of a broad multilateral understanding with respect to commodity policy and commodity arrangements, such understanding also to be an integral part of the general commercial policy agreement. It should embody the agreed principles which would govern the institution and operations of particular commodity agreements, including, among others, (a) the principle that the interests of consuming nations must be protected, and (b) the principle that any commodity arrangement should, through measures stimulating demand and shifting production from the less efficient to the more efficient sources of supply, provide for the gradual correction of the abnormal supply-demand situation which necessitated the commodity arrangement.

⁵³ Not printed.

5. If it becomes clear in the course of negotiations that the agreement of a sufficient number of other countries in respect of any one or more of the measures described above cannot be obtained in an agreement of this kind, an effort should then be made to provide in that agreement for such of the measures as may be practicable and equitable, and to reach agreement that action with regard to the other measures will be taken by some other appropriate means, such as the conclusion of individual, bilateral, trade agreements, on the unconditional most-favored-nation principle.

840.50/3-545: Telegram

*The Acting Secretary of State to the Ambassador in the
United Kingdom*

WASHINGTON, March 5, 1945—9 p. m.

1685. In response to Hawkins' request while in Washington,⁵⁴ the following current developments are reported regarding trade-barriers legislation:

1. The initial reaction of House leaders (including Rayburn,⁵⁵ McCormack,⁵⁶ Doughton⁵⁷ and Cooper⁵⁸) to section 3⁵⁹ is very discouraging. While they seemed to like the objective of the section they were fearful that its inclusion would complicate and prolong Congressional consideration of section 2, and make it very difficult, if not impossible, to get section 2 unqualified by some form of Congressional approval. They did not close the door to section 3 but

⁵⁴ A memorandum of conversation by Walter M. Rudolph of the Commodities Division, February 15, 1945, recorded Mr. Hawkins' view on commercial policy "that it was indispensable at this time that we make contacts with Congressional leaders to advise them of our position and to sound out their views on the subject." He had also asked to be kept informed on developments relating to his discussions with the British in London. (840.50/2-1545)

⁵⁵ Rep. Sam Rayburn, of Texas, Speaker of the House of Representatives.

⁵⁶ Rep. John W. McCormack, of Massachusetts, Majority Leader in the House of Representatives.

⁵⁷ Rep. Robert L. Doughton, of North Carolina, Chairman of the Ways and Means Committee of the House of Representatives.

⁵⁸ Rep. Jere Cooper, of Tennessee, Member of the Ways and Means Committee and of the Special Committee on Post-War Economic Policy and Planning of the House of Representatives.

⁵⁹ Reference is to a Draft Joint Resolution, not printed, prepared for the Secretary of State's Staff Committee concerning a legislative program for extension of the Trade Agreements authority of the President (SC-39a, February 15, 1945). Section 1 of this draft resolution proposed renewal of the Trade Agreements authority for 3 years. Section 2 related the 50 percent limit on reductions of United States tariff rates to the rates in effect January 1, 1945, that is, those already reduced by Trade Agreements in force, rather than to the rates of 1934 as provided in the Trade Agreements Act, June 12, 1934 (48 Stat. 943). Section 3, drawn up as a concurrent resolution, proposed Congressional approval for a broad approach by the President in the field of international trade, designed to remove barriers and facilitate the flow of commerce.

Departmental officers who met with them came away with the feeling that the leaders felt very strongly that it should be dropped.

2. The Department and the Executive Committee are therefore considering alternative courses. Among the possibilities is to start with a two-section bill, consisting of the present section 1 plus either section 2 or section 3. Your comment on these proposals from the point of view of aid to the negotiations will be welcomed.

GREW

840.50/3-945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 9, 1945—1 p. m.

[Received March 10—5:40 a. m.]

2440. From Judge Rosenman.⁶⁰ A discussion was held yesterday with Lord Keynes, Sir Wilfrid Eady and Mr. Harmer of the British Treasury on the British post-war Department and Phelps of State Department.⁶¹

It was agreed that this discussion was to be completely off the record and not for publication in any way; that it [represented personal?] views rather than the official views of the Government.

I stated briefly that the main objective of the mission was to investigate supply matters for the liberated areas but that you also wished me to speak informally with high officials about reconstruction and post-war financial problems so that some background might be secured for our own thinking on these topics.

Lord Keynes replied that their chief interest and attention had been focused on the Phase II agreement including the renewal of the Lend-Lease Act,⁶² and the request for appropriation. He stated that further discussions might be scheduled for early summer or soon after the end of hostilities in Europe. At that time the most important immediate problem would concern: (1) arrangements for the transitional period immediately following the cessation of hostilities in the Pacific during which military expenditures will continue; (2) the time and the arrangements under which Lend-Lease and mutual aid deliveries

⁶⁰ Samuel I. Rosenman, Special Counsel to President Roosevelt, was on a special mission to the countries of northwest Europe as the President's personal representative to inquire into the problem of civilian supplies for liberated areas; for documentation on the subject, see vol. II, pp. 1059 ff.

⁶¹ Apparent garble. Presumably the sentence was intended to read: "A discussion was held yesterday with Lord Keynes, Sir Wilfrid Eady and Mr. Harmer of the British Treasury and Phelps of State Department on the British post-war financial outlook." Frederic E. Harmer was Temporary Assistant Secretary, British Treasury; Dudley M. Phelps, Chief of the Division of Foreign Economic Development, was accompanying Judge Rosenman.

⁶² Approved March 11, 1941; 55 Stat. 31.

will be terminated including materials in the pipeline. Apparently the British feel that the lack of decisions on these matters and certain imponderables, including (a) the duration of the war in the Pacific, (b) the rate of growth of sterling balances, (c) the rapidity of reconversion and the increase in exports achieved after V-E Day, and (d) the results of a general election if one be held, make it impossible to evaluate accurately the British post-war financial position at this time. Lord Keynes stated it as his personal opinion that neither lend-lease nor credit arrangements under section 3c⁶³ would be acceptable to the British after hostilities in the Pacific had ceased.

Lord Keynes noted that British will be the only United Nation which will emerge from the war with a seriously impaired external financial position and stated that some way must be found to improve this position if an effective world economic structure of the type desired both by the United States and Britain is to be attained. In this discussion Lord Keynes said that bilateralism and regional preferential systems were considered by the present Government as poor alternatives to full international collaboration on a non-preferential basis. It was his belief that if a workable economic system could be established these alternatives would not appear as significant nor as attractive to British officials as might be inferred from present discussions. A further conference on this general topic will be arranged with Sir John Anderson, Chancellor of the Exchequer.⁶⁴ [Rosenman.]

Judge Rosenman requests the above message be delivered to the President.

WINANT

840.50/3-1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 12, 1945—7 p. m.
[Received March 12—4:15 p. m.]

2555. Your 1685, March 5, 9 p. m. After reviewing the talks we have had with the British in London I consider that the greatest importance should be given to the initiation by the President of negotiations towards a multilateral agreement among the United and Associated Nations along the lines of section 3 of the proposed draft bill.⁶⁵ I do not think renewal of the Reciprocal Trade Agreements Act,⁶⁶ even with powers to make greater reductions in tariffs, would in

⁶³ Section 3c was substantially altered when the Lend-Lease Act was renewed, April 16, 1945; 59 Stat. 52.

⁶⁴ No record of such a conference has been found in Department files.

⁶⁵ See footnote 59, p. 27.

⁶⁶ Approved June 12, 1934 (48 Stat. 943); as amended by the Act of June 7, 1943 (57 Stat. 125).

itself make a great enough impression in UK to counteract the views either of the reactionaries who do not like article VII or the honest doubters who wish to support it but fear that we shall not be ready to do our part in implementing article VII.⁶⁷

Our position on commercial policy will also affect the British attitude not only on commercial policy but on Parliamentary action to implement the Monetary Fund plan.

I think that the prospect of success in any area of our total plan for giving effect to article VII depends on what happens in the other areas and that it is now most urgent that we should take the lead in attempting to bring a commercial policy program as quickly as possible to as advanced a stage as the Bretton Woods proposals.

For these reasons I think that first importance should be given to the inclusion of section 3. I hope that it may yet be possible to include section 2 also, but it seems to me that sooner or later it will be necessary to obtain Congressional approval for a commercial policy measure that will go far enough to make a deep and convincing impression here and get the support of the British Government.

WINANT

[For text of press release, dated March 13, concerning discussions between President Roosevelt and Prime Minister W. L. Mackenzie King of Canada on the international economic and trading policy, see Department of State *Bulletin*, March 14, 1945, page 434.]

861.51/3-2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 22, 1945—9 p. m.

[Received 11 : 59 p. m.]

2978. For Secretary of Treasury ⁶⁸ from Mann.⁶⁹ Reference to your 1936, March 13.⁷⁰

1. Sir David Waley ⁷¹ states that in general the United Kingdom because of United Kingdom external financial position will not be in a position to extend credits to European countries. The United Kingdom Treasury appreciates fully the need of the liberated coun-

⁶⁷ See footnote 29, p. 12.

⁶⁸ Henry Morgenthau, Jr.

⁶⁹ James H. Mann, U.S. Treasury Department.

⁷⁰ Not printed.

⁷¹ Under Secretary, British Treasury.

tries of Europe for credits to obtain the imports necessary for restocking and reconstruction but feels that these countries "should look to creditor nations like the United States and Canada for necessary loans and not to debtor nations like the United Kingdom".

2. According to Waley it will be necessary in the financing of British exports to provide arrangements for short term commercial credits but the emphasis will be on selling British exports for cash whenever possible. He did not elaborate on what such arrangements would be but emphasized that while flexible enough to cover all types of goods the credits would be basically short term in nature.

3. Waley states that a credit of about 5,000,000 pounds will probably be given to Czechoslovakia because of a pre-war commitment on the part of the United Kingdom when Czechoslovakia made its gold available to the United Kingdom.

4. Reference to Embassy's 1749, February 20 to the Department.⁷² British have still not received a reply to British proposal of short term credits in the neighborhood of 30,000,000 pounds. Waley mentioned that the proposal was made largely as a political gesture and suggested that it may prove necessary for political reasons to make exceptions in the case of other nations to the United Kingdom Treasury policy of not extending credits.

5. According to Waley the Turkish Government approached the British with a view to obtaining credits and was immediately advised by the British that they were not in a position to extend credits. None of the other European countries have approached the British for credits.

6. With regard to France you are referred to the Anglo-French financial agreement ⁷³ which Waley states was made available to you in Washington on March 21, 1945. [Mann.]

WINANT

840.50/4-245

*The Deputy Director of the Office of European Affairs (Hickerson)
to the Canadian Ambassador (Pearson)*

WASHINGTON, April 7, 1945.

DEAR MIKE: You may recall that when Norman Robertson ⁷⁴ and you had a discussion with Harry Hawkins and me some weeks ago we promised to send Norman the views of our experts on the British pro-

⁷² Not printed.

⁷³ Anglo-French Financial Agreement of March 27, 1945; British Cmd. 6613, France No. 1 (1945).

⁷⁴ Canadian Under Secretary of State for External Affairs.

posal with regard to agricultural policy clauses in connection with the proposed multilateral approach for the reduction of trade barriers.⁷⁵

I now enclose two copies of this memorandum. Will you be good enough to send a copy to Norman. I am sure that Norman and you will appreciate the tentative and informal character [*character*] of the views expressed in this memorandum.

Yours sincerely,

JOHN HICKERSON

[Enclosure]

MARCH 1945.

SOME VIEWS OF UNITED STATES EXPERTS ON THE BRITISH PROPOSAL WITH REGARD TO AGRICULTURAL POLICY CLAUSES OF A MULTILATERAL AGREEMENT FOR THE REDUCTION OF TRADE BARRIERS

1. It is understood that the British are giving serious consideration to a proposal that, in an international agreement for reducing trade barriers, contracting states be permitted to deal with special problems of agricultural price or income support, affecting a list of "primary foodstuffs" to be set out in the agreement, by any methods of intervention they wish to use, provided:

(a) that their domestic production of these commodities does not exceed Y percent of a pre-war base; and

(b) that their domestic (presumably wholesale) market price of these commodities does not exceed the world market price by more than X percent, the values of X and Y to be negotiated and specified in the agreement. If a state's production of a commodity were to rise beyond the Y level of the agreement, the government would be obliged to modify its intervention accordingly.

2. The following observations appear to apply to this proposal:

(a) It recognizes that provisions that will permit agricultural support policies must be included in the multilateral agreement.

(b) It suggests that importing countries must be permitted to maintain a certain level of agricultural production even though, to the disadvantage of exporting countries, this probably would result in the trade barriers on certain agricultural products being reduced by the agreement to a smaller extent than trade barriers on other products. Moreover, it would seem impracticable to negotiate with regard to a separate list of products for each country or a single list for all countries and, therefore, a formula would undoubtedly have to be developed

⁷⁵ Presumably Mr. Hickerson is referring to a conversation at the Canadian Embassy on March 10 at which he, Messrs. Robertson, Pearson, Hawkins, and others, were present. In a memorandum of the conversation, dated March 14, Mr. Hickerson stated that there took place "a considerable amount of general conversation about post-war economic policy". Mr. Hickerson's memorandum did not contain mention of a promise to forward the document referred to, but this may have been because he listed only the salient points of the discussion, and because he wrote his memorandum 4 days after the event (840.50/3-1445).

that would be generally applicable wherever certain definable conditions are met; e.g. a provision, applicable to any product, under which a country could, provided it restricted its production to a fixed agreed-on percentage (say 75% or 100%) of production in a specified period, use whatever trade barrier it wished provided the domestic price of the products did not exceed the world price by more than an agreed-on percent. In this connection, a problem arises because of the fact that some importing countries had pushed their pre-war agricultural production to uneconomic levels to a much greater degree than had others.

(c) It does not seem to envisage the possibility of eventual adjustment of importing-country production toward economic levels when generally improved international conditions may permit.

(d) It leaves open the possibility for world prices of important agricultural products to be driven to abnormally low levels by competition among exporting countries for what remains of the market after the supported production in the importing countries has been absorbed.

(e) If it were applied to exporting countries, the British proposal would involve export subsidies equivalent to the value of the X percentage.

840.50/4-2145: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 21, 1945—9 p. m.

[Received April 21—7 p. m.]

4118. ReEmb's 1376, February 8 and preceding messages in the series. Yesterday Penrose discussed informally with Liesching, Eady, Robbins and Shackle some aspects of the draft convention on commercial policy.⁷⁶ The discussion of agricultural aspects of the subject has been postponed to a date when Fergusson and Steere are able to be present.

1. We took up as fairly closely connected aspects of the subject the questions of revenue duties, infant industries and defense industries. We expounded again in detail the position in the draft convention with respect to revenue duties and stressed both the wide openings for countries with inadequately developed taxation machinery to raise revenue by such duties and also the provision (article II section 2) against attempts at concealed protectionism under the guise of revenue duties. Finally we strongly pressed the United Kingdom officials to accept these proposals as adequate for revenue needs and not to seek exceptions for revenue purposes in the provisions for reducing existing tariffs and preventing the imposition of new tariffs.

2. Eady and Liesching asked what would be the procedure for obtaining compliance with article II section 2 and expressed the

⁷⁶ Draft Multilateral Convention on Commercial Policy, October 1944; not printed.

opinion that a general impairment clause might be invoked to bring complaints [*compliance?*] regarding actions out of harmony with that article.

3. The discussion then turned to infant industries. We stressed our preference for the use of subsidies for this purpose rather than tariffs and other protective measures and referred to the openings for raising revenue mentioned in paragraph 1 above, but indicated that if formidable pressure was brought to bear at a trade conference in favor of an infant industry exception in respect of tariffs we might be able to agree to it if adequate safeguards could be established. We considered however (a) that attempts should be made without delay to draft safeguarding provisions for expert examination, and (b) that it would probably be better to hold back such provisions in reserve for use if a strong demand arose for them at the conference.

4. United Kingdom officials expressed satisfaction at the points in the first part of the preceding paragraph but strong opposition to point (b). They maintain that India and other countries in an early stage of industrialization would be alienated at the outset if no provision were put forward for an exception of infant industries in the initial tariff proposals, and after considerable discussion they were still unwilling to modify their view. We do not think their position is sound and will return to it in subsequent discussions but we wish to point out that the question should be examined both in Washington and London, not simply in relation to a draft convention but also and perhaps in the first place, in relation to a draft statement of principles which should form the basis of the agenda of a future United Nations conference. Since such a statement would be less detailed than the draft convention which would have to be worked out subsequently, there may be room for some compromise between our view and that of the United Kingdom. However, though the present attitude of United Kingdom officials is unfavorable we suggest that it would be advisable to press them at least to accept among such principles a statement recommending the use of subsidies wherever practicable instead of tariffs for infant industries.

5. We questioned the United Kingdom officials closely on their conception of the precise form in which an infant industry exception to the tariff provisions could be drawn. They referred to the practice in some countries of requiring industrial applicants for tariffs to justify their claims to infant industry protection before a tariff board but they consider that it would be impracticable to apply this procedure internationally or to require the initial agreement of the international trade organization to each case of infant industry protection.

After a long discussion in which it was clear that their views were very tentative, it appeared that their preference is for (a) the speci-

fication in the convention of general rules to govern infant industry protection, and (b) provision for appeals to the ITO⁷⁷ if the rules appear to be infringed in particular cases.

6. As to the rules the most concrete suggestions were that there should be a "tapering" formula providing for tariff protection over a limited period not to exceed a fixed ceiling which would be lowered in successive stages during that period, and that the criterion of eligibility for such protection should be fixed in terms of the percentage of supplies coming on the domestic market from domestic producers. For example an industry might qualify as an "infant" if it produced no more than X per cent of domestic supplies. This procedure would of course leave the way open for temporary protection of many infants with little or no prospects of survival to maturity. The only condition would be that the industry should not be too grown up when it applied for protection. This was acknowledged by the United Kingdom officials. They consider that it would be administratively impracticable to lay down rules for discriminating among the prospects of claimants to the status of infancy and they regard a considerable infant mortality rate as unavoidable.

The main function of the ITO would be to determine whether there was any infringement of the formula in respect to the height and period of protection.

7. The position of the United Kingdom officials on defense industries was encouraging on the whole. They appear unwilling to leave the subject to be covered only by our proposed provision for general exception in article 28 paragraph (h) of the draft convention.⁷⁸ Liesching thinks that that provision would be interpreted by other countries as referring merely to cases of economic sanctions. But they all expressed themselves vigorously against any wide definition of defense industries and emphasized the danger that the flood gates would be opened unless defense industry protection were confined to a very narrow range of products. Eady spoke strongly in favor of restricting defense industries to those producing specific armament products such as guns, armor plating and tanks. He thinks it would be disastrous to allow defense protection to be applied to the engineering industry as a whole, or even to the production of trucks. Robbins and Eady consider that adequate infant industry provisions will facilitate the acceptance of a narrow definition of defense industries. Liesching said that United Kingdom officials have not yet obtained the views of the services on this budget.

⁷⁷ Reference is to the proposed International Trade Organization.

⁷⁸ The section of the Draft Convention referred to reads: "Nothing in this Convention shall be construed to prevent the adoption or enforcement of measures . . . (h) undertaken in pursuance of obligations for the maintenance of international peace and security. . . ."

8. A further discussion will take place next Tuesday.⁷⁹ Please bring this message to the attention of Hawkins.

WINANT

740.00112 EW/5-145

Report by Mr. Lauchlin Currie⁸⁰ on Conversations with British Officials, March 1945

[WASHINGTON,] April 24, 1945.

Introduction.

I was authorized by President Roosevelt to stop over in London en route to or from Switzerland⁸¹ for the purpose of familiarizing myself with British official thinking on some emerging economic and financial problems. After discussing the matter with Ambassador Winant I arranged with the help of Dr. Penrose for a series of interviews in the period from the tenth to the sixteenth of March.

I had conversations with the following people: Anthony Eden,⁸² Richard Law,⁸³ Ronald Nigel⁸⁴ of the Foreign Office; Keynes, Eady, Waley of the Treasury; Meade⁸⁵ of the War Cabinet Secretariat; Stone of the Central Statistical Office; Liesching of the Board of Trade; Schuster, Member of Parliament, representing City views; Durbin, a leading Labor economist, and secretary to Major Attlee;⁸⁶ Clark, of the Ministry of Production.

In general I was interested in ascertaining views on Britain's post-war economic situation with particular reference to her balance of payments. On the political side I had some discussions on the mooted Northwest European alliance and on the treatment of Germany.

Britain's Post-War Economic Position.

1. *Employment.* I came away with a strong feeling that despite a certain amount of official pessimism those who are most actively studying this problem and are in a position to influence policy are relatively optimistic over the post-war outlook. There was no fear of widespread or chronic unemployment. Rather, there is concern that

⁷⁹ April 24. The next discussion actually took place on April 26; see telegram 4319, April 27, 9 p. m., from London, p. 41.

⁸⁰ Mr. Currie was Administrative Assistant to President Roosevelt and later to President Truman, on loan as Deputy Foreign Economic Administrator.

⁸¹ For information on Mr. Currie's role as head of the Allied Mission to Switzerland, see documentation concerning economic pressure applied against Switzerland to stop exports to Germany, vol. v, pp. 765 ff.

⁸² British Secretary of State for Foreign Affairs.

⁸³ British Minister of State.

⁸⁴ Sir Nigel Bruce Ronald, Acting Assistant Under Secretary of State, British Foreign Office.

⁸⁵ James E. Meade, Economic Assistant, Economic Section, Offices of the British War Cabinet.

⁸⁶ Clement R. Attlee, British Deputy Prime Minister and Lord President of the Council.

the available manpower be employed in directions most beneficial to the national interest. There appears to be little concern about the demand for British exports. There is, however, some anxiety lest the pull of domestic requirements may leave insufficient resources to meet this demand. Some thought is being given to the various ways in which the government might, without exerting too direct control, prevent absorption of too much manpower for the satisfaction of domestic demands. There was general assent to my suggestion that, whereas our problem would be to build up sufficient consumption to absorb our productive capacity, England's problem might be to hold down consumption so as to permit the requisite degree of capital formation for domestic and foreign purposes.

2. *Balance of Payments.* I found the same degree of optimism, though even less acknowledged, with reference to Britain's foreign balance of payments. Here I made an effort to get some indication on the proposed settlement of the large volume of sterling indebtedness. After talks with both Eady and Keynes, I was satisfied that while no one formula would apply to all sterling indebtedness, the overall settlement would be such as not to burden Britain unduly. Both men used the word "token" in connection with the repayment. Keynes suggested that a more "generous" settlement would be in order for balances which represent monetary reserves of other banking systems, and for balances of colonial areas for which Britain acts in a trustee capacity. On the other hand, I received the impression that very small payments would be made on the large Indian and Egyptian balances. Keynes indicated that while they were still increasing these balances they were reluctant to raise the subject of settlement. However, he expected that the British Government's policy in this matter would be formulated by the end of the year. Keynes believed that equilibrium in the British balance of payments could be attained in three years after the defeat of Germany.

In general the possibility of Britain achieving equilibrium without assistance from America or the International Monetary Fund or Bank is dependent upon (a) the quickness with which exports can be built up, (b) the length of the Japanese War and (c) the magnitude of Britain's contribution in that war, (d) the magnitude of lend lease in this period.

The goal on imports is not a pre-war figure but rather whatever volume is necessary to permit reconstruction and to provide for higher nutritional standards than prevailed before the war. I believe that these standards have been worked out and that if they could be secured some light would be thrown upon British objectives in the fields of domestic food production and imports. It is felt that while food

production would not attain the levels reached during the war it would remain higher than before the war.

I did not have an opportunity to get any data on British cost-price relationships with American costs at the present rate of exchange. However, the economists with whom I talked all seemed to feel that the present rate would be very satisfactory to Britain. Satisfaction was also expressed with the improvement in industrial and agricultural efficiency that has gone on through the war.

3. *Trade Policy.* General views on trade policy have been fully reported by the Embassy. I found general acceptance of our broad position in favor of a return to freer world trade on a multilateral basis. However, most of the people with whom I talked adopted a cautious attitude. They felt that the British commitment to remove exchange restrictions must be conditioned upon a full recovery of equilibrium in the balance of payments; that the principle of imperial preference must remain, although further reductions in the preference might be expected; and that we have probably not given sufficient weight to the strength of protectionist sentiment in Europe and in economically undeveloped countries. Keynes renewed his objection to the generalization of all tariff reductions through the most-favored-nation clause. He thought that the better way to proceed would be for the British Empire and the United States, together with whatever countries might care to join, to form a sort of customs union within which reduced rates would prevail. This would constitute an inducement for other countries to join but not be too severe a penalty if they elected to remain outside. He was strongly in favor of the promulgation of a broad statement of principles to apply to world trade and the setting up of an international trade organization.

4. *Use of Dollar Pool.* At the time of the Phase II lend-lease negotiations last year I persuaded Keynes to write a letter to Secretary Morgenthau making a commitment that the dollar pool of the sterling area would be used only for financial considerations and not to push British exports at the expense of existing American exports.⁸⁷ This letter has never been released. I raised the question of the advisability of releasing this commitment and Keynes, on behalf of the British Treasury, said that he had no objection in principle but that the particular letter referred to the lend lease negotiations and that a new document would be more suitable. He suggested I get in touch with Mr. Brand⁸⁸ on this matter on my return to Washington.

5. *Credits to Britain.* Sir George Schuster suggested that it would be to Britain's interest to borrow from us for the purpose of re-lending

⁸⁷ The letter, not printed, was dated November 20, 1944, and enclosed a document entitled: "Statement by Lord Keynes at the Meeting in Secretary Morgenthau's Office on 17th November 1944". The subject under reference was covered in this enclosure.

⁸⁸ Robert H. Brand, Chairman of the British Supply Council, Washington.

abroad, which would enable Britain to participate in long-term foreign capital developments and place her in a position to secure repeat orders. Keynes, on the other hand, was opposed to borrowing under any conditions.

6. *Cartels*. I found little interest or concern over the cartel problem. In fact Keynes stated that such firms as Imperial Chemicals had worked to increase volume at lower cost and that the most backward industries were those in which they had hundreds of small and independent operators, as in the textile and mining fields.

7. *Coal mining*. While the Conservative Party is opposed to the nationalization of coal mines, most of the people with whom I talked thought that it would be inevitable. The antagonism between the miners and the operators is such as to make impossible the investment of the hundreds of millions of pounds necessary to bring about the requisite technical improvements in this industry.

8. *Lend-Lease settlements*. I received the impression that the British would welcome an early lend-lease settlement that would wipe out the bulk of the obligation and would leave those items having a peacetime utility to be negotiated separately. However, they feel that any lead in this matter must be left to the United States.

The Position of Economists in the British Government.

In recent years the small group of professional British economists has attained a very influential and probably permanent place in the British Government. In general they have buried their doctrinal differences and are protected by the security, prestige and anonymity of the British Civil Service. It is proposed to continue the War Secretariat as a permanent secretariat to the Cabinet, with James Meade as Secretary.

The Labor Party and the United States.

Some interesting points were brought out in a discussion with Durbin, an influential economist in the Labor Party. He said that the Labor Party generally felt some hostility toward it in the United States. He cited the mixed reaction here to the Beveridge plan⁸⁹ and thought that the Labor Party's program of nationalization of mines, railroads, and utilities would encounter a critical reaction in the United States. He expressed the hope that some particular attention might be paid to Major Attlee during his visits to the United States.⁹⁰ He thought that the Labor Party's research and thinking had been weakest

⁸⁹ British Cmd. 6404, *Social Insurance and Allied Services, Report by Sir William Beveridge, November 1942*.

⁹⁰ Mr. Attlee was a member of the United Kingdom delegation to the United Nations Conference on International Organization, held at San Francisco, April 25–June 26, 1945; for documentation, see vol. I, pp. 1 ff. In November 1945, as British Prime Minister, he held discussions in Washington with President Truman and Canadian Prime Minister Mackenzie King; vol. II, entries in Index under: Atomic energy: Attlee–Truman–King meeting in Washington.

on the international economic side and admitted that the proposal for state purchases of imports had not been thought through.

Treatment of Germany.

Keynes was very exercised over the decision to exact reparations from Germany.⁹¹ With the current destruction in Germany and the proposed stripping of industrial equipment he was fearful that the outcome might be a situation in which the United States and Britain found themselves forced to put goods into Germany while the Russians were taking goods out. He thought that exports from Germany for the purpose of paying for necessary imports should come ahead of reparations. Since, in his view, it was not feasible to contemplate the imposition of sufficiently rigid and long-continued controls to permit the rebuilding of Germany for the purpose of getting increased reparations, we should plan to stay in Germany only sufficiently long to do what had to be done to war criminals and the stripping of German plant[s], and then get out, say, in two years' time. On the Reparations Commission, the British members may be expected to take the position that goods suitable for export to pay for imports of food, etc., should come ahead of reparations, and this will probably become an issue with the Russians.

The Western European Alliance.

One of the leading controversial, though undercover, issues in British government circles centers around the advisability of British taking the lead in forming a defensive alliance with Scandinavia, the Low Countries, and France. Proponents of such an alliance include Richard Law and Ronald Nigel of the Foreign Office. I was, however, assured by Eden that this was not the present policy of the British Government and that he personally is opposed to it. While ostensibly directed against Germany it would actually be directed against the Soviet.

The matter is likely to become a party issue in Britain as the proposal derives its strongest support from the Conservative Party and is most strongly opposed by the Labor Party. Although there are exceptions, most of the influential people in the Labor Party feel that the formation of such an alliance would indicate a lack of faith in the proposed world organization, would invite retaliatory action and would mark a continuance of the balance of power concept. Proponents of the alliance feel that Britain cannot entrust its safety to the world organization until it has been proved and that the alliance would place Britain in a position "where it could better fulfill its military obligations to the world organization".

⁹¹ For documentation on this subject, see vol. III, pp. 1169 ff.

840.50/4-2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 27, 1945—9 p. m.

[Received April 28—3:40 a. m.]

4319. ReEmbs 4118, April 21, and preceding messages in the series. In a further conversation which Penrose had yesterday with Liesching, Robbins and Shackle, methods of tariff reduction and the adjustment of duties to price level were discussed. Owing to the Commons discussion on the budget, Eady was prevented at the last moment from attending and discussion of exchange controls was deferred.

1. We made it clear that our draft suggestions were intended to permit a specific duty to be replaced by an ad valorem duty not higher than the equivalent of the specific duty in 1939 values and that they provided that the International Trade Organization should assist countries in the administration of ad valorem duties by providing expert advice where requested in the determination of commercial values of imports. We also pointed out that it would be unsound to provide for raising specific duties because of rises in prices without lowering them because of price declines.

2. Liesching considers that this question is the "most thorny of the technical questions that have to be faced". He and his colleagues emphasize the great extent to which specific duties are used among nearly all countries except United States, United Kingdom and some Dominions. They imply that the subject should be approached primarily in terms of the probable effects of any given proposals on the willingness of the large number of countries using chiefly specific duties to join in a convention. In their view there is a danger that waverers may be put off if the United States and United Kingdom, as countries using chiefly ad valorem duties, appear to them to be bringing pressure on countries using specific duties either to accept heavier tariff cuts in real terms or to make a wholesale change in their systems of tariff administrations. Robbins said the convention should not be allowed to appear in effect to inflict special penalties on those countries which did not make the change to ad valorem duties earlier.

3. As regards the assistance which the ITO could give under our suggested provisions they said there are two questions, (a) the determination of the 1939 values on which the shift to ad valorem duties is to be calculated, (b) the checking of declared values in the administration of ad valorem duties. They think it is in regard to (b) that the assistance of ITO would be needed but they fear that there will be difficulties in the early stages, when this assistance will be

particularly needed if a large scale shift over is to be made, in staffing the ITO with an adequate number of experienced experts.

4. We said that we do not exclude the possibility of making provision for the adjustment of rates in countries in which very large depreciation has taken place and questioned the United Kingdom officials closely on the form in which they consider that such adjustments could be made.

5. The views of United Kingdom officials on methods of adjusting duties to price level changes appear to be extremely tentative. They divide the price rises into two parts (*a*) the rise in the "world" price level, (*b*) the rise in the price levels of particular countries. They suggest that the former might be measured by the rise in the United States price index which might be taken in two groups, the first covering foodstuffs and the second covering the remainder of the products in the index. Regarding (*b*) they suggest that the two groups of the United States price index should be taken as general bases and rises in the price levels in particular countries should be calculated in terms of these bases. Specific duties would be adjusted accordingly and the reduction provided for in the convention would be applied to the revised figures.

6. We pointed out a number of difficulties regarding this method of adjustment including (*a*) the limitations, from the standpoint of the objectives in view, which are inherent in the use of weighted averages of considerable numbers of items: (*b*) the differences both in quality and coverage of the indexes of different countries: (*c*) the effect on the representative character of the indexes from a long term point of view, of the changes made by the war economy in the relative supply and demand conditions of different commodities, and the period of transition and instability in this respect which may continue for a time after the war.

7. Robbins admitted some of these and other points which we raised but the officials tended to fall back on the suggestion that such "technical" difficulties might be resolved by statistical experts. They appear to overestimate the possibilities in this respect and to underestimate the conceptual limitations on the resort to index numbers for such an adjustment.

8. We will explore the subject further with United Kingdom officials. While they favor a transition to ad valorem duties as an ultimate objective they consider it essential to find a working solution to the problem of adjusting specific duties in the case of countries unable or unwilling to change their administrative systems at the time of adoption of a convention.

9. We have considered the possibilities of some form of adjustment that would avoid the difficulties involved in the use of index num-

bers. One possible approach in calculating the duty to which the cut is to be applied might be to allow in certain cases the conversion of a specific duty into ad valorem equivalent in the 1939 price and the reconversion of the latter into a specific duty in terms of the price at the same time when the convention comes into force. Of course this would not avoid all the difficulties involved and unless it were restricted to a limited number of cases it would result in the raising of duties because of special supply conditions of a particular commodity rather than monetary factors.

10. If the matter is approached as the British appear to be approaching it, primarily as a political problem of how to secure the adherence of countries which use specific duties chiefly or entirely, it is of course possible that some manipulation of index numbers might serve the purpose. Whatever approach is made there is a difference between (a) allowing adjustments to be made of all specific duties of all countries and (b) confining adjustments to countries in which particularly extensive depreciation has taken place. Though the position of United Kingdom officials has not yet been defined precisely it seems to be nearer the first than the second.

11. Regarding tariff reduction we pointed out that under our suggested draft the determination of ad valorem equivalents of specific duties would only arise in respect to duties in the neighborhood of the floor but that under the United Kingdom suggestion to add an ad valorem constant to the reduced duty it would arise in respect to every duty. We also pointed out that much more widespread adjustments between countries where valuation systems are based on f.o.b. values and those based on c.i.f. values would have to be made under the United Kingdom suggestions than under ours. Next we pointed out that under our proposals there was a progressive element in the reduction of duties up to 20%. Finally we strongly opposed any provision to allow duties to be increased to the floor.

12. The United Kingdom officials agreed with the first three points and expressed appreciation of their importance. Liesching said that they were not at present putting forward their suggestion concerning the addition of an ad valorem constant as a counter proposal. But while they took an accommodating position on these points they expressed strong disagreement on the final point and after a prolonged discussion adhered tenaciously to their position.

13. United Kingdom officials pressed strongly not only for allowing duties below the floor to be raised to the floor but also for allowing new duties below or up to the floor to be imposed where none previously existed. Their main arguments were (a) that freezing duties below the floor would penalize those who had been most virtuous in the past, since countries with high duties would still have con-

siderable duties left after the reduction, (b) that such duties would help to reconcile countries relying largely on quotas to the dropping of quotas (they mentioned the United Kingdom quota without duty on bacon and mutton); (c) that such duties would sometimes serve infant industry purposes; (d) that countries would be asked to do many hard things by convention and that some leeway therefore should be given in respect to small duties.

14. We strongly opposed these arguments mainly on the following general lines. In the case of products on which high duties were maintained in the past, vested interest and maldistribution of productive factors have grown up and a substantial cut in tariffs will require substantial readjustments which, however, will improve the distribution of productive factors. On the other hand, where there has been no duty in the past there is no such maladjustment to correct and therefore leaving aside infant industries no hardship in continuing with low or no duties. On the contrary the imposition of higher or new duties on such products creates new maldistribution of productive factors. As regards infant industries such duties were unsuitable since there would be no provision for tapering them off. Infant industries should be dealt with by other methods such as subsidies or if safeguards can be worked out tapering duties. We also explained the objectives [*objections?*] to the United Kingdom's suggestions based on the position of raw material exporting countries.

15. Robbins agreed with this economic reasoning but he and his colleagues fell back on political arguments and after long discussion Liesching said that "the United Kingdom will stand strictly for this viewpoint". We urged reconsideration of the matter.

16. In private conversation subsequently in strict confidence we learn that there is strong opposition in some official United Kingdom quarters to any provision against any new duties and the officials who took part in the above discussion had no leeway regarding the position they took on that subject even in informal nor [*non-*] committal discussions such as these.

Another discussion will take place on Monday.⁹²

Please bring this message to the attention of Hawkins.

WINANT

⁹² No record of any discussion on Monday, April 30, found in Department files. For the next message on these talks, see telegram 5007, May 18, 10 p. m., from London, p. 47.

Lot 122, Box 13147

*Memorandum by the Assistant Secretary of State (Clayton) to Mr. Harry C. Hawkins, Minister-Counselor of Embassy for Economic Affairs at London*⁹³

[WASHINGTON,] April 28, 1945.

The informal exploratory discussions you have been having with British officials on economic policy have been useful in revealing the trend of British thinking and will help us greatly in formulating our position for the negotiation of any arrangements that may later be undertaken. These discussions should be continued but it will be well to keep in mind the fact that the introduction in Congress with Administration support of the bill for the renewal of the Trade Agreements Act⁹⁴ has now determined the line of policy which the Executive Branch of the Government favors and, if enacted, would provide the means for implementing it. Under the bill, if enacted, this Government would negotiate trade agreements in which varying degrees of tariff reduction would be made in the light of careful selective commodity by commodity studies. This is a quite different idea than the horizontal non-selective reduction of tariffs by a uniform percentage, which was examined in discussions with foreign experts over a year ago and which has been looked into here since that time. This latter would be a much more drastic approach to the trade barrier problem than that provided for in the present Trade Agreements Act and in the pending legislation for renewing and strengthening it; such a program could not be carried out either under the present Act or under the proposed amendments. And even if that were not so there are serious objections and difficulties both of a technical and policy nature to such a policy.

In view of the fact that all these questions will have to be discussed in preparation for the proposed trade and employment conference, I suggest that in your discussions in London you endeavor to the extent you consider feasible to influence the thinking of your British conferees toward a policy that would be practicable under the pending Trade Agreements Bill, in the hope that we may make progress toward an agreed policy before the proposed trade and employment conference becomes imminent.

I should also like to urge that you explore informally with the British as soon as possible cartel policy and commodity policy, in order that we may be kept up to date on British thinking on these

⁹³ File copy attached to minutes of the meeting of the Secretary of State's Staff Committee, May 2, 1945. William L. Clayton was Assistant Secretary of State for Economic Affairs.

⁹⁴ For a brief legislative history of the Trade Agreements Act of 1945, see Leland M. Goodrich and Marie J. Carroll, eds., *Documents on American Foreign Relations, 1944-45*, vol. VII (Boston, World Peace Foundation, 1947), p. 480.

subjects. I should also like to have you exchange ideas with them on the international trade organization, so far as may be consistent with what I have said above.

All of these questions will have to be considered at the proposed trade and employment conference, on which we must begin intensive preparatory work as soon as the trade agreements legislation has been disposed of and the San Francisco Conference is over. The more we can learn of the trends of thinking in other countries, and particularly in a key country like the United Kingdom, the better we shall be able to visualize the problems confronting us and the more intelligently we can shape our own position. It is clear that the future direction of world commercial policy will depend to a large extent upon the policies that we and the British can agree upon.

W. L. CLAYTON

841.24/5-1645

The Secretary of War (Stimson) to the Secretary of State

WASHINGTON, May 16, 1945.

DEAR MR. SECRETARY: Reference is made to your letter of December 12, 1944 in response to the joint letter of November 22, 1944 from the Secretary of the Navy and myself⁹⁵ with regard to the problem of obtaining pricing information and supporting data for the United Kingdom reciprocal aid account.

A review has been made of the results of the discussions held in London by representatives of the Foreign Economic Administration, the Clearing House for Foreign Transactions and Reports and our own representatives, from which we have concluded that although the British Government has now agreed to furnish more pricing data than in the past, they have not agreed to furnish complete pricing information or supporting data.

The position of the War Department, accordingly, remains as stated in the joint letter of November 22, 1944 referred to above. The War Department believes that the manpower and accounting problems mentioned in your letter of December 12, 1944 can now be met in view of the victory in Europe. The War Department believes the British Government should provide the U.S. Government with the same detailed information with respect to reciprocal aid as the U.S. Government provides the British Government with respect to lend-lease aid. The State Department is therefore requested to ask the British Government to provide the information desired by the War Department now that hostilities have ended in Europe.

⁹⁵ For texts of letters, see *Foreign Relations*, 1944, vol. III, pp. 83 and 76, respectively. James Forrestal was Secretary of the Navy.

If the State Department is not willing to press the British for the objectives deemed essential by the War Department, as stated in the joint letters to you of October 4⁹⁶ and November 22, 1944 from the Secretary of the Navy and myself, the War Department will not be in a position to obtain a reciprocal aid account with the accuracy and completeness which it considers necessary and advisable.

Sincerely yours,

HENRY L. STIMSON

840.50/5-1845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 18, 1945—10 p. m.

[Received May 18—9 p. m.]

5007. Hawkins and Penrose have discussed with Liesching, Eady, Robbins, Fergusson, Enfield⁹⁷ and Shackle the procedures that might be followed in preparation for the proposed international conference on trade and employment.

1. With the object of getting the benefit of UK thinking on the subject, Hawkins outlined orally the suggested procedure in his memorandum to Clayton,⁹⁸ indicating that it represented only his personal views. UK officials freely expressed their personal views on the suggestions in a detailed discussion.

2. UK officials have apparently given considerable thought to the subject. They are generally favorable to the broad sequence of events set out in the Hawkins memorandum. However, they raised a number

⁹⁶ *Foreign Relations*, 1944, vol. III, p. 66.

⁹⁷ Ralph R. Enfield, Chief Economic Adviser to the British Ministry of Agriculture and Fisheries.

⁹⁸ Reference presumably is to a memorandum dated April 30, of which no copy has been found in Department files. Mr. Hawkins gave this date for a memorandum by him on the subject in question in his despatch 23525, June 8, from London (560.AL/6-845). He had been in Washington from April 14 to May 2. Although the memorandum of April 30 has not been found, Mr. Hawkins' views on procedure in connection with the proposed conference on trade and employment were embodied in Document SC-115, approved by the Secretary of State's Staff Committee on May 18 (Minutes, Lot 122, Box 13147). This Staff Committee document embodied the recommendations that: (a) during July, the Executive Committee on Economic Foreign Policy consider final proposals setting forth the U.S. position in the broad area of international trade; (b) the thoughts of the United Kingdom and other countries on the subject, prior to July 1, be sought and considered in formulating U.S. policies; (c) the final recommendations of the ECEFP be submitted for approval to the Secretary of State and the President, and discussed with Congressional leaders; (d) the proposals then be submitted confidentially to the British Government for general but not necessarily specific, acquiescence; (e) following this, the proposals be sent to other governments for their consideration and published for the benefit of Congress and the public; (f) finally, the proposals, as modified—if necessary—by the above steps, be agreed upon with the United Kingdom, the British Dominions, France, and the Soviet Union, after which a general international conference be called.

of points concerning the relation of this suggested sequence to future UK political events, to the detailed amplification of procedures to be followed between the suggested US publication of an outline of principles and the holding of an international conference, and to the forms of consultation with other countries prior to the international conference.

3. Regarding UK political events, they were concerned about the period between the beginning of discussions with Congressional leaders and the publication of an outline of principles of trade and employment. During this period, they said, "leakages" are likely to occur in some form. Such leakages are likely to be partial, vague and subject to journalistic exaggeration. If they occurred on the eve of the UK election, they might be dragged into UK politics and candidates might be pressed to state their views on the issues raised and in reply tend to make premature individual commitments on particular points of trade policy. Robbins and Eady think that much would depend on the subjects of leakages; reactions would differ on different aspects of trade policy.

4. As regards UK politics, the most favorable circumstances would arise if the general election took place early, for example, at the beginning of July, and if the stage of publicity on trade policy therefore began after the election. Eady expressed the hope that there would be the shortest possible interval between the confidential discussions with Congressional leaders and the disclosure of the plan to the public.

5. UK officials raised a number of points concerning the procedure to be followed between publication of US official statement of principle and the beginning of the international conference. They agreed that preliminary informal agreement among "key" countries should be obtained, covering US, UK, France and USSR (see point *f* of memorandum). They consider that initial US unilateral sponsorship is the most advantageous procedure but suggest that after the US position has been formulated and announced the UK might announce its acceptance during the period before the conference meets. As regards other than the "key" countries mentioned, the UK officials agreed that discussions with them before the conference would probably consist in explanations and not in attempt to secure detailed agreement.

6. More generally UK officials summarized their ideas of international procedure approximately as follows: First, a unilateral statement of principles by US, perhaps followed soon by an expression of UK approval, and then measures to obtain agreement of key countries and to answer inquiries of other countries.

7. The discussion was confined entirely to questions of procedure (it is felt here that it is desirable as a first step to reach agreement on this subject).

WINANT

*The Foreign Economic Administrator (Crowley) to the Chairman of the British Supply Council (Brand)*⁹⁹

WASHINGTON, May 22, 1945.

DEAR MR. BRAND: On many occasions during the past two years representatives of our Government have discussed with representatives of the United Kingdom Government the matter of the United Kingdom Government's assuming as reverse lend-lease aid the payment of Suez Canal tolls levied against American vessels. On each occasion we have been informed that because the Suez Canal is a private company and because the Canal is situated in a third country and payment of tolls is made in a third currency, the United Kingdom Government felt that Suez Canal tolls were beyond the limits of the Reciprocal Aid Agreement.¹

With the approaching end of the war in Europe and the prospect that there will be substantial traffic through the Canal, we have again been urged in the strongest terms by the United States Government agencies concerned to obtain Suez Canal tolls as reverse lend-lease aid. They emphasize that the Canal is wholly owned by United Nations which receive lend-lease aid; that from the beginning we have provided Panama Canal tolls as lend-lease aid; and that the tolls now in question are being levied against the United States vessels passing through the Canal strictly on war business. It is the feeling of this Government that the tolls levied against United States vessels are clearly within the spirit and intent of the Reciprocal Aid Agreements and that they should, therefore, be furnished to us as reciprocal aid.

In view of the foregoing, I urge that you put this matter in the strongest possible terms to the British Treasury in the hope that a prompt and favorable answer may now be obtained.

Sincerely yours,

LEO T. CROWLEY

⁹⁹ Printed from copy in the records of the FEA Administrator.

¹ Supplementary agreement between the United States and the United Kingdom regarding principles applying to the provision of aid to the armed forces of the United States, effected by exchange of notes signed September 3, 1942. For text, see Executive Agreement Series No. 270, or 56 Stat. (pt. 2) 1605. For documentation on the subject, see *Foreign Relations*, 1942, vol. 1, pp. 537 ff.

840.50/5-2545: Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, May 25, 1945—7 p. m.

[Received 7:20 p. m.]

5245. Embassy's 4118, April 21, 9 p. m. and preceding messages in the series. UK officials have given us the following informal memorandum concerning the points made in the memorandum of the Subcommittee on Agricultural Policy² which discussed the UK agricultural proposals:

"The United States' comment on our agricultural proposals.

This comment seems to rest upon fundamental misconception. So much so indeed that before discussion can be fruitfully resumed it is clearly necessary to go almost back to the beginning.

2. Broadly speaking, our original proposal may be put as follows:

(I) No method of affording protection to the producers of foodstuffs of types which enter into international trade whether it takes the form of tariffs, levies or quantitative regulation imposed under private or state trading should be used to a degree which would raise the price of any food to domestic consumers over a period of years by more than X percent above the world level.

(II) If a country's production of any group of foodstuffs of types which enter into international trade calculated at an average over a given number of years exceeded by more than Y percent a given level, say the average level of the same country's production during a given number of prewar years, then that country would be obliged gradually to reduce the degree of protection or financial assistance given to its producers.

3. The US comment on this proposal proceeds upon the assumption that X and Y would be different for different commodities and for different countries. This is a complete misunderstanding. We suggested that closely drawn exceptions might be allowed if sanctioned by the International Trade Organization acting in conjunction with the Food and Agricultural Organization.³ But in general, it was intended that both X and Y should be the same for all products and all participants in the convention⁴ and we thought that we had laid considerable stress upon the importance which we attached to this uniformity.

4. The US comment appears to assume that our proposal in some way restricts production in low cost producing countries. This is not so. The basic principle of our proposals is that they put no direct restriction on production. They only restrict assistance to production. If a country's production is beyond 100 plus Y percent of the datum

² Not found in Department files.

³ For documentation on the United Nations Conference on Food and Agriculture, May 18-June 3, 1943, and the establishment of the Interim Commission on Food and Agriculture, see *Foreign Relations*, 1943, vol. I, pp. 820 ff.

⁴ Draft multilateral convention on commercial policy, October 1944, not printed.

level then while that state of affairs persists, assistance whether by means of protective devices or subsidies has to be gradually reduced. There is, however, no limit to unassisted production.

5. It is argued that our proposal does not contemplate any adjustment of production toward a pattern corresponding with comparative international advantage. This is precisely the opposite of our intention. It is true that provision (I) permits protective devices within the limit of X percent. To this extent the pattern of international advantage may be interfered with. But provision (II) the obligation to [reduce protection once a?] certain level of production has been passed sets a limit to the extent to which both the devices permitted under provision (I) and subsidies may be resorted to. To this extent the agricultural proposals go further than the proposals contemplated elsewhere in the convention. Our proposals do not of course involve the absence of all protective devices, but they do say that once protective devices have secured a volume of production not greater than prewar by more than Y percent, then this kind of support or support by subsidies shall diminish. In an expanding world system this would mean that in low cost countries where assistance is unnecessary, production would expand but in high cost countries there would be a definite limit to the expansion of production.

6. Finally it is perhaps worth observing that our proposals applied equally to importing and exporting countries. The suggestion in the US comment that the rules should be different, e.g. 6*d* 'that there is no X limit placed on the market prices maintained in exporting countries' would seem to raise grave difficulties and certainly to be out of harmony with the desideratum that production should be adjusted towards 'a pattern corresponding to comparative international advantage.'

WINANT

[On May 28, 1945, British Prime Minister Winston S. Churchill sent a telegram to President Truman concerning the possibility of reduction of lend-lease supplies to the United Kingdom; for text, see *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945, volume I, page 807, footnote 5. For further documents relating to United Kingdom lend-lease matters and the need for Anglo-American financial discussions, see *ibid.*, pages 805-820, and *ibid.*, volume II, pages 1177-1187.]*

102.1/6-445: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 4, 1945—5 p. m.

4443. From Treasury for Taylor: ⁵ Please inform the Ambassador of the following pertaining to the present status of the Stage II Lend-

⁵ William H. Taylor, Assistant Director, Division of Monetary Research, Treasury Department, assigned as representative of the Treasury Department in London.

Lease program for Great Britain worked out last fall in consultation between the appropriate American and British representatives.

1. Early this month General Somervell⁶ reported to Secretary Morgenthau that he believed the British were exporting goods commercially in circumstances not contemplated in the Quebec⁷ and Stage II understandings and stated that, inasmuch as the Stage II programs constituted no inter-government agreement and no firm commitment, he was going to begin to cut down or deny British requisitions. The War Department has apparently referred to Judge Vinson the question of accepting certain British requisitions.⁸

2. The British have recently expressed serious concern as to the acceptance by the United States of the principles underlying the Stage II Lend-Lease program for Great Britain and the implementation of that program. This concern was first expressed in a memorandum from R. H. Brand to Secretary Morgenthau May 17. After reviewing the understandings arrived at last fall, Mr. Brand makes the following statement:

“It is understood, however, that the U.S. War Department have suggested that the agreements were not finally approved by the President and that in consequence the basic position requires reaffirmation. In particular, certain questions have been raised as to the use of U.K. munitions capacity before Lend-Lease demands are made on the United States. Accordingly the U.S. War Department have asked Judge Vinson to advise them as to the status of the munitions agreements reached in the Fall. It is hoped that Mr. Secretary Morgenthau will be willing to bring to the notice of Judge Vinson the principles underlying the agreements reached in the Fall and their continued validity to-day. It is essential to the war effort of the United Kingdom against Japan on the basis of the approved combined strategy that the programmes framed in accordance with these agreements should be agreed without delay.”

More recently Sir John Anderson⁹ and Oliver Lyttelton¹⁰ in a joint message¹¹ addressed to Secretary Morgenthau and Judge Vinson and transmitted through R. H. Brand and Sir Henry Self¹² reiterated

⁶ Lt. Gen. Brehon B. Somervell, Commanding General, Army Service Forces.

⁷ Reference is to the Second Quebec Conference, September 11-16, 1944; documentation on this subject is scheduled for publication in a subsequent volume of *Foreign Relations*. For texts of pertinent documents from the Quebec Conference relating to Phase II of Lend-Lease, see *Foreign Relations*, 1944, vol. III, p. 58.

⁸ For the resolution of this question, see the letter from Fred M. Vinson, Director of War Mobilization and Reconversion, to Secretary of War Henry L. Stimson, June 13, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 815.

⁹ British Chancellor of the Exchequer.

¹⁰ President of the British Board of Trade and Minister of Production.

¹¹ Not printed. Copy of this message in the records of the Foreign Economic Administration at the National Archives is undated, but apparently it was transmitted just prior to May 28, 1945; see H. Duncan Hall, *North American Supply* (London, Her Majesty's Stationery Office, 1955), p. 456.

¹² Deputy Chairman, British Supply Council in Washington.

the British view of the Stage II arrangements and expressed the hope that any misunderstandings that may exist in the minds of any of the U.S. agencies operating the program might be removed and that appropriations adequate to cover the requirements scheduled in the programs could be supplied.

We understand that President Truman has now received a communication from the Prime Minister on this subject.¹³

3. On May 14 Under Secretary of State Grew issued a press release¹⁴ on Lend-Lease for Stage II which stated that the supply program for Britain had been agreed upon in discussions between American and British representatives and that it is proposed to carry out the program subject to such adjustments as supply considerations require. Mr. Brand's letter to Secretary Morgenthau of May 17 quotes from this press release but it is evident that the British would like to have a specific reaffirmation of U.S. intention to carry out this program subject to supply considerations.

4. This whole matter is now before the President. We shall keep you and the Ambassador informed of developments. [Treasury.]

GREW

841.24/5-1645

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, June 12, 1945.

MY DEAR MR. SECRETARY: I have your letter of May 16, 1945, in reply to the letter of December 12, 1944,¹⁵ regarding pricing information on reciprocal aid furnished by the United Kingdom.

The considered opinion of the Department of State as expressed in its letter of December 12, 1944 resulted from a careful study of the reciprocal aid pricing situation in the United Kingdom and extended discussions between American and British representatives which took place in London in October and November, 1944. A representative of the War Department participated in those discussions, and it is believed that he is fully cognizant of the practical difficulties which would be involved in attempting to furnish the complete data desired by your Department. It is not believed that these practical difficulties have been removed as a result of the ending of the war in Europe, and consequently this does not appear to be a sufficient basis for changing the position taken in the letter of December 12, 1944. Accordingly, I regret to advise you that this Department does not feel it is in a position to press the British for more information than they agreed

¹³ For text of the telegram, dated May 28, 1945, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 807, footnote 5.

¹⁴ For text, see Department of State *Bulletin*, May 20, 1945, p. 940.

¹⁵ *Foreign Relations*, 1944, vol. III, p. 83.

to furnish as a result of the discussions in October and November, 1944.

Sincerely yours,

JOSEPH C. GREW

841.51/6-2545

*Memorandum by the Assistant Secretary of State (Clayton) to the Director of the Office of War Mobilization and Reconversion (Vinson)*¹⁶

[WASHINGTON,] June 25, 1945.

The British financial problem is admittedly the greatest present barrier to rapid progress towards free multilateral payments and relaxation of barriers to trade. It threatens not only delay but, indeed, the ultimate success of our economic foreign program. It is, therefore, definitely to our interest to give Britain the financial help required to bridge the transition to peacetime equilibrium.

It would be quite unwise, however, to consider making Britain an outright gift of the required several billion dollars, as has been recently suggested by certain critics of Bretton Woods. It would be unwise even to supply the funds as a credit without laying down conditions that would insure a sound advance towards our post-war objectives.

On the other hand, it will be difficult to persuade the British to accept dollar credits rather than work out their financial problems within the Sterling Area by the devices of blocked balances, exchange control, exchange pooling, bilateral clearing arrangements and forced exports in liquidation of sterling balances. Hence the terms of the credit we offer Britain and the conditions we lay down for granting it must be devised very carefully, with a view to Britain's position as well as to ours.

I believe we should offer Britain a dollar credit of as much as \$2 or \$3 billion as required, repayable over 30 years, but with an option on the part of the British to make prepayments at earlier dates. The amount granted must be sufficient to meet Britain's adverse dollar balance under multilateral current payments, as laid out in the section on conditions below.

In view of British reluctance to borrow, and the fact that they are able to finance themselves to a very substantial extent by blocked sterling at a fraction of 1 percent, we must be prepared to grant them

¹⁶ Transmitted with a covering letter dated June 28, 1945, not printed.

credit at the lowest possible rates. A rate of 2½ percent, such as we have used on *3c* Agreements under Lend-Lease would, in my judgment, be high enough, and possibly we should go as low as 2 percent. The British will want even lower rates. Interest charges would, of course, apply only on balances actually outstanding.

British reluctance to incur dollar indebtedness could be appreciably reduced, and possible stifling effects of service and repayment at later times be avoided, by provisions that if, because of a slump in world demand, Britain's balance of payments became unfavorable, Britain would not be considered in default. The possibility of the U.S. accepting limited amounts of sterling as repayments under certain circumstances might be considered.

I would propose the following conditions for the granting of the above financial aid:

1. Upon the granting of the credit, the Sterling Area dollar pool arrangement is to be terminated and sterling proceeds thereafter acquired on current overseas account by non-residents of the United Kingdom are to be made convertible into dollars, at the option of the holder, for current transactions.

2. A substantial funding of the abnormal sterling balances which have arisen from the war should be required. In the case of India, Egypt and certain other areas, substantial writing down of these balances is justified and to the best interest of all concerned. European and Latin American balances should, on the other hand be funded to a larger extent. It need not be required that all balances be funded, and Britain might be left free to repay agreed portions thereof by exports during the transition years, so long as sterling proceeds of current trade are kept convertible into dollars.

3. Elimination of Empire preferences, probably as one term in a new reciprocal trade agreement reached under the strengthened act or as part of a multilateral trade convention. The British will resist this most strenuously. Perhaps a substantial reduction of preference is all we can hope.

4. Britain must continue domestic import controls over non-essentials to reduce the transitional strain upon her balance of payments and hence the amount of financial aid required. She will undoubtedly wish to do this in any case.

5. Canada, and perhaps other countries whose international financial position will be strong at the end of the war, should also grant transitional financial aid to Britain. India, for example, might be asked to make her contribution in the form of sharp reduction of her sterling balances.

The above proposals will be recognized as a compromise between full-fledged freedom of payments and the strict wartime controls. Aside from the elimination of Empire preferences, their main effect

would be to secure substantial compliance with conditions laid down in the Bretton Woods Agreements very shortly after the war rather than at the end of a transition period of five years or more. It is nevertheless of the utmost importance to accelerate Britain's reconversion to multilateralism in this way, both because of the danger that bilateralism and restrictionism might otherwise become firmly imbedded in British policy during the transition, and because the American business public will demand early evidence that Britain is going to go along with us in our post-war trade policy if they are to continue to support it.

560.AL/6-2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 28, 1945—midnight.

[Received June 28—10:42 p.m.]

6547. 1. Liesching, Eady, Robbins, Enfield and Shackle yesterday placed before Hawkins, Fowler and Penrose a "specimen draft of a possible statement of principles" which gives their present view of a suitable type of statement to accompany a future invitation to an international conference on trade and employment. They emphasized that the statement represents merely their views as individuals and carries no authority or commitment of any kind.

2. Text of statement is contained in the immediately following telegram.¹⁷ A preliminary discussion took place on the draft and in view of the important light which it throws on present UK thought on commercial policy we report it fully below in the sequence in which it took place. What follows should be read in conjunction with the text of the draft statement.

3. International trade organization. UK officials said they continued to favor strongly a single international trade organization with subsections for commercial policy, commodity policy and policy regarding restrictive practices. All these subjects should be regarded as part of general trade questions.

4. Employment policy. UK officials doubt whether any separate employment section should be set up in ITO. They wish to study S F¹⁸ proposals concerning economic and social council and their

¹⁷ Telegram 6548, June 28, midnight, from London, not printed.

¹⁸ Reference is to the United Nations Conference on International Organization, held at San Francisco, April 25-June 26, 1945; for documentation on the Economic and Social Council, see vol. I, entries in Index under: Economic and Social Council (ECOSOC).

relationship to para 3 of draft.¹⁹ Possibly in statement of principles it would be enough to state obligation to avoid national action that would be detrimental to employment policy in other countries.

5. Commercial policy. Hawkins commented on para 4a of draft.²⁰ He said that question arises as to method for making tariff reductions and that the US Govt now has extensive legislative authority for doing this by bilateral agreements. He pointed out that since 1934 there had been considerable sentiment in US in favor of what amounted to a multilateral bilateral approach to tariff reduction. Secretary Hull had frequently urged that other govts should adopt trade agreements programs similar to ours and had pointed out that if the major countries of the world had done so much more rapid progress would have been made. Hawkins stated that sentiment in favor of this approach might have been strengthened by overwhelming Congressional approval for greater powers in respect of trade agreements. He added that this approach is a proved and practical method of reducing trade barriers and that if all govts of United Nations pledged themselves to negotiate as rapidly as possible with their more important suppliers and to generalize benefits, resulting agreements would bring down tariffs all around, get rid of most if not all quantitative restrictions, reduce or completely eliminate preferences and in general reach same objects as in case of uniform percentage tariff reductions.

6. Robbins said there were 3 very great objections from UK point of view to multilateral bilateral approach. First there was the length of time required to implement it. To negotiate such a multiplicity of bilateral agreements in a reasonable time was "a nightmare conception"; there were not enough qualified people to do the job. Second this approach requires negotiators to enter into a sea of general commercial policy obligations without knowing where they will, in fact, land. Third, he said, it has nothing like the psychological advantages of a uniform percentage reduction. It will seriously endanger the whole plan to reduce trade barriers if the situation is allowed to remain fluid for several years, as it would be during a period of numerous bilateral negotiations when govts will change and the currents against tariff reduction may grow. Psychologically it is essential to make a comprehensive reduction where all parties will make sacrifices at once.

¹⁹ This paragraph in the British draft urged that governments undertake policies designed to maintain a high level of employment.

²⁰ This section urged substantial overall reduction of tariffs.

7. In reply to Robbins we pointed out that in relatively short period, when conditions were extremely unfavorable due to depression and impending war, the US negotiated a large number of agreements; and that during that period the US alone was carrying on a comprehensive program of trade agreement negotiations; whereas under the multilateral bilateral approach, now all countries would be obligated to pursue such programs and would be doing so under conditions much more favorable to commercial policy reform than existed prior to the war. Consequently it can hardly be claimed that this approach would not get important results.

8. Eady said that abandonment of the multilateral approach with its general tariff cut "would be the end of all we hope to achieve". The whole impact of a new approach would be lost. With all its difficulties a new approach must be tried. What is needed is a simple, bold and challenging approach to the whole attitude on trade that has been built up in the last 20 or 30 years. To start out with the multilateral bilateral approach would be "the end of everything worth having". He added, "the UK would go into it with no heart and no expectation of anything worthwhile coming out of it. You could never tell where you stood or where you would come out. I am certain of the effects on my govt of such a proposal".

9. Liesching said he thoroughly endorsed Eady's views on every point and wished to add that the chances of dealing successfully with preferences would be much greater if a substantial uniform all round cut were made than if an attempt at gradual whittling down by a multitude of reciprocal pacts were made. Robbins expressed agreement on this point which he said was a key point in the UK domestic political position. It was much easier, he said, to swallow effective measures for dealing with preferences in a multilateral context, and it was extraordinarily difficult to believe that such measures would be swallowed at all under the bilateral method.

10. Hawkins asked UK officials whether they still thought that the technical problems in applying a formula for a general tariff cut could be solved.

Liesching, Shackle, Eady and Robbins replied that they were confident that this could be done so long as reasonable flexibility were allowed and perfect precision were not sought.

11. Eady said that there was no function for an ITO if a mere bilateral approach were adopted. What was the use, he asked, of an international organization that could at most tell a country it was not negotiating bilateral treaties fast enough?

12. Liesching said that after the confusion of war a new start must be made. Some of the European Allies were still pressing UK for a statement of its views on postwar commercial policy. If, he said, the UK were to reply by merely advising the negotiation of a host of bilateral treaties some of the Allies would be likely to launch out in an entirely different direction with little regard to what we want. The negotiation of bilateral agreements was a permissive and gradual process.

13. Eady said the significant reality is what is the US going to do. Robbins added that the world at large is not likely to take the view that bilateral treaties are adequate evidence that the US will come through. He added that the only effective position would be to say "let's all agree to a common code and all make substantial reductions at once".

14. Eady then said he feels certain that there is no chance of success in getting UK ministers to adopt any plan unless they can see clearly what they give up and put it in the balance against what they get. He added with emphasis, "I beg you to represent strongly to the State Dept what we say".

15. Robbins added that, in his judgment, to rely on nothing more than bilateral agreements would endanger not only commercial arrangements, but also the Monetary Fund arrangements. Critics of the latter in UK are constantly saying that UK should not take on the obligations under the Monetary Fund without knowing the trade position.

16. Liesching said that UK has only enough trained personnel to negotiate one commercial treaty at a time.

The US-UK agreement of 1938 took 10 months to negotiate.²¹

17. Hawkins asked whether they were reasonably confident that the uniform percentage reduction would be successfully negotiated, particularly with Dominions and India. He had in mind the possibility of getting a nucleus of important trading nations together in an opened agreement to which other countries might be more or less obliged to adhere. He stated as his personal view and they agreed that the very minimum for such a nucleus would be the US and Brit Commonwealth countries. He asked whether UK officials had con-

²¹ For documentation relating to the reciprocal trade agreement between the United States and the United Kingdom, signed November 17, 1938, see *Foreign Relations*, 1938, vol. II, pp. 1 ff. For text of the agreement and exchange of notes, see Department of State Executive Agreement Series No. 164, or 54 Stat. (pt. 2) 1897.

sidered the position they would take if a uniform tariff cut were attempted and it proved absolutely impossible to get sufficiently wide agreement. They replied that only in such a case would they agree to fall back on the other approach. An indication of this is contained in the last paragraph of the draft.

18. Quantitative regulation. We pointed out that the draft did not appear to undertake any further commitment on exchange control than was contained in the International Monetary Fund Agreement, even though it seems reasonable to go somewhat further if improved trade conditions are attained. Eady and Robbins replied that it was implicit in the Fund Agreement that exchange controls when permitted should be as little discriminatory as possible; but added that they would study the wording of the agreement further.

19. Agricultural proposals. We asked whether they had anything to add on the subject of their proposals concerning food. UK officials replied that these proposals were result of much consultation and they still believed them to be the most feasible approach to the problem. Eady and Robbins said that the magnitudes of X and Y would have to be agreed upon in preliminary US-UK discussions. Liesching added UK had in mind levels not too unattractive for primary producing countries including Dominions. The question is are the principles acceptable provided X and Y are given reasonable values. He said these UK proposals were of critical importance from viewpoint of getting whole scheme of commercial policy adopted in UK.

20. Preferences. Hawkins said the statement on preferences would be unacceptable and referred to distinction between tariffs and preferences in article VII. Liesching replied that much would depend on the precise formula for tariff reduction which is left open, that we should consider the para on preferences as [not?] completed since they are not yet able to state their position with precision and that the para is comparable to the blank we had left in our statement of June 8.²²

21. Restrictive practices. We pointed out that the draft was based on a different approach from that favored in Washington. They reiterated their view that the case by case approach, leading to development of generally accepted rules of conduct governing private enterprise, was preferable to a statutory approach.

WINANT

²² Reference is to a draft proposal to establish an international trade organization, presented to British officials in London; copy enclosed with despatch 23525, June 8, from London (560.AL/6-845).

841.50/7-945

*Memorandum of Conversation, by Mr. John M. Leddy, Assistant
Adviser in the Division of Commercial Policy*

[WASHINGTON,] July 9, 1945.

INFORMAL DISCUSSIONS ON COMMERCIAL AND FINANCIAL POLICY
BETWEEN OFFICIALS OF THE UNITED STATES AND CANADA

The following persons were present at this meeting:

FOR THE UNITED STATES:

Mr. W. L. Clayton, Assistant
Secretary for Economic Af-
fairs
Mr. Harry C. Hawkins, Minister
Counselor of the Embassy at
London
Mr. Clair Wilcox, Director, Of-
fice of International Trade
Policy
Mr. E. G. Collado, Director,
Office of Financial and De-
velopment Policy
Mr. Leroy Stinebower, Deputy
Director, Office of Interna-
tional Trade Policy
Mr. John D. Hickerson, Acting
Director, Office of European
Affairs
Mr. Winthrop Brown, Division
of Commercial Policy
Mr. T. C. Achilles, Chief, Divi-
sion of British Commonwealth
Affairs
Mr. James Earley
Mr. J. M. Leddy

FOR CANADA:

Mr. Norman Robertson, Under
Secretary of State for External
Affairs
Mr. Hector McKinnon, Chair-
man of the Tariff Board
Mr. Lester Pearson, Ambassador
to the United States
Mr. Dana Wilgress, Ambassador
to the U.S.S.R.
Mr. Thomas A. Stone, Counselor
of Embassy

The Canadian officials came in at our request for the purpose of discussing informally: *a*) commercial policy, with particular reference to the proposed international conference on trade and employment and *b*) financial policy, with particular reference to the possibility of granting post-war credits to the United Kingdom.

COMMERCIAL POLICY

The discussion on commercial policy, which was led by Mr. Clayton for the American group and by Mr. Robertson for the Canadian

group, related almost wholly to the question of how to effect tariff reduction. The main issue was whether tariffs should be reduced by horizontal, nonselective reduction, as had been contemplated in earlier discussions between officials of the United States, the United Kingdom and Canada, or whether they should be reduced selectively. The following are the main points which were brought out by each group.

By the American group:

1. The Trade Agreements Act contemplates tariff reduction by the selective process. The recent action of Congress in renewing and strengthening the Act²³ was accomplished only after great efforts by the Administration and by Congressional leaders. In the course of the Congressional hearings and debates it had been necessary both to emphasize the principle of selectivity and to stress the essentiality of the Act to our post-war foreign economic program. For all these reasons it would now be extremely difficult, even if it were desirable, for the Administration suddenly to change its course and adopt the completely different approach to tariffs inherent in the formula for horizontal tariff reduction.

2. Even if the domestic obstacles created by the passage of the Trade Agreements Act did not exist, it would probably be very difficult to obtain approval by the American Congress of the proposal for horizontal tariff reduction. It would, in fact, be impossible if, as is believed, the proposed agreement incorporating horizontal tariff reduction should have to be presented as a treaty requiring the consent of two-thirds of the Senate.

3. The proposal for horizontal tariff reduction also presents grave negotiating problems. The chances of getting a considerable number of other countries to adopt the proposal would probably be not greater than 50-50.

4. It seems desirable, therefore, to make every effort to work out a multilateral plan under which tariff reduction could be carried out selectively. One plan would be the multilateral-bilateral approach, in accordance with which each country would, in effect, institute a trade-agreements program and negotiate bilateral agreements with its principal suppliers. Another plan, still in the exploratory stage, would be multilateral agreement containing a commitment to reduce the tariff selectively in accordance with rules to be agreed upon. These rules would be designed to bring down the overall ad valorem equivalent of each nation's tariff by an agreed extent.

By the Canadian group:

1. The Canadian group had not until that moment realized that there were commitments in connection with the renewal of the Trade

²³ Approved July 5, 1945; 59 Stat. 410.

Agreements Act which would be an obstacle to the adoption of the plan for horizontal tariff reduction by the United States. This was an extremely significant development since what the rest of the world could do in the way of liberalizing trade would be limited by what the United States did.

2. The adoption of the selective tariff method by the United States would, therefore, require a complete reappraisal of what could be expected to be accomplished in the trade-barrier field as a whole. The Canadian officials had had definite hopes for the horizontal formula because they considered it as the most practicable method, politically and economically, of solving the trade-barrier problem. The proposal for horizontal tariff reduction would represent a fresh approach designed to concentrate emphasis on expanded world trade and international cooperation. Its very magnitude, and the fact that it would deal with all tariffs in all countries with an even hand would assure for it strong support and would weaken the vested minority interests in every country. Selective tariff reduction, on the other hand, tends to emphasize the sanctity of protectionism. Its adoption by the United States would have reverse effects in other countries which will inevitably adopt the same careful and cautious attitude toward the reduction or removal of tariffs and other restrictions against United States exports. Finally, the selective tariff method would probably make impossible any thorough-going action for the elimination of tariff preference. The plan for a horizontal tariff cut might have made possible the substantial wiping out of British preference system but nothing like this could be hoped for if the selective process were used.

3. The selective method of tariff reduction, as carried out by the United States under the Trade Agreements Act, had tended to strengthen the belief that trade barriers should be reduced only under the bargaining process and to obscure the truth that trade barrier reduction is also of benefit to the country doing the reducing. For example, it was virtually becoming impossible for the Canadian Government to reduce its duties unilaterally even though many of them should be reduced in the best interests of Canada.

4. With regard to the difficulties of negotiating the plan for horizontal tariff reduction, it is true that these difficulties exist, but in the Canadian view they are not likely to be as great as they seem. It was almost certain that the plan would obtain the full support of Canada and, unless other British countries should refuse to go along, of the United Kingdom. Of the British countries Australia and India offered the biggest obstacles, but it is believed that these could be overcome. The countries of Western Europe are also likely to be favorable to the plan for the reason that tariff reduction now would not have more than incidental effects as compared with the disruption arising from the war. If the United States, the British countries, and the

Western European countries should support the plan, the attraction to other countries would probably be irresistible.

5. It should be recognized that the proposal for multilateral-bilateral action suggested by the American group would require a multiplicity of bilateral negotiations and would take many years to complete. The present opportunity for effecting trade-barrier reduction while opposition to it is at a low point would thus be lost.

6. With regard to the alternative proposal for selective multilateral tariff reduction, it is believed that apart from the general disadvantages of selective tariff action, this proposal would have major technical disadvantages which could not be easily overcome.

7. On the whole, therefore, the Canadian group was of the opinion that horizontal tariff reduction represented the most promising approach to the whole problem. If the United States could not at present see its way clear to sponsor this approach actively, perhaps after the same sort of careful preparation by public and Congressional opinion which preceded the San Francisco Conference, then perhaps the problem might be met if other countries should sponsor the proposal and thus bring it up for public debate. It was clear, however, that no such proposal could finally be made effective without the support of the United States.

8. With regard to the view of the United States group that the horizontal cut would be almost certainly rejected by the American Congress, the Canadian group felt that the approach should be tried even if it should eventually fail. Mere trial of the bold approach would tend to give impetus to the carrying through of a more moderate scheme, such as the multilateral-bilateral plan.

In addition to the general discussion regarding tariff policy, there was a brief review of the plans for a general conference on international trade and employment. The Canadian group was of the opinion that a general conference of all countries might be dangerous, since the views of the many small countries might unduly weaken the bolder measures which the large trading nations might find it possible to agree upon. It would seem preferable to confine the arrangement to the large trading nations and then throw it open to adherence by others.

On the question of employment, the Canadian and American groups appeared to be in agreement that it was important to give the trade policy measures an employment slant, and to reach general agreement that countries should not adopt employment measures detrimental to other countries. They also agreed that adoption of the extreme views put forth by the Australians, favoring a rigid international commitment to maintain employment and advocating an "escape" clause from international commitments if employment were not maintained, would be impracticable and unwise.

At the close of the discussion on commercial policy, it was agreed that each group would appoint three people to meet in Canada during the coming weekend for the purpose of exploring further the possibilities of selective tariff reduction in a multilateral setting.

FINANCIAL POLICY

The discussion of financial policy was relatively brief. Mr. Clayton stated that the United States position was that UNRRA²⁴ was the proper agency to finance relief requirements of war-torn areas and that, if appropriate general agreement could be reached at the London Council meeting,²⁵ we would be prepared to ask Congress to appropriate our share of the additional funds required to finish its job.

Mr. Robertson expressed agreement that UNRRA was the proper agency for this purpose and stated that Canada would no doubt be willing to contribute its additional share if there is general agreement to go ahead. He stressed, however, the Canadian feeling that members of the United Nations who had not contributed should be required to do so. He particularly cited Argentina as a nation which should not enjoy the privileges of the United Nations without paying its way in this common program. He also expressed the Canadian view that UNRRA's reputation needed resuscitation and that a change in UNRRA's top management would be desirable.

Mr. Clayton reviewed the position of the Export-Import Bank legislation and expressed confidence that the \$3.5 billion appropriation would soon be available.²⁶ He was asked how far we had gone with respect to credits to Russia and stated that the Russians had not yet asked for a loan but that he expected such a request would be made and we were prepared to consider it seriously.²⁷

Mr. Robertson referred to the possibility that transitional or post-war credits might be confined to members of the "club" which joined in open-end international trade arrangements. The United States representatives did not express an opinion on this question but indicated it might be considered further.

Although the matter was not discussed directly, there was some indication in remarks by Mr. Robertson that the Canadians are thinking of post-war loans, at least those of a semi-relief or reconstruction character, in terms of financing country by country the direct import needs of borrowers in Canada. The United States representatives did not express their attitude towards this policy or its relation to proposed multilateral trade and financial arrangements.

²⁴ United Nations Relief and Rehabilitation Administration; for documentation regarding participation by the United States in the work of UNRRA for the year 1945, see vol. II, pp. 958 ff.

²⁵ Reference is to the third session of the UNRRA Council, London, August 7-24, 1945.

²⁶ The Export-Import Bank Act of 1945 was approved on July 31, 1945; 59 Stat. 526.

²⁷ For documentation on this subject, see vol. v, pp. 937 ff.

Mr. Robertson indicated that the Canadian attitude on credits to the United Kingdom was still substantially as expressed in our last conversations with them on March 10,²⁸ and in their telegram of two weeks before that date to London. The Canadians are willing to go ahead on a joint credit program designed to ease the British transition problem and favor the generous credit terms they suggested earlier. Mr. Robertson stated that recent Canadian discussions in London had not gone very far, so far as credits were concerned, mainly because it was recognized that the aid the Canadians could give could go only a short way towards solving the British problem.

In answer to questions, Mr. Robertson stated that the Canadians felt that transitional credits to the United Kingdom could well be part of general arrangements accelerating British relaxation of war-time financial controls, but said that the British had not directly expressed themselves on such a program. This was natural, Mr. Robertson pointed out, in as much as they were not prepared to proceed on the basis of solely Canadian aid.

London Embassy Files : 850—Article VII—Commercial Policy

Memorandum of Conversation, by Mr. John M. Leddy, Assistant Adviser in the Division of Commercial Policy

[OTTAWA, undated.]

INFORMAL DISCUSSIONS ON COMMERCIAL POLICY BETWEEN OFFICIALS OF THE CANADIAN GOVERNMENT AND OFFICERS OF THE DEPARTMENT OF STATE

The following persons participated in these discussions:

CANADA	UNITED STATES
Mr. Norman Robertson, Under-secretary of State for External Affairs	Mr. Stinebower, ITP
Mr. Hector McKinnon, Chairman of the Tariff Board	Mr. Marks, A-A ²⁹
Mr. William A. Mackintosh, Acting Deputy Minister of Finance	Mr. Leddy, CP
Mr. John Deutsch, Department of External Affairs	Mr. Homer S. Fox, ³⁰ American Embassy at Ottawa
Mr. Hubert Kemp, Wartime Prices and Trade Board	

²⁸ See footnote 75, p. 32.

²⁹ Herbert S. Marks, Special Assistant to the Assistant Secretary of State (Acheson).

³⁰ Commercial Attaché.

These discussions took place at the hotel Chateau Laurier, in Ottawa, on July 14 and 15, 1945. They were held for the purpose of exploring further the various methods of implementing tariff reductions in connection with the proposed multilateral agreement on commercial policy. The discussions were arranged at an earlier meeting between Canadian and American officials which took place in Washington on July 9 (see memorandum of July 9, 1945 summarizing the results of this meeting).

Mr. Robertson opened the discussion. He said that before going into the details of the various methods of selective tariff reduction he wished to make clear the Canadian view regarding the proposal for the horizontal reduction of all duties by a uniform percentage. He said that the Canadians were deeply disappointed and dismayed by the change in the American position which, prior to the passage of the Trade Agreements Act, had seemed tentatively to favor the proposal for horizontal tariff reduction. He recognized that difficulties had been created by the Trade Agreements Act but felt that they might not be insuperable. With regard to selective methods of tariff reduction he expressed the view that any selective method would be "hopelessly inadequate" to the needs. He thought that failure to go forward with the horizontal cut would mean the loss of three great advantages:

1. *Timing.* Of all times the present offers the best chance of effecting substantial trade-barrier reduction in all the major trading countries. Because of economic dislocation in Europe and reconversion in other areas, production and trade are in a state of flux. This would be the psychological moment, here and elsewhere, for bold action. If the selective method is adopted this opportunity would be lost.

2. *Preferences.* Horizontal tariff reduction would have substantially solved the problem of preferences, which is certain to be the most difficult problem from the viewpoint of the United States. There is no hope for any really substantial action on preferences under the selective method of tariff reduction. Moreover, under the selective method, the United States would have to pay more for what it gets. Finally, preferences cannot be handled at all by a purely bilateral approach. Since the protection afforded under a preferential system extends to foreign as well as home industries they must be attacked by dealing with several countries at once. Selective tariff negotiations involving several countries are complicated and slow.

3. *Compulsion of outsiders.* Under the plan for horizontal tariff reduction it would have been possible to compel reluctant countries to participate in the plan by threatening to withhold the tariff benefits if they did not participate. This would have been politically feasible internationally because the requirements under the plan for a horizontal tariff cut would be equitable, simple, and easily under-

standable. Any selective method of tariff reduction would be complicated and to some extent inequitable vis-à-vis outsiders and could not well be used as a weapon to force them in.

Because of the great advantages of, and need for, tariff reduction by the horizontal method, Mr. Robertson said that the Canadians had been wondering whether there was not some way to overcome the obstacles to the adoption of that method which had been created by the Trade Agreements Act. What appeared to be needed was an opportunity to take the matter up with Congress. Such an opportunity might be created, he thought, if other countries would take the lead and come out with the plan for horizontal tariff reduction. Or perhaps an opportunity would exist if the United States and Canada should endeavor to negotiate a trade agreement and if, because of the great difficulty Canada would have in granting us certain key concessions involving preferential protection to third countries (e.g. raisins, coal, tinplate, and fruits), the negotiations should fail. With regard to the question of other countries taking the lead, Mr. Robertson remarked that Mr. Clayton had appeared to think there were possibilities in this suggestion when it was originally put forward at the July 9 meeting in Washington.

In response to the foregoing it was stated on the American side that, as Mr. Clayton had indicated, the door was not completely closed to consideration or discussion of the horizontal tariff formula in the event other methods should fail. Nevertheless, both Mr. Acheson and Mr. Clayton were firmly convinced that, even apart from considerations growing out of the increased trade-agreements authority, legislative approval of the plan for horizontal tariff reduction could not be obtained and that it would be virtually useless to make the attempt. It was stated also that although other countries would of course be free to take the lead if they desired to do so, an initial approach by other countries might do more harm than good since Congress might feel that an effort was being made to put something over on the United States. If there was to be any approach to Congress at all, it would seem preferable as a first step for the Administration to talk directly and frankly with the Congressional leaders. As to the possibility of creating an opportunity through an arranged failure of trade-agreement negotiations, this seemed clearly out of the question. In short, the obstacles in the United States to adoption of the horizontal plan were very formidable and the chances of its ultimate acceptance by our Congress were remote. On the other hand the United States was fully prepared to make substantial tariff reductions on a selective basis and had the ability to make such reductions effective under the increased authority in the Trade Agreements Act. It would be extremely unfortunate if we should neglect to grasp this

opportunity to make substantial progress in the trade-barrier field in a vain effort to obtain an ideal solution.

Mr. Robertson then said that although the United States might be able to deliver selective tariff reductions, this did not mean much since the selective method was clearly inadequate to meet the requirements. It would be better to take even a long chance on an adequate plan, such as the horizontal approach. Trial of the horizontal approach would be desirable in any event, since even its failure would have good results in stimulating countries to carry through a selective approach more vigorously.

In response to a question, Mr. Robertson expressed the view that failure of the United States to sponsor the plan for horizontal tariff reduction from the beginning would not be fatal to its success provided that the United States finally came along. He admitted, however, that the absence of vigorous initial support by the United States would weaken the effort vis-à-vis other countries.

The foregoing discussion occupied Saturday morning, July 14. Saturday afternoon and Sunday afternoon were devoted primarily to an examination of the various selective methods of tariff reduction:

1. *Reduction of the over-all ad valorem equivalent of the tariff.* It was explained by the American group that under this proposal each country would, in addition to accepting provisions regarding non-tariff trade barriers (e.g. abolition of quotas), agree to make such selective tariff reductions as would bring down the over-all ad valorem equivalent of its tariff by an agreed percentage, low duties (say rates of 10%) being disregarded for this purpose. Under this proposal the United States procedure would be *a*) to issue a unilateral statement, or "White Paper", outlining the whole plan and calling for an international trade conference to discuss it, and *b*) simultaneously with the issuance of the unilateral statement, to hold public hearings under the Trade Agreements Act on approximately 500-800 tariff items on which the United States would consider granting concessions to the other participating countries, as a group. After the hearings had been held, the United States would be in a position to state, at the international trade conference, the particular percentage of over-all tariff reduction which it would be prepared to support. In effecting the over-all reduction of its tariff each country would be free to decide what individual tariff reductions should be made, that is, particular tariff reductions would not be subjected to the bargaining process.

The advantages of the foregoing proposal, it was stated by the American group, were: *a*) it would effect tariff reductions rapidly, and *b*) since it would provide certainty as to the general extent of tariff reduction, it might make it possible to obtain firm commitments

for the abolition of quotas and the removal or relaxation of other non-tariff trade barriers.

In presenting the foregoing proposal, the American group stated that although no final decision had been reached on the point, Mr. Acheson had expressed serious doubt that the plan could be effected under the Trade Agreements Act.

Apart from the doubt raised as to whether the United States could carry through on the plan for reduction of the over-all ad valorem equivalent of the tariff, the Canadian group felt that there were several objections to it:

a) If each participating country were free to select the items for tariff reductions, other participating countries would have no assurance that individual items important in their export trade would be benefited. The only way to provide such assurance would be to negotiate the reductions. It would be extremely difficult, and probably impossible, to carry on such negotiations multilaterally.

b) The plan would have some of the drawbacks of unilateral tariff reduction, i.e. each government would have to bear the whole responsibility for determining the individual reductions in its tariff and could not defend any particular reduction on the ground that it was essential to a bargain with foreign countries.

c) The application of the tariff formula would be full of technical problems. The existence in the tariffs of several nations of seasonal rates of duty, tariff quotas, and other devices would make it difficult to determine how to weight statistically the contribution to the general lowering of the tariff or reductions on items affected by such devices.

2. *Proposal for selective tariff reduction by a "substantial amount"*. This proposal was presented by the American group as being substantially the same as proposal 1, above, with certain modifications designed to remove any question as to its feasibility under the Trade Agreements Act. Under this proposal, the tariff section of the "white paper" to be issued by the United States would merely call for tariff reduction by a "substantial amount". The international conference would be called and agreement would be reached on the non-tariff provisions conditionally upon the completion of "substantial" tariff reduction. The United States would then hold hearings under the Trade Agreements Act, on the basis of which it would formulate a schedule of tariff concessions to be offered to all other countries as a group, conditional upon the offer by each of the other countries of a schedule containing equivalent tariff concessions. Such schedules would be considered equivalent if they reduced the over-all ad valorem equivalent of the tariff by the same percentage i.e. each country's tariff by the same percentage, i.e. each country's tariff would be uniformly reduced by say, 25 percent, on the average.

The Canadian view was that proposal 2 would be impracticable since the precise extent of tariff reduction would not be known at the

time that conditional agreement was reached on the non-tariff provisions. Countries utilizing primarily non-tariff controls would be inclined to take the position that the extent of tariff reduction which finally emerged in the schedules, whatever that might be, was not "substantial" enough to justify carrying out the conditional agreement reached earlier on the non-tariff barriers. This would involve endless argument and negotiation and would probably require the holding of another conference.

3. *Proposal for bilateral offers of tariff reductions by the United States precedent to a multilateral agreement on tariffs and non-tariff trade barriers.* This proposal was presented by the American group as an approach which would be practicable under the Trade Agreements Act and which would assure other countries, at the time their agreement is sought on the abolition of quotas and the removal or relaxation of other non-tariff trade barriers, of the extent to which the United States would be willing to reduce its tariff. Under this proposal, the procedure for issuing a "white paper" and calling an international conference would be the same as in 2, above. However, at the time of issuance of the "white paper", the United States would issue public notice of intention to negotiate bilateral tariff agreements with a number of foreign countries, including the major British countries. By the time the conference was ready to convene, the United States would have made definite offers of substantial tariff reductions to be incorporated in bilateral agreements with the countries for which public notice had been issued. This earnest of good faith on the part of the United States with regard to its tariff, might make it possible for the conference to agree on a multilateral agreement containing a) firm commitments on non-tariff trade barriers and b) a general undertaking to reduce tariffs by a "substantial amount" through bilateral agreements.

The Canadian group expressed the view that the machinery of proposal 3 was defective in that it did not provide for an earnest of good faith as to the extent of tariff reduction in agreements between third countries. In order to remedy the defect it would be necessary to have the conference preceded by bilateral tariff negotiations between such third countries as well. It seemed obvious that this could not be done if too many countries were involved, but it might be achieved among a relatively small nucleus of countries, say 8 to 12 of the major trading nations. The Canadian group was also of the opinion that in any event it would be undesirable to attempt to secure agreement by the method of holding a general international conference. They expressed the view that, judging from past experience, the presence at a general international conference of the less important, and for the most part protectionist-minded, countries, would inevitably result

in a watering-down of the commitments which a smaller number of the major trading nations might find it possible to enter into. The Canadian group accordingly suggested the following modification of proposal 3:

A nuclear group of 8 to 12 countries would agree on the following procedure:

1) Each member of the nuclear group would immediately begin to negotiate bilateral agreements with each other member of the nuclear group*, such agreements to incorporate substantial tariff reductions. In order to speed negotiations and assure the general extent of tariff reduction, an informal "working rule" might be adopted that the tariff reductions to be granted by each country should be such as to reduce the over-all ad valorem equivalent of the duties on imports from each other member of the nuclear group by not less than X percent. It might also be agreed that 10 percent duties need not be reduced and would not be counted for the purpose of determining the weighted average reductions.

The tariff reductions effected by the bilateral agreements would be required to be generalized to all members of the nuclear group. With regard to the treatment of tariff preferences, the following rules might be adopted:

a) Preference-receiving countries would agree to waive their contractual rights to bound margins, thus permitting the preference-granting countries to reduce or remove margins of preference in agreements with other countries. This rule would apply during the negotiations among the nuclear group but might be adopted permanently.

b) Reductions of most-favored-nation rates would automatically operate to reduce or remove margins of preference, i.e., they would not be accompanied or followed by reductions in preferential rates.

c) No margin of preference would be increased. Thus, if any preferential rate were reduced in a bilateral agreement between, say, Canada and Australia, the most-favored-nation rate would have to be reduced to the same extent.

2) The nuclear group of countries would also agree on provisions dealing with non-tariff trade barriers. These provisions would be the same for all members of the nuclear group and presumably would be negotiated through a multilateral committee of some kind.

3) When the negotiations under 1) and 2) had been completed, the resulting agreements would be concluded among the nuclear group, prior to the convening of a general international trade conference.

4) The purpose of the international trade conference would be to discuss: *a)* how other countries should be brought into the arrangement and *b)* what treatment countries participating in the arrangement should accord to the trade of countries refusing to participate.

*It was generally agreed in subsequent discussion that agreements between all the theoretically possible pairs of countries would not be necessary and that agreements might be dispensed with in cases where trade between a particular pair of countries was negligible. [Footnote in the original.]

These questions would, of course, require the reexamination of existing most-favored-nation commitments.

The Canadian group was of the opinion that the nuclear proposal outlined above appeared to be the most promising of the various methods of selective tariff reduction which had been discussed. The American group was inclined to agree with this view, but had reservations as to *a*) the possibility, under the Trade Agreements Act, of adopting even informal "working rules" regarding the percentage of tariff reduction to be achieved, and *b*) the desirability of actually concluding the arrangements among the nuclear group prior to the holding of a general international trade conference at which the views of other countries would be obtained. In this connection, the Canadian group appeared to feel strongly that the arrangements among the nuclear group should not be kept open and thereby made subject to changes at the general conference.

With regard to the countries which would form the nucleus discussion between the American and Canadian groups resulted in the following tentative list: United States, United Kingdom, Canada, Australia, South Africa, New Zealand, France, Netherlands, Belgium, U.S.S.R., Czechoslovakia and India.

There was a brief discussion of the possible tariff requirements which might be made of new members under the nuclear approach. There appeared to be two main possibilities: *a*) the weighted average reduction of the tariffs of the nuclear group might be calculated and new members might then be required to make the same over-all percentage reduction in their tariffs, or *b*) new members might be required to negotiate their way in by entering into bilateral agreements with each of the countries making up the nuclear group. It was agreed by both the Canadian and American groups that new members would, of course, be required to adhere to the non-tariff provisions of the arrangement.

With regard to the withholding of tariff reductions from the trade of outsiders, it was generally agreed that the reductions should be generalized to all countries for a probational period. Whether or not it would be feasible to withdraw the benefits after the expiration of the probational period would largely depend upon the possibility of working out a basis of adherence by outsiders which would be accepted as reasonable and equitable.

Near the close of the discussion the Canadian group suggested that it might be possible, in connection with either a trade agreement between the United States and Canada or a more general arrangement to which both countries were parties, to provide for duty-free treatment on both sides of the border in respect of certain products traded in both directions. The Canadian group attached considerable im-

portance to this possibility, stating that there were a number of cases (e.g. automotive items) where, although tariff reductions would not be of much help, free trade between the two countries would bring substantial reciprocal benefits. Since any such arrangement would require legislative approval in the United States, it might be provided for in a protocol which could be submitted separately to Congress. The American group agreed to report this suggestion and to urge that serious consideration be given to it in Washington.

In concluding the meeting the Canadian group emphasized again their strong preference for the plan for a horizontal tariff cut and expressed the hope that the United States would eventually see its way clear to attempting that approach.

103.9169 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 19, 1945—5 p. m.

5954. From Cramer³¹ FEA for Blaisdell.³² Cox³³ discussed with Robert Brand before latter's departure for London FEA's wish that British carefully reconsider their previous objections to giving under Reverse Lend-Lease all Suez Canal tolls paid by US. British have been told that FEA would be agreeable if British secured participation by French. Records not complete but indicate around 11½ million dollars expended by US from prior to 1943 through 1944 with probability that 1945 charges will exceed 6 million. Please give your strong support wherever appropriate. [Cramer.]

GREW

611.0031 Executive Committee/7-1645

Memorandum by the Executive Committee on Economic Foreign Policy

VIEWS OF THE EXECUTIVE COMMITTEE REGARDING DRAFT TARIFF PROPOSALS FOR PROPOSED MULTILATERAL AGREEMENT ON COMMERCIAL POLICY

[WASHINGTON,] July 21, 1945.

The necessity of rebuilding the industries and trade of a wartorn world, and the unprecedented closeness of the present political ties among the leading trading nations, offer an unparalleled opportunity

³¹ Ambrose C. Cramer, Acting Director, British Empire and Middle East Branch, Foreign Economic Administration.

³² Thomas C. Blaisdell, Chief of the United States Mission for Economic Affairs, London.

³³ Oscar Cox, Deputy Administrator, Foreign Economic Administration.

to obtain a large and world-wide reduction of trade barriers. Such a reduction has been a stated objective of United States policy for many years. The present opportunity may exist, however, for only a brief and critical interval.

1. It is understood that the British take the view that if the re-establishment of post-war international economic relations is to be based on a substantial expansion of world trade on a free-enterprise basis, the reduction of trade barriers must be very substantial. They are also understood to take the view that since the world's economic reconstruction cannot wait, the reduction must be prompt; and that definite assurances are needed at once with respect to the extent of the reduction and the time within which it will be effected.

The British appear to be convinced that these requirements can be met only through a multilateral convention, under which all participating countries agree simultaneously to reduce all of their import duties by a certain percentage. This would also make possible the general termination of non-tariff trade barriers, with appropriate exceptions, as part of the convention.

2. The Committee recognizes that either this multilateral-horizontal procedure, or any other procedure which does not allow selectivity in the reduction of United States tariff rates, would be difficult to negotiate and probably impossible to implement under the Reciprocal Trade Agreements Act as extended.

For the immediate purposes of the impending discussions with the British, therefore, the Committee recommends that the United States urge as an alternative to the multilateral-horizontal procedure, Proposal D, the selective nuclear-multilateral approach.³⁴ It is believed that this proposal comes nearer to meeting the British viewpoint than any other alternatives which are practicable under the present grant of authority by the Congress.

3. If it should appear that there is no practical possibility of acceptance of the selective, nuclear-multilateral proposal by the British, or of some variant which would likewise permit selectivity in the reduction in the United States tariff, the negotiations should still not be terminated. Every possible measure should be explored to take advantage of the present unique opportunity to preserve and strengthen the free-enterprise basis of world trade.

³⁴ Proposal D was the last of four alternative approaches listed in Executive Committee on Executive Foreign Policy Document 104/45, approved on July 21, 1945, not printed, to which this accompanying memorandum was attached. The nuclear-multilateral approach meant, briefly, that a nuclear group of approximately a dozen countries would agree to negotiate, first, bilateral agreements for selective tariff reductions, and second, an informal, multilateral program dealing with tariff preferences and non-tariff barriers, which program would then be presented at a general international conference to be concluded and made operative among the nuclear group and other nations wishing to participate.

4. The majority of the Committee believes that the multilateral-horizontal procedure, if considered apart from the limitations presently imposed by the Reciprocal Trade Agreements Act, is superior on its merits to all alternatives which have been presented. Should the British refuse to accept the nuclear-multilateral procedure, this would provide an immediate and obvious occasion for reexamining the multilateral-horizontal approach with the Congress.

883.8123/7-2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 24, 1945—8 p. m.

[Received 11:50 p. m.]

7456. In commenting informally in recent flare up in American press regarding payment of Suez Canal tolls by American ships during war despite fact that similar charges are placed under Lend Lease in case of British vessels using Panama Canal, head of Egyptian Dept³⁵ of FO (Foreign Office) today expressed concern that this question had been forced from normal course of technical discussion between FEA and British Treasury, and made subject of re-criminatory publicity. Result was that British Govt was being placed unfairly "on the spot" and Egyptian Dept head particularly stressed difference between US Govt-owned Panama Canal and Suez Canal which as result of Disraeli tradition³⁶ is not infrequently thought of as being British-owned and -controlled whereas fact of course is that it is an international company in which British Govt owns 40% of shares and remainder are in private hands. It was true that during occupation of France the British directors had assumed responsibility for maintenance and operation of canal, but they had taken care to do so merely as trustees and not to assume powers of the governing board. As matters now stand functions have been transferred practically entirely from London to Paris.

FO official observed that under existing circumstances all ships, including British, pay Suez Canal tolls and it is difficult to see how on the one hand Suez Canal Company could be asked to forego tolls with resultant risk of being forced into bankruptcy or on the other hand why British Govt should be held accountable for paying tolls on American ships as well as its own. The last thing British Govt would want to do, however, would be to be placed in position of seeming to profiteer in prosecution of war against Japan and it is entirely willing to proceed with discussion looking to a mutually satis-

³⁵ Patrick S. Scrivener.

³⁶ Reference is to the negotiation by British Prime Minister Benjamin Disraeli of the purchase in 1875 of the Suez Canal shares held by the Khedive of Egypt.

factory solution, but it is as yet difficult to see what form such a solution will take.

Incidentally Egyptian Dept head observed that as matters seemed to be turning out the highly speculative stories which had been current from time to time during the past several years regarding Axis acquisition of Suez Canal shares do not seem to be borne out by information now coming to light, which is to general effect that control of Suez shares has not changed on an extensive scale. It will only be possible to check accurately on the situation, however, when normal operations such as the distribution of profits are resumed.

Repeated Cairo as 36.

WINANT

103.9169 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 28, 1945—1 p. m.

6274. From Cox and Cramer FEA for Blaisdell and Griffin. Our 5954 July 19. US press and public reaction to fact that Suez Canal tolls are not being furnished under reverse lend-lease has been strongly adverse. Cox had previously indicated to Brand political disadvantages of such decision. Please do not consider incident closed and continue to press Treasury forcibly that favorable reconsideration will substantially help joint interests of our two countries.³⁷ [Cox and Cramer.]

GREW

800.24/8-145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 1, 1945—7 p. m.

6415. Presidential Directive³⁸ interpreting prior Directive of July 5, 1945³⁹ has been issued to JCS.⁴⁰ Collado will bring this and rele-

³⁷ The question of inclusion of Suez Canal tolls as reverse lend-lease was pursued by the U.S. Government through the joint negotiations leading to a general lend-lease settlement in 1945-1946. On December 1, 1945, in its report to the U.S.-U.K. Lend-Lease Committee, the Combined Sub-Committee on Claims listed the U.S. claim for 13 million dollars due on Suez Canal tolls paid by U.S. vessels as having been rejected by the U.K. side but reserved by the U.S. side for consideration by the Lend-Lease Committee (611.4131/5-146). In the Mutual Aid Settlement of March 27, 1946, dealing with agreement on settlement of Intergovernmental Claims, the U.S. claim for 13 million dollars and certain U.K. claims on which agreement could not be reached were mutually waived; for text, see Department of State Treaties and other International Acts Series No. 1509, pp. 14-15.

³⁸ Dated July 29; for text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1184.

³⁹ *Ibid.*, vol. I, p. 818.

⁴⁰ Joint Chiefs of Staff.

vant information to London. With respect to British Empire, issuance of munitions is authorized when of direct aid to redeployment of US Forces and of Empire Forces. Requirements for occupational forces in Axis countries are not eligible, but otherwise issue is to be in accord with agreement of October–November 1944.⁴¹

GREW

641.003/8–245

Memorandum of Conversation, by the Chief of the Division of Commercial Policy (Brown)

[WASHINGTON,] August 2, 1945.

1. At lunch today Mr. Lee⁴² stated that he understood from discussions with Canadian officials that the United States felt that commitments which the Administration had made during the Hearings on the renewal of the Trade Agreements Act would preclude it from pursuing a straight multilateral approach to tariff reduction. He stated that the Canadians were much dismayed by this development and that, although he was not personally directly involved in the problem, British officials also were very much concerned. He asked whether I could confirm that this was the case and whether it did not represent a very marked change in United States policy from that put forward by us in the 1943 discussions.⁴³

I stated that it was the case. It had been necessary for the Administration to emphasize the selective nature of the approach to reductions in the American tariff which had been adopted in the past and to give assurances that this selectivity would be continued in the future. We felt that we were bound by those assurances in the use of the new authority given us. I explained the narrowness of the margin by which the renewal statute was passed both in the House and in the Senate⁴⁴ and emphasized how unfortunate it would have been had it not been passed. He entirely agreed on this point. I stated that we recognized that this did represent a considerable change from the line of policy which we had been discussing with the British but that this had been required of us by practical political realities which we faced on the Hill. Mr. Lee again expressed his disappointment that this situation should have developed.

⁴¹ Reference is to the arrangements arrived at during the Phase II discussions on lend-lease; for documentation on the subject, see *Foreign Relations, 1944*, vol. III, pp. 31 ff. There was no formal agreement as such.

⁴² Frank Lee, British Treasury Delegation.

⁴³ See *Foreign Relations, 1943*, vol. I, pp. 1099 ff.

⁴⁴ See footnote 94, p. 45.

2. We had a general discussion on the effect of a change in government in England.⁴⁵ Mr. Lee stated his views on this subject, which were generally similar to those expressed in London Embassy's telegram no. 7708 of July 31.⁴⁶

611.4131/5-146

Memorandum of Conversation

LONDON, August 3, 1945.

Participants:

U.K.— Lord Keynes	U.S.— Mr. Clayton
Sir Wilfrid Eady	Mr. Hawkins
Mr. Robert Brand	Mr. Collado

Mr. Clayton began by stating that he was speaking informally in accordance with the President's letter of July 29 to the Prime Minister,⁴⁷ that in general he could only present his personal views, but that the matters which he would discuss were questions which had been generally discussed with the President in connection with Bretton Woods and trade agreements legislation. Lord Keynes stated that in view of the new government, the views of the British officials must also necessarily be tentative as they have not had a chance to discuss these matters with the new Chancellor of the Exchequer⁴⁸ and the new Ministers.

Lord Keynes stated that it would be difficult to obtain the attention of the new Ministers until August 15, on which day the King's message to the Parliament would be presented. He stated that the Parliament would recess and the Ministers disperse for holidays on September 1. In view of the desire for early discussions in Washington, he would like the United States to set a definite date, certainly not later than September 15. This would enable the British officials to press the Ministers for policy decisions before they go on their holidays. It would be important to get the discussions well under way in September as many of the officials would have to return in October for the presentation of the Bretton Woods proposals to the Parliament. Mr. Clayton stated that he was certain that he could cable the date within a few days after his return to Washington and report to the Secretary and President.

⁴⁵ In the British general elections of July 1945, the Conservative Government had been defeated by the Labor Party, with Clement R. Attlee replacing Winston S. Churchill as Prime Minister.

⁴⁶ Not printed.

⁴⁷ For text of letter from President Truman to Prime Minister Attlee, see *Conference of Berlin (Potsdam)*, vol. II, p. 1184.

⁴⁸ Hugh Dalton.

There followed some discussion of the method of indicating to the public the reasons for the British delegation to Washington, and Sir Wilfrid Eady suggested that it be indicated that the delegation was discussing the clean-up of lend-lease and other related matters, including post V-J⁴⁹ economic matters. Mr. Clayton stated he thought this would be all right, but he wished to study it further.

Lord Keynes stated that there were three general topics which should be discussed during Mr. Clayton's stay:

- (a) The facts of the British international position;
- (b) UNRRA;
- (c) Commercial policy.

Facts of the Situation

Lord Keynes pointed out that there were two basic problems: the handling of the accumulated blocked sterling balances and the continuing problem of deficits in the post V-J day period. These are interrelated although the latter is more important in the short run. On the other hand, it is not possible to put new obligations ahead of the existing sterling balances. Thus the balances are an obstacle to new borrowing. Moreover, it is not possible to cut off the members of the sterling dollar pool without the U.K. helping them to meet their deficits. Lord Keynes added parenthetically that he was very pleased with the letter to Congressman Celler regarding the dollar pool.⁵⁰

Post V-J Day Balance of Payments

(All figures in millions of pounds sterling)

Lord Keynes presented the following figures on the estimated balance of payments during the calendar year 1945. These figures omit munitions received on lend-lease and Canadian mutual aid, and therefore include principally types of items which in general character would continue into the postwar period. Other items of an essentially war character which are included in Lord Keynes' estimate include:

Cash outgo, including supply department expenditures in India and Australia, loans to governments, foreign office expenditures, net British troop pay and local services:

India	400
Middle East	100
Australia	150
Other	100
Total	750

⁴⁹ Reference is to the future date of victory over Japan.

⁵⁰ Texts of the letter from Representative Emanuel Celler, of New York, to Secretary of State James F. Byrnes, July 3, and the reply from Acting Secretary of State Grew, July 25, are printed in *Congressional Record*, vol. 91, pt. 12, Appendix, September 11, 1945, p. A3830.

<i>Cash income:</i>	
U.S. net troop pay	50
Refunds from Australia, South Africa and other Dominions	about 100
Total	<u>150</u>
<i>Net outgo:</i>	about 600
<i>Net deficit:</i>	
on trade, shipping, investment, etc. account	900
	<u>900</u>
	<u><u>Total adverse balance</u></u> 1500
<i>Sources of Finance</i>	
Lend-Lease	600-750 or more
Canadian Mutual Aid	100-150
Sterling area (by reducing assets or accumulating new blocked balances)	700-750
	<u>1400-1650</u>

Lord Keynes stated that exports were now very low. Last year they were down to 33% of prewar. They are now 36% but a considerable portion of the increase is in items which are technically non-munitions but are in practice related to military. By the end of the year the level of exports may be up to 40%. Prewar exports were about £ 1250 at present prices. In 1943 they were £ 240, in 1944 £ 283, and in 1945 they are expected to hit £ 356. Since prices have advanced 10% during the past year, the increase in terms of volume is less.

Postwar imports, while of a somewhat different composition than present imports, will be somewhat greater. Food imports will increase. Moreover, world prices are tending upward. Lord Keynes felt that the combined purchases "bluff" was beginning to lose effect and that prices generally would increase by 20%.

Lord Keynes went on to state that the rate of reconversion and demobilization is very disappointing, that by December 31, 1945 not more than 100,000 men will have returned to export trades. Sir Wilfrid explained that conscription for domestic industry is now relaxed and as a consequence of this, and a high level of income and savings, many married women and old men and other pensioners will quit working—perhaps 1 million persons are in this category. On the optimistic side, it is expected that 1 million men will be released by the Army and 750,000 persons will flow out of the munitions industries, but because of holidays and other factors there is not expected to be an increase of more than 350,000 persons in the non-munitions labor forces. Of these, about 250,000 will go into building trades and other domestic industry, leaving not more than 100,000 for the export trades.

Keynes thinks that there may be no net increase in manpower in the export trades. Keynes and Eady pointed out that it is very difficult to take the right decision with respect to the Japanese war effort. If the British release more manpower, public opinion in the United States will say that they are not doing enough for the Japanese war. Keynes pointed out that the present military assumptions are that a full Japanese war pipeline must be maintained to December 31, 1946. This seems absurd and Keynes believes that perhaps we should reconsider and begin to taper off.

Keynes continued his discussion of the balance of payments by indicating that after V-J day, that part of the deficit which is related to military efforts will run off, but slowly at first. He estimated that by the end of the first year, it would be off 500 gross or 400 net. If there is a substantial increase in exports, say 600 total exports, which is very optimistic, and small increases in shipping and other invisibles, the net deficit will be 650 optimistic, 750 probable and 850 possible. Keynes is optimistic; Brand is pessimistic.

In arriving at these deficit estimates, Keynes is including some 300 million of additional overseas expenses into the sterling blocked balances to be added to the war settlement with the sterling area. Zero day for blocked balances would be several months after V-J.

In the second post V-J year, it is difficult to make estimates but the deficit might be 500, in the third year 200, and on an optimistic calculation perhaps zero thereafter. Thus Keynes would arrive at an estimated deficit of about 1500 over the three years. To this figure would have to be added any net releases to the sterling area.

With respect to net acquisitions from or net releases to the sterling area, Keynes insisted that there are two requirements of the British position: to make current sterling balances fully convertible and to keep consumption in the U.K. short so that goods will be available for export. If confidence can be produced in the convertibility of sterling, it may well be that the increases in ordinary sterling reserves [of?] third countries will offset outlays to help meet the deficits of certain sterling area countries. For example, Canada may be expected to help. Sweden might accumulate some sterling balances. The Northwestern European areas can be expected to meet certain arrears of payments. The French agreement, although weak, may yield something net, possibly as much as 40 if full payment of arrears is made and between 25 and 30 on current account. U.K. balances with Belgium and the Netherlands may be at first adverse but in time there will be some gold payment to the U.K. Since South Africa has large gold reserves, it might be induced to increase its sterling balances.

Lord Keynes then turned to the gold and dollar position. He stated that the gold liability to Portugal may be settled during the

coming week with a result that the net gold liability would be considerably reduced. Lord Keynes then rehearsed the development of the gold and dollar position.

(All figures in billions of dollars)

December 31, 1938	4.2	
September 1939	2.5	
April 1941	10-12	million
	(before RFC loan ⁵¹)	
December 31, 1941	.4	
December 31, 1942	.7	
December 31, 1943	1.3	
(This was over the \$1 billion figure of the U.S. Treasury and occasioned great discussion.)		
April 30, 1945	1.8	
June 30, 1945	1.846	
December 31, 1945	estimated	2.0

During the Phase Two conversations, Lord Keynes felt that Secretary Morgenthau would not be averse to a total of \$2 billion or \$1¾ billion. At the conclusion of the negotiations, especially as a result of the "Chapter III" items, Keynes expected the figure for the end of 1945 to be about 1.5. Since then the U.S. net troop pay in the U.K. is much better than had been anticipated and in addition, South Africa is expected to turn over some gold for sterling.

Of the \$2 billion, the British could use \$1 billion to meet post V-J deficits. This would last four months.

Lord Keynes again stated that all of the working officials felt that current sterling must be convertible. The alternative of tying up the sterling area tightly would lead to serious consequences so Keynes personally would want an interim program for getting rid of exchange restrictions, say not over five years as provided in the Bretton Woods program, but immediately. Unfortunately, the new officials might be superficially attracted to bilateralistic schemes, but it would be an educational process in which the permanent officials would have to point out the necessity for free exchanges and multilateral commercial policy.

Mr. Clayton pointed out that in his opinion it was essential that the blocked sterling balances be scaled down. Lord Keynes indicated that the officials had proposals with respect to the sterling balances but that they were not ready to discuss them until they had a chance to clear with the new ministers. Mr. Clayton and Lord Keynes discussed briefly the South African gold position and Lord Keynes described the difficult political position which made it impossible to

⁵¹ For text of agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and Reconstruction Finance Corporation, dated July 21, 1941, see British Cmd. 6295.

get much more than the British are already getting from the South Africans. He stated that South African gold production is approximately 100 million pounds per annum, of which about 50 million goes into imports and other current balance of payments needs, 25 million is currently being transferred to the U.K. in return for sterling balances, and the remaining 25 million is added to South African gold stocks.

At several points in the discussion Lord Keynes indicated that with good management it should be possible to trim down the total deficit. Mr. Clayton remarked that public opinion in the U.S. seemed to be settling on the possibility of the extension of \$3 billion in credits to the U.K.

The conversations were resumed in the afternoon with Messrs. Glasser,⁵² Earley and Stinebower added to the group. Lord Keynes began by stating that he had had some "extra thoughts" on the morning's discussions. In the first place, he wished to make it clear that the present V-J day arrangements could not be only between the U.K. and U.S. but must embrace all countries. The sterling area settlements must proceed simultaneously with any U.S. arrangements. The whole question must be looked upon not as a simple question of transitional financing but a series of arrangements which would be a contribution towards a basic U.K. situation that would make possible a brief transition.

Mr. Clayton thanked Lord Keynes for his complete presentation and stated that happily there was a shift in U.S. opinion with respect to world affairs both in political and economic matters. He referred to recent opinion and Congressional action with respect to the San Francisco Charter,⁵³ Bretton Woods, Export-Import Bank, and trade agreement legislation. He felt that if a satisfactory overall commercial policy agreement could be made, it might be possible very promptly to get special credit legislation which might authorize the figure he had mentioned in the morning—\$3 billion—on liberal terms. Some conditions would have to be imposed. The dollar pool is anathema to U.S. exporters. Rightly or wrongly they attributed all of their lost orders to the manipulations of the pool. Then, of course, it would be necessary to get agreements on tariffs, cartels, quotas, discriminations, etc., and these matters would be discussed Saturday⁵⁴ with the Board of Trade.

⁵² Harold Glasser, Assistant Director, Division of Monetary Research, Department of the Treasury.

⁵³ Reference is to the Charter of the United Nations, June 26, 1945. For text, see *Charter of the United Nations and Statute of the International Court of Justice*, 59 Stat. (pt. 2) 1031. The Senate had advised ratification of the Charter on July 28.

⁵⁴ August 4; for summary of these discussions, see telegrams 7903, August 6, and 8132, August 11, from London, pp. 87 and 90, respectively.

U.S. public opinion fully supports the views of government officials with respect to liberal trade and financial policies. The President and the Secretary of State believe that it should be possible to work out something satisfactorily with the U.K. along the lines of liberal commercial policy. Mr. Clayton was unable to express firm views or make definite commitments partly because of the very recent appointment of a new Secretary of State who had not been able during the pressure of the Potsdam Conference⁵⁵ to devote any attention to these matters. Mr. Clayton had discussed the problems in some detail with President Truman in connection with legislation on trade agreements, and he felt certain of the President's general views. He had talked to Secretary Morgenthau and to Judge Vinson and felt sure that what he was saying reflected Treasury's policy. Mr. Glasser nodded assent.

Mr. Clayton felt that it would be necessary to adjust the sterling blocked balances—to scale them down and to refund the remainder. It would not be possible to put in any fresh money without settling these old obligations. Lord Keynes agreed.

The United States has been bothered by recent British bilateral exchange agreements. It recognizes that in the present situation without broader arrangements with us, such bilateral exchange agreements are perhaps inevitable. If broader arrangements could be made, the present defensive measures might not be necessary. It is recognized that they are intended to expand trade, but we are afraid of the bilateralistic tendencies inherent in them.

To sum up, Mr. Clayton indicated that the U.S. wants to make possible a broad liberal multilateral trade and financial policy. Lord Keynes stated that the three British officials personally agreed in full. They could not know definitely the views of their new Ministers. There is, as he had indicated earlier, a superficial attractiveness to the bilateral course.

Lord Keynes went on to make two points. At this stage of the discussions, he would prefer "a more meaningless phrase" than "credits". Moreover, he wished to emphasize the high priority of existing balances of the crown colonies and certain other members of the sterling area. He indicated that while from some points of view the sterling area may not be regarded as having contributed to war finance, the sterling area did give unlimited credit, would permit the full imposition of U.K. exchange control, etc. In answer to Mr. Clayton's question was there any alternative for the sterling area, Keynes said perhaps not much, but that there was a real difference in the attitude of Iraq vs. Iran. Keynes went on to say that while scalings down were essential, some balances would have to be released.

⁵⁵ July 17–August 2, 1945. James F. Byrnes was appointed Secretary of State on July 3, 1945, succeeding Edward R. Steffinius, Jr.

In considering credits all obligations now outstanding would have to be taken into account.

Keynes' second point related to the figure of \$3 billion. The important thing is to restore confidence in the convertibility of sterling and some sterling must necessarily be released to the sterling area. If Britain is "but a shilling better than bust, we shall be bust".

Mr. Clayton stated that in his view if the war finance was cleared up, it ought to be possible to settle the postwar deficits for say \$3 billion. Keynes felt that the U.K. would be called upon to make very sweeping commitments on exchange and trade policy and it would need to have an adequate reserve. He did not feel, however, that it was useful to talk about the figures further at the present time and stated that he would present a detailed analysis later.

Mr. Clayton pointed out that \$3 billion is the figure in the minds of the U.S. public although Winthrop Aldrich⁵⁶ had mentioned \$5 billion. Lord Keynes hoped that the figures would not crystallize, and Mr. Clayton agreed that that would not be desirable. Lord Keynes and Mr. Clayton agreed that public opinion in both the United States and the U.K. must agree on the desirability of the measures taken.

Lord Keynes then turned to the "problem of settling war obligations" and stated that we were witnessing the twilight of lend-lease. Both lend-lease and reciprocal aid are running down both in volume and in public estimation. Lord Keynes felt that there might be a very short period of straight lend-lease after V-J day followed by a clean-up. He did not want a 3(c) agreement.⁵⁷ He felt that it was important to know what would be the date for the cessation of new procurement—V-J or shortly later—and what would be the date for discontinuance of deliveries. Then it would be necessary to arrange a settlement with respect to lend-lease stocks on hand, ships, and disposal of lend-lease stocks and surpluses.

In his opinion the clean way to do it would be to arrive at a global figure for all items not purely war lend-lease, to adopt a cash figure of all such overhanging items, also to do the same with respect to reciprocal aid exclusive of such items, of course, as the transport home of U.S. troops in U.K. vessels. The war lend-lease would of course be part of the broad settlement; the overhanging items might be gathered into a single net cash figure for settlement.

There ensued a rather full discussion of the scope of paragraph 3(c) in which it became clear that the British officials did not understand the problem and at the end of which it was agreed that there

⁵⁶ Chairman of the Board of the Chase National Bank of the City of New York.

⁵⁷ An agreement under section 3(c) of the Lend-Lease Act of March 11, 1941, 55 Stat. 31, as amended, April 16, 1945, 59 Stat. 52.

should be a further exploration of possible arrangements under Section 3(c).

At this point Messrs. Gilpatric,⁵⁸ Marris,⁵⁹ Hasler⁶⁰ and Dunnett⁶¹ entered and there ensued a discussion of UNRRA matters. No attempt is made in this memorandum to discuss the UNRRA problems except as they relate to the British financial position.

Lord Keynes stated that from the Treasury point of view the important UNRRA issues were the total requirements and the size of the U.K. share. The British were naturally concerned about the size of their expenditures—particularly externally—because even expenditures in the crown colonies are a drain on the British exchange position. The British had studied the possibility of UNRRA actually making deliveries—due to shipping and supply availabilities—and were convinced that if the Soviet request⁶² could be put aside, and with the first \$200 million only for China at this time, an increase of 50% in the quotas would handle the situation. After considerable discussion it was agreed that a working party would look into the figures.

Lord Keynes pointed out that in the U.K. the distinction is not drawn between authorization and appropriation and that the Chancellor would find it very difficult to “authorize” 1% on the chance that it might eventually be needed. Lord Keynes felt that if UNRRA thought it had 1%, ways would be found to expend it.

It was agreed that this whole matter would be discussed further.

611.0031 Executive Committee/8-645: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 6, 1945—5 p. m.

[Received 8:45 p. m.]

7903. For Wilcox and Thorp⁶³ from Hawkins and Stinebower. At first meeting with British on commercial policy on August 4 the first reaction to our proposed procedure was that it would be difficult to

⁵⁸ Donald S. Gilpatric, Chief, War Areas Economic Division, also Adviser and Executive Secretary, United States delegation, Third Session of the UNRRA Council, London, August 7-24, 1945.

⁵⁹ Adam D. Marris, Assistant Under Secretary of State, British Foreign Office, also member of the United Kingdom delegation, Third Session of the UNRRA Council.

⁶⁰ William J. Hasler of the British Foreign Office, member of the United Kingdom delegation, Third Session of the UNRRA Council.

⁶¹ G. S. Dunnett of the British Treasury, member of the United Kingdom delegation, Third Session of the UNRRA Council.

⁶² See vol. II, pp. 958 ff., *passim*.

⁶³ Willard L. Thorp, Deputy to the Assistant Secretary of State (Clayton).

line up the nuclear countries by separate diplomatic talks. Some of their countersuggestions might enhance the difficulty of selecting the nuclear group. For example, they tentatively suggested a first meeting of nuclear group to discuss purely procedural matters.

For our further discussions it would be most useful to have the Department's views as to indispensable minimum of nuclear list, both politically and economically. The Ottawa talks as reported to ECEFP (Executive Committee on Economic Foreign Policy) rather envisaged the following: US, UK, the four Dominions, India, USSR, France, Belgium, Netherlands, Czechoslovakia, China, Cuba, Brazil. British hope China can be omitted, strongly urge Argentina. Obviously essential that list be kept to a minimum but that it cover a substantial part of the world's trade and have a representative coverage.

If possible please send Department's political and economic judgment on the nuclear list before Friday.⁶⁴ [Hawkins and Stinebower.]

WINANT

611.0031 Executive Committee/8-645: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 9, 1945—6 p. m.

6720. Urtel 7903, August 6.

1. The combined political and economic judgment of the Department on the nuclear list is that the following 11 countries should be invited to participate in addition to the United States: United Kingdom, Canada, Australia, New Zealand, Union of South Africa, France, Netherlands, Belgium, U.S.S.R., China and Brazil.

2. It is believed that the number of countries should be kept small since the greater the number engaged in simultaneous negotiations the more difficult the negotiating problem, particularly for countries other than the United States.

3. This above group is as small as possible and yet includes the Big Five,⁶⁵ the members of the British Commonwealth, and major trading nations of Europe, Latin-America and the Orient. Definition of the nucleus by some easily understandable objective standard such as this is considered important in justifying exclusion of other countries.

4. The Department feels that India should not be included at this time on the grounds that any negotiations by the present Indian Government on this subject would be regarded by Indian nationals as representing British interests in India rather than Indian viewpoint,

⁶⁴ August 10.

⁶⁵ United States, United Kingdom, Soviet Union, China, and France.

and might seriously prejudice the success of subsequent negotiations with any national government that may later be chosen. Moreover, the strongly protectionist sentiment in India makes it unlikely that India could be persuaded to join nuclear group in expeditious tariff reduction.

5. The U.S.S.R. is included as a member of the Big Five and also as a means of working out a solution of problems of state trading system.

6. China is included as a member of the Big Five largely for political reasons and to afford a further opportunity of influencing along liberal lines the direction of Chinese commercial and industrial policies which are presently in process of development. This would also permit the United States to offer reductions in duties on commodities of which the Orient was practically the sole supplier.

7. France is included as a member of the Big Five, as an important country in world trade and as a country whose future commercial policies are at a turning point.

8. Belgium and Netherlands are included as countries important in world trade and especially in the trade of France and other European countries. Moreover, the projected customs union between Belgium and the Netherlands will, if carried out, probably necessitate a revision of their commercial agreements with other countries, and it is desirable that this revision should take place along lines harmonious with our general commercial policy.

9. The question of the inclusion of dependencies and colonies of the countries named will be considered by individual country committees to be set up by Trade Agreements Committee.⁶⁶

10. Department feels that in principle there should be a Latin-American representative included in nuclear list and this representative should be Brazil. Department feels inclusion of Argentina is out of the question.

11. The foregoing 12 countries (including the United States) imported over 50 percent of the world's imports in 1937 (by value). About 45 percent of United Kingdom's 1937 imports were from countries named, and over 40 percent of her exports went to such countries. About 35 percent of the United States imports came from the countries named and 50 percent of our exports went to them. Generally speaking, the percentages are higher in the case of the Dominions' trade. Inclusion of Crown colonies would further increase the amount of trade included within the group.

12. The addition of any more countries to the list given in paragraph one would raise difficult problems, in addition to the negotiating

⁶⁶ A special interdepartmental committee which maintained liaison with the Executive Committee on Economic Foreign Policy.

problem, regarding the noninclusion of other countries which are relatively as important or more important from point of view of world trade. Among these are Italy, Sweden, Switzerland, Czechoslovakia.

13. Under the circumstances the Department and the Trade Agreements Committee are of the opinion that the list should be confined at this time to the 12 countries mentioned in paragraph 1.

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611.0031 Executive Committee/8-1145: Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, August 11, 1945—4 p. m.

[Received 5:25 p. m.]

8132. Part I.

1. Clayton, Hawkins, Stinebower, Fowler⁶⁷ and Penrose had a meeting with Liesching, Eady, Keynes, Robbins, Brand and Shackle at Board of Trade, August 4.

2. Clayton said US determination to move towards objectives of article VII had been shown by recent action in Bretton Woods and Reciprocal Trade Act. It was now time to move forward with something concrete in commercial policy and to take the opportunity while it lasted. Substantially enhanced powers had been obtained under new act but the US is not in a position to go into conference with object of making horizontal cuts in tariffs. Both language of act and assurances given in hearings prevented use of act for horizontal cut. Any such cut would have to be submitted to Congress and pressure would be too strong. Clayton thought however that we had a way to negotiate number of tariff agreements quickly and then call an international conference to deal with other restrictions.

3. Clayton, Hawkins and Stinebower explained Proposal D (ECEFP D-104/45).⁶⁸ Copy of Proposal D as approved by committee, with part on advantages and disadvantages omitted, was given to the British.

A discussion followed in which UK officials expressed substantially the views summarized below.

4. UK officials were particularly concerned regarding the number of bilateral negotiations involved in the US proposal. Keynes considered the bilateral procedure impracticable. Liesching said that it would be impossible to find enough teams of qualified officials to negotiate with a number of countries simultaneously. Shackle thought

⁶⁷ William A. Fowler, First Secretary and Consul, London.

⁶⁸ ECEFP D-104/45 not printed; for text of accompanying memorandum as well as an explanation of Proposal D, see p. 74.

that if the discussions were bilateral they would "drag on interminably." Liesching said bilateral pacts had taken from 5 to 29 months with average of 12 months.

5. Keynes, Eady, Liesching and Robbins took position that even if it had to be assumed that tariff cuts must be selective and not uniform percentage cuts, it did not necessarily follow that the negotiations must be carried on by separate bilateral discussions. Keynes said that each country should come into a conference of the nuclear group prepared to say what concessions it would make to the other countries and on what conditions. Robbins said there was all the difference in the world between separate discussions in pairs and negotiations in a combined group on a selective basis.

6. UK officials maintained that tariff and non-tariff restrictions should be discussed simultaneously and in part at least by the same officials. If they were dealt with separately the assumptions made in non-tariff restrictions during the tariff discussions might not be borne out in practice and tariff cuts agreed tentatively would have to be renegotiated and revised. UK officials thought the nuclear group should all be assembled together for both tariff and non-tariff discussions, which might be taken up at separate meeting in the same conference. Liesching emphasized that many of the trade obstacles facing UK were non-tariff and it was difficult to take any action on tariff without knowing what was to be done on the other aspects of trade restrictions.

7. Liesching asked what approaches could be made to non-nuclear countries pending a conference. The UK had been embarrassed by frequent inquiries from European countries as to its general views on post-war trade. He did not think they could remain tongue-tied much longer.

Part II.

8. A second informal meeting was held on August 9 between Hawkins, Stinebower, Fowler and Penrose and Liesching, Robbins, Hall-Patch,⁶⁹ Stirling⁷⁰ and Shackle. Views expressed by UK officials on the latest US suggestions were substantially as follows:

9. The UK officials spoke in strong terms against the idea of separating the discussion of preferences from the tariff discussions and taking them up along with non-tariff restrictions. Liesching said they had hoped in view of previous explanations of the position in UK this would not have been suggested. They had always made it clear that preferences were a part of a context involving tariff negotiations. If the horizontal treatment of tariffs went overboard then horizontal treatment of preferences must go too.

⁶⁹ Edmund L. Hall-Patch, Assistant Under Secretary of State, British Foreign Office.

⁷⁰ Presumably John A. Stirling, Assistant Secretary, British Board of Trade.

10. Robbins said the central point was the relation of the proposals to the political situation here. The proposed separation of tariffs and preferences increased the difficulty. He added that "the brute fact of the political situation on this point is not affected by any change of governments". Liesching added that these US proposals had put the whole matter into "a quite unmanageable position". He referred to Bevin's speech at the Labor Party conference⁷¹ and said that UK officials were now placed in a most embarrassing position from the point of view of getting ministers to agree to commercial policy measures.

11. UK officials strongly criticized US proposals on quotas, maintaining that the provisions would permit quotas on the whole front. They did not agree that the provision that corresponding domestic restrictions must be imposed was a satisfactory check on the undue use of quotas. Shackle and Robbins maintained that it was most difficult to ascertain by how much domestic production was effectively restricted and whether such restriction was equivalent to the import restriction.

12. Liesching, Robbins and Shackle objected to the proposals for subsidies on commodities in world surplus. Robbins said the main objection was to the idea that once it was agreed that a burdensome world surplus existed there should be a "free-for-all" struggle with the use of export subsidies as a bludgeon to compel agreements that might not be satisfactory to all parties. Shackle said that distress at home should not be relieved by creating disturbances in other countries.

13. The general attitude of UK officials at this meeting was extremely pessimistic.

14. A full meeting will be held on August 13.⁷² Officials have not been able to place these questions before the new cabinet. In conformity with a proposal made at Potsdam⁷³ UK suggests sending a delegation to Washington in September on trade, financial and related matters. Clayton has indicated that he will arrange after his return to have this proposal considered.

WINANT

⁷¹ Reference is to a speech made by Ernest K. Bevin at the Annual Conference of the British Labor Party at Blackpool on May 23, 1945; for text, see the *London Times*, May 24, 1945, p. 2, col. 2.

⁷² Presumably this meeting was postponed until Wednesday, August 15; see telegram 8289, August 16, 5 p. m., from London, p. 94.

⁷³ See *Conference of Berlin (Potsdam)*, vol. II, p. 1181.

800.24/8-1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 16, 1945—2 p. m.

[Received 4:20 p. m.]

8287. For the Secretary, Crowley, Thorp and LP⁷⁴ from Clayton. At our conversation Tuesday⁷⁵ we found the British extremely concerned about the immediate effects of V-J on lend-lease programs. Keynes states that they had hoped before V-J to discuss dates and types of program cut off and that they now hope no hasty decisions will be taken. They indicated that military deliveries could be cut off very quickly except for spare parts, certain transportation services, rations, et cetera, regarding which the British expect no great difference of opinion with our War and Navy Depts. With respect to the non-munitions program which consists principally of food, POL (Petroleum, Oil, Lubricants), and shipping services the British raised 2 points: (1) the financial effect and (2) physical procurement and supply. Lord Keynes asked whether it was possible for Mr. Crowley to order a continuation of the supply and procurement mechanism without prejudice to financial decisions. The British contemplate a change-over in the financial situation but hope that this can be postponed briefly pending discussions. They would propose to continue reverse aid of services.

The British hope that more formal talks can take place in Washington early in September and I am sending a separate telegram to the Secretary on this whole subject.⁷⁶

I did not make any statements or commitments with respect to the lend-lease issues. My own opinions remain the same as those I cabled to you on Sunday (my 8169).⁷⁷ I should like more information regarding the possibility of continuing the physical supply and procurement mechanism. With respect to the financial aspect of the matter I would recommend that the British be notified that requisitions will be received for processing and eventual delivery on straight lend-lease terms only up to a specific date a few weeks hence; that such requisitions plus the existing pipeline will be delivered until the end of the year; and that the amounts involved will be the subject of general settlement along with any stocks existing in the UK.

⁷⁴ Division of Lend-Lease and Surplus War Property Affairs.

⁷⁵ August 14.

⁷⁶ See telegram 8312, August 17, 5 p. m., from London, p. 97.

⁷⁷ Telegram 8169, August 12, 2 p. m., from London, not printed. This telegram contained Mr. Clayton's tentative "first views" on the subject of lend-lease after V-J Day (800.24/8-1245).

As I have stated earlier I believe the general settlement must be such as to impose no requirement of exchange transfer on the British with respect to food, raw materials, et cetera. There may be certain categories of fixed installations regarding which further study is necessary, but I feel that we must at an early date make a complete settlement that will leave no loose ends dangling. This must include not only questions of possible financial settlements but also White Paper ⁷⁸ questions, problems affecting "similar" goods, exports, et cetera.

I have made no undertaking to discuss the matter further with the British in London but should appreciate any background information as to your views and proposed actions. [Clayton.]

WINANT

611.0031 Executive Committee/8-1645: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 16, 1945—5 p. m.

[Received 9:08 p. m.]

8289. Clayton, Hawkins, Stinebower, Penrose, Fowler, Earley and Fergusson had a meeting on commercial policy yesterday with Liesching, Hall-Patch, Eady, Robbins, Shackle, Keynes, Brand, Stirling and Helmore.⁷⁹

1. Liesching first asked for clarification of the view that commercial policy should be dealt with simultaneously with financial policy. First, was it desired by this to press UK into accepting US ideas on commercial policy? Second, since it would take at least a year to deal with tariffs under bilateral agreements how could negotiations on the other subjects be kept in line with the commercial policy negotiations?

2. Clayton replied that reason for coupling the subjects was not to force UK into acceptance of US ideas. The point was that the collectibility of international credits depended upon the expansion of international trade through liberal and multilateral measures. On Liesching's second point he said that what he had in mind was that in dealing with the financial and other matters there should be a pretty clear understanding of the commercial policy objectives and the procedures for reaching them.

3. Liesching replied that this explanation was helpful. He then asked whether the paper⁸⁰ given them was intended as a basis for

⁷⁸ See footnote 27, p. 11.

⁷⁹ J. R. C. Helmore, of the British Board of Trade.

⁸⁰ Presumably reference is to Proposal D of ECEFP D-104/45, not printed; for text of accompanying memorandum as well as an explanation of Proposal D, see p. 74.

discussion or as something they were asked to agree to in advance. Clayton replied that the aim was to reach an understanding on what US-UK would try to do and how they were to do it. He wanted to get US-UK ideas together on broad outlines and objectives not necessarily all the details.

4. The UK officials again emphasized the length of time required to arrive at a series of bilateral agreements and pointed out that agreement on non-tariff matters would not come into force until the last of the tariff agreements had been concluded. They think however (a) that the infant industry question may be somewhat easier to handle under selective tariff reductions than under uniform percentage cuts (b) that the UK may be able to meet its agricultural position under selective treatment. Liesching said that the exact agricultural policy of the new govt is not yet known but he hoped that something acceptable to US and UK may be found. The principal UK problem on agricultural imports was how to deal with glut offerings of exporting countries. There were administrative difficulties in dealing with these by subsidies.

5. Clayton and Hawkins explained the possibilities of shortening the tariff discussion by bringing all the nuclear countries together for the negotiations and using short cuts wherever practicable. Liesching said he was not suggesting the procedures were such that the UK could not cooperate in them but both he and Keynes stressed the interdependence of tariff and non-tariff restrictions and Stirling was less optimistic on the possibilities of speedy negotiations on tariffs.

6. On two points UK officials took very strong positions (a) the relation of negotiations on preferences to those on tariffs (b) the US proposals regarding export subsidies on commodities in world surplus. On the first Liesching restated in strong terms the objections outlined in Embassy's 8132 August 11, paragraphs 9 and 10. He said there would be extreme difficulties if preferences were not handled temperately and if they did not appear as part of the tariff negotiations. With concurrence of the other UK officials he said that if they were taken out of that context the results would be very serious on the whole of article VII matters. They should be dealt with by the selective method. The wider tariff cuts went the more could be done on preferences. But within the nuclear group he added they could not agree to all they could have agreed to under a general cut. It was agreed to explore this matter further.

7. On export subsidies Liesching said the proposal to permit them on commodities in world surplus pending a commodity agreement was almost immoral and inconsistent with the rest of the US proposals. UK did not want the sort of commodity agreement that might come that way.

8. Liesching said US position on commodity policy generally raised no difficulties but that on restrictive practices it differed from position of UK officials who preferred more tentative and empirical approach. He could not predict attitude of the new ministers but UK officials still held the views expressed in paragraph dealing with subject in UK suggested statement of principles.⁵¹ Clayton and Stinebower pointed out inadequacy of this position from US viewpoint and importance given to subject in US.

9. Keynes in a statement of personal views said in his judgment great part of US document would find acceptance in UK which had not departed from its traditional position of desiring free trade. There were however some smaller points involving deep feelings on which care was needed. (a) Preferences had an emotional content and should not be picked out *a priori* and treated by themselves. (b) Because of certain countries state grading [*trading?*] was important and some points on it might have to be expressed a little differently but he saw no major difficulty there. (c) The introduction of matter similar to that covered at Bretton Woods was dangerous. It was wiser that this document do not go beyond Bretton Woods. (d) It should not be suggested import programming was only for early special post-war stages. He did not think it could be abandoned in any foreseeable period. Their most favorable figures showed equilibrium for UK 20% less imports than prewar. Necessities must be first charge on limited resources. (e) He regretted absence of reference to shipping subsidies and thought it would help UK to include them. (f) There should be provision to restrain manufacturers from dumping in export markets by selling abroad at less than domestic prices. The receiving country might not use its right to impose countervailing duties and other potential exporters would have no redress.

10. Liesching asked whether document given to UK was to be treated as a diplomatic document requiring formal answer or whether it was open to modification. There would be danger of long delay if such a detailed document were taken up with ministers.

11. Clayton said the document represents a negotiating as distinct from an exploratory stage of discussion and that presumably the UK Govt would want to consider the US Govt proposals and formulate a UK Govt position for the talks in September. In the Washington talks the US paper might be taken as a basis for discussion with a view to reaching agreement on main objectives and how to reach them. The UK could put forward whatever different ideas they might have for example on preferences. He emphasized necessity for speedy procedure.

⁵¹ Reference is to the British statement, text of which was transmitted to the Department in telegram 6548, June 28, midnight, from London (not printed). For discussion of this British statement, see telegram 6547, June 28, midnight, p. 56.

12. Clayton proposed that in view of the need for rapid progress the US and UK should be free prior to reaching agreement between themselves to explore the subject informally with other countries. Liesching agreed.

WINANT

611.4131/8-1745: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 17, 1945—5 p. m.

[Received 10:15 p. m.]

8312. For the Secretary, Acheson,⁸² Thorp and Phelps from Clayton and Collado. We assume that by now you have received the full minutes of my two meetings of August 3 with the British financial group which were transmitted by pouch by Collado to Phelps. In addition I have separately reported on lend-lease matters and on my conversations with the Board of Trade.

A further financial meeting was held on Tuesday⁸³ morning with Keynes, Eady, Brand, Grant, Harmer of the Treasury, Hutton⁸⁴ of the Food Ministry and Liesching and Hall-Patch of the Board of Trade. On the American side there were Clayton, Collado, Hawkins, Stinebower, Glasser and Earley.

Keynes opened with a discussion of the Lend-Lease time table. He had hoped before the fall of Japan to discuss the dates and type of cut-off of lend-lease deliveries and now hopes that there will be no hasty decisions. He believes that military lend-lease can be cut off quickly except for spares and other current items and would expect no difference of opinion with the War and Navy Departments.

On the FEA non-munitions program consisting principally of food, POL⁸⁵ and shipping services the British are interested on two counts: (a) the financial effects on the British balance of payments (b) physical procurement and supply mechanisms. Keynes asked whether Crowley could order a continuation of the supply mechanism without prejudice of financial arrangements. The British expect that there will be arranged a program of change-over from Lend-Lease finance. They propose that reverse aid continue on services as it would be impossible properly to price the thousands of small services items for cash payment.

Keynes then turned to the date of more formal financial conversations and pointed out that since the fall of Japan time was more

⁸² Dean Acheson, Under Secretary of State.

⁸³ August 14.

⁸⁴ Maurice I. Hutton, Deputy Secretary, British Ministry of Food.

⁸⁵ Petrol, oil, and lubricants.

pressing. Clayton indicated that he might not wait for his return to Washington before attempting to complete arrangements for the talks. The UNRRA council meeting may end on Monday or Tuesday⁸⁶ and Clayton could spend the rest of next week on broad financial and trade subjects. He pointed out that international finance and trade are inextricably meshed and that the only chance of making a really satisfactory credit arrangement is to provide financial assistance for 2 or 3 years of transition and agree upon trade arrangements that will make for the sort of economic world in which the British and other nations will be able to service their borrowings.

Keynes stated that the British would not be able to discuss broad policy within 10 days; that as he had pointed out on August 3 the experts had not had an opportunity to discuss these matters with the new Cabinet which was occupied with the King's speech.⁸⁷ Keynes then went on to say that the British would like to take up first the problems of Lend-Lease wind-up and settlement; then the question of financing the British balance of payments; and finally trade policy matters. The last discussions would take many months as it would be necessary also to consult many other countries. Clayton suggested that the world would probably accept any reasonable trade program that the US and UK agree upon. When Keynes indicated a doubt Clayton pointed out that we will never find out until the US and UK agree and take it up with other countries.

Keynes repeated that if the US means agreement on a document such as proposed to the Board of Trade the trade negotiations will take a long time. Clayton replied that it is up to the British Cabinet to decide how long it wants to discuss such matters in view of the urgency of its needs. He believes that the State Department will not agree upon a board [*broad*] financial plan without British agreement on the type of economic world in which the financial plan would have to work itself out. The US would probably be prepared to extend liberal credits on moderate terms of interest and amortization with appropriate regard for cyclical fluctuations in the balance of payments. These would not be bankers terms.

Keynes with typical abruptness asserted that the British would not accept credits at all especially credits in which the new creditor, the US, would have priority over existing creditors of the UK the sterling area. If this is the US view Britain will be forced to choose the alternative trade policy a bilateralistic course. Clayton rejoined that if the UK wishes to discuss new money it must abandon that position. The sterling area had special reason for becoming the creditors of

⁸⁶ The closing date of the third session of the UNRRA Council was Friday, August 24.

⁸⁷ For text of speech, delivered August 15, see *Parliamentary Debates*, House of Lords, 5th ser., vol. 137, col. 8.

Britain during the war. Clayton refused to agree with Keynes' assertion that you cannot free trade unless the blocked sterling balances are made fully convertible; and Keynes finally agreed that a considerable portion of the blocked balances could be ended. Keynes and Eady reheard [*rehearsed?*] the entire argument relating to the external reserves of the British colonies and other middle eastern nations which they presented on August 3.

Eady then asked whether the US had in mind some period of time over which the liberalization of trade and financial policy would take place pointing out that at Bretton Woods a transitional period of as much as 5 years has been discussed. Clayton replied that the purpose of financial assistance was to permit a more rapid transition; that we might expect a discontinuance of empire preferences and the sterling dollar pool at once with full convertibility in current balance of payments items. The volume of imports would undoubtedly have to be controlled on a non-discriminatory basis for some period, perhaps as much as 3 years.

At this point Brand sought to soften the impression which Keynes had made and urged that the US not crystallize its views until it had had a chance to see a full presentation of the British situation. Clayton stated that he was most anxious to see such a presentation. Keynes and Eady then discussed the relationship of the Labor Party platform to the international economic position of Britain and stressed the necessity for time to influence the new ministers to come out with the right decisions. They reiterated that they as expert officials were not in a position to come to any working level understandings at the present time and urged that they either be permitted to come to Washington early in September or that Clayton prepare to stay in London for at least a month.

Mr. Clayton asked what could be accomplished in September if the ministers have not taken the requisite decisions and Keynes intimated that he thought he could negotiate better and with a freer hand if he were in Washington subject only to general direction than if he were in London with day to day contact with the Cabinet. Both Keynes and Eady stressed that final trade decisions cannot be taken within the lend-lease period and Liesching pointed out that the US had somewhat changed the basis of the trade discussions which had previously been on the basis of an overall multilateral agreement to reduce tariffs. To Liesching's statement that the new US proposal prolongs the schedule of trade negotiation Mr. Clayton replied that he doubted whether in fact it did as in his opinion the straight multilateral basis was probably impossible of agreement.

As the conversation continued it was evident that the British position was to try to get immediate lend-lease understandings fol-

lowed by early financial agreements with a minimum of trade commitments this year. The US group firmly resisted the attempt to divide finance and trade although recognizing that the time-table presented certain difficulties. Clayton insisted that we must have general trade understandings with the British before a general financial understanding could be reached although the trade arrangements would undoubtedly require many months to be worked out with other countries in detail.

During the entire conversation Keynes insisted that he and his colleagues wished the same sort of economic world as did the US but he kept hinting and on several occasions virtually threatening that if the US was not "inspired" the British would probably choose a bilateralistic course and that if the British swing to state trading they would have an important influence on many parts of the world. He also repeatedly stated that if the Cabinet was pressed for an early decision the results might be disastrous.

In response to Clayton's direct question as to what the British would expect to cover in Washington in September Keynes stated: (1) the details of the wind up of lend-lease, the handling of the pipeline and stocks and perhaps the principles of lend-lease settlement; (2) a full presentation of the British financial position after which the British would outline certain tentative proposals; (3) late in the discussions probably some discussion of the relationship of financial aid to the Bretton Woods agreements and possibly even to commercial commodity and cartel policy and questions of full employment. On these last matters the British might express their broad views but detailed discussions with other countries would have to be postponed until 1946.

Clayton repeated his full statement.

The US views on the interrelationship of trade and finance, the necessity of the proper trade policy of the world is to be again on a sound basis. Loans can aid in the achievement of a sound economy but only with the achievement of a sound economy can large loans be handled in such a way as not again to become a political football. He also repeated that the British should not expect that a new US credit would be on the same status or a junior status to the blocked sterling balances.

There then occurred a very interesting exchange of remarks which clearly brought out the thinking of Keynes. Clayton suggested that the US thinks of the sterling balances as being about the same level as lend-lease as the basic circumstances were somewhat similar. Keynes replied that the British certainly do not so regard the sterling balances but that they might have regarded lend-lease *pari passu* with the sterling balances if the US had handed over its gold reserves to

the UK as did the sterling area. Keynes then stated that Britain had only so much room in its future balance of payments for debt service and there would not be enough for both new US credits and the old sterling balances and that it would have to honor its existing commitments. A solution in which the entire British availability was allocated to servicing new US obligations would be an "indecent" solution. The sterling balances will have to be written down but he could not agree that the US should have an absolute priority.

Clayton indicated that he believed that it might be necessary and desirable that some small fraction of the blocked sterling balances of the middle eastern countries be made currently available but that the principle emphasis should be on full convertibility as to new trade. He then asked what is the UK suggesting in these financial discussions. Is the US to bail out the entire sterling balances? Keynes replied no, that he did not wish the US to crystallize its opinion. The "realistic" mind is an awful thing. It takes a person with a "crazy" mind to work out an "inspired" solution to the problems facing the world. Clayton replied that he had considerable sympathy with the view that bankers' solutions were not practicable but that he and, he believed, the American people were essentially "realistic" and that he would be only frank with Keynes in saying that the British should not expect to obtain financial assistance in the form of free grants. Keynes concluded by suggesting that both Governments publish the full facts and ask the American people to decide.

We have prepared the above rather full minutes of the discussions in order to indicate the type of thinking of Keynes and the considerable difficulties which may be anticipated in our further trade and financial discussion with the British. Throughout the conversation it was clear that the other members of the British group would take a milder tone than Keynes and of course we realize that Keynes is making his usual extreme presentation of the British attitude.

It is my personal view that the British are putting up a very determined front to cover a basically very weak financial position with a very serious outlook. It would be easy for the British in these circumstances to go the bilateral trading route. I believe our discussion with the British will be very difficult and they will press for types of financial assistance which we may not find it desirable or possible to offer. Nevertheless I believe that this is the most important international economic problem before the US and that we must get on with our conversations with the British. I shall telegraph separately my recommendations as to further discussions with the British.⁸⁸

Please inform the Secretary of the Treasury and Crowley regarding these and the August 3 discussions. [Clayton and Collado.]

WINANT

⁸⁸ See telegram 8390, August 18, 8 p. m., from London, p. 103.

800.24/8-1845: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 18, 1945—4 p. m.

7012. To Clayton and Collado from Phelps and Maxwell. At White House Conference yesterday at which Byrnes, Vinson, Crowley, Leahy,⁸⁹ Snyder⁹⁰ were present, President determined policy with respect to FEA Lend-Lease after V-J Day⁹¹ as follows:

“While the Lend-Lease Act permits the delivery of supplies and furnishing of services thereunder so long as their delivery or furnishing, in the determination of the President, is ‘in the interest of the defense of the United States’, it has been stated by the Administration to the Congress on various occasions that Lend-Lease would be discontinued at the end of the war. In order that the best faith may be observed towards Congress and the Administration protect itself against any charge of misuse of Congressional authorization, it is recommended that the following action be taken immediately upon cessation of hostilities with Japan:

a. No new contracts will be entered into for goods to be furnished under Lend-Lease except for such items as the Joint Chiefs of Staff may approve for payment out of military appropriations.

b. Countries with which §(c) agreements are in effect will take and pay for goods involved in contracts yet to be completed, goods awaiting shipment, those in transit, and inventories abroad.

c. Countries which have not entered into §(c) agreements may obtain goods now in process of manufacture, in storage, awaiting shipment, being shipped, or in inventory abroad, upon their agreement to pay for them on such terms as may be determined by this Government.

d. All uncompleted contracts for goods not to be delivered under (b) and (c) above shall be immediately reviewed to determine whether their completion would be in the best interest of the Government and, unless so determined, such contracts will be cancelled.

It is also suggested:

(1) No formal announcement should be made by the President at this time that might be deemed to terminate his authority under the Lend-Lease Act to reinstitute any cancelled programs, should necessity arise.

(2) All interested Governments be advised promptly of this proposed action in advance of any publicity.”

⁸⁹ Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy.

⁹⁰ John W. Snyder, Director of the Office of War Mobilization and Reconversion.

⁹¹ On and about August 18, letters were sent from FEA to the various departments and agencies which procured lend-lease materials for the FEA. A copy of the letter sent by Mr. Crowley to Clifton Mack, Director, Procurement Division, Department of the Treasury, is included in *History of Lend Lease*, pt. I, ch. XI, p. 25. This letter indicated that lend-lease would continue until midnight of V-J Day or to 12:01 a. m. of V-J Day, if the President proclaimed V-J Day in advance. After that time, goods would have to be paid for on a cash or credit basis. This official *History* is on file in the National Archives.

It is understood that the JCS intend that issue of Army-Navy lend-lease goods and services will cease except for mopping up operations and except in certain unavoidable cases where cessation would cause undue hardships. Such exceptional issue shall not include arms and ammunition and shall not continue beyond 6 months from effective date of directive.

Issue shall include such items as rations, fuel, transportation services, medical supplies where these cannot reasonably be furnished by foreign government.

Maintenance items for U.S. equipment now in hands of Allied forces may also be issued against payment upon such terms and conditions as determined by State and FEA.

Full content of JCS document will be forwarded later.⁹² [Phelps and Maxwell.]

BYRNES

611.4131/8-1845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 18, 1945—8 p. m.

[Received August 18—7: 35 p. m.]

8390. For the Secretary and Acheson from Clayton. I have now had a number of talks which I have separately reported with British officials both before and after the fall of Japan regarding immediate transitional and long-range financial and trade policies and programs and the wind-up and settlement of lend-lease.

The British position is undoubtedly very serious and the moving forward of V-J means that the British will have accomplished much less reconversion for import than they had hoped and planned. The same situation, of course, applies in some measure in the US. Keynes and the other British officials find it difficult to discuss financial and trade policy because the new Cabinet until Wednesday⁹³ was entirely occupied with the preparation of the King's speech on the opening of the Houses of Parliament. Keynes hopes that in a few weeks he will be able to get sufficient clearance for further discussions with us but insists that if as a result of our pressure he urges early decisions they are likely to be the wrong decisions.

In this situation Keynes, Eady and the other officials urge a breathing spell continuation of nonmunitions lend-lease as I have reported elsewhere; broad discussions in Washington early in September on the whole range of lend-lease wind-up, clean-up, and settlement supplemented by at least fairly concrete immediate financial discussions

⁹² See footnote 37, p. 124.

⁹³ August 15.

relating to the deficits anticipated by the British balance of payments during the next 3 years. The British recognize that we will insist on discussion of commercial, cartel and commodity policy in connection with such financial discussions but are trying to maneuver us into discussing finance without requiring full trade discussions at the same time. Keynes would probably readily agree that problems of exchange convertibility and the sterling dollar pool would have to be discussed at once but Empire preferences, reduction of tariffs and other trade barriers, cartel policy and commodity policy he would like to put off into next year as much as possible.

I have indicated that it is essential that we discuss both finance and trade simultaneously; that it will be necessary for us to come to a broad understanding as to postwar trading methods and policy before we can ask the Congress for any large scale financial aid to British. I have also pointed out that the clean-up and settlement of lend-lease which Keynes so strongly urges must be associated with article VII arrangements. It was finally left that I without waiting to return home and report more fully to you and the President would take up with you steps for further discussion.

I have been informed that you will probably not arrive in London for the Council of Foreign Ministers⁹⁴ before September 10. My recommendations as to further procedure with respect to more formal discussions of the British problem are based on the assumption that you will be in London for some period following September 10 but would return to Washington before any conversations with a British delegation would be nearing their conclusion. On these assumptions I would recommend the following course:

(1) That I return to Washington 2 or 3 days after the conclusion of the UNRRA council meeting after an appointment which I have tentatively planned with the Chancellor of the Exchequer and certain aviation discussions which the British have requested. I should arrive in Washington if the UNRRA meeting goes well by the 27th. This would give me a full 2 weeks in which to report in detail to you and go over with you and other appropriate officials the main lines of policy which we would take in discussions with Keynes and his British colleagues.

(2) That without awaiting my oral report you consider requesting the President to agree to the British sending the sort of delegates which Keynes has suggested for discussions beginning early in September.

(3) That after full discussion with you prior to your departure for London we with the collaboration of the various agencies involved lay the groundwork with the British for final discussions after your return hearing the British presentation of the detailed facts of their

⁹⁴ Reference is to the first session of the Council of Foreign Ministers, September 11-October 2, 1945. For documentation concerning these meetings, see vol. II, pp. 99 ff.

position and in particular attempting to work out with FEA details of lend-lease wind-up and clean-up.

(4) That we attempt to arrive at basic understandings with the British on Lend-Lease, financial assistance, and trade policy in October after you have returned.

If you approve and the President so decides I should like to inform the British when I have my meeting with Dalton that we agree to their coming to Washington early in September. This will give the British some time in which to go into these matters adequately with Ministers and to formulate their own views.

In connection with my talk with Dalton I should greatly appreciate an indication of the decisions which have been taken on the lend-lease issues to which I referred in my earlier telegrams and if possible a specific statement of policy from you which I might transmit to Dalton.

In reviewing my communications to you I am a little afraid that I may have sounded too discouraged about the British attitude. I am not. I believe that the discussions ahead will be difficult but I am certain that we can and will get forward with them. [Clayton.]

WINANT

800.24/8-1945

Memorandum of Trans-Atlantic Telephone Conversation, by the Chief of the Division of Commercial Policy (Brown)

[WASHINGTON,] August 19, 1945.

I told Mr. Hawkins⁹⁵ that I was telephoning to tell him of the decisions which had been taken by the Secretary, the President and Mr. Crowley with regard to termination of lend-lease so that he and Mr. Clayton would know about it before the British were advised. Mr. Hawkins stated he had not heard anything yet on the subject.

I told him that letters were going out from Mr. Crowley early Monday⁹⁶ to the British⁹⁷ (and also to other purchasing missions), stating that we were anxious to enter into discussions about the basis for discontinuation of lend-lease in the most expeditious manner possible and suggesting that the following principles should govern these discussions:

1. No new contracts for lend-lease procurement should be entered into.
2. Lend-lease material now in pipe line or awaiting transfer may be taken by the British if paid for on terms to be agreed.

⁹⁵ Mr. Hawkins was in London as Counselor of Embassy for Economic Affairs.

⁹⁶ August 20.

⁹⁷ Letter from Mr. Crowley to Mr. Brand is quoted in circular telegram, August 20, 9 p. m., p. 107.

3. Any lend-lease material transferred to the British and still on hand could be retained by them on payment on terms to be agreed.

Simultaneously, procurement agencies are being told that they must stop deliveries as of V-J day, which should be in a few days. Mr. Riley⁹⁸ was going to 'phone the British Monday morning when the letter went out and ask them to come over and discuss the matter because we were going to have to stop deliveries and wanted them to have a chance to have deliveries continued by agreeing to pay for them.

I understood also that the Chiefs of Staff were authorized to continue to provide on lend-lease some items they considered necessary to help in redeployment of troops.

I told Mr. Hawkins that Agriculture had stopped loadings of food-stuffs as of noon on Saturday but that this was a mistake and Agriculture would be instructed to continue loadings until V-J day.

I asked Mr. Hawkins to pass this information also to Messrs. Blaisdell and Griffin.

Mr. Hawkins said he would pass this information on to Messrs. Clayton and Collado immediately.

800.24/8-2045 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 20, 1945—6 p. m.

7056. To Clayton from Secretary. After our conversation⁹⁹ I have concluded section (e)¹ of the Aug 17 Lend-Lease Directive should be changed along lines suggested by you. This change would state that countries which have not entered into 3(c) agreements may obtain goods upon agreement to pay for them "on terms to be mutually agreed on." I was unable to talk to Crowley but have discussed this matter with the President.² This change will be made before any public announcement.

BYRNES

⁹⁸ Henry W. Riley, Deputy Administrator, Foreign Economic Administration.

⁹⁹ Reference is to a trans-Atlantic telephone conversation which took place on the morning of August 20. No record of this conversation has been found in Department files; for a brief summary, see R. F. Harrod, *The Life of John Maynard Keynes* (New York, Harcourt, Brace and Company, 1951), p. 596.

¹ This should read: "section (c)".

² On September 20, the Acting Secretary of State, Mr. Acheson, sent to President Truman a memorandum, not printed, requesting his formal approval for the change in section (c) of the August 17 lend-lease directive. The memorandum bears President Truman's signature and indication of his approval. The memorandum also stated that the change in wording had been communicated to the British on August 21 and confirmed on September 6. (800.24/9-2045)

800.24/8-2045: Circular telegram

*The Secretary of State to Certain American Diplomatic Missions and Consular Offices*³

WASHINGTON, August 20, 1945—9 p. m.

Sec. 1. From FEA Crowley. The President has directed that following action be taken in regard to future lend-lease operations:

a. No new contracts will be entered into for goods to be furnished under Lend-Lease except for such items as the Joint Chiefs of Staff may approve for payment out of military appropriations.

b. Countries with which 3(*c*) agreements are in effect will take and pay for goods involved in contracts yet to be completed, goods awaiting shipment, those in transit, and inventories abroad.

c. Countries which have not entered into 3(*c*) agreements may obtain goods now in process of manufacture, in storage, awaiting shipment, being shipped, or in inventory abroad, upon their agreement to pay for them on such terms as may be determined by this Government.⁴

d. All uncompleted contracts for goods not to be delivered under (*b*) and (*c*) above shall be immediately reviewed to determine whether their completion would be in the best interest of the US Government and, unless so determined, such contracts will be cancelled.

Each of the foreign governments concerned will be informed of the action taken and no release of the information outlined herein should be made, of course, until official notification has been received by such governments.

This action does not pertain to cash reimbursement transactions. Requisitions on a cash reimbursement basis may be processed to procurement agencies for sixty days following V-J Day.

Sec. 2. A letter from FEA has been sent to the Chairman of the British Supply Council in Washington⁵ reading as follows:

"In view of the termination of hostilities, the Foreign Economic Administration is desirous of entering into discussions and negotiations immediately with you and members of the British Supply Council relating to the discontinuance of its lend-lease aid to the British Commonwealth in an expeditious manner which will best promote our mutual interests and which will be consistent with the provisions of the Lend-Lease Act. I suggest in connection with such discussions

³ Sent to London, Calcutta, New Delhi, Sydney, and Wellington.

⁴ For correction of the portion of this paragraph relating to the terms for payment, see *supra*. The memorandum of telephone conversation by Mr. Brown, August 19, p. 105, had also indicated even prior to the Clayton—Byrnes telephone conversation (see footnote 99, p. 106) that the terms for so-called pipeline goods for the United Kingdom were to be agreed upon, as contrasted with unilateral determination by the United States Government. There was still some uncertainty on this subject, however, for some days to come, as subsequent documents indicate.

⁵ Letter from Mr. Crowley to Mr. Brand, dated August 18, was not actually delivered until August 20. See memorandum of telephone conversation by Mr. Brown, August 19, p. 105; also R. S. Sayers, *Financial Policy, 1939-45* (London, Her Majesty's Stationery Office, 1956), p. 479.

and negotiations with respect to the lend-lease programs undertaken by the Foreign Economic Administration that the following general principles should apply:

“(a) No new contracts should be entered into for goods or services to be furnished on lend-lease terms.

“(b) Supplies which are now in the process of manufacture, in storage, awaiting shipment, or not yet transferred and services within presently agreed programs, may be obtained by the British Commonwealth to the extent that they are available against payment on appropriate terms and conditions.

“(c) All existing supplies which have been transferred on lend-lease terms and which are in shipment or under the control of the British Commonwealth in inventory may be retained by the British Commonwealth against payment on appropriate terms and conditions.

“(d) Cash reimbursement lend-lease will be available for sixty days after V-J Day during which time requisitions within presently agreed programs may be filed with the Foreign Economic Administration.

“It will be necessary in the course of our discussions to have an inventory of lend-lease supplies furnished by the Foreign Economic Administration still under the control of the British Commonwealth. It is requested, therefore, that you furnish, as soon as possible an inventory listing as of V-J Day, all articles that have been transferred to the British Commonwealth by the Foreign Economic Administration on lend-lease terms and that have not been lost, destroyed or consumed. I will be glad to discuss with you and the members of the British Supply Council the principles upon which such inventory should be prepared.

“I am transmitting copies of this letter to the heads of the Supply Missions of the Australian, Indian, New Zealand and South African Governments.”

Sec. 3. Negotiations referred to in above letter will be carried on in Washington and you will be advised of developments. Meantime, this will enable you to answer in general way any questions, but you should refer specific questions and those involving negotiations promptly to Washington.

You can best assist these important negotiations by exerting every effort to bring up to date all available information on inventories of lend-lease supplies.

We have already cabled you as to form in which inventories should be taken as at V-J Day.⁶

BYRNES

⁶ Telegram 7244, August 24, 5 p. m., to London, indicated that this last paragraph had been included inadvertently and should be omitted for the United Kingdom, since it applied only to the Dominions, Colonies, and India (103.9169). The last paragraph was included with appropriate changes in this circular telegram as sent to Johannesburg, Nairobi, and Accra.

*Statement Issued to the Press by the White House, August 21, 1945,
on Discontinuance of Lend-Lease Operations*⁷

The President has directed the Foreign Economic Administrator to take steps immediately to discontinue all lend-lease operations and to notify foreign governments receiving lend-lease of this action.

The President also directs that all outstanding contracts for lend-lease be canceled, except where Allied governments are willing to agree to take them over or where it is in the interest of the United States to complete them.

The Foreign Economic Administrator furthermore is instructed to negotiate with Allied governments for possible procurement by them of lend-lease inventories now in stockpile and in process of delivery.

If the military needs lend-lease supplies for the movement of troops or for occupation purposes the military will be responsible for procurement.

It is estimated that uncompleted contracts for non-munitions and finished goods in this country not yet transferred to lend-lease countries amount to about 2 billion dollars and that lend-lease supplies in stockpile abroad amount to between 1 and 1½ billion dollars.

841.51/8-2245 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 22, 1945—7 p. m.

7143. For Collado from Reinstein.⁸ Have cabled separately text of letters exchanged by Acting Secretary and Representative Celler⁹ on possible credit to UK. Department's letter drafted by Earley and sent out inadvertently without either Phelps or me having approved it.

There are certain parts of letter which Phelps and I thought should be rewritten or eliminated. I particularly want draw your attention last sentence of letter which suggests that granting of any credit should be tied up with relaxation of British *wartime* restrictions, but makes no reference to trade restrictions practiced before war.¹⁰

In view of publicity which letter has received it seemed desirable to inform you of circumstances under which it was sent. [Reinstein.]

BYRNES

⁷ Reprinted from Department of State *Bulletin*, August 26, 1945, p. 284.

⁸ Jacques J. Reinstein, Associate Chief, Division of Financial Affairs.

⁹ See footnote 50, p. 80.

¹⁰ In reply, in telegram 8676, August 25, 4 p. m., from London, Collado stated: "Our conversations with the British Treasury have taken the line that both wartime and other trade discriminations must be removed." (841.51/8-2545)

[On August 24, Foreign Economic Administrator Leo T. Crowley issued a supplementary statement on the termination of lend-lease, outlining a transitional program; for text, see *New York Times*, August 25, 1945, page 5, column 2.]

611.4131/8-2745: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 27, 1945—6 p. m.

7317. For Clayton and Collado. Department strongly supports your insistence that there can be no transition period financial arrangements without satisfactory understandings on commercial policy.¹¹ The British should understand that not only are the arrangements tied together but financial conversations would be fruitless unless conducted simultaneously with and as a part of larger discussions embracing the entire agenda which you have submitted. We are equally concerned with the absence of any ranking members of the British group on the commercial policy side and strongly approve your calling this to their attention. We think it essential that the group contain members thoroughly familiar with this part of the agenda and that they have as much Cabinet approval as possible for them to obtain. Otherwise our proposals and time schedules will suffer another serious setback.

Until there is clarification on the foregoing points, the Department is inclined not to notify the Dominions of the general talks. Before suggesting that the Dominions have representatives available for simultaneous discussions, it is important to have some confidence that the discussions with the British will be comprehensive and productive of agreement.

BYRNES

800.85 Lend Lease/8-2945

The War Shipping Administrator (Land) to the Secretary of State

WASHINGTON, August 29, 1945.

DEAR MR. BYRNES: I am sending you herewith a memorandum on the subject of shipping as affected by international arrangements covering Lend Lease and other fiscal problems, which I hope you will have an opportunity to consider carefully before you leave for London.¹²

¹¹ Messrs. Clayton and Collado had conveyed this position to the Secretary of State in telegram 8674, August 25, 4 p. m., from London. They had also reported having arranged an agenda for talks with the British in Washington in September covering, in general, lend-lease, financial questions, commercial policy, and surplus property disposal. (841.24/8-2545)

¹² To attend the first session of the Council of Foreign Ministers.

I have discussed this problem with Leo Crowley and he is in sympathy with our objectives and believes that something should be done, if possible, to protect our interest in the matter as part of the contemplated international agreements with Great Britain and other Allies covering our future economic policy.

Very sincerely yours,

E. S. LAND

[Enclosure]

Memorandum by the War Shipping Administrator (Land) for the Secretary of State

[WASHINGTON,] August 29, 1945.

We should like to direct your attention to the desirability of including in any long-range financial arrangements with foreign governments some specific assurance that they will not use their control of imports and exports in a manner prejudicial to the American Merchant Marine.

The need for such assurance was clearly brought to our attention when the announcement was made concerning the termination of Lend-Lease aid in the field of shipping.¹³ There were immediate indications that the European governments through their control of their import and export commodity programs would insist upon the use of their own vessels exclusively in order to conserve dollar exchange. To permit time to work out a solution of this problem, Lend-Lease aid in this field was extended for a period of 30 days after V-J Day.¹⁴

As you undoubtedly know, the United States Government has spent over 15 billion dollars in its merchant shipbuilding introduction [production?] program and now owns approximately 50 million dead-weight tons of shipping. Over 240,000 seamen are employed in this industry. Before the war, the United States carried approximately 25% of imports and exports in its own bottoms. It has been our objective to increase this figure to approximately 50% for the post-war period. In view of the probable elimination of German and Japanese merchant fleets, such an increase in the American participation in shipping probably can be accomplished without reducing the size of the pre-war operations of our Allies. On the other hand, if our Allies insist on destroying free trade in shipping in favor of controlled international economy, it would be difficult even to restore American shipping to its pre-war basis, let alone the achievement of a reasonable increase to reflect the growth of the American shipping position during the war.

¹³ This was not stated explicitly, but was implied in the first paragraph of the press release of August 21, p. 109.

¹⁴ This was made explicit in Mr. Crowley's statement of August 24, printed in the *New York Times*, August 25, 1945, p. 5, col. 2.

Our objective seems modest. During the three pre-war years, 1937-1939, approximately 25% of all imports and exports of the United States were carried on American vessels, and a fleet of approximately 3 million deadweight tons was sufficient for this purpose. This constituted about 25% of the total American merchant marine. During the post-war years if we have a merchant marine of 50 million deadweight tons and even if we succeed in our objective of carrying 50% of all imports and exports in American vessels, only between 10 to 15% of our total fleet will be needed for this purpose, leaving a staggering surplus for other disposition. Naturally, under these circumstances, we are very anxious that post-war international and economic relations bearing upon the utilization of American ships should be as free from foreign control and domination as possible.

This program also has a very direct impact on our internal economic structure. As stated above, over 240,000 seamen are now employed in our ocean fleet. Even under the most favorable prospects, a large part of our fleet will be laid up. Job opportunities will decline drastically in this field, as well as in the related fields, such as ship repairs, which are dependent upon the operation of our vessels. Strong repercussions from sea-going labor unions are almost certain to follow the inauguration of restrictive practices by foreign governments which result in a further diminution of employment opportunities. The steamship industry, which has invested substantial sums of money in the development of the merchant fleet, is likewise affected. But above all else, the Congress of the United States, which has sanctioned the investment of billions of dollars in the construction of the fleet and the development of a long-range American merchant marine through a series of programs dating back to the last war, is certain to react violently against any practices which would stultify the achievement of our national objectives for a reasonable and equitable participation in the world's international shipping.

If one objective of rehabilitating the economies of our Allies is the re-establishment of world trade on a free and open market basis, it must necessarily follow that the same principles should be applied to shipping and that specific assurance should be obtained from our Allies to the effect that restrictive economic practices looking toward the achievement of reasonable objectives of the United States in the field of shipping will not be applied by them and that American vessels will be allowed a 50% participation in our services to sterling areas. We believe that the desirability of this proposal would be self-evident to you but if you should desire further elaborations, we shall be glad to discuss the matter in person.¹⁵

E. S. LAND

¹⁵ No reply to this letter and memorandum found in Department files. For comment by Assistant Secretary Clayton, see his memorandum, September 3, p. 115.

[On August 30, President Truman transmitted the *Twentieth Report to Congress on Lend-Lease Operations*, covering the period ending June 30, 1945; for text, see House Document No. 279, 79th Cong., 1st sess. In this document, the President emphasized that lend-lease aid which had been consumed in the course of the war should not be considered a debt; see especially in this regard, pages 39-43 of the *Twentieth Report*.

On the following day, August 31, Secretary of State Byrnes pointed out that this did not mean that lend-lease debts were to be cancelled forthwith, pending future determination of settlements with each country. Secretary Byrnes' comments, along with the President's letter of transmittal for the *Twentieth Report*, are printed in Department of State *Bulletin*, September 2, 1945, pages 332-333.

On September 1, President Truman proclaimed September 2 as V-J Day. Transfer of materials under straight lend-lease terms thus terminated at 12:01 a. m., September 2.]

841.24/9-145

The British Prime Minister (Attlee) to President Truman

[LONDON, September 1, 1945.]

We received early this morning (Saturday) from the representatives of the British Treasury in Washington a report of a discussion which they had had with Mr. Crowley, the Foreign Economic Administrator, yesterday, 31st August, on the arrangements to be made for Lend-Lease supplies in the immediate future.

I am informed that Mr. Crowley has made it plain that any supplies which we need from the pipeline should be taken up either on payment of cash or on credit terms which he had already indicated, that is credit for thirty years at 2 $\frac{3}{8}$ th per cent. I understand that he was not prepared to await the settlement of the terms of payment until our special mission had arrived in Washington within the next few days or to agree that we should consider these credit terms as applying to the supplies coming forward within the next few weeks. He was willing however to agree that if we accepted the credit on the terms and conditions he had indicated this would be on the understanding that these conditions should be reviewed in the over-all financial discussions which were about to be undertaken with the United States Government and, if deemed desirable, would be brought into line with the decisions resulting from those discussions. Our representatives requested a reply from us within a few hours and informed us that notice had been given by the United States Administration to the Inland Transport Authorities not to load any more supplies for the United Kingdom meanwhile.

You will remember that at Potsdam on 24th July Mr. Churchill wrote to you¹⁶ that very important questions affecting Lend-Lease and the financial arrangements to be made after Lend-Lease would be coming up and that we wanted to send an authoritative mission to Washington early in September to discuss the matter with your representatives. You agreed to this and informed Mr. Churchill¹⁷ that you were sending Mr. Clayton, an Assistant Secretary of the State Department, to London to discuss the position with us, and to make a report to you.

Mr. Clayton came to London and had several discussions both with my ministerial colleagues and with senior officials. An agenda for the discussions in Washington was worked out in agreement with Mr. Clayton and his colleagues. This agenda covered in the first place Lend-Lease, the financial arrangements after Lend-Lease, and also the lines upon which further developments on commercial policy could be worked out on the principles which we have been discussing with representatives of the United States Administration over the last year or so. One of the items included under the heading Lend-Lease was "terms for continued delivery of non-munitions pipeline."

During the progress of those discussions we were advised that the Foreign Economic Administrator had indicated that Lend-Lease supplies coming forward must be accepted on terms to be determined by the United States Administration. As this was contrary to the expectations we had formed from the correspondence between you and Mr. Churchill in Potsdam, representations were made by our Embassy in Washington and we also raised the matter direct with Mr. Clayton. On the 21st August Mr. Clayton wrote to us in the following terms:

"The Secretary of State has informed me that the President has approved an amendment to the August 17th Lend-Lease directive whereby countries such as the United Kingdom which have not entered into 3(c) agreements, may obtain delivery of goods in the pipeline upon agreement to pay for them on terms to be mutually agreed on."

I must make it plain to you that none of us here had understood that letter to imply that within a few days we should be informed of the terms under which the supplies in the pipeline could go forward to us and that meanwhile orders would be given to the Inland Transport Authorities to suspend the loading of supplies for the United Kingdom. Nor can I believe that this action by the Foreign Economic Administration was in your mind when you authorized the Secretary of State to send us the communication of the 21st August.

¹⁶ *Conference of Berlin (Potsdam)*, vol. II, p. 1180.

¹⁷ *Ibid.*, p. 1184.

You are aware that in the immediate future the maintenance of the physical flow of supplies from the United States, both of food and of certain essential raw materials, is necessary for the maintenance of the living conditions of this country. You have probably also been informed by Mr. Clayton of the general financial position in which we find ourselves because our war effort took a certain shape as part of the combined war plans. I referred to this matter in my statement to Parliament on Friday, August 24th.

It is impossible for our Government to give an answer to the proposals of the Foreign Economic Administration within a matter of a few hours, and you will not misunderstand me if I say that the preparation of a suitable answer would not be made easier for me by the knowledge that instructions had been given to suspend the loading of supplies for the United Kingdom.

I hope therefore that you may feel able to give an urgent directive that supplies in the pipeline coming forward for shipment, say within the next month, may proceed to the United Kingdom and that the terms and conditions of payment for such supplies will be discussed and agreed between the United States Administration and the special mission which has been sent to Washington for this purpose. We have recognized that with V-J Day Lend-Lease as we have known it, and as you have described it in your recent striking report to Congress, is at an end. We have realized that in some form or other we shall henceforward have to pay for the urgent supplies that we need from the United States. Therefore it is hardly necessary for me to assure you that if these supplies for the next month come forward to us, as I have suggested, they will be paid for.

800.85 Lend Lease/8-2945

Memorandum by the Assistant Secretary of State (Clayton) to the Secretary of State

[WASHINGTON,] September 3, 1945.

Referring to the attached ¹⁸ from Admiral Land:

1. Naturally we all favor transporting in American bottoms *on a competitive basis* as much as possible of our imports and exports. We do not favor *buying* the right to do this by the use of excessive subsidies.

2. From the point of view of costs, the United States, of all the maritime nations, is the most inefficient operator of ships.

¹⁸ Reference is to the message from Mr. Land to the Secretary of State, August 29, p. 110.

3. We can buy shipping services cheaper than we can perform them ourselves, and the dollars that we pay for such services will be immediately spent in the United States for goods which we can produce more efficiently than other nations.

4. Even if we should force the carriage of all American imports and exports in American ships, it would reduce rather than increase employment in the United States because it would deprive other maritime nations of the dollars which they ordinarily earn by shipping services, and thus greatly curtail their purchases of goods in the United States.

5. Admiral Land's memorandum does not mention the one thing which stands out above all others as necessary to be done in the present shipping situation. I refer to the necessity of amending the present law¹⁹ which prevents the sale of our ships to foreign countries.²⁰ As Admiral Land says, we own over 50,000,000 deadweight tons of ocean-going ships. We may be able to usefully employ 10-12 million deadweight tons of these ships in domestic and foreign service. In addition, we may wish to lay up another 10-12 million tons as a war reserve. The remaining 25-30 million tons should be offered for sale on such reasonable prices and terms that the other maritime nations of the world will buy their ships from us instead of building new ones and thus adding to the present burdensome world surplus of ships. In any case, we will be compelled to lay up many of these ships in our rivers and harbors, but we should sell every single ship that the market will take and do it promptly.

W[ILLIAM] L. C[LAYTON]

611.4131/9-445: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 6, 1945—6 p. m.

7656. For Hawkins from Clayton. With regard to the latest British proposals for handling the discussions on trade policy at the September meeting (reurtel 9014, September 4²¹), we consider it imperative that commercial policy discussions proceed simultaneously with the financial discussions. Accordingly, and particularly in view of the number and complexity of the subjects to be covered in the

¹⁹ Reference is to the Merchant Marine Act, approved June 29, 1936 (49 Stat. 1985), as amended.

²⁰ This provision was removed in the Merchant Ship Sale Act, approved March 8, 1946; 60 Stat. 41.

²¹ Not printed; it reported that the British planned to keep their commercial policy experts in London to advise the appropriate government Ministers on the American proposals. They were to be sent to Washington only after consideration of these proposals by the Ministers was completed. (611.4131/9-445)

commercial policy field (employment, trade barriers and discriminations, cartels, commodity policy, and trade organization), it is essential that the arrival of the commercial policy members of the British delegation not be delayed and that they include persons, of equal status with the financial people, who will be authorized to engage in detailed discussions on all of these subjects. Otherwise valuable time will be lost in getting ahead with the financial talks.

Please bring the foregoing urgently to the attention of the appropriate British officials. [Clayton.]

ACHESON

841.24/9-145

President Truman to the British Prime Minister (Attlee)

[WASHINGTON, September 6, 1945.]

I have gone into the matters raised in your message of September 1, 1945 with the Secretary of State and the Foreign Economic Administrator. I am informed that arrangements have been made for a thorough discussion of the broad economic agenda prepared in London by Mr. Clayton and your representatives, to begin on September 10²² between the special mission headed by Lord Halifax and a United States group under the leadership of the Department of State.

Mr. Crowley has given instructions that supplies in the pipeline proceed to the United Kingdom for a reasonable period pending agreement on the terms and conditions of payment for such supplies.

611.0031/9-1145

*Memorandum by the Acting Secretary of State to President Truman*²³

WASHINGTON, September 7, 1945.

Subject: *Proposal to Establish an International Trade Organization*

I am attaching a document entitled Proposal to Establish an International Trade Organization²⁴ which has been approved by the Executive Committee on Economic Foreign Policy.

This document sets forth a program in the field of foreign trade and commercial policy analogous to that provided in the financial field by the Bretton Woods agreements. If you approve, it will serve as a basis for definitive discussions with British officials during the conversations to be held here next week. At a later stage the program would form the agenda for a world conference on trade and employment, to be held early next year if possible.

²² The discussions actually began on September 11; see p. 122.

²³ Marginal note at the end of this memorandum reads: "Approved 9/11/45 Harry S. Truman".

²⁴ Not printed.

The proposed trade program contemplates the negotiation among the United Nations of a multilateral agreement containing understandings with regard to:

- a) the maintenance of employment,
- b) the relaxation of trade barriers of all kinds,
- c) the elimination of restrictive private business practices,
- d) the principles to be observed in the negotiation and operation of intergovernmental commodity agreements, and
- e) the establishment of an intergovernmental agency to discuss trade problems.

The following are the points of main significance from the viewpoint of the obligations which would need to be assumed by the United States:

1. With regard to employment, each nation would agree to take such domestic measures to maintain employment as may be "appropriate to its political and economic institutions." This pledge is important to insure the cooperation of other countries in achieving our trade objectives. It is in accordance with the Charter of the United Nations which provides that "the United Nations shall promote . . . full employment."

2. With regard to trade barriers (Chapter III of the Proposal), it is proposed that certain barriers which are severely restrictive of trade, such as quotas and exchange controls, be eventually eliminated, subject to agreed exceptions, and that certain other barriers, such as subsidies, restrictive state trading, and protective customs regulations of all kinds, be moderated. Discriminatory trade treatment in general would be prohibited.

As a necessary counterpart of these commitments, which primarily affect foreign countries, provision is also made for the substantial and expeditious reduction of tariffs, and the elimination, in so far as practicable, of tariff preferences. The tariff provisions would involve, at an early stage, the broad and substantial use of the authority under the Trade Agreements Act. The specific tariff concessions which we would offer to other countries would, of course, be submitted to you for prior consideration and would be subject to appropriate safeguarding provisions.

The sound growth of our export trade requires that we do away as much as possible with systems of tariff preference, such as that maintained among the British countries. This involves on our part a willingness to modify our own preferential relations with Cuba and possibly the Philippines. The proposals contemplate such a modification, to the same extent that the British and others prove willing to modify the preferences they now maintain.

Certain of the proposals dealing with trade barriers will probably require some additional legislation, and may involve the modification of existing laws or adoption of laws relating to agriculture. The Department of Agriculture, of course, has fully participated, and will continue to participate, in the formulation of any understandings which may affect our agricultural legislation or policy.

3. With regard to commodity agreements (Chapter IV), governments would undertake to observe certain principles in negotiating agreements which restrict production or trade in respect of particular commodities. These principles, designed to limit the agreements to necessary cases and assure fair treatment for producers and consumers, are in accord with our long-term objectives of promoting sound international trade on a nondiscriminatory basis.

The proposals dealing with commodity agreements were approved by President Roosevelt.

4. The provisions dealing with restrictive business practices (Chapter V), conform to the basic policies laid down by Congress. Only minor changes, if any, would be required in our existing anti-trust legislation.

The provisions regarding cartels were concurred in by you in a conversation with Mr. Clayton and Mr. Mason on May 17, 1945.²⁵

5. The provisions for an international trade organization (Chapters I, II, and VI) would set up an intergovernmental trade body which would be coordinated with other international agencies by the Economic and Social Council of the United Nations. The organization would have no compulsive powers but would serve largely in an advisory capacity as a forum for the discussion of trade problems, including those arising under the commitments outlined above. Enabling legislation would of course be required in connection with this organization.

The provisions dealing with organizational machinery are based on earlier recommendations of the Executive Committee contained in Outline of Proposed International Trade Organization (ECEFP D-72/45).²⁶ The earlier document, together with the dissenting views of the Department of Agriculture, were submitted to you under memorandum dated May 14, 1945, on which no action has yet been indicated. A copy of that memorandum, together with the recommendations and dissenting views of the Department of Agriculture, is attached for convenient reference.²⁷

DEAN ACHESON

²⁵ Memorandum of conversation by Edward S. Mason, Deputy to Assistant Secretary of State Clayton, not printed.

²⁶ Not printed.

²⁷ Neither printed.

611.4131/5-146

*Memorandum by the Executive Committee on Economic
Foreign Policy*

[Extract]

[WASHINGTON,] September 7, 1945.

STERLING EXCHANGE AND BLOCKED BALANCES

Conclusion

The Committee favors the principle set forth in plans III and IV that blocked sterling balances should be funded.²⁸ The Committee also favors the principle, emphasized in plan IV, of making some part of the dollar exchange provided by a dollar credit²⁹ to the United Kingdom available for use by that country to facilitate the maximum reduction of its foreign sterling indebtedness. Properly devised, such a plan would not only assist in the restoration of British international equilibrium, but would also minimize the handicap, created by blocked balances, to United States exports to sterling creditors.

In recommending a prompt solution of the problem of blocked sterling accounts and the extension of a dollar credit by the United States for that purpose, the Committee recognizes that this subject may require the approval of Congress. The following considerations may be useful in presenting the subject to Congressional leaders:

1. If the United Kingdom is forced to maintain rigid exchange controls, other countries in the sterling area and in western Europe will also be obliged to maintain them. Such action will give a pronounced impetus to state control of foreign trade in a large area of the world. A substantial dollar credit to the United Kingdom, therefore, will help to preserve free enterprise, especially in foreign trade.

2. Countries which would be directly affected by the action of the United Kingdom regarding exchange controls have customarily taken from one-third to one-half of all United States exports. A dollar credit to the United Kingdom will help to open this market to United States exports by removing barriers to United States trade.

3. The removal of these barriers will permit the United States to expand its foreign trade.

²⁸ This memorandum had taken up four possible solutions to the problem of sterling exchange: I. Devaluation of the pound sterling; II. Transitional financing, at least partly through American credits; III. Transitional financing plus funding of the blocked sterling balances; IV. Transitional financing plus partial funding plus partial liquidation of blocked balances.

²⁹ No mention as to the size of a proposed credit was made in the memorandum; it did, however, recommend the extension of "a liberal, long-term dollar credit to the United Kingdom to assist in the solution of its transitional problems", on the grounds that this would aid the expansion of American foreign trade.

4. Should a credit be extended to the United Kingdom, most of it would be utilized to make purchases in the United States.

611.4131/9-1045: Circular airmgram

*The Acting Secretary of State to Certain American Missions*³⁰

WASHINGTON, September 10, 1945—4: 25 p. m.

US AND BRITAIN TO CONTINUE FINANCIAL AND TRADE DISCUSSIONS

Financial and trade discussions with the British will open about September eleventh in Washington. Final composition of British delegation is not yet known but Halifax, Keynes, Harmer, Brand and Hall-Patch will be here. Since the State Department has prime responsibility for negotiations and since the Secretary is in London Clayton will act as Chairman until Mr. Byrnes returns from London. Department has undertaken responsibility for scheduling and organizing meeting of main group and appropriate subgroups and will provide secretariat. American delegation in addition to Clayton will consist of Crowley, Vinson, Eccles,³¹ Wallace³² and Symington³³ of Surplus Property Board. Collado will act as Secretary General.

The discussions will be divided into four main parts: *Financial problems*—Vinson will Chairman this group which will discuss (a) financial arrangements during transition period; (b) sterling area arrangements and (c) exchange convertibility, anticipating Bretton Woods formula; *Lend-Lease*—Crowley will head these discussions which will cover (a) terms for continued delivery on non-munitions pipeline (b) arrangements for wind up of munitions program (c) reverse lend-lease (d) lendlease settlement including clean-up of inventories, capital installations etc. (e) ships (f) white paper questions; "similar" goods etc. *Commercial Policy*, headed by Clayton and discussions will cover proposals presented to UK in August covering within an International Trade Organization—(a) reduction of trade barriers (b) cartel policy (c) commodity policy. Other principle group will discuss Surplus Property Disposal and will be under Symington. Another possible topic will be use of US agencies for cash procurement. Appropriate agencies of Government will be rep-

³⁰ Sent to Paris, Brussels, Madrid, Lisbon, Bern, Cairo, Rome, Ankara, Stockholm, Oslo, Copenhagen, Belgrade, United States Political Adviser for German Affairs, Berlin, United States Political Adviser for Austrian Affairs, Vienna, Dublin, Athens, Praha, Budapest, Bucharest, Sofia, Helsinki, Ottawa, and Moscow.

³¹ Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System.

³² Henry A. Wallace, Secretary of Commerce.

³³ W. Stuart Symington, Chairman of the Surplus Property Board.

resented in each instance. Recommendations of subgroups will be submitted to top group which includes chairmen of subgroups, Governor of Federal Reserve Board and Secretary of Commerce. Top recommendations will then be submitted to President.

ACHESON

611.4131/5-146

Minutes of a Meeting of the United States-United Kingdom Combined Top Committee, Held at the State Department, September 11, 1945, at 4 p. m.

[Participants]: Mr. Clayton (In the Chair)

U.S. REPRESENTATIVES	U.K. REPRESENTATIVES
Mr. Vinson	Lord Halifax
Mr. Wallace	Lord Keynes
Mr. Crowley	Mr. Brand
Mr. Eccles	Sir Henry Self
Mr. McCabe ³⁴	Mr. Hall-Patch
Mr. Collado	} <i>Joint Secretaries</i>
Mr. Early ³⁵	
Mr. Lee	
Mr. Stevens ³⁶	

1. *Opening Statements*

MR. CLAYTON said that he regretted that the Secretary of State could not be present in person to receive the U.K. representatives, but in Mr. Byrnes' name he bade them welcome.

The discussions which were about to begin involved issues of importance and complexity, but he did not doubt that if the U.S. and the U.K. representatives approached them with the same spirit of determination and cooperation as had marked the association of the U.S.A. and the United Kingdom in two world wars they would find a solution. On behalf of the U.S. representative[s] he gave an assurance that they would give thoughtful and careful consideration to any problems which the U.K. representatives might wish to bring before them.

LORD HALIFAX, on behalf of the U.K. representatives, thanked Mr. Clayton for his remarks and said that, like the U.S. representatives, he and his colleagues were entering upon the discussions in a spirit of confident partnership knowing that a wise solution of the problems

³⁴ Thomas B. McCabe, Army-Navy Liquidation Commissioner.

³⁵ James S. Earley, Adviser on British Commonwealth Financial Affairs, Division of Financial Affairs.

³⁶ R. B. Stevens, British Civil Secretariat.

to be considered would have far-reaching significance for the whole world.

LORD HALIFAX said that as he saw the position the purposes of the discussions were threefold:

(a) There was first of all the question of making suitable arrangements designed to secure the orderly winding up of Lend-Lease and Reciprocal Aid. The issues involved under this head would be largely technical but nevertheless were of significance particularly in view of the comparatively large sums which might be involved.

(b) Secondly, there was the question of the financial situation of the U.K. in the transitional period before normal peacetime economic activities could be restored. On this the U.K. representatives hoped to have the opportunity of giving the U.S. representatives, at an early date, a full factual statement of the background.

(c) Finally, there was the task of completing the conversations which had already taken place on future commercial and monetary arrangements in the international field, in accordance with the program foreshadowed in Article VII of the Mutual Aid Agreement. The U.K. representatives regarded the discussions under this head and those under (b) above as necessarily and properly interconnected.

LORD HALIFAX added that none of the U.K. representatives had any final authority to settle matters without prior reference to London. But Lord Keynes, Mr. Brand, and he had had the opportunity of full discussion with members of the new Administration and he felt confident that they were sufficiently well-informed of the Administration's attitude to be able to make a substantial—and indeed perhaps definitive—approach to a settlement of the problems which would come up for discussion. It had always been the hope of the U.K. Government to hold such discussion in the autumn of 1945, but it had hitherto been assumed that such discussions would take place while the war against Japan was still in progress. Now that that war had ended it was clearly more urgent to achieve a settlement of the questions at issue. Therefore the U.K. representatives held themselves entirely at the disposal of the U.S. Group for concurrent discussions on all subjects on the agenda in the hope that rapid progress could be made.

Finally LORD HALIFAX said that he hoped that the outcome of the discussions would be such as to show a disordered world that there was still a rallying point of sanity and cooperation to which hard-pressed men could turn with confidence as they faced the difficulties of the post-war era. It was in that spirit that the U.K. representatives approached the deliberations.

2. *Future Arrangements*

MR. CLAYTON said that, if convenient, the next meeting of the Top Committee would take place at 3.30 p. m. on the 13th September in the Board Room at the building of the Board of Governors of the Federal Reserve System. At that meeting LORD KEYNES would begin his exposition of the U.K. financial position.

LORD KEYNES said that the U.K. Group wished to raise one matter upon which an urgent decision was necessary. The U.S. Administration had given formal notice of the general termination of Lend-Lease from the 2nd September last. Although informal warnings had been given at an operating level there had been no such formal intimation as regards the termination of Reciprocal Aid. The delay in communicating such an intimation had been due to the fact that the U.K. representatives had waited the receipt of the President's directive concerning the continuation of Lend-Lease in the field of military supplies.³⁷ That directive had now been received under cover of a letter from Mr. Patterson.³⁸ The assumption in it was that the assistance to be continued would be on a mutual basis, and that would be acceptable to the U.K. Government. But Lord Keynes felt that it would now be desirable formally to intimate that, apart from this, Reciprocal Aid should be regarded as having terminated on the 2nd September and he assumed that the U.S. Administration would see no objection to such a communication. He added that in a letter to the Chairman of the British Supply Council, Mr. Crowley had intimated that Lend-Lease would be continued for a period of 30 days from the 2nd September in respect of certain shipping services and freight charges.³⁹ There was, however, no suggestion in that letter that Reciprocal Aid should be extended after the 2nd September on a similar basis and the U.K. representatives assumed that they would be correct in thinking that there was no intention of making such a suggestion.

LORD KEYNES went on to say that he thought it desirable that the proposed military sub-committee of the Lend-Lease Committee should

³⁷ Reference is to JCS 771/18, approved by President Truman on September 5.

³⁸ Under Secretary of War Robert P. Patterson.

³⁹ In a letter of November 13, 1945, to the Chairman of the British Supply Council, Robert H. Brand, Assistant Secretary of State Clayton summarized the principles governing United States policy on the continuance of lend-lease assistance to the British Commonwealth in the field of shipping. Mr. Crowley, he said, in three letters to Mr. Brand, dated August 27, September 7, and September 20, "stated that certain specified shipping services would continue to be provided under lend-lease for a period of 60 days after 12:01 a. m., V-J Day, September 2, 1945". With the expiration of this period, Mr. Clayton informed Brand, the United States was prepared to extend these services for another 30 days beginning at 12:01 a. m., November 1, 1945. In the 30-day extension, however, the services were to be provided under proposed offsetting arrangements, then under discussion in the lend-lease settlement talks, and not under straight lend-lease. (841.24/11-1345)

be convened at an early date in order to discuss the interpretation to be attached to the President's directive as set out in Mr. Patterson's letter and in order to ensure that the necessary instructions to act in accordance with it were issued to the military commanders on both sides.

MR. CROWLEY said that he thought that these Reciprocal Aid questions should be considered in the first instance by the Lend-Lease Committee which he would undertake to convene as quickly as possible. He thought that following upon that committee it should be possible to arrange for the military subcommittee to consider Mr. Patterson's letter and the questions arising on it mentioned by Lord Keynes. The Sub-Committee would refer its recommendations to the Lend-Lease Committee, and that Committee would refer in turn to the Top Committee.

It was agreed that the procedure suggested by Mr. Crowley should be adopted. Accordingly a meeting of the Lend-Lease Sub-Committee⁴⁰ was arranged for 11 a. m. on the 13th September in Mr. Crowley's conference room.

3. Organisation of Committees and Sub-Committees

A general interchange of views took place on the proposed organisation of committees and sub-committees. The arrangements tentatively proposed for that organisation met with general approval. It was agreed that efforts should be made to arrange for two main committee meetings each day—one in the morning and one in the afternoon—so as to avoid an overlap which would cause personnel difficulties. It was agreed that the organisation of meetings of the sub-committees would be primarily a matter for arrangement by the Chairman of the appropriate main committee.

4. Press Relations

MR. CLAYTON said that he understood that a proposed press release had been agreed with the U.K. representatives and that something in the nature of a joint press service was contemplated.

LORD HALIFAX confirmed that a joint press release had been agreed. He expressed some doubt, however, as to the desirability of the proposed arrangement whereby U.S. and U.K. press officers should attend committee meetings, on the grounds that if they did so they would be the more likely to be under embarrassing pressure from the press to divulge information. He wondered whether it would not be better simply to arrange for the Joint Secretariat to prepare an agreed press release at appropriate intervals.

MR. CLAYTON thought that complete reliance could be placed on the discretion of the press officers who could in any event work under

⁴⁰ Reference is to the U.S.-U.K. Combined Lend-Lease Committee.

close direction as to the extent of the information which they were to release.

MR. VINSON stressed the risk of leakages and the desirability of taking all possible steps to avoid them. He suggested that it would be well to defer a decision on the question of the presence of press officers at committee meetings. It was agreed to follow this advice and to arrange for discussion of this question outside the committee before the further meeting of the Top Committee on the 13th September.

5. *Position of Dominions*

MR. CLAYTON asked whether the U.K. representatives desired any Dominion representatives to be associated with the discussions.

LORD KEYNES said that the U.K. representatives would maintain touch with Dominion representatives on matters of common concern. But it would be embarrassing for the U.K. representatives if the impression were given that they were negotiating on behalf of Dominion Governments. If questions affecting the Dominions arose it would be better for them to be discussed separately with the U.S. Government, although the U.K. representatives would naturally be prepared to facilitate such discussions.

MR. CLAYTON said that the position in this respect was fully understood by the U.S. Group.

6. *Closing Statement*

MR. CLAYTON said that just as the U.K. representatives had no authority to take final decisions without reference to London, so the U.S. representatives were under the obligation to report to the Secretary of State and the President. But although neither side could take definitive decisions he was confident that they would be able to reach the state of agreeing upon recommendations which, when submitted to the Governments of both sides, would be found to be acceptable.

WASHINGTON, 12 September, 1945.

740.00119 Council/9-1445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 14, 1945—7 p. m.

8009. Secdel 51. For Secretary of State. Yesterday Lord Keynes presented an analysis of the current and prospective deficit of the UK on current account.⁴¹ As of V-J Day the deficit at the current annual

⁴¹ To accompany his oral statement, Lord Keynes presented to the U.S.-U.K. Top Committee a document entitled "Tables Relating to U.K. Financial Position". (611.4131/5-146, Folder 4, 3) Some of the material prepared by the British delegation is published in British Cmd. 6707 (1945) : *Statistical Material Presented During the Washington Negotiations*.

rate was running at about \$5 billion which is expected also to be the approximate figure for the whole of 1945. This 1945 deficit will be met to the extent of about \$2 billion by non-munitions Lend-Lease and to an extent of about \$3 billion by Mutual Aid and increase in sterling balances. There will be little reduction in the rate of deficit before the end of 1945. Despite the assumption that exports in 1946 will be almost double those for 1945, the deficit is expected to be about \$3.2 billion for the coming year. It should fall very sharply in 1947. The UK expects to have to run a deficit for the next 3 to 5 years. Keynes states that the UK can recover in 5 years with a "very austere" import program and in 3 years with an "austere" import program which would permit greater expansion of exports. An "austere" import program will have to be instituted in any event. Whether recovery will come in 3 or 5 years depends also on the amount of pressure exerted to increase exports and the degree of curtailment and regulation of domestic consumption. The cumulative deficit over the 3 to 5-year period will fall between 4 and 6 billion and will probably be nearer to \$6 billion. It is "inconceivable," Lord Keynes stated, that the deficit will be less than \$4 billion. The crucial factor, aside from the ability to hold down imports and to taper off overseas military expenditures rapidly, is the question of expanding exports; the major difficulties here being the manpower shortage (slow rate of release from military service), reconversion of factories, and availability of factory space. While Keynes gave no estimates of exports for 1947 and subsequent years, he stated that the UK had to increase them by 50 percent over their pre-war volume (not value) to reach balance on current account.

At Friday's meeting Lord Keynes is expected to cover the accumulated deficit during the war, the manner in which it was financed and especially the blocked sterling balance problem.⁴²

ACHESON

611.4131/9-1945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 19, 1945—10 p. m.

[Received 11:59 p. m.]

9701. 1. Liesching has informed Penrose that the party which will leave Saturday on *Queen Mary* will consist of Liesching, Shackle and

⁴² At the meeting of the U.S.-U.K. Top Committee on Friday, September 14, Lord Keynes continued his analysis of the United Kingdom's external financial position, its gold and dollar reserves and liabilities, mainly expanding upon the salient points made in the meeting of September 13 (611.4131/5-146, Folder 4, Third Meeting).

Andrew, Board of Trade; Robbins, Cabinet Secretariat; Enfield, Ministry Agriculture; Clauson,⁴³ Colonial Office. Young will act as secretary. If necessary a Ministry of Food official may be added from Washington Food Mission.

2. Liesching said that he would have liked the group to have been smaller but felt it was necessary to have officials from Agriculture and Colonial Office, particularly in latter case because of importance of colonial raw materials. He expressed the hope that US group taking part in talks would be kept as small as practicable or alternatively at least that the resolution of knotty points should be done by a small group.

3. Regarding basis for commercial policy discussion Liesching said UK officials would not favor working on a suggested draft convention or even a summary of a convention such as we had given them.⁴⁴ They considered that such a document was of great value for use at later stage but that the forthcoming talks should be centered on the outstanding issues and especially those on which there were difficulties. A short statement on these outstanding questions would be a more appropriate basis for discussion than any detailed draft. Liesching's desire for a small group is partly related to his desire to settle outstanding issues of principle before entering on technicalities.

4. Liesching reiterated uncompromising UK opposition to any provision for export subsidies on commodities in world surplus. As regards agricultural proposals he thinks that the techniques developed in US in recent years are not altogether suitable for dealing with the problems of a number of other countries including UK. So far as change of government here was concerned the interests of producing classes, including agricultural labor in reasonable stability was represented in the Labor Govt but so also were the interests of consumers in adequate nutrition for the workers.

5. Regarding preferences he indicated that UK officials would take an uncompromising stand that preferences must be placed in similar framework of discussion with tariffs. If there was no general formula on tariffs there could be none on preferences. He did not however oppose the suggestion that there was an obligation to reduce them initially in greater proportion than tariffs and to recognize elimination as the objective when mutual obligations in other directions were met. He repeated that the political importance in UK of dealing carefully with this question was paramount.

6. Liesching said that commercial policy has been put before Ministers in terms of certain general principles and officials were author-

⁴³ Sir Gerald L. M. Clauson, Assistant Under-Secretary of State, British Colonial Office.

⁴⁴ See telegram 8132, August 11, from London, p. 90.

ized to enter into discussions on basis of a general instruction. He added in strict confidence that Ministers who understood the issues best as well as officials were convinced that it would be unwise at this stage to review the subject in detail with the whole Cabinet. Liesching did not mention names but Cripps and Dalton may be assumed to be among the Ministers whose judgment was referred to. It should be noted that the small War Cabinet has been dropped and the present Cabinet consists of about 20 Ministers. The UK officials will within their general terms of reference aim at working out lines of agreement in Washington which they can recommend to Ministers for adoption.

7. Andrew Board of Trade will specialize on cartel questions in the discussions. Stirling will remain in London and Helmore will return here when the group reaches Washington. Meade has taken Robbins' place as head of Economic Section of Cabinet Secretariat. Robbins remains as advisor. He will return to University perhaps at end of year.

8. Liesching referred to the serious shortage of man power in Board of Trade and throughout Whitehall. All officials concerned in article VII talks have for years carried a heavy load of work on the war economy quite apart from long term economic questions. Many are greatly fatigued. Great efforts are being made to recover pre-war civil servants who have been mobilized or have served in other capacities abroad. But the process of recovering them is slow. There were few exemptions from military service and the civil service was closely combed. Liesching is seriously disturbed at the scarcity of experts on tariff negotiations.

9. Some appraisal of the general position here with reference to the commercial and financial talks will follow.

WINANT

800.24/9-2045

*The Acting Secretary of State and the Foreign Economic Administrator (Crowley) to the Secretary of War (Stimson)*⁴⁵

[WASHINGTON,] September 20, 1945.

DEAR MR. SECRETARY: AS you are aware, the President on September 5, 1945, approved a memorandum to the Joint Chiefs of Staff⁴⁶ concerning issuance to Allied Governments of Lend-Lease munitions and the provision of Lend-Lease services, procured and sponsored by the War and Navy Departments. Section (c) of the memorandum stated that "Aid may be furnished to supply maintenance items for United

⁴⁵ The same, *mutatis mutandis*, to the Secretary of the Navy (Forrestal).

⁴⁶ JCS 771/18, not printed here.

States equipment now in the possession of Allied forces against payment upon such terms and conditions as determined by the State Department and Foreign Economic Administration in accordance with established procedure. Such aid will be reduced and finally eliminated at the earliest date practicable and in no case will it be extended beyond six months from the effective date of this instrument.”

The State Department and Foreign Economic Administration have considered what should be the terms and conditions of payment, and have concluded that issuance of the maintenance items in question should be for full cash payment upon presentation of a bill by the Foreign Economic Administration. If the State Department and the Foreign Economic Administration should decide in the case of an individual country that special circumstances warrant a deviation from this policy of full cash payment upon presentation of a bill you will be immediately notified.

Sincerely yours,

DEAN ACHESON
LEO T. CROWLEY

611.0031 Executive Committee/9-2545

*Memorandum by the Acting Secretary of State to President Truman*⁴⁷

WASHINGTON, September 21, 1945.

Subject: *Future International Controls on Short Supply Items*

There is submitted herewith for your approval as a basis for discussion with other governments a document regarding policy which should be followed in the transition period in respect of the international control of items in short supply.

It is recommended that in cases in which it is necessary to maintain such controls for purposes of stability, reconversion or rehabilitation, the responsibility therefor be transferred as quickly as practicable from the Anglo-American Combined Boards⁴⁸ to international commodity committees composed of representatives of principal producing and consuming countries.⁴⁹ This policy, if adopted, may require legislation to extend authority to control imports into the United States, to make public purchases abroad, and to control and to give priority assistance to exports from the United States of the commodities involved should existing authority expire before the end of the transition.

DEAN ACHESON

⁴⁷ This memorandum bears the notation: “Approved Harry S Truman”.

⁴⁸ For information on the establishment and organization of the Combined Boards, see Department of State *Bulletin*, July 1, 1945, pp. 17-20; regarding the continuation of some of the Boards, see *ibid.*, September 2, 1945, p. 333. See also *Foreign Relations*, 1944, vol. II, pp. 1 ff., *passim*.

⁴⁹ For text of statement to this effect by the President of the United States and the Prime Ministers of Great Britain and Canada, December 10, 1945, see Department of State *Bulletin*, December 16, 1945, p. 975.

[Annex]

Memorandum From the Executive Committee on Economic Foreign Policy, Committee on Wartime Trade Controls

SEPTEMBER 1, 1945.

UNITED STATES POLICY DURING THE TRANSITION PERIOD WITH
RESPECT TO SHORT SUPPLY ITEMS

1. The established foreign economic policy of this government is to remove all wartime controls of international trade and government participation in such trade as rapidly as is consistent with the objectives of this government for an orderly economic transition from war to peace. These objectives include:

a. Prompt conversion of the economies of the world so as to maximize the production of goods and services required for domestic and foreign needs.

b. Stabilization of the general level of prices.

c. Equitable distribution of available supplies.

2. A continuation of some wartime controls may be required if the above objectives are to be attained. Control should be limited to products in global short supply i.e. those which, in the absence of such control, would be subject to substantial world price increases. Control should be further minimized by limitation to products which are relatively important to stabilization, reconversion or rehabilitation programs. A tentative list of commodities likely to meet these conditions is appended.

3. The following procedure is recommended:

a. A committee should be created for each commodity for which control is continued and should be composed of representatives of the countries which are the principal producers or consumers of such commodity. Where Combined Board committees already exist they should be utilized and appropriately enlarged. These committees should in general exercise the functions now performed by the Combined Boards themselves.

b. The coordination of the American representatives on the committees concerned with food products should be centered in the Department of Agriculture and on other committees in the War Production Board or in such other United States government agency as may later be established to take over the relevant functions of the agency. These agencies should be charged with the responsibility for consulting with all other interested departments and agencies of this government on issues arising in the Committees. The actions of the representatives of the responsible agencies should conform to the foreign policy of the United States.

c. Each commodity committee should be liquidated as soon as the conditions leading to its establishment, as stated in paragraph 2, have ceased to exist or as soon as it becomes apparent that the price increase

which would follow the removal of control is necessary and appropriate to bring about the long term adjustment of supply and demand requisite to the restoration of a competitive market.

d. The Combined Boards as such should be terminated as quickly as practicable and in any case should terminate their functions immediately so far as each commodity is concerned for which a commodity committee is established. However, until the new committees assume responsibility in their respective fields, or whenever the prospective duration of the continued control does not justify or makes impractical the creation of new committees, the Combined Boards should be utilized to perform the necessary functions of control.

4. The effectiveness of the controls contemplated above depends upon the continuation of authority to control imports into the United States, to make public purchases abroad, and to control and to give priority assistance to exports from the United States of the commodities involved. Steps should, therefore, be taken to extend such authority if it should otherwise expire prior to the end of the transition period.

5. For illustrative purposes only a tentative list of products for which controls may be required follows. Such a list may be enlarged or reduced when supply-requirements analyses, now almost completed, have been made.

- | | |
|---|---------------------------------------|
| 1. Rubber | 9. Jute and jute products |
| 2. Tin | 10. Fats and oils |
| 3. Bovine hides and leather | 11. Sugar |
| 4. Newsprint | 12. Meat |
| 5. Lead | 13. Canned and dried fish |
| 6. Antimony | 14. Food and feed grains and proteins |
| 7. Coal | 15. Rice |
| 8. Manila, sisal, henequen, hemp and their manufactures | 16. Cocoa |

841.51/9-2445

Memorandum by the Assistant Secretary of State (Clayton) to President Truman

WASHINGTON, September 24, 1945.

Subject: Progress of U.S.-U.K. Negotiations

1) During last week considerable progress was made in the discussion of the overall financial problem of the British. The British put forward the following informal proposal as a basis for further consideration: ⁵⁰

⁵⁰ Most of this informal proposal had been set forth by Lord Keynes at the second meeting of the U.S.-U.K. Financial Committee on September 20. The first meeting, on the preceding day, dealt with a general analysis by Lord Keynes of possible alternatives open to the United Kingdom in regard to external financial affairs (611.4131/5-146, Folder 5).

a) Exchange controls on current transactions would be lifted on January 1, 1947, making all current sterling balances freely convertible, and liquidating the sterling area dollar pool. The British would thus waive the Bretton Woods transitional period and as of January 1, 1947 embark on the full post-war exchange arrangements.⁵¹

b) Exchange arrangements would be progressively liberalized during the next 15 months.

c) The blocked sterling system would be terminated on December 31, 1946 and sterling obligations to the sterling area (estimated then at \$12 billion) would be handled as follows:

- i. \$4 billion would be written off.
- ii. Of the remaining \$8 billion, 10% or \$800 million would be made freely convertible for any current purposes.
- iii. The remaining \$7.2 billion would be funded at no interest, to be paid off in 50 annual instalments of 2% beginning after five years.

d) Sterling obligations in South America would be paid off by sale of British investments in those countries. Obligations to Norway, Greece, and other European allies and neutrals would be paid off partly by construction of ships for Norway and Greece (the obligations consist in considerable measure of Lloyd's ship insurance) and partly in goods or dollars and gold which such nations urgently need. The Portuguese obligation is being funded at rather long term. Dollar obligations to the RFC⁵² will be worked off by gradual realization of the collateral. Dollar obligations to Canada, it is hoped, may be cancelled by Canada.

e) In order to meet the adverse balance of trade during the three to five year period of British recovery, the British request that the United States establish a line of credit of \$5 billion.⁵³ Britain expects to obtain credits of \$500 million to \$1 billion from Canada, Sweden, and possibly other countries. Britain would hope to use considerably less than the total dollars thus at her disposal, but believes that a substantial line must be available in order to engender confidence in the pound. The British made no suggestions as to terms.

f) In addition to these amounts, Britain will owe any net figure arising out of war liquidation, lend-lease pipeline, inventory, surplus property, etc.

2) Mr. Crowley has arranged an interim plan for handling the lend-lease pipeline and inventory pending conclusion of overall arrangements.

⁵¹ According to section 4 of article XIV of the Bretton Woods Agreement, it was expected that the member nations would have removed currency restrictions within 5 years from the coming into force of the Agreement; for text, see *Proceedings and Documents of the United Nations Monetary and Financial Conference*, vol. I, pp. 965, 966.

⁵² Reconstruction Finance Corporation.

⁵³ At the second meeting of the Combined U.S.-U.K. Financial Committee, September 20, Lord Keynes had indicated that \$5 billion would be a satisfactory figure for the credit, although suggesting that ideally \$6 billion might more adequately cover Britain's expected cumulative adverse balance over the next 3 to 5 years (611.4131/5-146, Folder 2). This figure did not include the sum for lend-lease settlement; see p. 162.

3) Preliminary discussions of surplus disposal continue while the Army is ascertaining what goods will be in surplus.

4) Commercial policy discussion will begin at the end of this week when a strong British trade delegation will arrive.

5) We are asking the Dominions to send representatives for parallel discussions.

6) I am encouraged by the progress of the discussions and the reasonable attitude of the British. Their proposal with respect to the blocked sterling obligations is generally regarded as satisfactory and we are going into its details. The Financial Committee headed by Secretary Vinson is considering the overall financial request.

W. L. CLAYTON

611.4131/9-2445: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 24, 1945—8 p. m.

[Received 9 p. m.]

9904. 1. Liesching in conversation with Penrose said the United Kingdom group would work intensively during voyage on detailed position they will take on basis of ministerial instruction. They are expecting United States group to make concrete suggestions on short cuts and on methods by which as far as practicable selective tariff cuts may be negotiated multilaterally. They remain apprehensive of delays involved in selective method and consider that opportunities for reduction of trade barriers will decline seriously if the procedure for reducing tariffs is cumbersome and slow. It seems likely they would be disturbed at idea of fixing date for international conference on trade policy far into 1946. They would like an earlier date.

2. The United Kingdom officials do not seem to have reached definite conclusions on the synchronization of discussions on tariffs and discussions on non-tariff barriers but it is unlikely that they will be prepared to give final undertakings on the non-tariff provisions until some conception is reached of the extent of the tariff cuts.

2. [*sic*] The developments in financial talks in Washington are being followed closely in United Kingdom and commercial talks will attract equal attention. Beaverbrook⁵⁴ press attacks Keynes for statements on multilateral trade and on preferences but its viewpoint is unlikely to gain ground provided (a) balance of payments solution is obtainable and (b) an appropriate strategy of negotiation is followed in regard to interrelationship between commercial and financial talks.

⁵⁴ William Maxwell Aitken, Lord Beaverbrook, publisher of the *Daily Express* and *Evening Standard*.

3. Regarding (a) little comment is needed in view of United Kingdom delegation's statements in Washington. Liesching in conversation referred to above again emphasized that proposals would continue to be judged by their contributions to the restoration of equilibrium. This point and its implications with respect to loans have been frequently made in informal talks and private conversations here.

4. As regards (b) it is clear that the main reason for earlier United Kingdom hesitation to enter into negotiations on commercial policy commodity agreements and cartels at the same time as the financial negotiations was the fear that we intended to use financial necessities of United Kingdom as a means of trying to force on them our views on the other questions. Though the atmosphere has improved there is still some uneasiness here on this point. Earlier cabled news reports that United States would demand instant and complete abolition of preferences in return for financial aid created public opposition here. Even that section of United Kingdom opinion which is most opposed to preferences would be antagonized if a demand for their abolition were put in this form. On the other hand results in line with our policy should be obtainable if reductions on preferences are linked with reductions on tariffs and if position is taken that article VII involves obligation to make greater proportionate reductions in preferences from the start and their abolition later. This approach will appeal to all parties except the Amery⁵⁵ group of Tory imperialists and the Beaverbrook clique who are fighting for Empire preference, an exclusive sterling area and bilateral bargaining since in the minds of the public here the Ottawa measures in 1932⁵⁶ are regarded largely as a response to the Smoot-Hawley Tariff in 1930.⁵⁷

5. The great majority in United Kingdom agree that the success of any financial remedies depends in part on trade policies. It can be pointed out that this view is also implicit in the United Kingdom position that any proposal must be judged by the extent to which it provides means of attaining future equilibrium in the balance of payments.

6. However as far as United Kingdom public and parliamentary opinion are concerned it is of greatest importance that statements on the interrelationships between financial and commercial measures shall not carry any implication that the United States is using the financial negotiations as a means of forcing United Kingdom to accept United

⁵⁵ Leopold S. Amery, Conservative Member of Parliament, formerly British Secretary of State for India and Burma.

⁵⁶ Reference is to the system of bilateral treaties inaugurated at the Imperial Economic Conference, held in Ottawa in 1932, whereby various Commonwealth members extended preferential treatments on tariffs to one another. For texts of agreements, see British Cmd. 4174, *Summary of Proceedings*, pp. 19-94; *British and Foreign State Papers*, 1932, vol. 135, pp. 250-264, 799-800; *ibid.*, 1933, vol. 136, pp. 501-520.

⁵⁷ Tariff Act of 1930, approved June 17, 1930; 46 Stat. 590.

States proposals on commercial commodity and cartel policy. In existing conditions here the strategy that holds best prospect of lasting success of broad United States policies would be to treat each of the broad groups of questions on the agenda on its own merits and endeavor to reach a solution the intrinsic soundness of which is recognized on both sides.

7. A second reason in favor of this approach is that if balance of payments difficulties can be overcome there will be no need of pressure to persuade the United Kingdom to support drastic cuts in trade barriers. It may be predicted that Liesching and his group will criticize United States proposals on trade barriers for not going far enough rather than for going too far.

8. All sections of the United Kingdom public and political parties feel that the serious external financial position of United Kingdom is the result of the scope and intensity of the United Kingdom war effort. The United Kingdom public has been prepared for difficult times ahead. Food and clothing conditions are even more stringent here now than during a large part of the war period. The fuel shortage this winter will involve greater hardship than at any time during the war. Austerity is still preached and accepted as inevitable for some time to come. With increasing realization of future difficulties there is no serious demand for scrapping of economic controls. Adverse criticism is confined mainly to rate of demobilization and reconversion. The indications are that the United Kingdom public would be prepared if necessary to endure scarecrow conditions for some time to come.

WINANT

811.24/8-1545

*The Acting Secretary of State to the Under Secretary of War
(Patterson)*

WASHINGTON, September 25, 1945.

MY DEAR MR. PATTERSON: In your letter of August 15⁵⁸ you outline the negotiations which have been going on since June 3, 1941, for the acquisition by the United States of seven industrial facilities owned by the British in this country. On November 18, 1943, Mr. Byrnes as Director of the Office of War Mobilization and Reconversion, gave the War Department the authority to proceed with this acquisition, provided the State Department and the Foreign Economic Administration had no objection to purchase for cash.⁵⁹

⁵⁸ Not printed.

⁵⁹ Letter from Mr. Byrnes to Mr. Patterson, November 18, 1943, not printed. For previous correspondence on this subject, see *Foreign Relations, 1944*, vol. III, pp. 31 and 40.

In the opinion of the State Department, a commitment exists to purchase the seven facilities for cash or its equivalent. It is possible, however, that this commitment might properly be met by considering the sum due as an offset to dollar obligations of the British to the United States. Mr. Clayton has indicated to you in a recent telephone conversation that he will keep in mind this commitment during the current fiscal conferences with the British.⁶⁰

Sincerely yours,

DEAN ACHESON

740.00119 Council/10-245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 2, 1945—10 a. m.

8670. Secdel 150. The US-UK Committee on Commercial Policy held its first meeting today.⁶¹ The session revealed substantial agreement between the two governments as to the procedural steps to be followed in negotiating and bringing into force the proposed multi-lateral arrangements in the commercial policy field, these steps including: (a) the holding of a general international conference on trade and employment in June 1946, and (b) the holding of a preliminary, negotiating meeting among the principal trading nations in March 1946. The British have asked that India be included among the nations to meet in March and have also made certain proposals, at variance with our own, regarding the policy to be followed in generalizing the benefits of tariff and trade concessions to the trade of countries which after a considerable period, fail to adhere to the arrangements. These two points will be discussed in later meetings.

ACHESON

⁶⁰ On December 4, Assistant Secretary of State Clayton wrote a letter to Secretary of War Patterson advising of subsequent developments relating to the acquisition of the British-owned industrial facilities. The final paragraph is as follows: "The Department [of State] advises that tentative arrangements have been agreed upon whereby the cost of these facilities will be considered as an off-set to the Lend-Lease balances. You may therefore immediately take title to these facilities to protect the interest of the United States Government." (811.24/8-1545)

⁶¹ The first meeting of the Commercial Policy Committee had actually taken place on October 1. The points covered in this telegram accurately synopsise those contained in the minutes of this first meeting (611.4131/5-146, Folder 3). The file copy of the telegram bears manuscript corrections indicating that its release time was changed from October 1, 8 p. m., to October 2, 10 a. m.; thus the word "today" should be corrected to read "yesterday".

611.4131/10-245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 2, 1945—6 p. m.

8703. The U.S.-U.K. Committee on Commercial Policy met today and agreed upon *a*) the inclusion of India among the principal trading nations which would meet in March 1946 for the purpose of conducting negotiations preliminary to the general conference on trade and employment to be held in June 1946, and *b*) the treatment which should be accorded to the trade of countries which fail to carry out the obligations of the proposed multilateral arrangements on trade barriers.⁶² After agreeing upon the order in which the principal issues (tariffs and preferences, subsidies, state trading and exchange control, and cartels) should be taken up, the Committee began discussions regarding the American proposal to eliminate tariff preferences. This discussion, which was inconclusive, revealed a wide divergence between American and British viewpoints which may be difficult to bridge.⁶³

ACHESON

⁶² It was agreed, subject to further scrutiny, "that new members adhering to the proposed multilateral arrangements on trade barriers would be required to make adequate tariff reductions in order to receive the benefits of the arrangements". (611.4131/5-146, Folder 3)

⁶³ The British delegation protested that elimination of preferences would leave the United Kingdom defenseless in trade negotiations, since margins of preference provided the basis of the principal concessions which the United Kingdom could make in return for other countries' tariff reductions. Mr. Clayton replied that he felt that the U.S. proposal did not call for unilateral sacrifices by the United Kingdom and proposed the following statement regarding tariffs and preferences put forth by the U.S. side for inclusion in its "Proposal to Establish an International Trade Organization" (ECEFP D-108/45):

"1. *Import tariffs and preferences.* Members should undertake to take effective and expeditious measures, in accordance with methods to be agreed upon, for the substantial reduction of import tariffs and the elimination of tariff preferences. In the light of the principles associating the two which are set forth in Article VII of the Mutual-Aid Agreements, the rule should be that the reduction of tariffs and the elimination of preferences should be dealt with together, as follows:

"*a*) Margins of preference on any product should in no case be increased.

"*b*) Whenever most-favored-nation tariffs are reduced, such reductions should operate automatically to reduce or eliminate margins of preference.

"*c*) In order to carry out the foregoing, existing international commitments to maintain margins of preference should be abrogated and no new commitments should be entered into.

"*d*) As a part of the negotiations regarding tariffs and preferences, suitable arrangements will be made for the early elimination of such tariff preferences as are not eliminated by the application of the foregoing principles."

For subsequent alteration, see p. 160.

841.241/10-545

The British Prime Minister (Attlee) to President Truman ⁶⁴

No. 15

[LONDON,] October 3, 1945.

The British Cabinet have recently given the most urgent and earnest consideration to the need to speed up the return of British Servicemen from overseas in the period before Christmas of this year. Many of these men have been on active service and away from their homes for five or more years, and the demand by the people of this country for their early return now that hostilities are over has become loud and insistent.

2. Even after eliminating or deferring movements which would normally command a high priority, we cannot with our present allocation of personnel shipping, achieve the minimum repatriation programme at which we have hitherto aimed, let alone achieve any acceleration.

3. In these circumstances, I have no alternative but to remind you that the arrangement to loan you the two *Queens* ⁶⁵ and the *Aquitania* until the end of 1945 was conditioned solely by the urgency of re-deploying American Forces for the war against Japan. With the unexpectedly early termination of the Japanese war, these conditions have for some time now ceased to exist.

4. It is our desire that the two *Queens* and *Aquitania* should continue in your service for a period, and we fully realise the desire on the part of the United States to welcome back their soldiers and airmen who have been fighting in Europe. Our own urgent necessities, however, have compelled us to request that you should loan us in return for the *Queens* and *Aquitania* an equivalent personnel lift in American-controlled troop ships with a view to their being used on the main British trooping routes, i.e. from India and Australia to the United Kingdom. It will be understood that help on the North Atlantic route would not solve our problem.

5. Our Combined Chiefs of Staff have discussed this question between them but have failed to reach agreement. Your Chiefs of Staff "regret that the necessity to return United States Forces from Europe as expeditiously as possible requires all lifts scheduled under present agreements to December 1945, and that therefore they are unable to provide assistance in United States controlled troop shipping before the end of 1945". Your Chiefs of Staff go on to say that "action

⁶⁴ Copy transmitted to the Acting Secretary of State by the British Ambassador (Halifax) under date of October 5, 1945.

⁶⁵ The *Queen Elizabeth* and the *Queen Mary*; see *Conference of Berlin (Potsdam)*, vol. II, p. 1192.

on certain of the captured German passenger ships will in part, fulfil the need for additional troop lift as expressed by the British Chiefs of Staff." This latter statement may be true for some time in early 1946, but the captured German passenger ships will not alleviate the position in the all important period before the end of this year.

6. Your Chiefs of Staff seem to think that this question, which is absolutely vital to us, can await discussion at an overall personnel shipping review to be held some time this month, the results of which could not possibly take effect till very nearly the end of the year.

7. I shall speak with the utmost frankness. While so many of our troops overseas are awaiting repatriation after nearly six years of war and of separation from their families, I cannot continue to justify to the British public the use of our three biggest ships in the American service. I am reluctant to suggest the return of the *Queens* and *Aquitania*. I must, however, ask you most earnestly, Mr. President, to provide us in the immediate future with an equivalent lift for these three ships.⁶⁶

611.4131/10-445: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 4, 1945—6 p. m.

8785. Today's meeting of US-UK Commercial Policy Committee was devoted to question of subsidies and of agricultural policy generally. The British took position that American proposals appeared to be tailored to American situation and that, primarily because of provision in US proposals for eventual elimination of domestic subsidies, they would prevent United Kingdom from carrying out its program of agricultural subsidization.⁶⁷ Since the discussion revealed considerable agreement on basic objectives, matter was referred to a technical subcommittee for further consideration.

ACHESON

⁶⁶ Upon receipt of this message, identical letters were drafted and signed by the Secretary of State addressed to Secretary of War Patterson and Admiral Leahy suggesting that the *Aquitania* or its equivalent in tonnage be turned over to the British. According to a memorandum of October 15 by Under Secretary of State Acheson (not printed), before these letters could be transmitted, word was received that President Truman had acted on the matter through the War Department. The *Queen Elizabeth* and *Aquitania* were returned to British service, while the *Queen Mary* remained temporarily in use as a U. S. troopship.

⁶⁷ The British also took the position that the American plan to allow export subsidies on commodities in world surplus would alleviate conditions in exporting countries but aggravate them in importing countries (611.4131/5-146, Folder 3, Third Meeting).

611.4131/5-146

*Minutes of a Meeting of the United States Top Committee*⁶⁸

[WASHINGTON,] October 6, 1945—11 a. m.

Present:	Mr. W. L. Clayton, Chairman	
	Secretary Vinson	Mr. Harry White
	Mr. Amos Taylor	Mr. Howard
	Mr. McCabe	Mr. Hannaford
	Mr. Eccles	Mr. Angell
	Mr. Paul	Mr. Gardner
	Mr. Collado	Mr. Orchard
	Mr. Luthringer	Mr. Szymczak
	} Gen. Secy.	
		Mr. Raynor

1. Mr. Clayton reported that Secretary Vinson and he had had three talks with Lord Halifax and Lord Keynes in which they had gone over informally the whole question of a credit to Britain—amounts, terms, interest, maturities.⁶⁹ The British had strongly urged that there be no interest. No conclusions had been reached and no commitments made.

2. Mr. Clayton referred to the Executive Order providing for the transfer of Lend-Lease and Foreign Surplus Disposal functions to the Department of State,⁷⁰ and reported that the function of lend-lease settlement had already been transferred as of October 4. The remaining functions would be transferred within a few days. State would organize these functions into one operating organization with Mr. McCabe in charge. It was therefore recommended and approved that the Lend-Lease and the Surplus Disposal Committees be merged into one under the chairmanship of Mr. Clayton with Mr. McCabe acting as his Deputy.

3. Mr. White⁷¹ reported that the Finance working group was preparing a written report on the British balance of payments deficit and the blocked sterling accounts. He presented an oral interim report as follows:

With respect to the balance of payments the British had estimated a net deficit of \$5-6 billion in three years. Incomplete data indicate that these figures are too pessimistic. The British now state the deficit may total \$5.3 billion. The working group estimates that, exclusive of lend-lease cleanup and surplus disposal and about \$1 billion of additional accumulation in 1946 of sterling balances, the deficit will

⁶⁸ This was the first meeting of this committee.

⁶⁹ No record of these talks has been found in Department files.

⁷⁰ Executive Order 9630, September 27, 1945, 10 *Federal Register* 12245; reprinted in Department of State *Bulletin*, September 30, 1945, pp. 491-492.

⁷¹ Harry Dexter White, Assistant Secretary of the Treasury.

amount to \$3.3 billion, although these figures might be out to the extent of \$1 billion either way. Of the total \$1.5 billion represents a deficit in dollar payments. If no financial aid to Britain were forthcoming from the United States this deficit might be met by \$500 million reduction in dollar balances, \$500 million in South African gold, and \$500 million reduction in imports.

With respect to the sterling balances the British had stated they were \$13 billion on V-J and would reach \$15-15.5 billion by December 31, 1946. \$2 billion could be handled by miscellaneous arrangements (South America, Australia, Greece, Norway, etc.) and an additional \$2 billion might be agreed as ordinary working balances, leaving a V-J remainder of \$9 billion. The British had suggested that a reduction in principal of \$4 billion be made, leaving \$5 billion. By the end of 1946 this would have increased to \$7-7.5 billion at the most.

Mr. White indicated that probably \$1 billion could be obtained by the British, \$600 million by a Canadian credit, and \$400 million by South African gold operations.

He pointed out that the 10 percent of liquid funds to be offered in the sterling accounts settlement could be used only for current transactions, and that the British felt that it would take the sterling area three or four years to use up this amount.

After some discussion of individual items in the above estimates, Mr. White concluded that it would take \$4 billion to clean up the British balance of payments deficit and sterling accounts "nicely" (some members of the working group believe it would require \$5 billion); that with \$2 billion a less adequate job could be done; while with less than \$2 billion no very useful results could be achieved.

There followed a lengthy discussion of these figures and conclusions, and of methods of meeting the British financial needs including the possibility of making dollar credits available directly to members of the sterling area which in turn would make sterling credits available to Britain. Mr. White suggested that sterling balances accumulated before V-J be treated in one way, while post-V-J sterling accumulations and new dollar credits should be treated *pari passu*. This led to a discussion of the moral arguments for scaling down the sterling indebtedness and the comparability of such indebtedness with lend-lease. Mr. Angell⁷² urged the adoption of a principle regarding scaling down of such indebtedness based on its originating from transactions which were similar to lend-lease and furnished by the U.S.

⁷² James W. Angell was an Assistant Administrator in the Foreign Economic Administration until its dissolution. Later in October he was appointed U.S. representative, Allied Commission on Reparations, Germany.

Mr. McCabe pointed out that most of these arguments had a defensive character and that it was essential to take the offensive in presentation and explain the future benefits to the United States of the broad program we were proposing with the British. It was generally agreed that the United States interest should be stressed in public presentation. It was also agreed that it was essential that the financial and commercial policy understandings be accompanied by an overall settlement of lend-lease, surplus disposal, and related claims and benefits.

800.24/10-845

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, October 8, 1945.

DEAR MR. SECRETARY: I acknowledge receipt of the joint letter from the Foreign Economic Administration and the State Department dated September 20, 1945, setting forth the terms and conditions of payment for the issuance of maintenance items for United States equipment now in the possession of Allied Forces, under paragraph *c* of the Presidential Policy on Military Lend-Lease contained in JCS 771/18, dated September 5, 1945.⁷³

I am enclosing herewith a copy of the War Department directive⁷⁴ issued to the Commanding General, Army Service Forces,⁷⁵ Commanding General, Army Air Forces,⁷⁶ and to all Theater Commanders.

The War Department will render separate reports for billing purposes to the Foreign Economic Administration or its designated successor organization covering all transfers made under this authority and require that all requisitions accepted from foreign governments bear the statement: "It is agreed that full cash payment will be made upon presentation of a bill by the United States Government."

The War Department takes the position that it may transfer reasonable quantities of materials without any limitations as to total value of aid furnished under this arrangement. Further, such aid will be rendered to all countries which have received Lend-Lease aid unless otherwise specifically instructed by the State Department.⁷⁷

Sincerely yours,

ROBERT P. PATTERSON

⁷³ Not printed here.

⁷⁴ Not printed.

⁷⁵ Lt. Gen. Brehon B. Somervell.

⁷⁶ General of the Army Henry H. Arnold.

⁷⁷ Information concerning the furnishing of maintenance items in return for cash payment was communicated in a note from the Secretary of State to the British Ambassador on October 12, not printed. For text of note sent, *mutatis mutandis*, on the same date to the Soviet Chargé, see vol. v, p. 1042.

611.4131/10-945: Telegram

*The Secretary of State to the Chargé in the United Kingdom
(Gallman)*

WASHINGTON, October 9, 1945—6 p. m.

8934. On October 5 US-UK Commercial Policy Committee discussed problems of state trading, export taxes, and exchange control. With regard to state trading there appeared to be no difference of objectives between the two groups. On export taxes British disagreed with US proposal that protective export taxes should be completely abolished, and proposed instead that they should be subject to individual negotiation as in case of import tariffs.⁷⁸ With regard to exchange control, British feel that since this subject has been covered in International Monetary Fund Agreement, no substantive provisions relating to it should be included in proposed multilateral agreement on commercial policy.⁷⁹ These three topics have been referred to subcommittees for further discussion on details.

On October 8 US-UK Committee on Commercial Policy discussed the British counter-proposal to US cartel policy. British agree in principle in opposing cartels and restrictive practices, but would leave door open for the existence of some cartels whose effect is not considered harmful.

US proposal would bind the signatory countries to prohibit their nationals from entering into agreements that restrict international trade, and lists in detail certain practices, such as price-fixing, which *ipso facto* are considered to be in restraint of trade. It would provide for a Commission on Business Practices under the International Trade Organization to deal with these questions.

British, on the other hand, are unwilling to accept the flat proscription of all the described practices, and would prefer to deal with abuses on a case by case basis. They therefore propose that the Commission on Business Practices be empowered to receive complaints from member states that commercial policy objectives of the ITO are being jeopardized by the operation of any particular agreement. That body would then consult with member states on a remedy, and would call upon them to enforce it. A subcommittee will consider cartel question further in an effort to secure an agreed position.⁷⁹

BYRNES

⁷⁸ The United States representatives re-drafted their proposals to accord with the British suggestion on export taxes (611.4131/5-146, Folder 3, Sixth Meeting).

⁷⁹ See telegram 9593, October 31, 7 p. m., to London, p. 152.

611.4131/5-146

Minutes of a Meeting of the United States Financial Committee

[WASHINGTON,] October 11, 1945—2:30 p. m.

Present: Secretary Vinson (in the Chair)

Secretary Wallace	Mr. A. Taylor
Mr. Clayton	Mr. Collado
Mr. Eccles	Mr. Angell
Mr. McCabe	Mr. Gardner
Mr. White	Mr. Knapp

Mr. Glasser—Chairman of Technical Subcommittee

Mr. Coe	} Secretaries
Mr. Hebbard	

Mr. Kindleberger—Secretary General

Summary of Tentative Agreements

The Chairman called the attention of the Committee to the agenda prepared by the Technical Subcommittee (U.S./Tech. Fin-4).⁸¹ He suggested that agenda items (a), (b), and (c), under No. 1, be left for later discussion. Tentative agreement on other items of the agenda was reached as follows:

1. *Loan vs. Line of Credit*

(d) Financial assistance should take the form of a line of credit which could be drawn upon as needed, and available for 5 years.

2. *Interest Rates*

(a) The line of credit should not be interest-free.

(d) The obligation would be serviced in equal annual installments, combining interest at 2 percent and amortization over 50 years. Thus, the amount of the annual payment on a \$1 billion obligation would be \$31,800,000 per year.

3. *Other Provisions Involving Interest Rates and Maturities*

(a) An initial period of grace of 5 years would be granted before interest and amortization payments would begin.

(b) There was agreement in principle that there should be a clause providing for the waiver of interest and the postponement of amortization payments during years when the British balance of payments was especially difficult. The Technical Subcommittee was asked to prepare various types of objective criteria by which this principle might be implemented.

(c) No provision for review of the interest rate during the period of the credit would be proposed.

4. *Maturity and Amortization*

The tentative acceptance of 2(d) precluded the necessity of discussing possible provisions for other than straight-line amortization.

⁸¹ Not printed.

Loan vs. Credit

In answer to a question from Mr. Vinson, Mr. Clayton stated that he believed the Committee was thinking in terms of a credit, rather than a loan. Mr. White agreed that a credit would be better, but pointed out that a large loan would permit the British to show a very strong reserve position and might build up confidence in sterling. He hoped that it was agreed that if a credit were granted it would not be offered only for the purchase of U.S. products. There was general agreement with this. Mr. White then transmitted a suggestion of Mr. Glasser's that the credit could be granted in the manner of a banking overdraft: the British could repay and later draw again up to the limit of the credit which had not already been amortized, and thus limit the amount of their obligation outstanding at any time to the amount actually needed. In answer to a question from Mr. Vinson, Mr. White and Mr. Clayton agreed that the longer the period granted to the British within which to draw against the credit, the less likelihood there would be that they would feel it necessary to draw the whole amount made available, since if the period of time was short, they would be unable to measure the contingencies of the transition period. At Mr. Clayton's suggestion, the Committee registered its tentative agreement on agenda item No. 1(d): a credit would be made available for a period of 5 years.

Interest Rates

Mr. Vinson, Mr. Eccles and Mr. McCabe pointed out the difficulty of obtaining public acceptance of an interest-free loan. Mr. Angell stated that a very good case could be put forward for an interest-free loan, considering the close relationship to the war and the huge sums spent upon the war. The United Kingdom presented a special case. Another possibility was to limit the interest to the lowest rate at which the U.S. Treasury could borrow funds, such as the short-term rate at which funds were obtained. Mr. Vinson observed that a 50-year credit would indicate a higher rate than 2 percent if based upon the rates paid by the Treasury. Mr. Eccles thought that it would be as easy politically to obtain approval of an interest-free credit as to lend money at the lowest short-term rate available to the Treasury.

Mr. White pointed out two corollaries to the provision that the U.S. credit should carry an interest charge. If the U.S. charged interest, it would be more difficult for the U.K. to arrange interest-free loans from other countries such as Canada and the Union of South Africa. Secondly, if the U.S. justified a low rate of interest to the U.K. on the basis of not wishing to make a profit out of the transaction, this was tantamount to admitting that the U.S. was at-

tempting to making a profit on loans to other nations which were associated with the U.S. in the war, and which would presumably be charged a higher rate.

Mr. Vinson stated that the payment of a fixed rate of interest and amortization per year would be more easily understood and therefore more readily acceptable. Mr. Wallace suggested that the interest and amortization payments, whether begun immediately or after a period of grace, might begin with a low figure, gradually working up to a fixed amount. Mr. Vinson thought the relative simplicity of the fixed-payment formula gave it a considerable advantage; in addition, if a period of grace of about 5 years was granted, the U.K. would presumably have had two years after balancing its international payments in which to prepare for meeting the first installment.

At Mr. Clayton's suggestion, the Committee recorded its tentative agreement upon fixed annual payments combining interest and amortization, with an initial period of grace of 5 years before payments were begun. Mr. White called attention to the Technical Committee's calculation that an initial period of grace of 5 years would reduce the effective interest rate on a 2 percent loan to about 1.63 percent, and Mr. Taylor⁸² and Mr. Collado pointed out that if waivers of interest were in fact found to be advisable the rate of interest would be even lower.

The Committee recorded its tentative agreement not to consider a clause providing for the review of interest rates during the period of the credit.

Waiver of Interest and Postponement of Amortization

Mr. Eccles emphasized the necessity of avoiding those difficult default situations which had characterized previous loans, when both creditor and debtor were agreed that some waiver of service charges might be advisable, but were prevented from acting by the terms of the loan contract. It might be advisable to include a clause giving the British the privilege of requesting the deferment or waiver of the annual service charge, with the U.S. reserving the right to waive or defer the interest and amortization charges. Mr. White agreed that the provision for a waiver should be granted in the Act of Congress which provided funds for the credit, but he would hesitate to make such a provision a part of the contract with the U.K., because of the difficulties inherent in such a provision. He pointed out that the decision to waive interest or postpone amortization would fall upon some administrative official, and in view of the differences in opinion which always arose when the future financial position of the U.K. was

⁸² Amos E. Taylor, Director, Bureau of Foreign and Domestic Commerce, Department of Commerce.

being considered, that official would be placed in a difficult position. He agreed with Mr. Eccles that some method of obtaining flexibility was advisable, but stressed that both the technical problem of ascertaining the future position of the U.K. balance of payments and the administrative problem of deciding whether conditions merited a waiver or postponement, were very difficult. It would be helpful if some relatively objective criterion could be developed for determining whether the waiver clause should be put into effect in any given year. Mr. Clayton suggested that one guide might be the degree to which the *previous* year's balance of payments position of the U.K. had presented difficulties. Mr. Gardner⁸⁸ suggested that the gold and foreign exchange reserve of the British would indicate the extent to which there was pressure on sterling because of the balance of payments situation.

After some discussion, it was tentatively agreed that the waiver of interest and postponement of amortization in difficult years was accepted in principle, and that the Technical Subcommittee would be asked to suggest various types of objective criteria by which the principle might be implemented.

Seniority of U.S. Obligation

Mr. Vinson said that although in conversations with the British he had strongly pressed for priority on the U.S. credit, he nevertheless understood the British position that they had a fiduciary responsibility to the creditors which were also members of British Empire. He thought that the American position on the matter required further consideration. Mr. Clayton said that he felt similarly, and Mr. Eccles agreed.

Amount of the Credit

Mr. Vinson observed that time would not permit the Committee to reach a decision with respect to the amount of the credit to be granted, but asked Mr. White to clarify the estimates of the Technical Subcommittee and point out their relation to the amount of financing required by the U.K. Mr. White stated that if the Technical Committee had correctly estimated the size of the three-year deficit at \$3.3 billion, the amount of assistance required from the U.S. to meet a part of this deficit was relatively small. It was to be presumed that about \$1.0 billion of the deficit would be met out of borrowings from other countries, primarily the Union of South Africa and Canada. Of the remaining \$2.3 billion, about \$1.5 billion was to be added to the sterling balances remaining after the reductions mentioned by Lord Keynes, and estimated by him at about \$7.2 billion. This meant that less than \$1.0 billion would be required from the U.S., if the only

⁸⁸ Walter R. Gardner, Federal Reserve Board.

purpose of the credit was to cover the transition deficit of the U.K. Mr. Clayton felt that this analysis should be modified on two points: The reduction of the sterling balances as outlined by Lord Keynes presumably entailed some drain on the gold and dollar balances of the U.K.; in addition, the British had estimated the deficit at \$5.0 to \$6.0 billion, rather than the \$3.3 billion suggested by the Technical Committee.

Mr. Eccles gave the Chairman a memorandum regarding the proposed credits.⁸⁴ Mr. Vinson stated that the time and place of the next meeting would be announced at a later time.

611.4131/10-1145 : Telegram

*The Secretary of State to the Chargé in the United Kingdom
(Gallman)*

WASHINGTON, October 11, 1945—6 p. m.

9039. On October 11 US-UK Commercial Policy Committee ratified agreed positions, which had been worked out earlier in combined subcommittees, regarding a) procedure for holding proposed conference on trade and employment in a manner designed to avoid unilateral decision by US as to whether non-United Nations should be invited to conference; b) export taxes; c) state trading; and d) subsidies. There remain for consideration subjects of cartels, exchange controls, and preferences. It is hoped that an agreement in subcommittee regarding first two of these will be reached shortly.

BYRNES

*The Foreign Economic Administrator (Crowley) to the Assistant
Secretary of State (Clayton)*⁸⁵

[WASHINGTON,] October 15, 1945.

DEAR MR. CLAYTON: I wish to take this opportunity to report to you on the activities of the Lend-Lease Committee which has been negotiating with the British and of which I have been Chairman.

The Lend-Lease Top Committee held one combined meeting with the British. This meeting was held on September 13 and the following matters were discussed:

1. The British representatives stated that reverse lend-lease in general had ended on V-J Day but that they were prepared to issue instructions for the continuance of reverse lend-lease which would parallel the U.S. instructions for the continuance of lend-lease. The

⁸⁴ Not found in Department files.

⁸⁵ Printed from copy in the records of the FEA Administrator.

U.S. representatives accepted this statement of the U.K. Government but stated that the manner of settlement for supplies and services furnished by the U.K. and Colonies after V-J Day should be a matter for further discussion. Following the instructions of the US/Top Committee, I stated that the U.S. was of the opinion that the supplies and services furnished by the U.K. and Colonies to the U.S. after V-J Day should not be paid for in cash, but should be offset against the sums which the U.K. would owe to the U.S. for the pipeline and inventory.

2. There was considerable discussion of the terms and conditions upon which the U.K. would pay for the items selected from pipeline. Following the directive of the US/Top Committee, I stated that the British would have to pay for these, either in cash or on 3(*c*) terms, i.e., over a period of 30-years with interest at 2-3/8% per annum. The British representatives accepted the liability to pay for such items but wished to defer for further consideration, the terms and conditions upon which they would make payment.

On September 20, I had a conversation with Lord Keynes at which we had further discussions of the terms and conditions upon which the U.K. might obtain items selected from the pipeline and the entire civilian inventory. Members of my staff and of Lord Keynes' staff subsequently prepared drafts of an exchange of letters between myself and Lord Keynes covering the substance of this conversation. These letters have never been finalized for reasons with which you are familiar, but copies of the latest drafts of them are attached hereto as Exhibits I and II.⁸⁷

The other activities of the Lend-Lease Committee have been carried on by Sub-Groups. The following Sub-Groups were organized:

- Sub-Group 1 -Pipeline and Inventory
- Sub-Group 1(*a*) -Petroleum
- Sub-Group 2 -Ships
- Sub-Group 3 -Military Lend-Lease and Reverse
 Lend-Lease
- Sub-Group 3(*a*) -Shipping Services
- Sub-Group 4 -Capital Goods and Installations
- Sub-Group 5 -Lend-Lease Settlement

Sub-Groups 1 and 3 have been the most active because the subjects assigned to them for discussion required decisions most urgently. They have held several meetings with the British and have appointed combined working parties to investigate and report on several technical subjects. Each has prepared a report on its activities, copies of which are attached hereto as Exhibits III and IV.⁸⁷

⁸⁷ Neither printed.

I wish to call your particular attention to the paragraph on the top of page 4 of Sub-Group 3's report which states that the Army and Navy are requiring cash in advance for certain supplies and services furnished to the U.K. Military, instead of allowing collection to be made through the offsetting arrangements. If this situation is not remedied, the offsetting principle may break down and we may be forced to pay cash for supplies and services received from the U.K. and Colonies.

The other Sub-Groups held no meetings with the British. Sub-Groups 1(a) and 2 did, however, hold several interagency meetings to develop a U.S. position for presentation to the British. Copies of the documents that they have agreed for presentation to the British and of the minutes of their meetings are attached hereto as Exhibits V and VI.⁸⁸

Sub-Groups 4 and 5 have not held any interagency meetings as the matters assigned to them did not require as urgent settlement as the matters assigned to the other Sub-Groups. Informal discussions have been held among members of Sub-Group 5 at which it has been suggested that claims arising out of the war which the U.S. has against the U.K. and which the U.K. has against the U.S. must be presented for settlement during the current negotiations if they are to receive the consideration that should be accorded them. It would be my recommendation that this principle be adopted by you as you carry forward in the discussions.

I shall, of course, be happy to make available to you any further information which is in my possession and which will be of assistance to you in concluding the negotiations.

Sincerely,

LEO T. CROWLEY

841.51/10-3045: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 30, 1945—6 p. m.

[Received October 30—4:20 p. m.]

11360. 1. Ronald, in personal conversation with Penrose today, said the position in regard to the financial talks in Washington is regarded in Govt circles here as "very grave". The greatest difficulty centers on proposal to place financial arrangements on a commercial basis.

WINANT

⁸⁸ Neither printed.

611.4131/10-3145 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 31, 1945—7 p. m.

9593. U.S.—U.K. main committee on commercial policy has not met since meeting reported in Deptel 9039 of October 11. Work at technical subcommittee level has been proceeding, however, and we are reasonably certain of agreement on exchange control, preferences and cartels.

On exchange control it has been agreed in subcommittee that the trade proposals should include a provision requiring the Fund and the Trade Organization to have a common membership and should incorporate by reference the exchange principles of the Fund.

The draft on preferences, which has been agreed upon in subcommittee, and which we understand the British are now clearing with the Cabinet, provides: *a*) that definite arrangements should be made for the substantial reduction of tariffs and for the elimination of tariff preferences, *b*) that as an initial step in the process of eliminating preferences it should be agreed that reductions in most-favored-nation rates of duty will operate automatically to reduce or eliminate margins of preferences, that existing international arrangements will not be permitted to stand in the way of action agreed upon with respect to preferences, and that no new preferences will be introduced, and *c*) that action for elimination of preferences will be taken in conjunction with adequate measures for the substantial reduction of barriers to world trade on a broad scale. It will be observed from the foregoing that the draft on preferences makes it clear that we are not asking the British to give us a unilateral commitment on preferences in consideration for financial aid and apart from what may be done on tariffs and trade barriers generally.

With regard to cartels, the draft agreed upon in subcommittee largely reflects the original U.K. proposal for a case-by-case approach to the problem of restrictive business practices.⁸⁹ We understand that this draft has now been approved by the British Cabinet.

There remains for consideration the question of quotas used for balance-of-payments purposes during the postwar transitional period. The British have thus far insisted on the inclusion of a provision granting freedom to discriminate during this period. Such a provision is necessary, they say, because *a*) British opinion would react unfavorably toward anything more hampering of U.K. freedom than the Monetary Fund Agreement, which permits exchange discriminations during the transitional period, *b*) the pound is likely to remain

⁸⁹ See telegram 8934, October 9, 6 p. m., to London, p. 144.

inconvertible for at least a short period (perhaps a year) after the projected loan goes through, and so long as this is the case discrimination by the U.K. cannot be avoided, and *c*) the loan arrangements as they now stand do not appear liberal enough to warrant any hard-and-fast commitment by the U.K. that it will not discriminate during the transitional period.

In an effort to meet some of the British preoccupations we have made tentative counterproposals on quotas which would permit discrimination when necessary to the utilization of inconvertible currencies for needed imports. The British have taken the position, however, that this is not enough.⁹⁰ A further meeting on the subject with Liesching and Lee (Treasury) will be held today.⁹¹

BYRNES

841.51/11-345: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 3, 1945—8 p. m.
[Received November 3—6:20 p. m.]

11568. For Assistant Secretary Clayton.

1. In strictly confidential conversation this afternoon Hall-Patch told Penrose that UK circles considered that great progress had been made with commercial policy negotiations but that the position on the financial talks was serious.

2. Regarding commercial policy he said that in UK opinion the prolonged talks in London over the last year had prepared the ground thoroughly and familiarized officials with it in detail and had thus contributed largely to the satisfactory progress of present negotiations.

3. The chief UK difficulty on commercial policy now was [*is?*] the present attitude of the Australians. Hall-Patch said the Dominion's Secretary⁹² is having "a hell of a time" with Evatt⁹³ who is pouring in forcible protests against the commercial policy understandings.

4. On the financial negotiations Hall-Patch said the difficulty centered on the US insistence on a loan on strictly commercial lines. The difficulty was with the inadequate size of suggested loan and the burden of servicing it. Those two difficulties were interconnected. If interest

⁹⁰ As a result of these British objections, the original American proposal was altered before agreement was reached. Chapter III, section c, 2, of "Proposals for Expansion of World Trade and Employment", concerning restrictions to safeguard the balance of payments, should be compared with paragraph 9 of the Anglo-American Financial Agreement; for citations to texts, see bracketed note, p. 194.

⁹¹ No record of this meeting has been found in Department files.

⁹² Viscount Addison, British Secretary of State for Dominion Affairs.

⁹³ Herbert V. Evatt, Australian Minister for External Affairs.

as well as amortization payments had to be made on the entire loan, then the size of the loan which the UK could take with any hope of servicing it was so limited that they would not be in a position to undertake the commitments regarding the freezing of sterling, and entry into multilateral arrangements which were called for in other parts of the general settlement. Whatever happened the UK were determined not to take loan commitments which they could not meet.

5. A clause on the interest and amortization payments in case of balance of payments difficulties, Hall-Patch said as the US had not put up any definitive plan it was left to the UK to make proposals on this subject. This was an extremely complicated matter for the Cabinet to pass on in a hurry.

6. The Cabinet are greatly worried over the financial negotiations, particularly from the point of view of public opinion here which in part is suspicious that the US political and financial interests wish to bring pressure to bear against the Labor Govt's domestic policy.

7. The Cabinet is meeting this evening but Hall-Patch is uncertain how far they will be able to cover the ground and thinks it likely that the subject may not be dealt with fully before Monday.⁹⁴

8. Hall-Patch paid tribute to the good will of US officials and governmental circles and said that UK officials appreciated fully the extraordinary difficulties of our negotiators in having to negotiate on the basis of hypotheses as to what they think Congress will accept and then having from time to time to "take the temperature" of Congress by soundings on the Hill, following which they are obliged in some cases to modify their position.

WINANT

611.4131/11-545 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, November 5, 1945—8 p. m.

9725. Personal for Ambassador and Mr. Dunn.⁹⁵ Following is summary of progress report on US-UK economic negotiations sent to the President on Oct 26.

1. Finance. On overall financial aid our present suggestion is 5 years with no interest or amortization followed by equal annual payments of \$31.8 million per billion dollars of credit for 50 years. This

⁹⁴ November 5.

⁹⁵ Assistant Secretary of State James C. Dunn had served as Deputy to Secretary of State Byrnes at the first session of the Council of Foreign Ministers, September 11-October 2, 1945, at London, and remained in London after the session had terminated in order to make arrangements for future meetings. For documentation on the first session, see vol. II, pp. 99 ff.

is equivalent to interest at 2% over 50 year period or 1.63% if the 5 years of grace are taken into account. British continue to insist on a lower rate of interest. We are agreeable to waive interest and postpone amortization in any year in which British exports and visible receipts fall below an agreed amount. On amount of overall financial aid British negotiators have indicated that they would recommend to London \$4.5 billion⁹⁶ instead of \$5 billion originally requested. Although we could probably settle for \$4 billion we have suggested \$3.5 billion.⁹⁷ Except for possible restrictions on capital movements British have offered to put sterling on convertible basis by end of 1946 thus going on full Bretton Wood basis and eliminating sterling area dollar pool. We do not expect any serious British opposition to our request that this changeover date be advanced to not later than middle of 1946. We shall probably accept British offer to settle or reduce blocked sterling obligations to about ½ face amount and fund balance at no interest with amortization over 50 years.

2. Lend-Lease and Surplus Property. We have yet to reach agreement on pricing principle on inventories and have yet to suggest lump sum for settlement of surplus war property durable goods and remaining installations. We must still work out details of certain intangible benefits which we wish. Difficulty in reaching agreement with British on most of these points is not anticipated. Agreement already reached on handling of pipeline and other post V-J Day items.

3. Aviation. British have so far failed to send qualified representatives to discuss aviation problems.⁹⁸

4. Telecommunications. We are endeavoring to obtain immediate acceptance by British of general principles involved in main questions at issue in telecommunications field before Bermuda Conference on Nov. 19.⁹⁹ No formal reply yet received. Embassy is familiar with latest developments on radio telegraph circuit between U.S. and Saudi Arabia.¹

5. Commercial Policy. Discussions on this subject are nearing completion. On all vital issues substantial agreement has been

⁹⁶ At the fourth meeting of the U.S. Financial Committee, October 17, Mr. Clayton had reported on two informal talks held with the British since the meeting of October 11. Mr. Clayton stated that the British officials had received instructions from London to request \$5 billion which sum would include a credit of approximately 500 million for lend-lease settlement; hence the figure \$4½ billion. The Americans did not include the lend-lease sum in talking of the total amount of the credit, while the British often did (611.4131/5-146, Folder 2).

⁹⁷ This tentative figure had been agreed on at the fourth meeting of the U.S. Financial Committee, October 17 (611.4131/5-146, Folder 2).

⁹⁸ For documentation relating to civil aviation, see pp. 224 ff.

⁹⁹ The Conference opened on November 21; see p. 245.

¹ For documentation concerning representations to Saudi Arabia and the United Kingdom regarding proposed establishment of a direct radio telegraph circuit between the United States and Saudi Arabia, see vol. VIII, pp. 1009 ff.

achieved or is in sight. Key points on which agreement has been reached may be summarized as follows:

A. Procedure. Principal steps which we have proposed and the British accepted in negotiating and bringing into force proposed multilateral arrangements on commercial policy² are as follows: (a) Commercial policy proposals will be published by Dept as a plan prepared by American experts for consideration by an international conference on employment and trade; (b) The US will invite 13 or 14 other countries (including USSR, France, China and British Empire countries) shortly after publication of plan to attend a meeting in Mar 1946, chief purpose of meeting to be to negotiate a multilateral trade agreement embodying trade barrier parts of "plan." We would put this into effect under Trade Agreements Act. Countries meeting in Mar would also endeavor to reach substantial agreement on rest of the plan including machinery for international trade organization, measures to maintain employment, cartel policy and commodity policy; (c) About Dec of 1945 we would urge UNO to call an international conference on trade and employment to meet following June. We hope that results of Mar meeting among principal trading countries can be submitted to June conference for general adoption by United Nations and such other countries as may be invited by UNO to conference.

B. Substance. On substance matters British have raised questions regarding preferences, export taxes, subsidies, state trading, cartels and exchange controls. On export taxes, state trading and on subsidies agreement has been reached and for each of the others a basis for agreement has been worked out. In a few days we hope all outstanding questions will be cleared up.

BYRNES

841.51/11-645: Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, November 6, 1945—midnight.

[Received November 6—10:04 p. m.]

11664. Personal for Secretary Byrnes and Assistant Secretary Clayton.

1. Thank you for 9725, November 5 just received, directed to me and Dunn. Dunn sailed on the *Queen Mary* on November 4.

2. This afternoon I saw Bevin about a number of subjects. Before I left he brought up the question of the financial discussions. He was plainly troubled about Britain's future and about the chances

² See footnote 8, p. 160.

of getting the cooperative world that he wants. He feels that unless the US is able to assist on a sufficient scale to meet Britain's balance of payments difficulties the future is not promising.

3. He then sketched briefly the main points which he thought necessary to meet the difficulties. He divided the necessary financial assistance into two parts:

First, a 2½ billion dollar credit at an interest rate of 2% with repayment beginning after 5 years and spread over 50 years, and with provision for a waiver clause.

Second, a 2 billion dollar credit interest free but with repayments beginning after 5 years and spread over 50 years to be available to be drawn on to the extent necessary for the release of sterling.

4. It seems to me likely that the figures mentioned by Bevin were approved by the Cabinet last night for Hall-Patch and Robbins to take back to Washington as a revised British proposal.

5. Bevin argued that the credit of 2 billion would be to our advantage since it would open the sterling area to American trade and it should therefore be free of interest.

6. I realize that this may be a simplification of a difficult and complicated problem and that questions of the writing down by creditors of British external obligations in sterling are involved but I do believe that the interests of security and the hope of restoring multilateral trading depend on success in the present discussions.

7. There is also the danger that if the service charges on the total loan exceed Britain's ability to make current payments she may be tempted to cut down her requests for funds to an amount which is insufficient to carry through successfully a multilateral trade program. A cramped world trade will react against full employment in the US and will create general economic insecurity.

WINANT

611.4131/5-146

Minutes of a Meeting of the United States Top Committee

[WASHINGTON,] November 7, 1945—10 a. m.

Present: Secretary Byrnes, Chairman

Mr. Clayton	Mr. White
Secretary Vinson	Mr. Taylor
Secretary Wallace	Mr. Gardner
Mr. Eccles	Mr. Knapp
Mr. McCabe	Mr. Orchard
Mr. Collado—Secretary General	Mr. Smithies

The Secretary of State opened the meeting by stating that he was very pleased to participate directly for the first time in the British

negotiations and that he regretted that his absence from Washington and other duties had not made it possible for him to participate earlier. He called upon the Secretary of the Treasury to indicate the status of the financial negotiations.

Secretary Vinson summarized the background of the discussions, indicating that the British had originally come to Washington with the idea of getting financial aid in the amount of \$6 billion in new money plus perhaps \$500 million of lend-lease settlement. They had subsequently reduced this request to \$5 billion plus the amount of lend-lease settlement.³ They had originally proposed to handle the blocked sterling accounts, which they estimated would amount to \$14 billion, when the new exchange arrangements went into effect sometime in 1946, as follows: they would undertake to settle with non-sterling area countries approximately \$2 billion of blocked sterling accounts against various British investments and other assets in those countries, reducing the amount relating to the sterling area proper to \$12 billion. Of this they would propose one-third be cancelled as a contribution to the war—though not necessarily on a horizontal cut basis country by country. Of the remaining \$8 billion, 10% or \$800 million, would be made available in convertible funds at once and \$7,200 million would be funded into long term non-interest bearing obligations. As these long term obligations were amortized, the proceeds would be made fully convertible.

The U.S. technical staff had carefully worked over available information on the balance of payments deficit and had discussed the matter at great length with the U.K. group. As against the lowest British estimate of 3-4 year deficit of about \$5 billion, the U.S. technical staff estimated a range of \$2.3 billion to \$4.3 billion with a "most probable" figure of \$3.3 billion. In view of these figures and after taking careful count of existing British gold and dollar balances and the possibility that the British would obtain funds in other countries, notably Canada, the U.S. finally offered to recommend a credit of \$3.5 billion. There was some difference of opinion in the U.S. group with a number of people favoring an offer of \$4 billion of new money from the U.S.

Secretary Vinson went on to discuss the terms of financial aid, pointing out that the British originally requested a grant and since then have tried to separate the amount into two or more parts or "tranches", of which at least part would be interest free.⁴ The U.S.

³ For Mr. Clayton's explanation that the British request for \$5 billion would include the amount for lend-lease settlement, see footnote 96, p. 155.

⁴ This idea had been formally advanced in a document entitled "U.K. Draft on Terms of Financial Agreement," dated November 5, 1945 (611.4131/5-146, Folder 2, U.S. Fin. Document 4). In this draft, the British requested a sum of \$4 billion, not including the amount for lend-lease settlement, of which \$2 billion would be interest free. This proposal of two "tranches," however, was abandoned in the next "U.K. Draft on Terms of Financial Agreement," dated November 7 (611.4131/5-146, Folder 2, U.S. Fin. Document 7).

group had decided unanimously that interest must be charged on the entire amount of the credit although we were prepared to concede five years of grace and a clause permitting the deferment of payments in the years in which the British balance of payments was bad. With respect to years of grace the U.K. had originally wanted ten years but was prepared to accept our offer of five years. At the first U.K. wanted no deferment privileges; the latest paper requests them.⁵

Secretary Vinson summed up by stating that there were two principal financial problems before the U.S. group: the amount of the credit and the question of interest. A subsidiary financial question related to the financial terms to be imposed in connection with settlement of lend-lease and surplus disposal.

Secretary Vinson went on to state that at the last meeting he and Mr. Clayton had had with Lord Halifax and Lord Keynes, he had suggested that in addition to \$3.5 billion of new money the Eximbank might hold open \$250 million for use by the British if necessary on the so-called 3 (c) terms of 2½% and 30 years.⁶ He further stated that Governor Towers of the Bank of Canada had told him and Mr. White that the Canadians might be prepared to extend a credit of \$1 billion U.S. dollars to the U.K.

Secretary Vinson recommended that the U.S. stand on our maximum offer of \$3.5 billion and interest at 2% as we had previously proposed to the British.

Secretary Vinson then went on to discuss points 4 and 5 in the British paper relating to waiver and/or deferment of interest and principal. Although the British paper did not so indicate, Secretary Vinson and Mr. Clayton stated that the British had said that paragraph 4 was a "Washington" proposal and paragraph 5 an alternative "London" proposal. There ensued considerable discussion in the Committee regarding waiver vs. deferment and it was generally agreed that there should be no accumulation of interest on interest and that what everyone had in mind was that the payment of interest and amortization postponed in any particular year should be made in exactly the same amount at the end of the 55 year period. It was also agreed that the criteria listed by the British in paragraph 5, subsections *a*, *b* and *c*, were not satisfactory. It was finally agreed to pass this entire subject to the technical group for consideration and report.

With respect to one of the two principal points raised by Secretary Vinson—the question of interest—it was agreed that the U.S. Group would stand on its former position of interest at 2 percent on the

⁵ Reference here is to the draft of November 5.

⁶ Presumably reference is to an informal meeting of which no record has been found in Department files.

entire amount of the credit actually drawn by the British with five years of grace and a deferment provision.

Mr. Clayton then expressed his views with respect to the amount of the credit. He pointed out that estimation of the balance of payments deficit involved a great many uncertainties, that it was necessary to look well into the future, that many small variations could cause a substantial difference in the total deficit, and that the whole process was highly speculative. The U.K. wants not an outright credit but a line of credit to be drawn against when needed. In view of the necessity of paying interest and making amortization payments, the U.K., a careful people, would not draw any more than necessary. The U.K. points out that it is being asked to revolutionize its world trading methods, that this involves many uncertainties, and that it must have a reserve. Mr. Clayton believed that the negotiation should end up with the amount of new money at \$4 billion—that the U.K. would not accept less. He pointed out that the U.S. Group had had Congressional reactions in mind, and expressed the opinion that the difference between a line of credit of \$3.5 billion and one of \$4 billion would be regarded as relatively unimportant by the Congress. He doubted the advisability in view of the overall purpose of the economic negotiations of trying to squeeze the British down to \$3.5 billion.

Secretary Vinson questioned whether the scope of British agreement on empire preferences and cartels would not disappoint the Congress and the public. Mr. Clayton stated that he was fully reconciled to the position on empire preferences and pointed out that the cartel problem was a very difficult one in which foreign views were very different from our own and on which there was a diversity of opinion within the United States. The understanding on empire preferences is:

“1. *Import tariffs and preferences.*⁷ In the light of the principles set forth in Article VII of the mutual-aid agreement between the United States and the United Kingdom, the United States and the United Kingdom will, in the immediate future, enter into the multilateral negotiations envisaged in Comtrade 3⁸ for the substantial reduction of tariffs and for the elimination of tariff preferences, action for the elimina[tion] of tariff preferences being taken in conjunction with adequate measures for the substantial reduction of barriers to

⁷ For previous version, see footnote 63, p. 138.

⁸ Document of the U.S.—U.K. Committee on Commercial Policy entitled “Procedure for Negotiating and Implementing the ‘Proposals for Consideration by an International Conference on Trade and Employment’” (Com/Trade-1), revised as of November 5; not printed. Com/Trade-1 in its final form, along with supplementary material, became “Proposals for Expansion of World Trade and Employment,” made public on December 6, and printed as Department of State publication 2411; also reprinted in Department of State *Bulletin*, December 9, 1945, p. 913. For Draft Combined Minutes of the United States—United Kingdom Committee on Commercial Policy, see p. 178.

world trade, as part of the mutually advantageous international arrangements contemplated in Comtrade-1.

"It is agreed that as an initial step in the process of eliminating tariff preferences in the negotiations envisaged in Comtrade-3:

"a. Existing international commitments will not be permitted to stand in the way of action agreed upon with respect to tariff preferences.

"b. All negotiated reductions in most-favored-nation tariffs will operate automatically to reduce or eliminate margins of preference. (That is to say, in respect of any product on which the most-favored-nation rate is reduced or bound against increase in the negotiations, the margin of preference which may apply to such product may not exceed the margin by which the most-favored-nation rate, as reduced or bound against increase, exceeds the pre-agreement preferential rate.)

"c. Margins of preference on any product will in no case be increased and no new preferences will be introduced."

Mr. Eccles stated that the question of the amount of the credit turns on the justification to be made in selling the arrangements to the public and the Congress. He reviewed all the figures and indicated a belief that \$3 billion was all the British actually needed.

Mr. White then stated that he had just received a document from Lord Keynes⁹ that suggested that while the British would go a long way towards convertibility with respect to the sterling area countries, they would not abandon their bilateral clearing agreements with other countries. Mr. Clayton emphasized his conviction that the discriminatory features of the bilateral agreements must be eliminated, and the sterling area dollar pool must be abolished. In his view the abolition of the dollar pool was much more important to U.S. exporters than the elimination of empire preference.

Mr. Clayton then pointed out that the earlier decision to offer \$3.5 billion to the British had been a compromise in order to get forward. At that time he had urged \$4 billion and the vote in the U.S. Financial Group had been 3 to 2 in favor of \$4 billion. Since Secretary Vinson and Mr. Eccles had objected to the figure, he had changed his position with respect to the amount to be offered at that time, but had indicated his intention to press for \$4 billion if the occasion arose.¹⁰ He felt that the amount of the line of credit is the easiest point on which to meet the British in the considerable number of points under discussion, that the British would actually only use \$3-3.5 billion, and that it

⁹ Presumably reference is to the second draft of a document entitled "Sterling Area Arrangements", dated November 7, 1945; not printed.

¹⁰ This had taken place at the fourth meeting of the U.S. Financial Committee, October 17 (611.4131/5-146, Folder 2).

would be as easy to convince the Congress on the desirability of \$4 billion as on \$3.5 billion.¹¹

The Secretary of State then summed up the discussion as follows: The decision was to maintain the U.S. position on interest. From the point of view of public presentation the stipulation regarding interest would be helpful. In addition it should be stressed that this was a line of credit to be used only if necessary. With respect to amount the Group should first press fully with the British the question of handling of sterling convertibility, the sterling area dollar pool, and the status of the bilateral agreements.

During the meeting several references were made to the lend-lease settlements and the Secretary of State indicated his strong view that understanding should be readied at this time on the whole problem of lend-lease settlement so that no loose ends would be left for the future.

611.4131/5-146

*Minutes of a Meeting of the United States-United Kingdom Finance Committee*¹²

[Extracts]

[WASHINGTON,] 19 November, 1945—2 p. m.

Present: Secretary Vinson (In the Chair)

U.S. REPRESENTATIVES

Mr. Clayton
Mr. Amos Taylor
Mr. Eccles
Dr. White

Also Present

Mr. Collado
Mr. Hawkins
Mr. Knapp

U.K. REPRESENTATIVES

Lord Halifax
Lord Keynes
Mr. Brand
Prof. Robbins
Mr. Hall-Patch
Mr. Harmer

Also Present

Mr. Bureau

Mr. Coe } *Joint Secretaries*
Mr. Lee }

¹¹ At the fifth meeting of the U.S. Financial Committee on November 8, Mr. Clayton advocated the extension of a \$4 billion credit to the British. Following discussion, Chairman Vinson put it to the Committee as a motion, which was defeated with State and Commerce in favor and Treasury and Federal Reserve opposed (611.4131/5-146, Folder 2).

¹² These are agreed combined minutes. This was the fourth meeting of the Committee.

3. Discussion centered in the first instance on the question of the amount to be inserted in paragraph 1 (i) of the draft,¹³ concerning the size of the proposed credit.

Mr. Vinson said that he thought that the position in this respect was well known to the U.K. representatives and that it was not intended by the U.S. representatives that the proposal should be sent to London with no figure shown as the total credit. The U.K. proposal, as he understood it, was that the credit should be \$4.5 billion inclusive of the amount required in connection with the Lend Lease settlement, whereas the U.S. view was that the amount should be \$3.5 billion *plus* whatever amount was required in connection with the Lend Lease settlement.

Lord Keynes explained that, given the commitments into which the U.K. was expected to enter, as indicated in later paragraphs of the U.S. draft, the minimum amount of new money which the U.K. would require under the credit would be \$4 billion. This would be exclusive of the amount required to wind-up Lend Lease and Reciprocal Aid, which had always been thought of as a figure up to \$500 million: indeed the U.K. representatives had received instructions from London to the effect that any figure in excess of \$500 million would be politically impracticable so far as the U.K. was concerned. In short, the instructions of the U.K. representatives were to ask for a credit of \$4 billion of new money plus the sum required for the wind-up of Lend Lease and Reciprocal Aid on the basis that the payment on that account must not exceed \$500 million. Secretary Vinson said this was new. He had thought that the U.K. request was for \$4.5 billion, inclusive of Lend Lease and surplus. It had been so stated in the U.K. memorandum of November 12.¹⁴ Nothing had been said of a \$500 million limit for Lend Lease and surplus goods. Mr. Eccles asked whether, in putting the requirement of new money at \$4 billion, full account had been taken of the degree to which U.K. could expect to obtain assistance from countries other than the U.S. Lord Keynes and Professor Robbins replied that due account had been taken of such assistance. A sum of \$4 billion represented the minimum amount of new money which the U.K. would require from the U.S.—after taking into account assistance from other countries—in order to assume the obligations of multilateral trade and to maintain adequate reserves, having regard to the magnitude of the estimated cumulative deficit in the U.K. balance of payments. Indeed that figure (which was a reduction from the earlier request for assistance of \$5 billion plus the amount required to wind-up Lend Lease and Reciprocal Aid) had been based on estimates

¹³ Reference is to a U.S. draft memorandum of understanding on financial matters, dated November 18, circulated at this meeting; not printed.

¹⁴ Not printed.

as to the rate of recovery of export trade which might well prove to be too optimistic. In reply to Dr. White, Lord Keynes said that, in making the calculations of the amount of assistance required from the U.S., Canada had been left out on both sides of the account. That was to say the U.K. representatives had assumed that assistance from Canada would be on a scale adequate to cover the cumulative adverse balance of payments with that country. There was no prospect that assistance from Canada could be obtained in excess of that amount.

Some discussion took place on the question of whether it would be possible to arrive at a settlement in respect of the winding-up of Lend Lease and Reciprocal Aid which would be within the limit of \$500 million which had been stipulated by the authorities in London. It was agreed that this would have to be the subject of further discussion at the operating level, and that the position might be radically affected one way or another by whatever decision was taken on certain large U.K. claims aggregating over \$250 million.

Lord Keynes said that no other question of importance arose on paragraphs 1 to 3 of the U.S. draft.¹⁵

4. On paragraph 4(i) (a)¹⁶ two points arose:

(a) the base amount for the waiver procedure was shown in the U.S. draft as £866 million. This was indeed the exact average of the value of U.K. imports during the years 1936-38. But the U.K. representatives had rounded this up to the closest £25 million, giving a figure of £875 million. They hoped that the U.S. representatives would be prepared to accept such a figure since this would give the U.K. a certain margin over the 1936-38 basis to the amount of about \$72 million a year at current prices. If such a margin could be accorded it would be of material help in enabling the U.K. to refrain from the continuance of protective measures such as import restrictions which otherwise might appear essential.

Mr. Vinson said that he sympathised with the desire of Lord Keynes to see such a margin. But it would create an immediately unfavourable impression on hostile critics in Congress if it could be shown that a figure which purported to represent the average value of U.K. imports in 1936-38 was in fact too high by some £9 million a year.

¹⁵ Reference is to the U.S. draft of November 18; not printed.

¹⁶ This paragraph was designed to set up an automatic figure for waiver of interest payments based partly upon whether Great Britain's income was, on the average over the 5 preceding calendar years, less than the average annual value of its imports during 1936-1938, as adjusted for possible changes in the price level of these imports.

At the previous meeting of this committee, November 15, the United States had proposed in a draft dated November 14, an automatic formula providing for deferment of annual payments, which the United Kingdom had rejected on the grounds that it involved excessive surveillance by the United States of the management of British economic affairs (611.4131/5-146, Folder 5).

Rather than having such a risk it would be better for a purely arbitrary figure to be selected.

Lord Keynes said that he thought that on this matter the U.K. representatives must leave themselves in Mr. Vinson's hands.

[Here follow paragraphs 4(b) and 5. Paragraph 5 contained a discussion of the United States proposal in its November 18 draft that a waiver of interest clause should not operate unless the United Kingdom reduced proportionately its payments on other loans contracted after January 1, 1945, and during the tenure of the Anglo-American agreement and its releases of sterling balances. The British objected to the retroactive application of this waiver requirement to agreements concluded in 1945 and said that the United Kingdom could not bind itself respecting agreements to be negotiated during the whole period of the United States credit. In a counter-proposal, the British suggested that the United Kingdom commit itself to obtaining waivers on similar terms for any financial assistance contracted for during 1946.¹⁷]

6. . . . The position of the U.K. representatives on this matter¹⁸ was that they would be prepared to consider a provision whereby any annual payments in respect of sterling area balances in excess of an amount of \$150 million a year would not rank equal in priority to service on the U.S. credit and would have to be waived or deferred if the U.K. exercised the waiver in respect of the U.S. credit. They would equally be prepared to consider a proposal that the figure of \$150 million should be amended to \$175 million and the arrangement made applicable to payments in respect of other external sterling balances as well as those held by sterling area countries. It was necessary to emphasize, however, that there had been no consultation with the authorities in London in regard to such a provision, and it was not known what line they would take in regard to it.

The U.K. representatives could not, however, go further than this. They could not commit themselves to any form of words which directly or indirectly would prescribe a maximum amount which could be paid in respect of balances held by sterling area countries. The last sentence of paragraph 5 (ii) of the U.S. draft would in effect prescribe such a maximum, since its purport was that if payments in excess of \$175 million a year were made to holders of sterling balances there must be a corresponding increase in payments on the U.S. credit. There had as yet been no negotiations with the holders of sterling balances and it would be quite out of the question for the U.K.

¹⁷ For the ultimate resolution of this question, see paragraph 6 (ii) and (iii) of the Financial Agreement of December 6, Department of State, *Treaties and Other International Acts Series No. 1545*, or 60 Stat. (pt. 2) 1841. Also printed in Department of State *Bulletin*, December 9, 1945, p. 907.

¹⁸ The discussion at this point dealt with provisions in the U.S. draft of November 18 relating to limiting the resources used by the United Kingdom in servicing or releasing the accumulated sterling balances.

to enter such negotiations—particularly with members of the sterling area—having previously agreed in negotiations with a third party to conditions which would have to be incorporated in any settlement reached and which would inevitably be regarded by the countries concerned as detrimental to their interests. From a constitutional standpoint it would be impossible for the Government of the U.K. to accept obligations which would directly affect the interests of Dominion Governments and the Government of India without full prior consultation with them. Therefore if the U.S. representatives pressed for the maintenance of their proposal it would be necessary for full consultation to take place with Dominion Governments and the Government of India, with the risk of very serious delay. It might be that such consultation would be necessary even in regard to the *pari passu* proposal which the U.K. representatives were ready to consider.¹⁹ But certainly consultation on that basis would be likely to involve less difficulty and delay than the proposal of the U.S. representatives. This was a political and constitutional issue on which it was impossible for the U.K. representatives to compromise; he hoped, therefore, that the U.S. representatives would be prepared to withdraw their proposal.

Mr. Clayton said that this question was a very difficult one for the American representatives also. He did not see how it would be possible for the Administration to persuade Congress to accept a settlement under which the U.K. would be left free to make payments to its sterling creditors considerably in excess of payments on the U.S. debt. The effect of such payments might well be to deplete the U.K. reserves with the result that the U.K. would be forced nearer the position of having to seek a waiver of interest payments to the U.S. In the eyes of the U.S. people the sterling obligations represented to a very large degree debts in respect of supplies and services which had been required for the winning of the war and which ought therefore to have been made available to the U.K. on a basis analogous to Lend Lease.²⁰ In some cases, too, the obligations had been swollen by reason of inflated prices charged for such supplies and services. It was fundamental to the U.S. position that they should be able to assure Congress that the U.S. credit was not being used to redeem such obligations, that there would be some form of limitation on the amount which the U.K. should pay in respect of these obligations in relation to the amount paid on the U.S. credit, and that in any year when the U.K. exercised its rights of waiver in respect of the U.S. credit a similar waiver should operate in respect of payments being made to

¹⁹ The *pari passu* proposal involved making payments respecting sterling area balances rank equally with service on the American credit.

²⁰ At the first meeting of the Combined U.S.-U.K. Finance Committee, September 19, Mr. Clayton had made this comparison between lend-lease and the debts represented by the accumulated sterling balances, in pressing the British delegation for an indication of what part of the balances would be written off (611.4131/5-146, Folder 5).

sterling creditors. It had been the hope of the U.S. representatives that the form of wording now proposed in clause 5 (ii) of the U.S. draft—which did not directly impose any ceiling on the amounts which the U.K. might pay to the sterling creditors but stated that to the extent that those amounts exceeded \$175 million a year there should be a corresponding increase to payments on the U.S. credit—would provide a way round the difficulties to which Lord Keynes had referred.

Lord Keynes and Professor Robbins said that they fully appreciated the spirit in which the revised U.S. draft had been put forward but they feared that the formula proposed in paragraph 5 (ii) was not acceptable. The U.K. would not in practice be able to increase its payments on the U.S. credit and the figure of \$175 million mentioned in that paragraph would therefore be regarded as constituting a “ceiling”, imposed in advance of any negotiations, on the aggregate of the payments which the U.K. would be able to make in respect of its sterling obligations. The other points which Mr. Clayton had mentioned could be met by the provisions of paragraph 2 (ii) of the U.S. draft and by the proposed *pari passu* arrangement which the U.K. representatives were prepared to put to London for consideration. But they saw no possibility whatever of acceptance by the authorities in London of any provision in an agreement with the U.S. which set a limit to the amounts which the U.K. could pay in settlement of its sterling obligations. There was of course no divergence of interest in this matter between the U.S. and the U.K. It was in the interests of the U.K. that the amounts paid to the sterling creditors should be kept as low as possible. But for the U.K. to predetermine that issue in an agreement with a third party before any negotiations whatever had been begun with the countries concerned was a course which was quite out of the question: it would inevitably prejudice the negotiations and might jeopardise more fundamentally relations within the Commonwealth.

After considerable further discussion on this subject, the matter was finally left on the basis that the U.K. representatives would refer the issue to London and in doing so would indicate the importance which the U.S. representatives attached to the considerations mentioned by Mr. Clayton.²¹

²¹ Ultimately both the British plan for *pari passu* treatment and the U.S. proposal to limit directly sterling releases were dropped in favor of a general statement of understanding that the United Kingdom would not use the American credit to discharge obligations to third countries outstanding on the effective date of the agreement, paragraph 6 (i) of the Financial Agreement. At the eleventh meeting of the U.S. Financial Committee (611.4131/5-146, Folder 2), November 28, it was proposed and agreed that releases of sterling in excess of \$175 million should not be deducted in calculating net income from invisible current transactions, see paragraph 5 (b) of the agreement.

Both these provisions were embodied in the U.S. draft of November 30, paragraphs 5 (i) and 4 (b), pp. 175 and 174, respectively.

611.4131/11-2445

*Minutes of a Special Meeting of the United States-United Kingdom
Combined Top Committee*²²

[WASHINGTON,] November 24, 1945—10:30 a. m.

Present: U.S. REPRESENTATIVES	U.K. REPRESENTATIVES
Secretary Vinson	Lord Keynes
Mr. W. Clayton	Sir Henry Self
Mr. T. McCabe	Mr. F. E. Harmer
Dr. Harry White	Mr. F. G. Lee
Mr. E. G. Collado	Mr. R. B. Stevens
Mr. W. Friedman	
H. Havlik	
Mr. W. R. Lester	
Mr. J. Pehle	
Mr. Frank Coe	
Mr. R. Brenner	

1. *General.*

The meeting had before them statements prepared on the U.S. side headed "Lend-Lease and Surplus Property" and "Claims and Counter Claims", which are attached to these Minutes as Annex "A" and Annex "B" respectively.²³

Mr. Clayton said that a good deal of work had been put in at the operating level on both sides on calculations relating to the various ingredients of the Lend-Lease settlement. He thought that the time had now come to consider an over-all figure in the light of the calculations that had been made. For this purpose the two documents (Annex "A" and "B") had been prepared on the U.S. side. Referring to the Lend-Lease settlement document (Annex "A"), Mr. Clayton drew a general distinction between two groups of items cited as Schedule A and Schedule B.²⁴ He stated that it was the view of the U.S. that it would be necessary for the U.K. to settle for Schedule A either in cash or under 3C credit. The U.S. was willing to include in Schedule A, Item 4 ("Net claims accepted") representing a balance of \$53.44 million due to the United Kingdom. It would also be necessary for the settlement relating to U.S. surplus property in the U.K. to be dealt with on the same terms as Schedule A, namely, on a cash or 3C credit basis, since these were the terms on which U.S. surplus property was being offered to other countries and it would be difficult to offer any other terms to the United Kingdom. Mr. Clayton stated that with respect to the items listed in Schedule B, the U.S. was willing

²² These are agreed combined minutes.²³ Neither printed.²⁴ Schedules A and B concerned pipeline and inventory materials, respectively.

to settle on the basis of the same credit terms which would apply to the financial credit under discussion by the Combined U.S.-U.K. Finance Committee.

Mr. Clayton went on to say that the lowest amount which would be acceptable to the United States for the complete settlement with respect to Lend-Lease and surplus property as representing the net balance due to the United States by the United Kingdom was \$750 million. Of this sum, \$150 million had been taken as representing the net balance of the Schedule A items including the settlement for U.S. surpluses in the U.K. He added that any figure agreed upon at the present meeting would have to be cleared with the Top Committee on the U.S. side, and that the present figure was conditional upon a satisfactory conclusion of the overall economic discussions.

Lord Keynes said that while there was substantial agreement on the U.K. side with many of the figures in the U.S. statement, there still remained a number of important points on which agreement had not been reached, such as the adjustments requested on the Civilian Inventory, the method of settlement for the Military Inventory, the figure for the U.S. surplus property in the United Kingdom and certain outstanding claims. Mr. Clayton stated that the \$750 million was a lump sum and that an examination item by item would add up to a considerably higher figure.

2. Schedule A: Cash Settlement.

With regard to Schedule A, Lord Keynes observed that the cut-off date for services and reverse lend-lease raw materials had been taken as December 31, 1945 whereas the U.K. side had been working on the assumption that the cut-off date for services would be February 28, 1946. Mr. Lee said that if the earlier date were chosen the figure in respect of the value of services formerly given on reciprocal aid would be somewhat lower. Mr. Collado said that, if practicable, the U.S. side would prefer to make November 30 the cut-off date for lend-lease shipping services since to continue beyond that date would merely tend to exhaust the supply of lend-lease appropriation funds. The U.K. side saw no objection to this proposal on financial grounds.

It was agreed that, subject to the possible exception with respect to shipping mentioned by Mr. Collado, the general cut-off date would be December 31, 1945.

The Meeting recognized that adjustments might be necessary in certain items in Schedule A, but these could be made later in the light of detailed bookkeeping. For purposes of the settlement, Mr. Clayton suggested that the present figure of \$118 million should be taken as the amount due by the United Kingdom with respect to the items listed in Schedule A and that after the actual accountings on

each of the items, except that of claims, had been completed, any necessary adjustment in the net amount due could be effected.

Lord Keynes agreed that this would be an appropriate procedure and stated that the sums listed in Schedule A appeared to be approximately correct. He enquired how the U.S. Administration would want the settlement effected if it were to be for cash. He assumed that it would be in order for part of the proceeds of the loan to be utilized for this purpose.

Mr. Clayton said that there would be no objection to this course.

3. *U.S. Surpluses in U.K.*

Lord Keynes pointed out that if a settlement for U.S. surpluses in the United Kingdom were to be dealt with in the same manner as the items in Schedule A it would be necessary to arrive at a precise figure for the surplus settlement. Mr. Clayton said that the figure which he had quoted of \$150 million would result in a nominal figure of \$32 million for U.S. surpluses in the U.K. In the U.S. view, this was considerably less than the value of these surpluses, but for the sake of a quick over-all settlement the Administration would, he believed, be prepared to agree to a round figure of \$150 million as representing the balance due on all the items for which payment in cash was required.

The U.K. representatives said that on the basis of the advice they had received from London they could not possibly offer more than about \$5-\$10 million for U.S. surpluses in the United Kingdom. Sir Henry Self recalled that these surpluses had been examined by U.S. Departments; that in many cases they duplicated U.K. surpluses which were already a drug on the market; that U.S. surpluses had been combed over a number of times by the U.S. military authorities and those items which had any real value been removed; that the remainder were for the most part non commercial in type and that their value even as scrap was at best doubtful. The U.K. Government had virtually no use whatever for these surpluses and any sum paid for them would be for the purpose of relieving the U.S. Government of an embarrassment rather than on account of anything which could be realized from their resale. In these circumstances it would be impossible to justify to Parliament the purchase of these surpluses for a sum of the dimensions suggested by Mr. Clayton.

Secretary Vinson said that in the U.S. view the figure at which these surpluses was being offered was exceedingly low and was contingent upon U.K. agreement on an over-all figure. If the U.K. were not prepared to agree to the over-all figure of \$750 million including the surpluses, he could only suggest that the U.S. proposal of \$750 be withdrawn and that the meeting should go through the table item by

item and work out on a more detailed basis what the net balance due to the United States ought to be. There were a number of items such as military food which might well be charged for at full value if dealt with individually, and it would be found that the net balance due on such a basis would be considerably in excess of \$750 million. A settlement for U.S. surpluses in the U.K. at \$5 million such as Lord Keynes had suggested would be totally unacceptable in the United States, which, in such circumstance, would rather remove them from the U.K.

Mr. McCabe said that he could understand that the value of the surpluses to the United Kingdom might be considerably less than the sum which could be obtained for them elsewhere. He believed that these surpluses were of considerable scrap value to the United States. The United Kingdom might not be the best market for the sale of scrap. Included in the U.S. list were some items such as Jeeps which might be disposed of more advantageously in third markets. He asked whether the U.K. imported scrap, and Sir Henry Self stated that some scrap was imported in normal times. He added that previously Sir Henry Self had mentioned a figure of \$10 million, as compared with the \$5 [million] now offered by the U.K. Sir Henry Self indicated that the \$5 million was based on a valuation of surplus apart from lend-lease settlement considerations, of which he was well aware.

Mr. McCabe stated he had understood at a meeting which he had attended in London in August that the United Kingdom Government wished to arrange an over-all deal for the purchase of these surpluses, but if this were not the case he thought that the position ought to be reconsidered with a view to the U.S. taking over those items which would be useful for its own scrap stockpiling programme or for sale to third countries.

Mr. Harmer said that at the meeting in London to which Mr. McCabe referred the United Kingdom representatives had indicated that they would like to be provided with details of U.S. surpluses in the U.K. so that they could see whether an acceptable offer could be made. The main purpose of this suggestion, however, had been to avoid the political friction which might arise if the United States were debarred from disposing of their own surpluses in the United Kingdom and compelled to take them away.

Lord Keynes said that he thought Mr. McCabe's remarks on this problem were very helpful. If the United Kingdom offer created embarrassment he would much prefer to see the question handled in the way which Mr. McCabe suggested. The value of these surpluses to the United Kingdom was, according to the information he had

received, insignificant, e.g., they included very little if any heavy scrap; consisting mostly of alloy and light scrap in which the United Kingdom was not interested.

Mr. Lee enquired whether it would not be possible to arrive at a lend-lease settlement without taking account of the U.S. surplus problem. The two were not really related and it now seemed that it might be difficult to reach agreement on U.S. surpluses until further studies had been made to determine what part of the surpluses the U.K. might wish to purchase and what part the U.S. might wish to remove.

Mr. Clayton said that he would prefer to deal with the lend-lease and surplus problem as a whole. Once the process of excluding difficult items from the settlement began it was impossible to say where it might end. He thought that both sides were anxious that the settlement when reached should be final and comprehensive.

Secretary Vinson said that if surpluses were to be left out of the settlement and the complete settlement broken into separate pieces, he would be strongly inclined to add a substantial sum for military food and other civilian type items in the military inventory.

Mr. McCabe referred to the substantial benefits to the U.K. which flowed from the willingness of the U.S. Military to hold off from the general recapture of items in the Military Inventory in consideration of the over-all terms of lend-lease settlements and the satisfactory conclusion of the other U.S.-U.K. economic negotiations. The exercise of a general right of recapture could only be a source of embarrassment to the United Kingdom. He considered, however, that unless an over-all settlement were reached it would be difficult for the U.S. side to take a liberal position as regards recapture.

Mr. Harmer suggested that if the settlement for U.S. surpluses could be included in Schedule B, namely, that part of the arrangement for which no detailed accounting was required, it would be easier to present on both sides of the Atlantic.

Lord Keynes stated that before considering the surplus question further he would like to look at the rest of the U.S. statement with a view to discussing certain items still in dispute.

[Here follows paragraph 4 dealing with discussion of a claim advanced by the United Kingdom regarding aircraft purchased in the United States for dollars by the United Kingdom and subsequently turned over to the United States at the latter Government's request after Pearl Harbor.²⁵]

²⁵ For the ultimate disposition of this claim, see Agreement II, paragraph 3, of the Mutual Aid Settlement between the United States and the United Kingdom, March 27, 1946; Department of State, *Treaties and Other International Acts Series No. 1509*, p. 14.

5. *General.*

Lord Keynes said that he entirely appreciated the difficulties of the position as Secretary Vinson had described them. At the same time, he had to emphasize that an arrangement which involved the payment of \$750 million for the winding up of lend-lease also created a grave problem for the U.K. Government and he believed that if a settlement of this kind were laid before Parliament, it would provoke even more vigorous reactions than those in Congress of which Secretary Vinson had spoken. If it were possible to agree on a global figure of \$500 million for the lend-lease settlement, he believed that this would be acceptable to public opinion in the U.K.

Secretary Vinson said that the figure of \$750 million already represented a substantial concession on the part of the U.S. He thought that the figure might well be considerably higher.

It was agreed that it would not be possible to make any further progress in discussing the foregoing matters at the present meeting, and they were accordingly held over for later consideration.²⁶

[Here follows paragraph 6 which briefly summarizes discussion concerning various points raised in U.S. paper Annex A, not printed.²⁷]

611.4131/5-146

*United States Draft Memorandum of Understanding on
Financial Matters*²⁸

[WASHINGTON,] November 30, 1945.

(This is designed to serve as the basis for the more detailed contract, financial agreement and other documents which may be agreed.)

1. *Amount of the Line of Credit*

(i) The Government of the United States will extend to the Government of the United Kingdom a line of credit of billion.

(ii) This line of credit will be available until December 31, 1951.

²⁶ At the 11th meeting of the United States Financial Committee, held on November 28, 1945, it was agreed that a sum of \$650 million for the lend-lease and surplus property settlement would be acceptable to the United States and that this figure would be considered separate from the amount of the credit (611.4131/5-146, Folder 2). For proposal of this sum to the British, see p. 187.

For an analysis of the lend-lease and surplus property settlement sum of \$650 million, see *Additional Report of the Special Committee Investigating the National Defense Program*, Senate Document, 79th Cong., 2nd sess., Report No. 110, pt. 5, pp. 23-33, 87-91.

²⁷ No agreement was reached on these points at this meeting.

²⁸ Presented at the sixth meeting of the U.S.-U.K. Combined Finance Committee on December 2 at 10:30 a. m. For summary of this and the seventh meeting held at 3:30 p. m., on the same date, see telegram 10476, December 3, to London, p. 185.

2. *Purpose of the Credit.*

The purpose of the credit shall be to facilitate purchases by the United Kingdom of goods and services from the United States, to assist the United Kingdom to meet transitional postwar deficits in her current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars and to assist the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements.

3. *Amortization and Interest*

(i) The amount of the credit outstanding on December 31, 1951 shall be repaid with interest in 50 annual installments, beginning on December 31, 1951, subject to the provisions of (4) below.

(ii) The rate of interest shall be 2 percent per annum. For the year 1951 interest shall be computed on the amount outstanding on December 31, 1951, and for each year thereafter, interest shall be computed on the amount outstanding on January 1, subject to the provisions of (4) below.

(iii) The 50 annual installments of principal repayments and interest shall be equal, amounting to \$31.8 million for each \$1 billion outstanding on December 31, 1951. Each installment shall consist of the full amount of the interest due and the remainder of the installment shall be the principal to be repaid in that year.

4. *Waiver of Interest Payments*

In any year in which the Government of the United Kingdom requests the Government of the United States to waive the amount of the interest due in that year, the Government of the United States will grant the waiver if:

(a) The Government of the U.K. finds that a waiver is necessary in view of the present and prospective conditions of international exchange and the level of its gold and foreign exchange reserves *and*

(b) As certified by the International Monetary Fund, the income of the U.K. from home-produced exports plus its net income from invisible current transactions in its balance of payments (as defined in Article XIV(i) of the Articles of Agreement of the International Monetary Fund) was on the average over the five preceding calendar years less than the amount of U.K. imports during 1936-8, fixed at £866 million, as such figures may be adjusted for changes in the price level of these imports. Any amount in excess of \$175 million released or paid or used in any year on account of sterling balances accumulated in the hands of overseas governments, monetary authorities and banks before the date of this Agreement, shall be regarded as a capital transaction and therefore shall not be included in the above calculation of the net income from invisible current transactions for

that year. If waiver is requested for an interest payment prior to that due in 1955, the average income shall be computed for the calendar years from 1950 through the year preceding the given year.

5. Position of this Credit in Relation to Other Obligations

(i) It is understood that any amounts required to discharge obligations of the United Kingdom to third countries outstanding on the date of this Agreement will be found from resources other than this line of credit.

(ii) The Government of the United Kingdom will not arrange any long-term loans from governments within the British Commonwealth after the date of this Agreement and before the end of 1951 on terms more favorable to the lender than the terms of this line of credit.

(iii) Waiver of interest will not be requested or allowed under 4 above in any year unless the aggregate of the releases, payments or other uses in that year of sterling balances accumulated in the hands of overseas governments, monetary authorities and banks before the date of this Agreement, are reduced proportionately, and unless interest payments on loans referred to in (ii) above are waived. The proportionate reduction of the releases, payments or other uses of sterling balances shall be calculated on the basis of the aggregate released in the most recent year in which waiver of interest was not requested.

(iv) The application of the principles set forth in this section shall be subject of full consultation between the two governments as occasion may arise.

6. Sterling Area Exchange Arrangements

The Government of the United Kingdom will complete arrangements as early as practicable and in any case not later than the end of 1946 under which, immediately after the completion of such arrangements, the sterling receipts from current transactions of all sterling area countries, apart from any receipts arising out of military expenditure by the United Kingdom prior to December 31, 1948, which it may be agreed to treat on the same basis as the balances accumulated during the war will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

7. Other Exchange Arrangements

(i) The Government of the U.K. agrees that after the date of this Agreement it will apply no exchange restrictions, except in ac-

cordance with the Articles of Agreement of the International Monetary Fund, which will restrict payments or transfers in respect of products permitted to be imported into the U.K. from the U.S., or of other current transactions between the two countries as defined in Article XIX(i) of the said Articles or on the use of sterling balances in the hands of U.S. residents arising out of current transactions; and in pursuance of the policy of reducing restrictions on trade between the two countries at the earliest possible date it agrees not to avail itself, in respect of the transactions referred to above, of Article XIV of the Articles of Agreement of the International Monetary Fund.

(ii) The Governments of the U.S. and the U.K. agree that not later than one year after the effective date of this agreement, unless a later date is agreed upon after consultation, they will impose no restrictions on payments and transfers for current international transactions as defined in the Articles of Agreement of the International Monetary Fund. The obligations of this paragraph shall not apply:

(a) to balances of third countries and their nationals accumulated before this paragraph becomes effective;

(b) to restrictions imposed with the approval of the International Monetary Fund (but the U.K. and the U.S. agree that they will not continue to invoke the provisions of Article XIV, Section 2 of the Articles of Agreement of the International Monetary Fund after this paragraph becomes effective); or

(c) to restrictions imposed in connection with measures designed to uncover and dispose of assets of Germany and Japan.

(iii) The obligations assumed by the Governments of the U.S. and the U.K. under this section and section 8 are also assumed by all of their respective colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate.

8. *Import Arrangements*

If the Government of either country imposes or maintains quantitative import restrictions, such restrictions shall be administered on a basis which does not discriminate against imports from the other country in respect of any product; provided that this undertaking shall not apply (a) in cases in which its application would have the effect of preventing the country imposing such restrictions from utilizing, for the purchase of needed imports, inconvertible currencies accumulated up to December 31, 1946, or (b) in cases in which there may be special necessity for the country imposing such restrictions to assist, by measures not involving a substantial departure from the general rule of non-discrimination, a country whose economy has been disrupted by war. The provisions of this paragraph shall become

effective not later than one year after the effective date of this Agreement unless a later date is agreed upon after consultation.

9. *Accumulated Sterling Balances*

(i) The Government of the U.K. has communicated its intentions to the Government of the U.S. as follows:

The Government of the United Kingdom intends to make an early settlement, varying according to the circumstances of each case, of the sterling balances accumulated by sterling area and other countries prior to such settlement (together with any future receipts arising out of military expenditure by the U.K. which it may be agreed to treat on the same basis). The settlements with the sterling area countries will be on the basis of dividing these accumulated balances into three categories, (a) balances to be released at once and convertible into any currency for current transactions, (b) balances to be similarly released by installments over a period of years beginning in 1951, and (c) balances to be written off as a contribution to the settlement of war and postwar indebtedness and in recognition of the benefits which the countries concerned might be expected to gain from such a settlement.

(ii) In view of the importance of the interest of the United States in the method of dealing with sterling balances from the standpoint of their relation to non-discriminatory trade policies, and in consideration of the fact that an important purpose of the present credit is to promote the development of multilateral trade and facilitate its early resumption on a non-discriminatory basis, the Government of the United Kingdom agrees that, not later than one year after the effective date of this Agreement unless a later date is agreed upon after consultation, any sterling balances available for payments, whether pursuant to settlement of [or] otherwise, will be available for use in any currency area without discrimination.

10. *Consultation on Agreement*

Either Government shall be entitled to approach the other for a reconsideration of any of the provisions of this Agreement, if in its opinion the prevailing conditions of international exchange justify such reconsideration, with a view to agreeing upon modifications for presentation to their respective legislatures.

611.4131/5-146

Draft Combined Minutes of the Meeting of the United States-United Kingdom Committee on Commercial Policy

[WASHINGTON,] December 1, 1945—11:30 a. m.

Present: Mr. Clair Wilcox (In the Chair)

U.S. REPRESENTATIVES

Mr. Oscar B. Ryder
Mr. Robert Schwenger
Dr. Amos Taylor
Mr. Norman T. Ness

U.K. REPRESENTATIVES

H. E. Lord Halifax
Lord Keynes
Sir P. Liesching
Prof. L. C. Robbins
Mr. R. J. Shackle

Others Present (U.S.)

Mr. George Bronz
Mr. Lynn R. Edminster
Mr. Charles Harley
Mr. Arthur Smithers
Mr. Leroy D. Stinebower
Mr. Frank A. Waring

Others Present (U.K.)

Mr. J. H. Magowan
Mr. E. L. Hall-Patch
Mr. F. G. Lee
Mr. B. Cockram
Mr. P. Bareau

Secretaries

Mr. Winthrop G. Brown
Mr. John M. Leddy
Mr. P. S. Young

1. The Chairman, in opening the meeting, said that he had been asked by Mr. Clayton to express his regret that, owing to ill-health, he was unable to attend this final meeting of the Committee on Commercial Policy.

2. *Comtrade 1 Revised as of November 5th, 1945.*²⁹

Mr. Wilcox explained that this document included both the amendments to the earlier texts of Comtrade 1 which had been agreed in U.S./U.K. Sub-Committees and also those formally adopted at previous plenary sessions of the Comtrade Committee. He said that he believed that the U.K. side had certain points which they wished to place on the record in connection with this document.

3. *U.K. Comments on Comtrade 1*

Sir Percivale Liesching said that he had the following points to make:

²⁹ See footnote 8, p. 160.

(a) *Non-Tariff Preferences* (Reference Chapter III, Section B, paragraph 1, and 4th Plenary Minutes, paragraph 2).³⁰

Sir Percivale Liesching said:

“On non-tariff preferences I refer to a point which was made at the 4th Plenary meeting and the subsequent discussions, and would place on record our view that the principle of negotiating tariff preferences applies also to trade preferences other than tariff preferences”

Mr. Wilcox in reply, said:

“We (i.e. U.S.) understand that this statement is made in the light of the comment offered by the U.K. side at the 4th Plenary—namely, that to the extent that tariff preferences may remain after the bilateral negotiations, these margins of preference may be reflected in the operation of State trading monopolies. We do not understand that the U.K. members mean to suggest that discriminatory quotas or exchange controls must be negotiated individually. Otherwise the general quota and exchange control provision would have no meaning.”

Sir Percivale Liesching replied that what he had just said was not intended to relate to exchange preferences. It was true, as Mr. Wilcox had said, that the U.K. point had originally been raised when State trading was under discussion. As regards preference under quotas the U.K. attitude was as he had given it in the statement which he had just made. The question was no doubt one which would come up for discussion at the Spring Conference.

(b) *Import Restrictions on Balance of Payments Grounds* (Chapter III, Section C, paragraph 2)

Sir Percivale Liesching said:

“We should like to place on record that in the administration of quotas, when they are applied on balance of payments grounds, our intention is to have regard to commercial considerations, such as price. We are not necessarily prepared to pay more for things we can get cheaper elsewhere merely because they have a past history.”

Mr. Wilcox said that the U.S. side understood this.

³⁰ The fourth meeting was held on October 5; minutes not printed. Paragraph 2 reads as follows: “With regard to preferences under state trading, Sir Percivale Liesching suggested that in so far as tariff preferences remained after the bilateral negotiations, it would only be right and proper that these should be reflected in the operations of state-trading monopolies. He mentioned the point at this stage in order that there should be no doubt about the attitude of the U.K. side; but he thought that its discussion in the state-trading context could profitably wait till there had been a further exchange of views about tariff preferences.” (611.4131/5-146, Folder 3)

(c) The International Trade Organization (Chapter VI)

Sir Percivale Liesching said:

“On the subject of organization, there are some points, such as voting procedure, amendments to the constitution, and relations with other specialized agencies, on which we have not formed any final judgment.

On one of these points (namely voting in what is called the Conference of the International Trade Organization) we feel that the present wording in Chapter VI, Section C, paragraph 2, tends to prejudge the issue in favour of ‘one State, one vote’.

We have not made up our minds on these points, but will put forward our views about them at the Spring Conference.”

Mr. Wilcox said that the U.S. side understood that the position of the U.K. representatives on this point was reserved, and that further discussion would take place at the Spring Conference.

Lord Keynes said that he earnestly hoped that further thought would be given to the question of voting. From his experience at the Peace Conference after the first World War he could say that the principle of “one State, one vote” was extremely dangerous. The smaller nations, by having a greater preponderance than their status merited, could wreck plans upon which the greater nations were agreed. He said that a satisfactory solution to this problem had been reached at Bretton Woods and he therefore strongly recommended that the I.T.O. should follow this precedent. The voting arrangements of the I.T.O. need not, he thought, be exactly the same as Bretton Woods. But he thought that as Bretton Woods was a precedent on analogous economic matters, voting in the I.T.O. should be on the same lines. Mr. Wilcox said he felt that there were differences between the two cases, and he would prefer not to discuss their relative merits now. Further thought would, however, be given to the question of voting and full discussion would take place at the Spring Conference.

4. *Printing Errors in Comtrade I.*

Mr. Wilcox said that the U.S. side wished to place two points on the record:

(a) In the Printed Copy of Comtrade I, in Section B.³¹ (Tariffs and Preferences) the word “international” had inadvertently been omitted from the final words of the first sentence of paragraph 1 which should read “as part of the mutually advantageous international arrangements contemplated in this document”.

(b) In Chapter VI of Comtrade I, Section E, paragraph 4(b) (i) (The Commission on Business Practices) it had been agreed in discus-

³¹ Reference is to chapter III, section B.

sion with the U.K. side that, in order to bring the passage into line with the revised text of Chapter IV, subparagraph 1(b) should read "Inquire into complaints regarding activities" etc. The introduction of the words "complaints regarding" had been agreed in Sub-Committee after Comtrade I had been sent to the printers. Efforts had been made to get the words inserted but without success, and the words did not appear in the printed copy.

Mr. Wilcox said that the record of the 7th and final meeting of the Committee on Commercial Policy should show that these words i.e., "international" in Section B and "complaints regarding" in Section E. para: 4(b) (i) had been inadvertently omitted in the printed document. He thought it preferable not to attach an errata sheet to the document as this would tend to draw attention to the omitted words and give them an importance which they did not merit. The understanding of the substance of the passage was perfectly clear. Sir Percivale Liesching said that he had consulted London on these points and the U.K. side agreed that, for the reasons given by Mr. Wilcox, it would be undesirable to issue a corrigendum slip. The document would therefore appear in the U.K. in the form in which it was printed in the U.S.A. This, however, would be done on the understanding that the U.K. Government were at liberty to say, if necessary, in public that the words had been omitted in error. Mr. Wilcox agreed.

5. *Adoption of Comtrade I.*

Sir Percivale Liesching said that the U.K. side had no further points for the record and concluded by saying:

"The United Kingdom members of the Comtrade Committee are in full agreement on all points of importance with respect to the proposals in Comtrade I".

Mr. Wilcox said that the U.S. side also had no further comments on Comtrade I and that there was agreement on the U.S. side on all important points in that paper. The paper was then formally adopted.

6. *Shipping Subsidies.*

Mr. Wilcox said that in the course of the Committee's discussions the question of shipping subsidies had been raised. He desired to place the following statement on the record:

"The United States agrees that the collection and examination of data relating to shipping and ship-building subsidies and the analysis of the effects of such subsidies upon international trade would be a desirable function to be performed by some international organization which would study such questions and make recommendations relating thereto.

It is our position, however, [that?] the I.T.O. is not the proper body to assume jurisdiction over this question for the following reasons:

1. Shipping is only one form of transport, and should not be dealt with independently of other forms of transport, particularly aviation.

2. Shipping problems involve many closely interrelated elements of which subsidies are only one.

a. Other types of protection are frequently more injurious to the free flow of trade than subsidies; e.g. exchange control for shipping payments, deferred rebates and other restrictive shipping conference practices, discriminatory tariffs and preferential through rates, tie-ins between carriers and shippers, etc.

b. Important problems of national and international security are involved in shipping subsidies which are outside the scope of I.T.O.

c. Problems of competition within the shipping field between types of vessels and types of operations, which raise questions of rates, conferences, pools, surplus tonnage, operating costs, etc., must be considered in conjunction with subsidies.

3. In view of these considerations, the inclusion of shipping subsidies within the jurisdiction of I.T.O. would lead either to inadequate consideration of one part of a much larger problem, or the discussion of all shipping questions in I.T.O.

4. Tentative proposals have been made for the establishment of a permanent Transport and Communications Commission under the E.S.C.O.C.²² of the United Nations Organisation, and unofficial suggestions have also been made that a permanent international shipping organization take the place of the United Maritime Authority when it goes out of existence on March 2, 1946. With these developments pending, the allocation of segments of shipping problems to other agencies would prejudice consideration of transport problems as a whole.

The United States would be glad to discuss with the United Kingdom what body other than I.T.O. should appropriately study shipping questions and the scope and terms of reference of such a body.[²³]

Sir Percivale Liesching replied:

"Mr. Chairman we take note of your statement and do not object to your proposal that shipping subsidies should be dropped from the commercial policy discussions and that they should be pursued in another context. We wish, however, to place two points on record—

The first is to emphasise again the extreme importance of this matter to the United Kingdom in view of the contribution which shipping income makes to her external balance of payments. In this respect the question is highly germane to the general subject matter of the present Anglo-American discussions.

The second point is that our Government are not ready to be com-

²² Presumably reference is to the Economic and Social Council of the United Nations (ECOSOC).

mitted at this stage to remit such questions to the Transport and Communications Commission of the Economic and Social Council. The terms and functions of that Commission have, we understand, not yet been considered."

7. *Adoption of Comtrade 3 (Revised as of 5th November, 1945).*³³

Mr. Wilcox asked whether the U.K. side had any comments on this document.

Sir Percivale Liesching replied that the U.K. members of the Committee were agreed upon the procedure indicated in Comtrade 3 for negotiating and implementing the proposals in Comtrade I.

Mr. Wilcox thanked Sir Percivale Liesching and said that there was also agreement on the U.S. side.

Comtrade 3 was formally adopted.

8. *Adoption of Comtrade 10—Joint Report to Combined Top Committee.*

Mr. Wilcox read a draft Joint Report (Comtrade 10)³⁴ to the Top Committee as follows:

"1. The Combined U.S.—U.K. Committee on Commercial Policy, having completed its work, presents to the Combined Top Committee the following documents:

(i) The document entitled "Proposals for Consideration by an International Conference on Trade and Employment" and bearing the reference "Comtrade-1" (revised as of November 5, 1945) and

(ii) The document bearing the reference "Comtrade-3" dated November 5, 1945, indicating the procedure for negotiating and implementing the proposals in Comtrade-1.

2. There is full agreement within the Committee on all important points with respect to the proposals in document (i), above.

3. There is also agreement within the Committee upon the procedure indicated in document (ii), above, for negotiating and implementing the proposals in document (i).

4. The Committee recommends that the two documents be submitted to the United States and the United Kingdom Governments for their favorable consideration, and invites the Top Committee to secure and record the agreement of the two Governments to give general support to the proposals contained in these documents and to use their best endeavors to bring the international discussions envisaged to a successful conclusion, in the light of the views expressed by other countries."

Lord Halifax said the U.K. side agreed to it. The report was thereupon adopted.

³³ See footnote 8, p. 160.

³⁴ Dated November 19, 1945.

9. *Conclusion of Proceedings.*

Mr. Wilcox said that with the adoption of the Joint Report the work of the Commercial Policy Committee was at an end. They were most gratified that this part of the U.S./U.K. negotiations had come through to such a happy conclusion, and he thought that agreement on the issues which had been before the Committee held out real hopes for the peace of the world.

Lord Halifax said that he wished to record on behalf of the U.K. group the appreciation which they all felt of the manner in which these negotiations had been conducted. He had not been so closely connected with the work involved as other members of his group. But he was left with the feeling that the happy agreement to which the Chairman had led the Committee would be a prelude to agreement on other issues. It was, he hoped, a good augury for larger things to come.

Sir Percivale Liesching said that, before the final session of the Comtrade Committee rose, he would like to make a few remarks on behalf of himself and his colleagues. They all remembered the important series of meetings in plenary session at which they had broken successfully into the main commercial policy topics under the wise and patient chairmanship of Mr. Clayton. They joined in wishing him a speedy return to good health.

A smaller number of officials of both sides, under the authority and guidance of the main Committee, had been entrusted with the working out of many points of principle and detail. If he might speak of that working party which had spent many long days and weeks of arduous work under the Chairmanship of Mr. Wilcox, he would like to say this on behalf of the U.K. officials who took part: they were grateful to Mr. Wilcox for his steady guidance; and they had as civil servants—if he might speak professionally—a profound respect and admiration for their opposite numbers; and as men they had, both for Mr. Wilcox and for his colleagues, feelings of high personal regard and friendship.

Mr. Wilcox said that the problems with which they had had to deal had been difficult and the way had not always been easy. Speaking for his colleagues and himself he had found the work extremely interesting and the contacts a source of great personal satisfaction. They hoped that these pleasant contacts would be renewed in the spring and summer.

The Chairman then declared the meeting concluded.

800.515/12-345: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, December 3, 1945—6 p. m.

10476. For Hawkins³⁵ from Collado. Vinson, White, Coe,³⁶ Acheson, Clayton, and I met all day Sunday³⁷ with full British finance groups including Bridges³⁸ and Grant. They said London wished to present Bretton Woods to Parliament on December 12 and 13 together with documents on commercial policy, finance including credit, and lend-lease and surplus settlement. All of these would have to be published Tuesday or Wednesday of *this* week in order that members would have an opportunity to study them. [It was later agreed that a Thursday morning (December 6) was the earliest we could shoot for.]³⁹

We presented our November 30 draft on finance—which you have, and they presented a new draft.⁴⁰ We insisted on our draft with following modifications:

1. Page 1—no change
2. Page 2—In sentence re \$175 million,⁴¹ British wish to include balances accumulated to cut-off date—not merely date of signing this agreement.
3. Section 5(iii) first sentence—Except balances of Colonial Dependencies.
4. Section 6—Re date change to one year from effective date unless in exceptional cases a later date is mutually agreed after consultation.⁴²

³⁵ Harry C. Hawkins had recently returned to London after having been in Washington since September, participating in the economic negotiations.

³⁶ Frank Coe, Director, Division of Monetary Research, Department of the Treasury.

³⁷ December 2. The sixth and seventh meetings of the U.S.—U.K. Combined Finance Committee were held on this date at 10:30 a. m. and 3:30 p. m., respectively.

³⁸ Sir Edward Bridges, Permanent Secretary of the British Treasury.

³⁹ Brackets appear in the original.

⁴⁰ Dated December 1, 1945; not printed.

⁴¹ Section 4 b. Also in connection with waiver of interest payments, the British proposed at the sixth meeting that principal, as well as interest payments, be deferred in any year when the basic conditions were met. At the afternoon session, the Americans rejected this plan (611.4131/5-146, Folder 5).

⁴² Concerning sterling convertibility, the United Kingdom delegation had stated, in a draft document entitled "Sterling Area Arrangements," November 7, that: "The Government of the U.K. would be prepared on the basis of aid on a scale appropriate to the size of the problem, to proceed not later than the end of 1946 to make arrangements under which the current earnings of all sterling area countries would be freely available to make purchases in any currency area without discrimination, apart from any receipts arising out of military expenditure by the U.K. which it may be agreed to treat on the same basis as the balances accumulated during the war. . . ." (611.4131/5-146, Folder 2, U. S. Fin. Document 6)

The United States Financial Committee discussed this proposal at its fifth meeting on November 8 and decided: (a) that convertibility of sterling holdings of *all* countries should be insisted on; (b) that the date fixed for beginning of

Footnote continued on following page.

5. Section 7(i)—After *effective* date
6. Section 7(ii)—Re date add in exceptional cases as in Section 6. [Note: this is interpreted to mean by individual countries.]⁴³ Also replace “with the approval” in subparagraph (b) by “in conformity with the provisions of.”
7. Section 7(iii)—Omit—but minutes will show and British will write letter stating they will do this to extent they have legal and actual control along lines of your suggested wording.
8. Section 8—Last paragraph [*sentence?*]⁴⁴—British offered and we accepted the old language—“as soon as practicable and in any case not later than December 31, 1946.”⁴⁴
9. Section 9(i)—slight rewording⁴⁵
10. Section 9(ii)—Completely reworded but substance unchanged—or if anything strengthened.⁴⁶
11. Add a section on coming into force of agreement—related to Congressional action.
12. Add a section at British suggestion reviving old section “The Government of U.K. may accelerate repayment of the line of credit.”

convertibility should be June 30, 1946 instead of December 31, 1946; and (c) that only sterling acquired during the next 3 years through military expenditure should not be convertible (*ibid.*, fifth meeting).

At its sixth meeting, November 13, the Americans agreed to accept British arguments that the beginning date should be set at the end of 1946 (*ibid.*, sixth meeting). When, at the sixth meeting of the U.S.—U.K. Combined Finance Committee, the U.K. subsequently proposed that no fixed date be set, the U.S. offered an agreeable compromise that the date be designated as one year after the coming into effect of the agreement (*ibid.*, seventh meeting).

The British accepted point (c), but objected to making convertible sterling earned by non-sterling area countries which could, in contrast, block their currencies earned by exports from the United Kingdom. This was at the fourth meeting of the U.S.—U.K. Combined Finance Committee, November 19 (*ibid.*, Folder 5). The Americans, however, rejected these arguments; see p. 190 and paragraph 7 of the Financial Agreement; text cited, p. 194.

⁴³ Brackets appear in the original.

⁴⁴ This “old language” had appeared in the U.S. draft of November 18, not printed (611.4131/5-146, Folder 5, fourth meeting, Annex). The alteration in the effective date for section 8 was agreed to by the British in return for U.S. acceptance of the change in date in section 6 (*ibid.*, seventh meeting). At the fifth meeting of the Combined U.S.—U.K. Finance Committee, November 26, the British had urged strongly that no specific date be set for the lifting of Anglo-American bilateral quantitative import restrictions (*ibid.*, fifth meeting).

⁴⁵ This section was based substantially upon a formula proposed by the British in their document “Sterling Area Arrangements”, November 7, p. 4 (611.4131/5-146, Folder 2, U.S. Fin. Document 6).

⁴⁶ The basis for this section on convertibility of released sterling balances, not present in any previous U.S. drafts, was apparently introduced by the State Department at the eleventh meeting of the U.S. Financial Committee, November 23 (611.4131/5-146, Folder 2). No copy of the State Department draft has been found in Department files. At this eleventh meeting, it was decided to refer the draft paragraph to the Technical Committee for changes of wording. The concept was agreed to by the British, subject to change as indicated, at the seventh meeting of the U.S.—U.K. Combined Finance Committee (611.4131/5-146, Folder 5).

The change in Section 7 (ii) reflects Article Eleven (2) of Bretton Woods⁴⁷ and would make it possible for U.K. to impose restrictions against Argentina or other nonmembers (say in case they blocked U.K. pesos) unless such restrictions in opinion of IMF were prejudicial to interests of Fund or other members. We felt our previous formulation went further in tying our own hands on this than we wanted to.

We turned down British requests as follows:

1. To defer principal.
2. To base waiver on 1-year rather than 5-year average.
3. To replace all of Section 5 by simple "with due regard to the principle of equitable treatment as between all their external creditors."
4. Removal of effective dates from Sections 6, 7 (ii), and 9 (ii).
5. Removal of date from inconvertible currency exception in subpoint (a) in Section 8.

The British, who had again asked for \$4.5 billion including lend-lease, appeared very pleased with \$3,750 million plus \$650 million lend-lease.⁴⁸ They stated that Sections 7 (ii) and 9 (ii) would cause "difficulty" in London especially on short time schedule available for consideration. They stated everything—including lend-lease—would have to be referred to London for approval. We are quite confident, however, that they will accept everything except possibly part of Section 9 (i). We feel Bridges had a lot of authority. It appeared that Bridges may have been sent because of dissatisfaction re Halifax, Keynes, *et al* or London feeling that the latter were not adequately informing London. This feeling I am certain was fully cleared up in Bridges' mind and Secretary Vinson went out of his way to build up actions of and effective negotiations by the older group.

⁴⁷ See *Proceedings and Documents of the United Nations Monetary and Financial Conference*, p. 959.

⁴⁸ As indicated by the minutes of the meeting of the U.S. Top Committee, November 7, p. 157, there was disagreement among the American delegates on the amount of the credit to be extended to the United Kingdom. At the eleventh meeting of the U.S. Financial Committee on November 28, following inconclusive discussion as to whether \$3½ or 4 billion should be extended, Assistant Secretary of State Acheson suggested that the matter be referred to the President for settlement (611.4131/5-146, Folder 2). President Truman indicated that he decided upon the final figure: \$3,750 million; see *Memoirs by Harry S. Truman*, vol. I, *Year of Decisions* (Garden City, Doubleday and Company, Inc., 1955), p. 479.

Regarding the lend-lease figure, see footnote 26, p. 173.

On lend-lease we made the offer with which you are familiar—\$650 million all on same terms as credit consisting of about \$532 million fixed for Schedule B and surplus and \$118 million for Schedule A subject to exact accounting.⁴⁹ It already appears that this item will rise to \$140 million (total to \$672 million) as reverse lend-lease deliveries of rubber, etc., will not reach figures we previously used.⁵⁰ The British were delighted and stated they would recommend acceptance by London.

We are meeting Monday [*Tuesday?*]⁵¹ morning re documents and timetable. Documents will probably be a joint communiqué, the commercial policy understanding, the finance memo as now drafted, and a short document on lend-lease and surplus including the letter on Article VII—air, shipping, telecommunications, etc.⁵² A more detailed lend-lease paper would follow.

It has been agreed to have joint release of these documents simultaneously in London and Washington. The Monday evening Senatoral dinner is on. There will be some sort of meeting with House leaders Tuesday. The release on ITO will have to be simultaneous with the rest. We are now discussing shooting for Thursday publication with Tuesday afternoon press conferences if possible. This implies fast drafting of final documents and fast London clearance.

We will post you further. [Collado.]

BYRNES

841.51/12-345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 3, 1945—11 p. m.

[Received December 3—10 p. m.]

12668. Personal for Secretary Byrnes and Assistant Secretary Clayton. At 7 p. m. London time Prime Minister Attlee asked me to meet with him at No. 10 Downing Street. When I arrived there he told me he wanted to discuss with me the loan and trade agreements being negotiated in Washington.

⁴⁹ Schedule A comprised pipeline material and Schedule B inventory goods.

⁵⁰ On the contrary, by subsequent agreement the sum due the United States was reduced as a result of further supplements and modifications. See the agreement signed between the two governments on July 12, 1948, Department of State Treaties and Other International Acts Series No. 1770, or 62 Stat. (pt. 2), 2034.

⁵¹ No record of a meeting held on Monday, December 3, has been found; presumably the results of such a meeting would have been included in this telegram, since it was not sent until 6 p. m.

⁵² Drafts of this letter were being worked on at this time, but the letter was not published at the conclusion of the negotiations.

He wanted to discuss specifically the cancellation for Great Britain, in the last US draft of the financial arrangements, of what he referred to as the main safeguards of the Bretton Woods Agreements. He explained to me that he felt that without these safeguards Parliament would not accept the Bretton Woods Agreement. Other questions under negotiation, he told me, had been agreed upon. Timing, he said, was important as the Parliament adjourns on December 19. The debate in the House on these measures, he said, would occupy at least 2 days and, if passed, the Lords would require additional time and at least a day's debate.

It was not easy for me to meet his arguments, as I have not been currently informed on the financial negotiations and have seen no recent copies of the US proposals. I did tell him, however, that in my opinion he could not expect the Congress to approve the loan agreement if the British Parliament rejected Bretton Woods. I also asked him if he would give me a note on the points in the US draft to which he objected. He then sent for Mr. Dalton, the Chancellor of the Exchequer, who came accompanied by Sir Stafford Cripps.

After a brief interchange the following statement was given to me :

“The three essential points in which the financial agreement runs counter to the Bretton Woods Agreement are first, we are deprived of the benefit of the 5-year transitional period provided at Bretton Woods, which, for us, alone among all the signatories, is cut down to 15 months; second, we are deprived, alone of all the other signatories, of the benefit of the scarce currencies clause; third, we are deprived, alone of all the other signatories, of the right to resign membership of the fund and regain freedom of action in all matters regulated by the Bretton Woods Agreement. This third freedom, moreover, is withdrawn from us for more than half a century, i.e. during the currency of the loan agreement.”

All three men agreed (1) that they could not “recommend with conscience” the Bretton Woods Agreement with these restrictions; (2) that if they did recommend it, it would be voted down in the Commons, (3) that the Govt could not afford a serious defeat on a measure of this importance. All three with great earnestness assured me that they wanted to get agreement on the loan, that they believed that the trade agreement, which they heartily approved, was of world importance, and that they wanted Bretton Woods and were certain that Parliament would accept it as it was agreed to at Bretton Woods.

WINANT

611.4131/5-146

*Minutes of a Meeting of the United States-United Kingdom
Combined Finance Committee*⁵³

[WASHINGTON,] 4 December, 1945—11:30 a. m.

Present: Secretary Vinson (In the Chair)

U.S. REPRESENTATIVES

Mr. Clayton

Mr. Acheson

Mr. Wallace

Mr. Eccles

Mr. McCabe

Dr. White

Mr. Collado

Also Present

Mr. Brenner

Mr. Friedman

Mr. Glasser

Mr. Gardner

Mr. Knapp

Mr. Waring

U.K. REPRESENTATIVES

Lord Halifax (part time)

Lord Keynes

Mr. Brand

Prof. Robbins

Mr. Hall-Patch

Mr. Harmer

Sir Edward Bridges

Also Present

Mr. Grant

Mr. Coe	} <i>Joint Secretaries</i>
Mr. Lee	

1. Lord Halifax said that after the prolonged discussions which had taken place on the 2nd December the U.K. representatives had referred to London the text of the draft agreement in the form which the U.S. representatives were prepared to accept.⁵⁴ He was happy to say that the authorities in London had now authorised the U.K. representatives to accept the draft in its entirety, subject to one very important reservation. That reservation related to the provisions in the draft which would, in effect, involve the withdrawal from the U.K. of the safeguards specifically provided in the I.M.F. agreement. The most essential of these safeguards was contained in Article XIV Section 2 of the I.M.F. agreement, governing the transitional period: under paragraph 7(ii)(b) of the draft agreement the U.K. would be required to give up all its rights under that Section at the end of one year from the effective date of the agreement—i.e. in perhaps fifteen months time. Ministers would in any event face a difficult task in persuading Parliament to accept the I.M.F. agreement: if they had

⁵³ These are agreed combined minutes.

⁵⁴ The draft agreement here referred to is the U.S. draft of November 30 as amended by discussions of the sixth and seventh meetings of the U.S.-U.K. Combined Finance Committee, pp. 173 and 185, respectively.

to say that the particular safeguard which the supporters of the I.M.F. agreement had always emphasised in discussions would disappear in fifteen months time, the chances of their obtaining Parliamentary approval for the I.M.F. agreement would be gravely jeopardized. The protection given by these rights was indeed one to which all parties in the U.K. attached importance in the difficult period which lay ahead. In the circumstances, the Prime Minister had expressed the earnest hope that the U.S. representatives would be able to agree to the deletion of the particular words in paragraph 7(ii) (b) of the draft loan agreement which would deprive the U.K. of that protection.

Ministers were also concerned at the fact that the draft loan agreement would apparently involve the disappearance of any safeguards on which the U.K. could rely in the event of a scarcity of dollars. Further, as at present drafted, the agreement appeared to deprive the U.K. of the right, by resigning its membership of the I.M.F., to regain its freedom of action in matters regulated by the I.M.F. agreement. Indeed it would be deprived of the right for the whole fifty-year period of the loan agreement.

Lord Halifax trusted that it would be possible for the U.S. group to agree to appropriate amendments of the draft loan agreement to meet the U.K. position on all the foregoing points.

2. Secretary Vinson and Mr. Clayton said that they thought that on the last two points mentioned by Lord Halifax an amendment of the draft would be possible in order to safeguard the U.K. position. But they feared that on the first question—that of the transitional period safeguards—no compromise was possible. It had always been fundamental to U.S. thinking on the proposed credit that one of its main objects—and certainly one of its main attractions in American eyes—would be that it would enable the U.K. to dispense with the transitional period safeguards after a shorter period than that envisaged in the Bretton Woods Agreement. That Agreement, of course, did not take into account the provision of a substantial credit by the U.S. Government, to one of the member powers: if such a credit were granted it was only logical to suppose that the recipient country would thereby be able to do without safeguards which otherwise would be essential. It was quite clear from soundings which the Administration had made that if the U.S. representatives were to make a concession on this point, the support for the credit of powerful political and commercial organisations would be lost, since this provision was to them a cardinal point in its favour. Much as the U.S. representatives would regret a breakdown in negotiations which had come so near a successful conclusion, that must be the outcome if the U.K. felt unable to accept the substance of this particular provision.

Sir Edward Bridges and Prof. Robbins urged that in other provisions of the agreement the U.K. would be specifically committed to forego the safeguards in question vis-à-vis both the U.S.A. and the sterling area countries. There was no suggestion of any retreat from those commitments. But in the difficult and uncertain political circumstances which were likely to obtain over parts of the world in the next few years it was surely not unreasonable to ask that, outside the wide area represented by the U.S.A. and the sterling area countries, the U.K. should be free from specific commitments abrogating the protection given by the I.M.F. agreement. It would of course be the intention of the U.K. Government to move as rapidly as possible along the road to full convertibility, and the provision of the credit would enable them to quicken their pace. But to be required to enter into specific commitments would involve very serious political difficulties. Mr. Eccles said that one of the strongest arguments for the credit was that it would make the I.M.F. really effective at an early date. He did not see how any compromise was possible.

In summing up the discussion, Mr. Clayton said that the U.S. representatives would be prepared to insert words in paragraph 7 (ii) (b) of the draft agreement providing that in exceptional cases the U.S. and U.K. Governments could agree after consultation, that the provisions of Article XIV Section 2 of the I.M.F. could still be invoked. But further than that they were definitely unable to go.

The U.K. representatives said that they must report the position reached on this point to the U.K. Government.

3. After further discussion it was agreed that the draft agreement should be amended in the following respects in order to meet the other points emphasised by the U.K. representatives:-

(a) A new subparagraph should be added at the end of paragraph 7 to indicate that that paragraph and paragraph 8 were in anticipation of more comprehensive arrangements by multilateral agreement and would operate until the end of 1951. This would safeguard the right of the U.K. to recover its freedom of action by the course of resigning from membership of the I.M.F.

(b) A new subsection (c) should be added to paragraph 8 in the following terms:-

"or (c) either Government imposes quantitative restrictions having equivalent effect to any exchange restrictions which that Government is authorised to impose in conformity with Article VII of the Articles of Agreement of the I.M.F.". This would safeguard the exceptional provision for the use of discriminatory quantitative restriction in the event of a declaration of a condition of scarcity of any particular currency.

4. Lord Keynes said that he wished to raise one further point. It would be recalled that the U.K. representatives had always made it

plain that they interpreted the undertakings in paragraph 5 of the draft agreement (or, indeed, any other undertakings elsewhere in the agreement) as in no way precluding or restricting the freedom of the U.K. to make overseas loans of any character. He thought that this was fully accepted by the U.S. representatives, but in order that there should be no possible misunderstanding he would be grateful if a passage could be inserted in the minutes in the following terms:-

“It has been understood in these discussions that there is nothing in this agreement which restricts the future freedom of the U.K. to make overseas loans of any character.”

Mr. Clayton said that the U.S. representatives were in full accord with the summary of the position as given by Lord Keynes and readily agreed that the passage which he had quoted should be incorporated in the minutes.

611.4131/5-146

*Minutes of a Meeting of the United States-United Kingdom Combined Finance Committee*⁵⁵

[WASHINGTON,] 5 December, 1945—11:45 a. m.

Present: Secretary Vinson (in the Chair)

U.S. REPRESENTATIVES	U.K. REPRESENTATIVES
Mr. Clayton	Lord Halifax
Mr. Acheson	Lord Keynes
Mr. White	Prof. Robbins
	Mr. Harmer
	Sir Edward Bridges
Mr. Coe	} <i>Joint Secretaries</i>
Mr. Lee	

1. Lord Halifax said that the U.K. Cabinet had now considered the whole position and were prepared to accept the agreement in its latest form. But Ministers wished the U.S. representatives to know that it would help the U.K. Government considerably if the operative date for paragraph 7(ii) (relating to the transition period safeguards) could be made the 31st December 1947 instead of one year from the effective date of the agreement. This would give perhaps another nine months' breathing space and would be of much assistance vis-à-vis Parliament.

2. Secretary Vinson and Mr. Clayton said that they wished it were possible for them to accept the amendment mentioned by Lord Halifax. They appreciated the position of the U.K. Government in this matter,

⁵⁵ These are agreed combined minutes.

but they were convinced that from a U.S. political standpoint it was essential that the time limit provided in paragraph 7 should not be altered. Otherwise the acceptance of the credit proposal by the U.S. Congress and people would certainly be jeopardized.

3. Lord Halifax took note of Secretary Vinson's and Mr. Clayton's statement and said that, in the light of it, the agreement would be signed without alteration. The negotiations had thus reached their end. Both he and his colleagues deeply appreciated the spirit of cooperation, courtesy, fair-mindedness, and patience which the U.S. representatives had shown throughout the long period of the talks. It was his confident hope that the outcome would be a happy augury for the future. Secretary Vinson and Mr. Clayton warmly reciprocated Lord Halifax's remarks.

4. It was confirmed that the agreement would be signed at 10:30 a. m. on the 6th December in the State Department.

[For text of the Financial Agreement between the Governments of the United States and the United Kingdom, signed at Washington, December 6, 1945, effective July 15, 1946, see Department of State Treaties and Other International Acts Series No. 1545, or 60 Stat. (pt. 2) 1841; text also printed in Department of State *Bulletin*, December 9, 1945, page 907.

For text of the Joint Statement by the United States and United Kingdom regarding the understanding reached on commercial policy along with supplementary material and the text of the "Proposals for Expansion of World Trade and Employment," released December 6, see *ibid.*, pages 912-929.

For text of the Joint Statement by the United States and the United Kingdom regarding settlement for lend-lease, reciprocal aid, surplus war property, and claims, also released December 6, see *ibid.*, page 910; also Department of State Treaties and Other International Acts Series No. 1509, or 60 Stat. (pt. 2) 1564.]

800.24/12-745: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, December 7, 1945—7 p. m.

2470. The Prime Ministers of UK and Canada and the President will make an announcement at 10 a. m. Washington time Dec. 10 concerning the future of the Combined Boards.⁵⁶ It is desired that

⁵⁶ Department of State *Bulletin*, December 16, 1945, p. 975.

before that time you transmit to Soviet Foreign Office the following note which has been approved by UK and Canada :

"The Soviet Govt will be aware that during the period of war emergency the Govts of the US, the UK and Canada have endeavored to secure the equitable distribution and allocation of foodstuffs, raw materials and manufactured products in short supply from their own sources and others to which they have had access through the medium of the Combined Food Board, the Combined Raw Materials Board and the Combined Production and Resources Board in Washington. Each of these Boards has set up a number of subcommittees concerned with particular commodities in short supply. Many countries with a major interest in the commodity concerned have been brought into close association with the work of these committees if their relationship with the Boards had not already been effected in some other way. Thus, for example, under the quadripartite Protocol⁵⁷ between the US, Soviet Union, UK and Canada any Soviet requests for supplies from sources within the purview of the Boards were sponsored before the Boards by the member country on which the request was placed.

It is the view of the three Govts that the Boards have performed an invaluable role in assembling facts, securing increased production and ensuring efficient distribution of commodities essential to the war-making capacity and civilian economy of the United Nations. With the termination of the war, however, the time has come to review the work of the Boards and to determine what part of their functions can be considered unnecessary or inappropriate in conditions of peace. The conclusion has been reached that the number of industrial commodities which remain in critical supply and which can be effectively allocated is not such as to justify the maintenance of the Combined Raw Materials Board and the Combined Production and Resources Board after Dec 31, 1945, on which date they will accordingly terminate. Difficult supply conditions still persist, however, in rubber, tin, coal, hides, skins and leather, and broad-woven cotton goods and cotton yarn. It is accordingly being proposed by the Boards to the subcommittees concerned with these commodities that they should continue to operate for such further period as may be necessary in the light of supply conditions. As from Jan 1, 1946, therefore, it is expected that these five committees will make themselves responsible for the continued allocation of such supplies of the commodities in question as are available to the associated Govts. For practical reasons, and in view of the temporary character of the arrangements, they will continue to conduct their business in Washington (and London in the case of the London Coal Committee). With the disappearance of the Boards, the responsibility for making procedural arrangements and for adding to their membership any countries which it may be desirable to associate with the arrangements

⁵⁷ The Fourth (Ottawa) Protocol, covering the period from July 1, 1944, to June 30, 1945, was signed on April 17, 1945, by the United States, United Kingdom, Canada, and the Soviet Union. For text, see Department of State, *Soviet Supply Protocols*, pp. 89-156. The announcement of the signature made in Ottawa on April 20, 1945, is printed in Department of State *Bulletin*, April 22, 1945, p. 723. For documentation on conclusion of wartime assistance from the United States for the Soviet Union, and consideration of a supplementary see vol. v, pp. 937ff.

by reason of their interest, whether as major producers or major consumers, in the commodities concerned, will naturally devolve upon the Committees themselves.

In the field of agricultural products there remain a much larger number of commodities in critical short supply. These comprise beans and peas, cereals, citric and tartaric acid, cocoa and spices, dairy products, essential oils, fats and oils, feedstuffs, fishery products, dried fruits, meat and meat products, rice, seeds, sugar, vitamins, tea and fertilizers. In view of the inter-relationship of many of these commodities, it has been thought impracticable to place the committees of the Combined Food Board concerned with them on an independent basis at this stage, and the three member countries have accordingly reached the conclusion that it will be in the interest of all concerned to prolong the life of the Combined Food Board for a further period. It is anticipated that the Board will be dissolved on June 30, 1946, or sooner if conditions permit. After its termination any food commodity committees which continue to be necessary for supply reasons will operate independently, as is proposed for the industrial material committees after Jan. 1. Meanwhile, however, the subcommittees of the Board, with which other countries are already associated as members, will continue the policy of enlarging their membership where this seems desirable.

The Govt of the US, by agreement with the Govts of the UK and Canada, has thought it appropriate to explain to the Govt of the Soviet Union in detail the arrangements proposed for the allocation after the end of 1945 of these particular commodities which remain in short supply. The three Govts would be glad to receive any observations which the Govt of the Soviet Union may wish to make in connection with the present communication and to be informed of any interest which the Govt of the Soviet Union may have in the work of these committees."

Please inform UK and Canadian representatives of the fact that you are transmitting this note on behalf of our three governments.

BYRNES

841.51/12-1445: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 14, 1945—5 p. m.

[Received 5:03 p. m.]

13127. Personal to the President, Acting Secretary Acheson and Assistant Secretary Clayton. In reading this message please see my 12988 of Dec 11 and my 13069 of Dec 13.⁵⁸ Also Emb's 13126 report on the debate.⁵⁹

⁵⁸ Neither printed; in these telegrams Ambassador Winant commented on the attitudes of the Labor and Conservative Parties regarding the agreements with the United States (841.51/12-1145, 12-1345).

⁵⁹ Telegram 13126, December 15, 5 p. m., from London, not printed; but for the debates of December 12 and 13, see *Parliamentary Debates*, House of Commons, 5th series, vol. 417, col. 421 and col. 641, respectively.

The debate last night in the Commons in support of the motion to accept the loan, the Bretton Woods Agreement and the proposal for an international trade organization had more vigor, positiveness and drive on the Labor side than any meeting since the new govt took office. The Conservative position of abstaining, while adopting a more critical attitude, on the ground that the govt should take full responsibility since they were not parties to the negotiations and not kept currently informed on the negotiations, I felt was political and weak. The Conservative leadership failed to keep over 70 members from voting against the resolution. Yesterday afternoon I sent the following letter to Mr. Churchill:

"In reading the record of yesterday's debate it seemed to me that there was an omission in the statement of facts on the Conservative side that could be misunderstood in the US.

Under lend-lease if you include exports from the US to the UK and services rendered the contribution under lend-lease totals to something over 20 billion dollars. The reverse lend-lease contributed by the UK totals to something under 5 billion dollars.

These figures have reference to lend-lease operations for the period which ended on the cancellation of lend-lease on V-J Day. During that period you were Prime Minister of England, Mr. Eden was Minister of Foreign Affairs, and Sir John Anderson was Chancellor of the Exchequer.

In the agreements which are being considered under the Govt's motion of approval are the loan, the Bretton Woods Agreement and the commercial policy proposals. There is, however, also included a final settlement of lend-lease accounts. No mention of this has up to this time been made by the Conservative ex-Ministers.

It is my opinion that not only the 'principles applying to mutual aid in the prosecution of the war against aggression' should be brought to the attention of the House of Commons but also the Lend-Lease Act passed by the Federal Congress which is binding upon the administration. This act also reflects American opinion.

Under section 3 of this act, paragraph (5) [sub]section (b), appears the following language:⁶⁰

'The terms and conditions upon which any such foreign govt receives any aid authorized under subsection (a) shall be those which the President deems satisfactory, and the benefit to the U[nited] S[tates] may be payment or repayment in kind or property or any other direct or indirect benefit which the President deems satisfactory: provided, however, that nothing in this paragraph shall be construed to authorize the President to assume or incur any obligations on the part of the U[nited] S[tates] with respect to post war economic policy, post war military policy, or any post war policy involving international relations except in accordance with established constitutional procedure.'

⁶⁰ Reference here is to section 3, subsection (b) of the Lend-Lease Act, March 11, 1941, 55 Stat. 32, as amended by the Act of May 17, 1944, 58 Stat. 223. Paragraph 5 was part of subsection (a) and its insertion here is an obvious error.

There was a writing off of 'those things that were consumed, lost or destroyed'⁶¹ and an acceptance of the obligations that 'in the final determination of the benefits to be provided to the U[nited] S[tates] of America. . . .⁶² the terms and conditions thereof shall be such as not to burden commerce between the two countries but to promote mutually advantageous economic relations between them and the betterment of world wide economic relations'. There is also a clause⁶³ in the master agreement between the US and the UK that 'the Govt of the U[nited] K[ingdom] will return to the U[nited] S[tates] of America at the end of the present emergency as determined by the President of the United States of America, such defense articles transferred under this agreement as shall not have been destroyed, lost or consumed, and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America'.

There is similar language in the act passed by the Congress.

Over and above reverse lend-lease, the obligations under article VII, and the stipulation to write off 'those things that were consumed, lost or destroyed' there was still the unsettled balance of several billions to be settled by mutual agreement.

The arrangements which are now before the House of Commons and under consideration under the resolution put forward by the Govt include the 'complete and final settlement' of lend-lease and reciprocal aid. The failure by ex-Ministers to recognize this concession by the

⁶¹ See article V of the Preliminary Agreement between the United States and the United Kingdom regarding principles applying to mutual aid in the prosecution of the war against aggression, signed at Washington, February 23, 1942; for text, see Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433.

The policy of writing off the cost of material consumed or used up in the war effort had long been the generally accepted unofficial policy of the U.S. Government, although not stated explicitly. In May 1945, the Secretary of State's Staff Committee approved a draft document (SC-110a) recommending that no direct financial payment be sought for lend-lease material used in the war effort, but that indirect benefits under article VII be sought (Lot 122, Boxes 13147 and 13148, Staff Committee Minutes, May 12 and 17, 1945). A subsequent version of this draft document, dated August 13, 1945, maintained the principle of not requesting direct payment for lend-lease supplies employed in the common war effort (*History of Lend Lease*, Part II, Chapter II, Exhibit 109, Tab 8e). President Truman's "Twentieth Report to Congress on Lend-Lease Operations," submitted August 30, cited on p. 113, broadly outlined U.S. policy in similar terms. Finally, the report, drafted November 2, 1945, of the U.S. Working Group on Capital Goods, Installations and Intangible Benefits in connection with the British lend-lease settlement stated its agreement with the British position, "that they have no obligation to make settlement for goods lost, destroyed, or consumed in the war." (*History of Lend Lease*, Part II, Chapter II, Exhibit 109, Tab 7d) This policy, upon which was based the British lend-lease settlement, was stated precisely in a letter from Secretary of State Byrnes to Senator James M. Mead, of New York, March 7, 1946, as follows: "First, the settlement did not establish any financial obligation on the part of either country for lend-lease or reciprocal aid goods which were lost, destroyed, or consumed during the war. Such goods and services were used to defeat our enemies, thus achieving the primary purpose of lend-lease and reciprocal aid. Neither country profits financially at the expense of the other as a result of such mutual action, since both were devoting maximum shares of their national output to war production . . ." For complete text, see p. 87 of report cited in footnote 26, p. 173.

⁶² Omission indicated in the original; this subquotation is from article VII of the Preliminary Agreement.

⁶³ Reference is to article V of the Preliminary Agreement.

US Govt, which is considerably greater than the total loan, does not give a fair picture of the general settlement.

You have always been the first to recognize the extent of the contribution made under lend-lease and reciprocal aid. I remember your reference to this act as 'the most unsordid act in human history'.⁶⁴ It is because I know that you would not knowingly ignore this large item on the credit side of the final settlement that I call this omission to your attention."

Neither Mr. Churchill nor any other Conservative ex-Minister mentioned the cancellation of lend-lease obligations. Mr. Bevin did use this material. Mr. Churchill, however, incorporated the following sentence in his statement:

"Whatever complaint we made about these present proposals and whatever misgivings and they are very serious, are aroused in our breasts by them the generosity and championship by the US of the cause of freedom will ever stand forth as a monument of human virtue and of future world hope."⁶⁵

He told me afterwards that he could not get agreement within his party to support the resolution, that he would have liked to have freed members and voted for the resolution himself but that he recognized the necessity of accepting the arrangements made and felt that by asking for abstention he would influence the action in the House of Lords in which there are only 25 Labor peers.

The vote was taken at 10:30 last night with 345 voting for and 98 against.

I spent an hour afterwards with Bevin discussing his Moscow trip. He left this morning by plane. I know he wants to work in complete cooperation with Secretary Byrnes.

WINANT

S41.51/12-1545

The Acting Secretary of State to the British Ambassador (Halifax)

WASHINGTON, January 11, 1946.

EXCELLENCY: I have the honor to acknowledge the receipt of your two notes of December 15, 1945⁶⁶ in which you place on record the position and intentions of your Government in respect of the application to the colonial dependencies of His Majesty's Government in the United Kingdom of sections 8 and 9 of the Financial Agreement between the United States and the United Kingdom signed on December 6, 1945. I also acknowledge the receipt of the list, transmitted with these notes, of the territories comprised in the term "Colonial dependencies", which appears in section 6(iii) of that Agreement.

⁶⁴ See *Parliamentary Debates*, House of Commons, 5th series, vol. 410, col. 76.

⁶⁵ *Parliamentary Debates*, House of Commons, 5th series, vol. 417, col. 718.

⁶⁶ Neither printed.

Sections 8 and 9 of the Agreement relate respectively to the relaxation and removal of exchange restrictions on trade and other current transactions and to the nondiscriminatory application of quantitative restrictions on imports. I am pleased to note that the Government of the United Kingdom will give full application to these principles in respect of the several dependencies in which it has the authority to do so, and, in the dependencies in which it has not such authority, will use every endeavor to persuade the competent authorities to comply with these principles.

With regard to the application of sections 8 and 9 of the Financial Agreement to the territories and possessions of the United States, the Secretary of the Treasury has undertaken to direct to you a letter setting forth appropriate assurances in this regard.⁶⁷

Accept [etc.]

DEAN ACHESON

841.50/1-1146 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 11, 1946—11 p. m.

[Received January 12—8:55 a. m.]

374. This is British Economic Reconstruction No. 2 in the series. Mytel 13186 of December 15 was No. 1.⁶⁸

1. There is much concern in Britain re ability of UK to meet all obligations resulting from the financial agreement with US. In this series of messages efforts will be made to analyse from time to time material which has direct or indirect bearing on the question and to follow developments in the views of UK economists and administrators. The difficulties of prediction should be recognized and in view of the dangers of spurious quantitative forecasts, discussion of the question in sections of next few messages will be largely qualitative.

2. Those concerned with economic side of international relations should recognize importance of non-economic aspects of the US-UK financial agreement. It will be noted from Embassy messages reporting press and Parliamentary views on the agreement that discussion of practicability of the agreement has been equalled and in some quarters overshadowed by discussion of its equity from the standpoint of contributions to a common war effort. In the year preceding the agreement we frequently had occasion to point out that the British people, from Cabinet Minister to man-in-the-street are

⁶⁷ On January 30, 1946, the Secretary of the Treasury informed the British Ambassador that the provisions of sections 8 and 9 would apply to all U.S. territories and possessions. Copy of note, not printed, obtained from the Department of the Treasury.

⁶⁸ Not printed.

convinced that the reason why UK came out of the war with unfavorable external financial position is that, apart from help from Dominions, she alone held off the enemy for more than a year, and in equity should be paid by rather than have to pay her creditors for this service. This feeling is strengthened by documentation from US prosecutors at Nuremberg to prove that Nazis plotted world domination before 1939.⁶⁹ Interest payments on the loan, small though they may be in proportion to national income, are felt to be the most inequitable feature of the agreement and if the agreement runs its course without alteration the annual payments will serve as an annual reminder for half a century of what is considered by the British to be an unjust outcome of the war, quite independently of UK economic capacity to meet the payments.

3. Since these views on non-economic aspects of agreement are shared by Labor Ministers and the Labor Party, it follows that Labor Government and vast majority of Labor MP's acted from economic motives in firmly steering the measure through Parliament. In art VII messages we pointed out that the fundamental position of Labor and Liberal Parties were more in accord with objectives of art VII than was position of Conservative Party even though under coalition there was sufficient support from Conservative left and center to enable coalition to support art VII. When the coalition broke up conservatives, who were no longer under necessity to give and take in relation to other parties but were anxious to emphasize their differences from them, were torn apart internally on art VII matters and the reactionary section gained ground.

4. That Labor rose to the occasion confirms the point that British Socialism and Trade Unionism the first from its beginnings and second through most of its history, are essentially international in outlook. Hyndman and Robert Blatchford⁷⁰ showed nationalistic tendencies in their times but their influence in this respect was never deep, since the international outlook is strongly rooted in rank and file of Labor. As regards trade matters this outlook may have appeared to some to be obscured at times by Labor's belief in planning on a national scale and by Labor attacks on the Liberal Party in period in which Labor fought its way to position of chief opposition party. Labor spokesmen, except Philip Snowden,⁷¹ were sparing in their advocacy of "free

⁶⁹ See *Trial of the Major War Criminals Before the International Military Tribunal* (Nuremberg, 1947-1949), *passim*; also *Nazi Conspiracy and Aggression* (Washington, Government Printing Office, 1946-1948), which is a collection of documentary and guide material prepared by U.S. and British prosecuting staffs for use in presentation before the International Military Tribunal, not all of which appears in the *Trial* records. Further documentation relating to the foreign policy of the Nazi regime is printed in *Documents on German Foreign Policy*, series C and D.

⁷⁰ Henry Mayers Hyndman and Robert Blatchford were prominent in the beginnings of the British Labor movement.

⁷¹ British Chancellor of the Exchequer, 1924, 1929-1931.

trade" because of its frequent association with the Liberal Party, with *laissez faire* and with exclusive private enterprise. Indeed, Labor's views on trade differ substantially from those of 19th and early 20th century advocates of free trade who linked it indissolubly with private enterprise.

5. But these differences must not be allowed to obscure the fact that, except in war or near war conditions, British Labor could not without reversal of its whole political convictions become the advocate of exclusive economic blocs, or of deliberate discriminations on nationalistic and imperialistic grounds. Nor could it take the initiative in erecting or raising barriers to economic intercourse with the workers of other lands. Recently Fleming, Cabinet Secretariat Economics, told Penrose that he thought the Labor Ministers whose antecedents were in Liberalism could be relied on to support article VII more than those whose antecedents were in Conservatism. But in fact no Minister was firmer during recent events than Cripps. Perhaps the central point is that Labor has a strong enough tradition of its own to absorb effectively persons of diverse antecedents. In any event it is clear that Labor's basic outlook and its political strength make it a more reliable instrument of UK cooperation in realizing the objectives of art VII taken as a whole than can be found in any other political party in UK.

6. Recent events confirm importance of Keynes' role in art VII matters. From the signing of art VII we have believed that Keynes' active support and participation were more important than those of any other single person in UK. This may be said in full awareness of the lapses in his views on international trade in 1933 and 1941 and his occasional irritability and arrogance—aggravated by ill-health—in argument and negotiation. These defects are more than offset by the power and range of his mind which always bring him back from a partial to a comprehensive viewpoint that places economic issues in a world and not a mere national setting. Other economists among the UK team are more tactful in negotiating an agreement: None commands one-tenth of Keynes' influence in gaining acceptancy of the agreement in Great Britain.

7. Thus acceptance of the US-UK agreements in UK is result of their economic merits in opening way for multilateral trade instead of barter and for economic cooperation instead of economic warfare, rather than from any special attachment to the CS [US?]. Britain has swung decisively from conservative to progressive courses and this change has benefited the forces in US striving for world economic cooperation and freer trade. But the progressive forces in UK look doubtfully at the US because they have little confidence that Congress and the US public will move in a progressive direction in economic

matters. They fear that the US public is swinging in opposite direction to UK public and putting its faith in outworn slogans of reliance on private enterprise and *laissez faire*, except when it suits vested interests to have Government intervention of a type that is usually against the interests of other countries. They probably exaggerate these tendencies and may be underestimating progressive forces in US but at moment they point to mutilation of Full Employment Bill, scrapping of controls, lack of provision for low cost housing, and frustration of attempts at extending Social Security. Hence at present in economic matters the US has little attraction for the predominant political and intellectual groups in Britain.

8. This attitude might, of course, change if distinctive American types of social measures could get through Congress. Of all New Deal measures the TVA ⁷² has the greatest appeal to progressive forces in UK. Here they feel was a great American achievement in social as well as technical organization that outdid anything that Europe could show in that field and from which Europe, including UK, could learn. Developments on similar lines in other parts of US would make a great impression here.

9. There are three points on which officials in Whitehall particularly fear that the purposes of the general US-UK agreement may be frustrated by US action or inaction. First, for reasons already given they fear that Congress has made or will make it impossible for the Administration to pursue a full employment policy. Second, they fear that shipping interests will induce Congress to pursue a [nationalist?] shipping policy out of harmony with the commercial policy proposals. Third, they stress the inconsistency of US tied loans with US policy against discriminations.

10. In the eyes of Whitehall and of others in UK divergencies on loan policy and anticipated divergencies on shipping policy weaken the force of American declarations on freer trade and nondiscrimination. It is considered that trade, transport and investment are so interconnected that inconsistency in international policies governing them would seriously hinder the expansion of international trade. In immediate future particularly in 1946 tied loans might possibly be represented as being offset by permissible methods of adjusting sterling balances. But as long term policy they could hardly be reconciled with freer international trade, with nondiscrimination or with pursuit of the best international division of labor.

11. The difference between the approach up to now to the question of international machinery on trade and that on shipping and inland transport policy may slow up the process of achieving consistency between trade and transport policies. The part played by subsidies

⁷² Tennessee Valley Authority.

in both fields, effects of subsidies in one field on the other, and effects of manipulation of transport rates on trade, seem to necessitate adequate machinery to achieve consistency.

[Here follows part 2 of this telegram which deals with the long-term plans of the British Labor Government.]

WINANT

REPRESENTATIONS BY THE UNITED STATES TO THE UNITED KINGDOM FOR SUPPORT IN OBTAINING OVERSEAS BASES

811.34553B/9-1945

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government have had under consideration the question of the withdrawal of the British forces which have been established in the Islands of Terceira and Fayal in accordance with the facilities granted under the Azores Agreement of 1943.⁷³ Unlike the agreement between the United States and Portuguese Governments relating to the island of Santa Maria,⁷⁴ which provides for a maximum period of nine months within which United States forces must be withdrawn, the Anglo-Portuguese Agreement lays down no time limit for the duration of the facilities granted to His Majesty's Government, but when the latter originally approached the Portuguese Government in 1943 an assurance was given that British forces would be withdrawn "at the end of hostilities". His Majesty's Government are now anxious to withdraw their forces as soon as practicable and they feel that in any case their occupation of the Islands should not be prolonged beyond a maximum of six months from the date of the end of the war, that is to say, from September 2nd, 1945. It is estimated that the process of withdrawal can in fact be completed within this period. His Majesty's Government intend, therefore, to inform the Portuguese Government accordingly, adding that they would hope thereafter to enjoy emergency and diversionary rights in the Azores.

2. In view of the share which the United States forces have had in the facilities accorded to His Majesty's Government by the Portuguese Government, and since it is understood that the United States

⁷³ For texts of the documents constituting agreements between the United Kingdom and Portugal concerning facilities in the Azores, signed at Lisbon, August 17, 1943, November 28, 1944, and May 30, 1946, see *British and Foreign State Papers*, 1946, vol 146, pp. 447-452.

⁷⁴ For documentation pertaining to efforts of the United States to obtain military privileges in the Azores, see *Foreign Relations*, 1944, vol. iv, pp. 1 ff. For texts of agreement and exchanges of notes, signed at Lisbon, November 28, 1944, see Department of State, *Treaties and Other International Acts Series No. 2338*, or United States *Treaties and Other International Agreements*, vol. 2 (pt. 2), pp. 2124 ff.

forces established in the Azores may be hoping to continue to enjoy the alternative facilities which they now possess on the island of Terceira for as long as they themselves remain established at Santa Maria (that is to say, possibly for as long as nine months after the end of hostilities, which would be three months after the latest date for the British withdrawal from Terceira) His Majesty's Government wish to inform the United States Government beforehand of their intention.

3. His Majesty's Government are anxious to make their communication to the Portuguese Government as soon as practicable, and as they assume that the above arrangements will be convenient to the United States Government, they would propose, unless they hear to the contrary, to send instructions to His Majesty's Ambassador at Lisbon ⁷⁵ at the end of the current month to approach the Portuguese Government.

4. The withdrawal of the British forces will of course involve the termination of British responsibility for the air-sea rescue service on the Azores, and His Majesty's Ambassador at Washington ⁷⁶ has been instructed to enquire whether the United States authorities will be able to take over this service. If so, His Majesty's Government would be glad to know the date on which the transfer could conveniently be effected.

WASHINGTON, September 19, 1945.

811.34553B/9-1945

Memorandum of Conversation, by the Chief of the Division of Western European Affairs (Culbertson)

[WASHINGTON,] September 26, 1945.

Participants: Mr. G. H. Middleton,⁷⁷ of the British Embassy
 Mr. Outerbridge Horsey, WE ⁷⁸
 Mr. Paul T. Culbertson, WE

We asked Mr. Middleton to come in this afternoon in order to discuss with him the British Embassy's memorandum of September 19, concerning the British proposal to withdraw their military personnel from the Portuguese islands of Terceira and Fayal. I told Mr. Middleton that we had not yet heard from our military authorities with regard to the disposition of American military personnel on these islands, the effect of the British withdrawal on American deployment from Europe and on how soon the sea rescue work could be taken over

⁷⁵ Sir Owen St. Clair O'Malley.

⁷⁶ Lord Halifax.

⁷⁷ George H. Middleton, First Secretary, British Embassy.

⁷⁸ Division of Western European Affairs.

by our forces. I stated further that we have under study at the present time plans with regard to the possible use of the Azores as a long term security base, possibly with the British and Portuguese, and possibly as a UNO⁷⁹ security base. I told Mr. Middleton that these plans were not yet definitely formulated and that we were not, therefore, in a position to discuss them with the British Government, and we, therefore, hoped that his Government could delay in informing the Portuguese of their plans until we had had an opportunity to talk to the British.

In response to his question I told him that I hoped we could have our plans formulated within the next two or three weeks, at which time we could talk to them.

Mr. Middleton said that he understood our position and would make inquiry of his Government.⁸⁰ He added that they were of course anxious to make gestures to the Portuguese, citing as a past difficulty the Australian attitude with regard to Portuguese reoccupation of Timor.⁸¹ Although the shoe did not seem to fit the example, I made no comment.

811.24500/11-645

The Department of State to the British Embassy

AIDE-MÉMOIRE

Mr. Byrnes⁸² spoke to Mr. Bevin⁸³ on one or two occasions while he was in London about the post-war military base program of the United States.

It will be recalled that the United States Government informed the British and Soviet Governments of its proposed approach to the Icelandic Government in regard to post-war bases before official negotiations were opened with Iceland.⁸⁴ At that time Mr. Bevin sent a letter to Mr. Byrnes⁸⁵ expressing the hope that no action would be taken indicating a lack of confidence in the United Nations Organization just at the time it was getting under way. Mr. Byrnes replied in

⁷⁹ United Nations Organization.

⁸⁰ A memorandum, not printed, of November 13, from the Chief of the Division of Western European Affairs (Culbertson) to the Director of the Office of European Affairs (Matthews), indicated that the British Government had decided to delay its approach to the Portuguese Government concerning the withdrawal of British troops (811.24553B/11-1545).

⁸¹ For documentation regarding Timor, see vol. v, pp. 452 ff.

⁸² James F. Byrnes, appointed Secretary of State on July 3, 1945, was in London for a meeting of the Council of Foreign Ministers, September 11-October 2, 1945; for documentation, see vol. II, pp. 99 ff.

⁸³ Ernest K. Bevin, British Secretary of State for Foreign Affairs.

⁸⁴ See bracketed note, vol. IV, p. 953.

⁸⁵ Not printed here.

a note⁸⁶ stating that far from regarding its action in Iceland as indicating lack of confidence in the United Nations Organization, the United States Government feels that its proposed action will reinforce and strengthen the Organization. The United States proposals to Iceland visualize that the bases operated by the United States in Iceland will be made available to the Security Council on its call if the Icelandic Government is agreeable to doing so.

Mr. Byrnes discussed briefly with Mr. Bevin the relationship between the United States post-war military base program and the question of a lend-lease settlement as well as the negotiations between the two countries looking to the opening of a credit for the United Kingdom Government.⁸⁷ At the time of the conversation with Mr. Bevin, he seemed to feel that he would prefer that there be no exact relationship established between these subjects.

Mr. Byrnes has visualized that in the course of the next few months there may well result a number of agreements between the United States and the United Kingdom Governments growing out of the present conversations. He attaches a very real importance to a satisfactory agreement between the United States and the United Kingdom Government in regard to post-war bases. He feels that negotiations looking to such an agreement should be undertaken at once. It would be agreeable to him to have no connection established between the lend-lease settlement and the financial talks and negotiations about bases, other than in the matter of timing.

The things which the United States Government wishes the British Government to do for the United States in connection with its post-war base program are as follows:

1. The United States Government desires an assurance that the British Government will support and assist the government of the United States in negotiations between the United States Government on the one hand and Iceland and Portugal on the other in regard to United States post-war base requirements in those countries. The United Kingdom has been informed in some detail in connection with the United States desiderata in Iceland. It is expected that the United Kingdom Government will be informed in detail in the next few days in regard to the rights which the United States Government desires to obtain in the Azores and Cape Verde islands.

2. There is enclosed a list of the places in territories administered by the United Kingdom, Australia or New Zealand where the United States Government wishes to obtain long-term military base rights.

⁸⁶ Not printed here.

⁸⁷ For documentation pertaining to financial discussions between the United States and the United Kingdom, see pp. 1 ff.

Included in this list are two places, one under a mandate administered by the Australian Government and the other under a mandate administered by the New Zealand Government. The United States Government has not yet informed the Australian and the New Zealand Governments of its desire to obtain base rights in these places and it requests that the British Government not inform those governments until the British Government has checked informally with the United States Government and has learned that the latter has informed Australia and New Zealand. Similarly, the French Government has not yet been informed about our desire to obtain base rights in Espiritu Santo and it is requested that the British Government not inform the French Government until the United States Government has itself taken up this question with the French Government. It will be observed that three of the places on this list, Canton Island, Funafuti and Christmas Island, are places over which sovereignty is claimed by both the United States and United Kingdom Governments, and which are also dealt with under numbered paragraph four of this *aide-mémoire*.

The British Government and the United States Government with the assistance of the Indian and Egyptian Governments established during the war a series of military airbases extending through North Africa, Egypt, and the Near East into India and Burma. In many cases such bases were created by enlargement of existing commercial air fields, and wholly or in part by construction financed by Reciprocal Aid. Contribution by the United States Government to such construction in Egypt, India and Burma, however, exceeded \$12,000,000. Construction in India appears to have been performed under local arrangements with the Indian Government under which the United States Government agreed to return the bases to the Indian Civil Aeronautics Authority or other appropriate office at varying periods after the close of hostilities.

The Government of the United States would like to have the British Government make mutually available to the military aircraft of the United States on similar terms, any continuing rights which the British Government is able to make permanent for use of such fields in transit and as emergency and refueling stations. The United States would similarly seek to make any such rights it obtains in this area available to the British Government. It is particularly suggested that the British and American Governments jointly enter into prompt negotiation with the Indian Government to secure its agreement to continued use by military planes of the United States and British Governments of the Dudhkundi and Barrackpore airports in the Calcutta area and the Karachi Airport at Karachi, while leaving the control of these airports in the Indian Government. Rights for landing, fueling, repair and if desired, the continuing right to retain, or later

station, up to 100 air force personnel of either government should be established.⁸⁸

Mr. Byrnes believes that the provision of the bases mentioned above will contribute materially to the effectiveness of the United Nations Organization in maintaining peace. It is anticipated that in drafting the contemplated agreements for furnishing military facilities to the Security Council of the United Nations Organization, these and other United States bases, along with existing and projected ones of all member nations, would be considered in determining the availability of bases for carrying out such enforcement measures as may be directed by the Security Council.

3. The British Government will recall that over a considerable number of years there has been correspondence between the governments of the United States and the United Kingdom in regard to territorial claims to Pacific islands. In a note dated August 16, 1939,⁸⁹ Secretary Hull⁹⁰ transmitted "a list of islands in the central Pacific which, in addition to islands in the Phoenix group, are claimed by the United States." Secretary Hull's note stated that "the American Government is prepared to discuss its claim and any British claim to each and every one of these islands with the British Government at any time convenient to the latter."

In an *aide-mémoire* dated June 8, 1940,⁹¹ the British Government expressed a willingness in principle to enter into discussions regarding the status of the islands specified in Secretary Hull's note. The British *aide-mémoire* suggested that the discussions be temporarily postponed because of the war. In a note dated August 10, 1940,⁹¹ Secretary Hull acquiesced in the postponement of discussions in regard to the status of these islands.

[4?] Mr. Byrnes believes that the present would be an appropriate time for the British and New Zealand Governments to sign an agreement with the United States under which those governments would withdraw their respective claims to these islands and would recognize the sovereignty of the United States over them. These islands, which

⁸⁸ At the time that he presented the list of bases to Lord Halifax, Secretary of State Byrnes emphasized the importance of the bases in India and indicated his desire that the British Government help to secure their retention for United States use. Lord Halifax demurred, suggesting instead that the United States negotiate with the Government of India concerning civil air rights and approach the Government of India for military base rights through the machinery of the United Nations. (740.00119 FEAC/10-2245) Subsequently, both civil and military air rights were negotiated bilaterally between the United States Government and the Government of India; no record has been found of British intercession on behalf of the United States on the subject of base negotiations in India.

⁸⁹ See *Foreign Relations*, 1939, vol. II, p. 317.

⁹⁰ Cordell Hull, Secretary of State, 1933-44.

⁹¹ Not printed.

have for many years been the subject of conflicting claims and correspondence, are the following:

Vostok	Penhryn (Tongareva)
Malden	Manahiki (Humphreys)
Starbuck	Rakananga (Rierson)
Caroline Island	Danger Islands (Puka Puka)
Flint	Nukufetau (De Peyster)
Christmas Island	Funafuti
Atafu	Nurakita (Sophia)
Nukunono	Nukulailai (Mitchell)
Fakaofu	

Phoenix Group

Canton Island
 Enderbury Island
 Phoenix Island
 Sydney Island
 Hull Island
 Gardner Island
 McKean Island
 Birnie Island

Secretary Byrnes hopes very much that the British and New Zealand Governments will be disposed to sign such an agreement without entering into a discussion of claims and counter-claims to each island. The strategic importance of these islands to United States defenses in the Pacific as exemplified in the course of the present war requires no comment. Such an agreement would, of course, contain a provision terminating the exchange of notes of April 6, 1939⁹³ between the United States and the United Kingdom Governments providing for a joint administration of Canton and Enderbury islands in the Phoenix group for a period of 50 years.

Mr. Byrnes hopes that the British Government will be prepared to enter into detailed discussions looking to agreements covering the above-mentioned topics at an early date. Both he and the President attach real importance to the early conclusion of such agreements.

WASHINGTON, November 6, 1945.

⁹³ *Foreign Relations*, 1939, vol. II, p. 313.

[Enclosure]

LIST OF PLACES IN TERRITORIES ADMINISTERED BY THE UNITED KINGDOM, AUSTRALIA OR NEW ZEALAND WHERE THE UNITED STATES GOVERNMENT WISHES TO OBTAIN LONG-TERM BASE RIGHTS

<i>Place</i>	<i>Sovereignty</i>	<i>Nature of Rights</i>	<i>Use</i>
Ascension Island	British	Joint*	Air
Canton Island	U.S.—British Joint Control	Exclusive†	Naval and air
Christmas Island	Disputed U.S.— British	Exclusive	Air
Espiritu Santo	French—British Condominium	Joint	Naval and air
Funafuti	Disputed U.S.— British	Exclusive	Naval and air
Guadalcanal— Tulagi	British	Joint	Naval and air
Manus	Australian Mandate	Joint	Naval and air
Tarawa	British	Joint	Naval and air
Upolu	New Zealand Mandate	Joint	Air
Viti Levu	British	Joint	Naval and air
Dudhkundi and Barrackpore Airports (near Calcutta).	India	Participating rights with British	Air
Karachi Airport	India	Participating rights with British	Air

811.34553B/11—1945

The Department of State to the British Embassy

AIDE-MÉMOIRE

In Mr. Byrnes' *aide-mémoire* of November 7 [6], Mr. Bevin's attention was drawn to the interest of the United States in acquiring long-term rights to operate military bases in the Azores and Cape

*The long-term right for the United States to use as a military base jointly with the government exercising sovereignty. [Footnote in the original.]

†The long-term right for the United States to use as a military base under the exclusive control of the United States. [Footnote in the original.]

Verde Islands, as a part of the United States Government's post-war military base program. In that *aide-mémoire* Mr. Byrnes stated that the United States Government desires an assurance that the British Government will support and assist the Government of the United States in negotiations with Portugal looking to the acquisition of such rights. He added that he would inform the United Kingdom Government in detail in regard to the rights which the United States Government desires to obtain in those Portuguese islands.

The United States Joint Chiefs of Staff have now given Mr. Byrnes a statement of the rights which they desire the United States Government to obtain in the Azores and the Cape Verde Islands, which are described in the following paragraphs.

It should be pointed out that the United States Chiefs of Staff attach the highest importance to the acquisition by the United States of rights to operate on a long-term basis air and naval facilities in the Azores. The United States Government built and equipped, at its own expense, the airfields at Santa Maria and Lagens. The cost of the United States installations at Santa Maria was thirteen million dollars; at Lagens the United States expenditures were twelve and a half million dollars.

There are no existing United States installations in the Cape Verde Islands. It is doubtful if the United States Government will find it necessary to develop facilities in those Islands or to station military personnel there within the immediate future, except possibly a small party for a limited period of time to survey the Islands. The United States Chiefs of Staff have requested, however, that negotiations be undertaken with the Portuguese Government for rights to install and operate bases there at such sites as may from time to time be mutually agreed upon, if the United States Government decides that the construction of bases in the Cape Verde Islands is necessary.

As regards the Azores, the United States Joint Chiefs of Staff have requested that Mr. Byrnes negotiate an agreement with the Portuguese Government, giving the United States long-term rights jointly with the Republic of Portugal:

1. To defend the Azores, and to establish, utilize and maintain military bases therein.

2. To occupy, maintain, improve, operate and control military bases at

- a. Santa Maria (air base)

- b. Lagens, Terceira (air base)

- c. Such other sites as may be agreed upon with the Portuguese Government.

3. To install, maintain, and operate at locations to be mutually agreed upon port and naval anchorage facilities and facilities for defense to include warning systems, weather reporting, communication, and aids to navigation.

4. To operate military craft, including aircraft, vessels and vehicles into, through, over and away from the territory of the Azores without restriction except as mutually agreed.

5. Such other facilities and privileges as may be mutually agreed upon in order to give the necessary implementation of the foregoing desired rights.

The United States Joint Chiefs of Staff point out that they consider that it is essential to have alternative airfields in the Azores; that weather studies show that both Santa Maria and Lagens airfields can be expected to be closed simultaneously only six percent of the time in the course of a year, and that these considerations necessitate United States rights on both airfields. The United States, therefore, has an immediate requirement for Santa Maria as a main air base and Lagens as a satellite airfield and naval air station, together with the use of the necessary port facilities and an anchorage area in the Islands.

The proposals which the United States Government contemplates making to the Portuguese Government envisage an agreement providing for joint United States-Portuguese operation of the bases, giving full recognition to the sovereignty and independence of Portugal. The proposals will provide for the possibility that, if and when Portugal becomes a member of the United Nations organization, Portugal may wish to make available to the Security Council on its call some or all of the military facilities resulting from the agreement between Portugal and the United States. Recognizing the importance of the Azores to trans-Atlantic commercial air service, the proposals which will be made to the Portuguese Government will provide that the use and facilities of the airfields may be extended to civil aviation on a most-favored-nation and non-discriminatory basis.

The rights in the Cape Verde Islands, which the United States Joint Chiefs of Staff have requested Mr. Byrnes to obtain, are in general similar to those described in the foregoing paragraphs in the Azores.

Mr. Byrnes wishes to point out that the United States Government feels that its proposed action in the Azores and the Cape Verde Islands will reinforce and strengthen the effectiveness of the United Nations Organization in maintaining peace. He repeats, that the United States' proposals visualize that its proposed bases in these Islands will be made available to the Security Council on its call, if the Portuguese Government is agreeable to doing so. Thus, it is anticipated that in drafting the contemplated agreements for furnishing military facilities to the Security Council these and other United States bases, along with existing and projected bases of other member states, would be considered in determining the availability of bases for carrying out such enforcement measures as may be directed by the Security Council.

The United States has not yet informed the Portuguese Government of its desire to institute negotiations for base rights in the Azores and Cape Verde Islands. Mr. Byrnes is anxious to approach the Portuguese Government on the subject at an early date. Mr. Byrnes hopes that the United Kingdom Government will take special precautions to prevent any information in regard to this matter reaching the Portuguese Government, pending an approach to that Government by the United States Government.

WASHINGTON, November 19, 1945.

811.24500/11-1945

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 19, 1945.

Lord Halifax left with the Secretary a memorandum containing a message from Mr. Bevin to the Secretary⁹⁴ asking clarification of certain points in the American note on bases.

With regard to the disputed places, the Secretary told Lord Halifax the United States does not believe these places to be of particular value but in as much as the United States has built military installations on them during the war, he thinks it would look good for the entire negotiations if the asserted claim were settled. It would create the impression that the British, having a claim, have denounced it in favor of the United States.

Lord Halifax said Mr. Bevin had mentioned another matter which he had not included in the note—Mr. Bevin is concerned over difficulties that will arise if New Zealand and Australia are not consulted about these bases. He wants to be at liberty to mention to them what is involved and what is being discussed.

The Secretary agreed that they should be consulted and wondered if it would be better for the US to approach them. Lord Halifax thought it might be and said he would communicate with Mr. Bevin to ascertain his views on this.

[Annex]

The British Ambassador (Halifax) to the Secretary of State

MESSAGE FOR THE SECRETARY OF STATE FROM MR. BEVIN DATED
NOVEMBER 15TH

I am glad to have received from Mr. Byrnes total claims which the United States Government is making on us but it is obvious that.

⁹⁴ Printed as an annex to this memorandum.

this raises a very difficult problem to decide and while you in your telegram said it was for me alone it was obvious that I could not deal with it without advice. I therefore privately consulted Chiefs of Staff and asked them to look into it from military angle.

Meanwhile pending their report there are certain points upon which perhaps Mr. Byrnes can help to clarify my mind.

The first—and this rather attracts me—is proposal to deal with a number or all of these places jointly. To what extent would Mr. Byrnes be willing to reciprocate by allowing a wider area of joint use over some of the already United States owned bases, for instance Manila? ⁹⁵ It would go better with the British people if it were felt that this was a mutual arrangement.

The next thing is, how much is wanted for military purposes and how much for civil aviation, because it seems to me that a number of these places have no military value at all. Obviously if a commercial proposition is involved, the question will have to be dealt with on two different grounds.

The next thing is, Mr. Byrnes has told me what bases he wants in our own territory and as regards support by us in Iceland and in Portuguese territory. Does he want anything from other countries such as France or Holland?

With regard to the Azores this raises separate problems on which I will telegraph later.

With regard to India, it is virtually a sovereign state in all these matters and I really could not handle India in the way suggested.

As to the disputed places mentioned in paragraph 3 of Mr. Byrnes' *aide-mémoire*, I am having this question examined, but could you tell me what is at the back of Mr. Byrnes' mind? Are the United States Government thinking of establishing military bases in them (and if so, under United Nations system) or what is special value attached to them by the United States, e.g. is civil aviation at the bottom of it?

Now I come to the real crucial point. As far as joint bases are concerned in British territory is it really necessary to formalise the existing arrangements in advance of international system of security under United Nations charter? ⁹⁶ I cannot see that there is any conflict with United Nations or with Russia so long as in the event of aggression the joint base would be open for use by the Security Council. Surely what we want to do is at the right moment to formalise the existing United States position in British territories in question, as joint users of the bases, in the United Kingdom's "special agreement" with the Security Council under Article 43 of

⁹⁵ For documentation regarding a preliminary understanding with the Philippine Commonwealth for acquisition by the United States of military and naval bases in the Philippines, see pp. 1203 ff.

⁹⁶ For text of the United Nations Charter, signed June 26, 1945, see Department of State Treaty Series No. 993, or 59 Stat. (pt. 2) 1031.

the Charter. I am concerned at the risk of harming United Nations Organisation (and of giving the Russians serious ground for complaint) by attempting to formalise the existing arrangements in advance and appearing to face them with a *fait accompli*. The same applies to the arrangements about the future of the disputed Pacific Islands. I have made a declaration in the House that all my policy must square with the obligations we have entered into, and this preliminary series of dealings about bases and territories will look to the world like sharp practice and I do not want my foreign policy to be guilty of that. Therefore it would mean careful study.

There are two places which are mandated territories. Can we fortify mandated territories without the organisation which is taking the place of the League of Nations? That is another worry.

Finally, when I have had the thing studied in all its aspects I will communicate with you again, but although I have entered into what looks like criticism, again let me thank Mr. Byrnes for being so helpful and letting us see the picture as a whole. If he does not mind my putting a few daubs of paint on it from our angle, so as to make it a better picture I will be glad.

811.24553B/11-2945

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 29, 1945.

Lord Halifax called, at his request, to see the Secretary.

Lord Halifax handed to the Secretary an *Aide-Mémoire*⁹⁷ about the Azores and Cape Verde Islands.

The Secretary told the Ambassador Secretary Vinson⁹⁸ had inquired today about the base negotiations, in connection with the financial discussions which have been going on since September 10, and I told him we had no definite statement about bases.

Lord Halifax read to the Secretary a message⁹⁹ he had received from Mr. Bevin regarding the bad effect on world peace of considering the Azores as a military base. Mr. Bevin suggests that his Government approach the Portuguese with the proposal that the Azores be made a "free-for-all civil aviation station, and that in the event of war it would be available to the Security Council". Portugal should retain sovereignty and agreement to equip the Islands should be between Great Britain, the U. S., Canada and Brazil.

Lord Halifax explained that Bevin's general thought is that he doesn't want to be left out of the Azores, that it would be much better

⁹⁷ *Infra*.

⁹⁸ Fred M. Vinson, Secretary of the Treasury.

⁹⁹ Annex to this memorandum.

for him to approach Salazar,¹ and he does not see the same urgency of forestalling Russia in the Azores as the Secretary saw in Iceland.

The Secretary said he would consider the messages left with him.

[Annex]

The British Ambassador (Halifax) to the Secretary of State

MESSAGE FROM MR. BEVIN DATED NOVEMBER 27TH, 1945

I have given considerable thought to the question of the Azores. I think it bad in the interests of world peace to talk about the Azores and Cape Verde being military bases. Everybody recognises that the Azores are a great air communications station, and would it not be better if they were treated as such? Should this view be accepted by the United States it would be preferable that as a result of our treaty arrangements, His Majesty's Government should approach Salazar and induce him to make the proposal that the Azores should be treated as a free-for-all civil aviation station but that the agreement to equip the station should be between Portugal, who would retain sovereignty, Brazil, (which would bring in South America and please Portugal) the United States, Canada and His Majesty's Government. In the unlikely event of war, if the station were supplied with meteorological equipment and His Majesty's Government had again to use it for warlike purposes it would be very easily convertible; and there could be a declaration that in the event of war it would be available to the Security Council. But in my view it would give great satisfaction in Great Britain and in many other countries in the world if His Majesty's Government talked less of bases and more of development along the above lines, and I would like you to approach Mr. Byrnes with this rather bigger view.

811.24553B/11-2945

The British Embassy to the Department of State

AIDE-MÉMOIRE

Mr. Byrnes' Top Secret *Aide-Mémoire* of the 19th November set out a statement by the United States Joint Chiefs of Staff of the rights which they desired the United States Government to obtain in the Azores and Cape Verde Islands for the operation of military bases in those Islands.

2. Mr. Bevin wishes to thank Mr. Byrnes for this information and to explain that, owing to the special problems which it presents, he

¹ Antonio de Oliveira Salazar, Prime Minister of Portugal.

thinks it would be best if the question of bases in the Azores and Cape Verde Islands were dealt with as a separate matter, apart from the other questions of bases which the United States Government have raised with His Majesty's Government.

3. Mr. Bevin feels sure that Mr. Byrnes will understand that before he can express any opinion on the proposals set out in the *Aide-Mémoire* of November 19th, Mr. Bevin must consult the British Chiefs of Staff and His Majesty's Ambassador at Lisbon. Mr. Byrnes can be assured, however, that in consulting the latter Mr. Bevin will only inform him of the proposals regarding Portuguese territory and not of the wider United States plans.

4. Mr. Byrnes will also appreciate that His Majesty's Government will have to give serious consideration to the effect of the United States proposals on the Anglo-Portuguese alliance and the responsibilities which devolve on the United Kingdom therefrom. Consideration must also be given to the situation which might arise if the United States were neutral in a war in which Great Britain was engaged.

5. Before, however, Mr. Bevin can proceed to consult the British Chiefs of Staff, he would be glad for some clarification from the United States Government on the following points:

(a) Are these bases in the Azores and Cape Verde Islands the only bases which the United States Government are seeking in that part of the Eastern Atlantic? Or are they also contemplating establishing bases at Dakar or elsewhere in French Colonial territory, or in Liberia, etc.?

(b) In earlier conversations² arising out of the desire of His Majesty's Government to withdraw their forces from the Azores at the earliest possible moment, the United States Government had spoken of their desire to establish bases in the Azores either under tripartite Anglo-United States-Portuguese control or under the Security Council of the United Nations Organisation. The present proposals, however, seem to contemplate both in the Azores and Cape Verde Islands a predominantly United States base under joint United States-Portuguese control in which His Majesty's Government would have no part. In conversations with Mr. Freeman Matthews³ it was made clear that in the event of it being decided to proceed with plans for a base on a short-term lease pending the entry into force of the World Security Organisation, His Majesty's Government would wish to participate. It was subsequently suggested that the possibility of Brazilian participation should be carefully considered.

As regards the question of British participation, quite apart from His Majesty's Government's vital interest in this part of the world from the strategic angle, their long-standing and intimate connection with Portugal makes it politically essential from their point of view that, if any base is to be set up in the Azores and the Cape Verde

² See p. 205.

³ Director of the Office of European Affairs.

Islands before the coming into force of the World Security Organisation, His Majesty's Government should participate in it as an equal partner. Furthermore, in view of the previous attitude of the Portuguese Government over the negotiations for the establishment of war-time bases in the Azores, His Majesty's Government cannot help feeling that if the United States Government were to press for a base with which His Majesty's Government were not actively associated, they might well meet with a refusal from Portugal.

As regards the participation of Brazil, His Majesty's Government believe that this would be likely to make the project considerably more acceptable to Portugal, more particularly if the Portuguese Government were allowed to take the initiative in approaching the Brazilians.

(c) What action does the United States Government contemplate taking vis-à-vis the French Government in respect of their Cape Verde Islands proposals? These Islands are not far from Dakar and, apart from their general interest in the security arrangements for that part of the Eastern Atlantic, the French Government would, presumably, be particularly interested in any arrangements for the establishment of bases in the Cape Verde Islands. To ignore this interest might have embarrassing consequences.

6. Apart, however, from the foregoing considerations, His Majesty's Government feel strongly that it would be wiser not to proceed with any plans for the establishment of bases in the Azores or the Cape Verde Islands now, but to await the coming into force of the World Security System, and the entry of Portugal into the United Nations Organisation. Apart from the obvious objections in principle to doing anything which might be regarded as implying a lack of confidence in the United Nations Organisation or which might encourage the U.S.S.R. to take unilateral action in respect of bases they desire, there would not seem to be any necessity from the military point of view for establishing bases in these Portuguese Islands in the immediate future. Nor is there the same need, as there is in the case of Iceland, to forestall the Russians. Furthermore, it is believed that the chances of Portugal agreeing to the setting up of a base in Portuguese territory would be very greatly increased if these bases were to form part of the general World Security System and if the Portuguese action could be represented as a valuable contribution from Portugal to international security. Mr. Bevin wishes therefore to represent to Mr. Byrnes the advantages of pursuing this matter on that basis.

If, however, the United States Government feel obliged to press on with the matter now, His Majesty's Government will, of course, be very ready to consider to what extent they can assist. They would first, however, be glad to know the answers to the three points set out

in paragraph 5 above. Mr. Bevin would also be grateful for assurances that,

(i) the bases were being sought on a purely short-term basis pending the coming into force of the World Security Organisation,

(ii) His Majesty's Government would be associated in both projects as an equal partner,

(iii) The United States Government would coordinate their representations to the Portuguese Government very closely with His Majesty's Government.

8. Mr. Bevin hopes that the United States Government will not make any approach to the Portuguese Government until agreement has been reached between the United States Government and His Majesty's Government as to the best method of proceeding. Mr. Byrnes will appreciate that, if approached unilaterally by the United States Government, the Portuguese Government might well consult His Majesty's Government and make some appeal to the Anglo-Portuguese alliance, which would place His Majesty's Government in a highly embarrassing position.

9. Finally, Mr. Bevin desires to remind Mr. Byrnes that, at the request of the State Department, His Majesty's Government some weeks ago postponed a communication they were about to make to the Portuguese Government notifying them of the date on which the British forces would evacuate the present British base in the Azores. The Portuguese Government had already, a little time before, been informed that His Majesty's Government were giving consideration to this matter and would shortly be making a further communication to them on the subject. The delay in making the further communication is becoming increasingly embarrassing. Furthermore, the delay is also embarrassing to the British Service authorities who are anxious to start making their plans for evacuating the base and cannot do so until the date has been agreed upon with the Portuguese Government.

WASHINGTON, November 29, 1945.

811.34553B/12-1045

*The Secretary of State to the British Secretary of State for Foreign Affairs (Bevin)*⁴

I have given careful consideration to your personal message to me of November 27 and to the *aide-mémoire* of November 29 in regard to the Azores and the Cape Verde Islands. I am grateful for your assurance that your Government is ready to consider to what extent

⁴ This message was sent to the British Ambassador on December 10 for transmission to Mr. Bevin.

it can be of assistance to us in this matter. For my part I should like to assure you in turn that the United States Government will not make an approach to the Portuguese Government until there has been full discussion between you and me as to the best method of proceeding.

As you know, our military people are using the field at Santa Maria in our redeployment program and it will be necessary for us to continue to operate the field as a military airport for a good many months in bringing our soldiers home. In my earlier message I informed you that our military people feel strongly that it is necessary that both the field at Santa Maria and the field at Lagens be operated so that one will be available when the other is unusable for weather reasons. Our Chiefs of Staff, therefore, feel that if your Government finds it necessary to move out of Lagens that arrangements would be made for our Air Transport Command to take over the operation of this field for continued use in our redeployment program.

In the circumstances, would it not be a good idea for your Government to continue to operate the field at Lagens for the frank purpose of assisting the United States in its redeployment program? It seems to me that it would be preferable that you do this rather than that we have to take over the operation of the field for this purpose.

The idea of emphasizing the Azores as a great civil air communications center set forth in your message of November 27 appeals to me. I do not, however, feel that it would be desirable to bring Brazil or Canada into this situation. They are not parties to present agreements and the advantages of bringing them in would, I think, be offset by irritation in France and perhaps in USSR and other countries over their being left out.

What would you think of an approach to the Azores problem along the following lines: The United States would open negotiations with the Portuguese Government for an agreement under which the United States would assist Portugal in maintaining and operating a civil airfield at Santa Maria. It is clear that Portugal is not now in a position to take over the operation of this field. It should be operated as a great civil airport with transit and technical stop rights for civilian planes open to everybody. The agreement would provide that it either be operated by the United States on behalf of Portugal or that there be a Joint United States-Portuguese Commission to operate it.

The United States agreement in regard to Santa Maria, while emphasizing the operation of the airport for civil purposes, would provide that the United States should have the right to land military planes there and that in an emergency the field would be made available to the Security Council on its call. In the event it became

necessary to use the field for military aviation purposes the United States would assist Portugal in providing the necessary collateral facilities necessary there in operating and defending the field.

The United Kingdom Government would approach the Portuguese and negotiate an agreement along similar lines for the joint United Kingdom-Portuguese operation of the field at Lagens. Our people would probably like an understanding or an agreement to the effect that if you do not exercise your option of operating the field at Lagens the United States should have the right to replace the United Kingdom in the joint operation of this field with Portugal. If you wish, our ⁵ there could be a parallel provision giving you the right to operate Santa Maria if we should elect not to do so.

Our agreement with Portugal would provide that our military planes should have the right to make collateral use of Lagens and your agreement would provide that your military planes have the right to make collateral use of Santa Maria, each of us mutually to recognize such rights.

While this procedure has not had full discussion here, I am willing to give it full support if it meets the difficulties you have mentioned and if you will support us in a vigorous presentation of the plan to the Portuguese Government. We could then consider future installations in the Cape Verdes, with the ice broken and this more important negotiation behind us.

WASHINGTON, December 10, 1945.

811.34553B/12-1045

*The Secretary of State to the British Secretary of State for Foreign Affairs (Bevin)*⁶

Your messages of November 15th⁷ and of November 27th⁸—the latter accompanied by *aide-mémoire*, indicate that you intend to make further reply to mine of November 7th [6th] and 19th after consultation with your advisers. Since, however, you request additional information from me, and because the subject is for several reasons somewhat urgent, I attempt now to furnish you with the added information which you require and which I hope will enable you to assist us in this procedure which I first mentioned to you in London.

Let me say at once that I agree with much of the thought contained in your personal message of the 27th November and will send you

⁵ Presumably the word "our" should be omitted here. The original indicates that an erasure was made prior to final agreement on this sentence, and it is most likely that the word "our" was not erased through oversight.

⁶ This message was sent to the British Ambassador on December 10 for transmission to Mr. Bevin.

⁷ *Ante*, p. 214.

⁸ *Ante*, p. 217.

further reply in respect to the Portuguese negotiations. However, I am convinced that in the case of nearly all of these bases, including those in Iceland and the Azores, it will be far easier for the United States and the British Government unilaterally or jointly to continue in being the bases, and the rights to them, which were established by them during the war and to join the governments having sovereignty in turning them over to the United Nations Organization, as established, going, concerns, than it will be to bring about with the nations concerned, common consent to appropriate locations, renegotiate contracts, and provide for the hundreds of details and thousands of procedural questions that will arise if the United Nations Security Organization seeks to create and organize these facilities afresh. Without pessimism, I submit that our experience justifies this conclusion. I feel that to hold bases against the completion of the United Nations Organization will inspire and continue faith that it will come into being as an effective organization, and that to abandon bases will detract from such faith.

It is precisely because of the early date of expiration of existing agreements, and the irritation likely to arise as to the precise date of expiration of many of them, that I feel your help will be greatly appreciated here while we seek approval of the various agreements under consideration between our governments.

In most of these cases except those to which the traditional position of the United States attaches for western hemispheric reasons, the United States will, I am sure, welcome participation by the British Government in the rights and duties to be performed as trustee for the future United Nations Organization, and if I failed to stress this before, it has been because you advised me orally that the task might be a heavy one for the British Government during the next year or two.

Specifically we would have no objection to negotiations by the British Government with the Government of the Philippine Islands to rights at the Manila base similar to those which we expect to obtain, but I think that future reflection might cause you to question the procedure.

As respects the disputed islands in the Pacific, there is a definite program to maintain military bases on three of them, and no definite program now for the improvement of others as commercial air fields. The idea is rather now to settle amicably a dispute and provide this country with added assurance of cooperation by your Government at a time when we seek to extend cooperation to your Government.

As regards requests by the United States for base rights from other countries in Europe and Africa, we are frankly uncertain whether to make them. While there have been suggestions to that

end by the military, it is likely that procedure in respect to such requests will depend to an extent on whether or not the program set forth in my memorandum of November 7th [6th] is realized. We have made no such requests of which you are not apprised.

If with these assurances you are willing to assist us with respect to the Portuguese negotiations, and to consider details of long-term leases on those bases of the list sent you with my note of November 7th [6th] which are under the control of the British Government, I will be pleased to propose agreements, send one or more representatives to England, or take any other steps deemed suitable by you to expedite serious consideration of the program, for there are perhaps some reasons why it would be better to conclude the Portuguese negotiations ahead of those with Iceland.

WASHINGTON, December 10, 1945.

DISCUSSIONS LEADING TO AN INTERIM ARRANGEMENT ON COMMERCIAL AIR SERVICES BETWEEN THE UNITED STATES AND THE UNITED KINGDOM^o

S41.796/10-2045 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 20, 1945—4 p. m.
[Received October 20—1:25 p. m.]

11008. Copy of letter of October 6 from Hildred to Satterthwaite is en route by despatch¹⁰ but following is its substance in belief that despatch has not yet reached Department.

Begin substance. Great Britain has just emerged from desperate conflict to which all its national resources have been devoted for 6 years. It is seeking to restore its national organizations, including civil aviation organization, to peace-time footing but this takes time. Transition from military to civil control is incomplete and Air Navigation (Restriction in Time of War) Order is still in force. RAF (Royal Air Force) has not yet been able to release airdromes needed for civil flying.

In circumstances Britain cannot yet permit civil air services to be operated here on full commercial basis. British Government has reluctantly advised Swedes, Swiss and other Europeans that only "courier" services could at present be authorized, namely services established primarily for national purposes and limited to frequencies

^o For related documentation, see *Foreign Relations, 1944*, vol. II, pp. 355 ff.; *ibid.*, 1945, vol. II, pp. 1455 ff.; *ibid.*, vol. VIII, pp. 64 ff.; *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945*, vol. I, pp. 181-182, 821-823, and *ibid.*, vol. II, pp. 1188-1191.

¹⁰ An undated copy of this letter from Sir William Hildred, Director General of Civil Aviation, British Ministry of Aviation, to Livingston Satterthwaite, Civil Air Attaché in the United Kingdom, was enclosed with despatch 26123, October 17, 1945, from London.

necessary for such purposes but allowed to utilize vacant space after priority requirements have been met for commercial traffic. This is also position of BOAC's (British Overseas Airways Corporation) operations and similar to ATC (Air Transport Command) operations.

British Government will be ready to issue permits for civil services on basis of limited frequencies to be specified. It would appreciate information as to what frequencies we consider necessary for governmental purposes.

Such an interim arrangement would be superseded as soon as conditions permitted by normal peace-time arrangements which would provide for operation of ordinary commercial services in accordance with terms of inter-governmental agreement which it is hoped would be settled in the meantime, replacing pre-war exchange of notes concerning limited reciprocal facilities for Pan American and Imperial Airways.¹¹

Remainder of letter concerns airports.

Following substance of further letter of October 18 from Hildred to Satterthwaite.

Begin substance. Hildred had advised Ambassador and Satterthwaite orally that American companies were welcome to start provisional operations in order to try out their equipment and British Government would not wish to hold them up pending conclusion of satisfactory bilateral agreement. He had not been able in talking to US operators to specify any particular frequency. He believed that both operators would require some weeks before they would be able to operate more than one or two services weekly. He refers to Satterthwaite's question as to whether Pan American could enter UK during next few weeks at rate in excess of twice weekly frequency specified in pre-war agreement. Wartime agreements,¹² to which Satterthwaite had referred, were held by Hildred to be purely wartime agreements and in no way appropriate now that war is over.

Hildred refers to his letter of October 6 to which he had received no reply, particularly to his statement that the British Government would be "quite ready to issue permits for your civil services on the basis of limited frequencies to be specified." He asks for our views on provisional frequencies and expresses confidence no difficulty will be encountered. He states that he obviously cannot say "come as often as you like" and expresses belief that wartime permits did not mention entry into the UK. He expresses preference for dealing on basis of frequencies our Government requests rather than dealing piecemeal with operators.

GALLMAN

¹¹ British notes dated March 4 and March 30, 1937, and reply by Secretary of State, April 20, 1937, none printed. For prior documentation pertaining to the exchange of notes, see *Foreign Relations*, 1936, vol. 1, pp. 720 ff.

¹² On August 23, 1944, the British Foreign Office transmitted to the American Embassy in London a note along with permits to Pan American and American Export Airlines authorizing both companies to operate, in connection with the war effort, flights into the United Kingdom. The number of flights was not specified, but the United Kingdom was to be informed in advance concerning frequency. (811.79640/9-744). The United States signified its acceptance of this arrangement on September 20, 1944 (811.79640/9-1944). As a result, Pan American was operating, in addition to its two weekly flights under the 1937 agreement, three additional flights, while American, with no prewar permit, was operating three flights under the 1944 arrangement.

811.79641/10-2045: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 20, 1945—4 p. m.

[Received October 20—2: 50 p. m.]

11009. Gallop of Foreign Office and Cribbett, Deputy Director General of Civil Aviation, asked us to call this morning and expressed serious concern over Panam's (Pan American Airline) recently announced trans-Atlantic rate.¹³ Cribbett expressed belief that no company could operate profitably at this rate and that Trippe¹⁴ was determined to use Panam's substantial reserves to force both his American and British competitors out of trans-Atlantic run. He read telegram from Masefield¹⁵ to indicate that other American operators and Department were also seriously concerned over Panam's rate. He stated that British Govt was urgently seeking means of dealing with this problem.

His proposal, which was made only orally, was that United States Govt agree to denunciation of 1937 exchange of notes. He stated that 1937 agreement would be superseded, without interruption of services, by interim arrangement which would provide frequencies of five weekly for Panam and three for Export. It would also provide for agreement on rates (repeat agreement on rates). He also expressed willingness to proceed as quickly as possible in negotiating permanent agreement. He and Gallop both expressed British Govt's reluctance to denounce 1937 agreement unilaterally and strong hope that we would be sufficiently disturbed by Panam's rate either to join in denouncing agreement or publicly to acquiesce in British denunciation. We did not comment other than to express opinion that unilateral British denunciation would have regrettable effect on American public opinion. They indicated that no action was contemplated to prevent Panam inaugurating service next week but they hoped steps could be taken and announced before end of next week. Your urgent instructions will be appreciated. In this connection, see our 11008, October 20, 4 p. m.

Cribbett remarked incidentally that while the Government was publicly committed to stating its aviation policy on November 1,¹⁶ no agreement within Cabinet on aviation policy was in sight.

GALLMAN

¹³ Pan American Airways, Inc., had announced intention to fix its New York-London rate at \$275.

¹⁴ Juan T. Trippe, President of Pan American Airways, Inc.

¹⁵ Peter Masefield, Civil Air Attaché, British Embassy.

¹⁶ For text of statement on that date by Lord Winster, British Minister of Civil Aviation, see *Parliamentary Debates*, House of Lords, 5th series, vol. 137, col. 623.

811.79640/10-2545 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 25, 1945—1 p. m.

9417. Your 11008 and 11009 Oct. 20. The Dept relying on statements reported your 9596 Sept 18¹⁷ has gone on assumption that for time being there would be no limitation on frequencies and the carriers have been so informed. Serious embarrassment is therefore caused by our first learning October 22, of Hildred's letter to you of Oct 6.¹⁸ Dept had assumed operating plans of Panam and Amexport¹⁹ were under discussion between company representatives in London and the appropriate Govt officials. In absence of any word from Emb we had supposed that satisfactory understanding had been reached. Dept will ascertain carriers views on number of frequencies they feel they must have for interim period.

Dept would be reluctant to agree to immediate termination of 1937 agreement which provides Panam with at least two frequencies a week terminable only on two years' notice and to replace this with a temporary agreement which might however run for a protracted period, providing for some increase in frequencies but in a total amount Dept believes would still be inadequate to take care of traffic requirements. As you are aware this Govt has no authority at this time to fix rates for its international carriers and therefore could not enter into an agreement with the Brit under which rates would be fixed by the Govts.

BYRNES

¹⁷ Telegram 9596, September 18, 6 p. m., from London, not printed. The pertinent portion read: "With respect to validity of war-time permits, our feeling is that pending an air transport agreement with the United States, or in the event of a breakdown in the negotiations the British will not raise the question of cancellation or termination. To do so would throw services back to the pre-war twice-a-week basis and responsible British officials are beginning to be aware of the unfavorable publicity which would arise in not only the United States but in England as well if stories were printed, based partly on fact, that if an American wished to go to London he would have to stop in Ireland or Amsterdam, or if a British subject wished to go to the United States he must do so by way of Mexico or Canada." (811.79640/9-1845)

¹⁸ File copy of telegram 11008 from London, p. 224, embodying substance of Hildred's letter, bore the stamp of the Department of State's Aviation Division with the date October 22. Telegram 9417 to London was drafted by Stokeley Morgan, Chief of the Aviation Division, also on October 22.

¹⁹ American Export Airlines, Inc. Approval had been given by the Civil Aeronautics Board on July 5, 1945, for acquisition of American Export Airlines by American Airlines, Inc. Subsequently, the routes operated by American Export were taken over by American Overseas Airlines, Inc., the overseas division of American Airlines System.

711.4127/11-1345

The British Ambassador (Halifax) to the Secretary of State

AIDE-MÉMOIRE

NORTH ATLANTIC AIR SERVICES

1. His Majesty's Ambassador presents his compliments to the Secretary of State and, on behalf of His Majesty's Government in the United Kingdom, has the honour to propose that an Interim Agreement between His Majesty's Government and the United States Government on the subject of North Atlantic commercial air services should be drawn up through an Exchange of Notes.

2. His Majesty's Government propose that arrangements made under this Exchange of Notes should cover a period of not more than one year from the date of effect and should be terminable by either Party at any time on giving six months notice to the other Party. The formal bilateral Agreement, when concluded, would take the place of this Interim Agreement.

3. His Majesty's Government propose that the Interim Agreement should be in the following terms:—

Article I

United States air carriers should be authorised to operate a load capacity of up to a total of 500 seats per week in each direction. Any aircraft operated solely or primarily for transport of cargo should be subject to a separate agreement.

Article II

British North Atlantic air carriers should be authorised to operate in return a capacity equal to that of United States carriers.

Article III

The 1937 Agreement should remain in effect. But any capacity operated thereunder should be included in the above allocated capacity of up to 500 seats per week to carriers of each Nation.

Article IV

Operation into the United Kingdom shall be permitted only at the rate approved by His Majesty's Government provided that operations at the rate from time to time agreed by the International Air Transport Association²⁰ shall be regarded as satisfying this requirement.

²⁰ The International Air Transport Association was a voluntary organization, established as a result of a meeting at Havana in April 1945 of representatives from the airlines systems. Its purpose was to provide for consultation concerning and unofficial regulation of certain aspects of international air travel. It held its conference for the year 1945 in Montreal, October 15-18.

Article V

Should carriers operating under the 1937 Agreement not conform with rates laid down by the International Air Transport Association, those carriers would be limited to capacity represented by frequencies prescribed in that Agreement.

Article VI

His Majesty's Government give assurance that fares charged by British carriers will not be less than those agreed by the International Air Transport Association.

Article VII

His Majesty's Government agree that United States air carriers may, by agreement between Governments, operate such capacity as is required to carry traffic offering in addition to 500 seats mentioned in Article I, provided that when British air carriers are ready to take up a share of that capacity, any adjustment then found necessary will be made in the capacity operated by the United States carriers in order to bring the capacity and the traffic offering on the route into equilibrium on the basis of an agreed load factor and in order to ensure the division of capacity between the United States and the United Kingdom carriers in accordance with the traffic embarked principle.

Article VIII

Notwithstanding the above, the United States carriers may in agreement with the United Kingdom air carriers increase their capacity to meet sudden traffic demands. But such increase of capacity will be subject to confirmation or modification by His Majesty's Government.

Article IX

Provision for American services to operate Fifth Freedom²¹ traffic beyond the United Kingdom should form the subject of a separate agreement.

WASHINGTON, November 13, 1945.

²¹ The Fifth Freedom involved the right to land or take on passengers, cargo, and mail in an intermediate country while en route from the country of origin to the country of ultimate destination. For text, see *Proceedings of the International Civil Aviation Conference*, Chicago, Ill., November 1-December 7, 1944, Department of State publication No. 2820 (2 vols.; Washington, Government Printing Office, 1948-49), vol. i, p. 179. For documentation on the Chicago Conference, see *Foreign Relations*, 1944, vol. ii, pp. 355 ff.

711.4127/11-1945: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 19, 1945—6 p. m.

[Received November 19—4:35 p. m.]

12128. For Assistant Secretary of State Clayton. Please read Embassy's 12115, November 19, 2 p. m.²²

I believe that the rejection of the interim agreement will adversely affect chances of early conclusion of permanent agreement. The interim agreement was worked out by those on the British side who care most about seeing the permanent agreement with us. I further believe the rejection of the interim agreement will tend to destroy the increasingly friendly approach which I think will be helpful to us in the final negotiations.

WINANT

711.4127/11-1345

The Department of State to the British Embassy

MEMORANDUM

The Department of State and other agencies of this Government, as well as officials of the United States airlines now serving the United Kingdom, have given very careful study and consideration to the *Aide-Mémoire* of November 13, 1945, left at the Department by the Civil Air Attaché of the British Embassy, which proposed that an interim agreement (set forth in the *Aide-Mémoire*) on North Atlantic commercial air services should be drawn up through an exchange of notes.

An agreement between the Government agencies and airlines concerned was not reached with respect to acceptance of the British proposal, which includes certain principles which this Government has consistently opposed and is not now prepared to accept. Furthermore, since it is anticipated that negotiations looking to the conclusion of a bilateral agreement covering all phases of the air transport problem will be held in the very near future, the Department does not believe that an interim agreement is essential for such a brief period.

WASHINGTON, November 19, 1945.

²² Not printed. This telegram reported that Sir William Hildred was trying to clear arrangements for a bilateral aviation conference to meet in Washington, possibly as soon as November 26. Hildred had consistently shown himself ready to deal with the United States and now felt strongly that failure to conclude the interim arrangement on North Atlantic commercial services would cause unfavorable publicity for the proposed talks on a permanent agreement. (711.4127/11-1945)

711.4127/11-2245

The British Ambassador (Halifax) to the Secretary of State

AIDE-MÉMOIRE

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to refer to the Memorandum of November 19th from the Department of State regarding the proposals for an interim agreement on trans-Atlantic Commercial Air Services put forward by the Embassy on November 13th 1945.

2. His Majesty's Ambassador is instructed to express the regret of His Majesty's Government that the United States Government is not prepared to entertain these proposals and that the Department of State does not believe an interim agreement is essential at this stage in view of the proposed negotiations for a bilateral agreement between the two Governments covering all phases of the air transport problem.

3. His Majesty's Government wish to place on record their view that the failure to find a basis for a working agreement covering the Third and Fourth Freedoms²³ on the North Atlantic routes seriously impairs the prospects of wider negotiations. They wish to recall that in his conversation on November 15th with the President and the Secretary of State²⁴ the Prime Minister expressed his desire to discuss with the United States Government in conference points of difference in regard to a long term bilateral agreement in the expectation that the two Governments were already on the point of agreement on an actual working arrangement for an interim period on the North Atlantic routes.

4. His Majesty's Government is reluctant to believe that the Memorandum under reference from the Department of State represents the final position of the United States Government in this matter, more especially as it in no respect enters into the merits of the proposals which His Majesty's Government in the United Kingdom put forward. His Majesty's Ambassador is, therefore, instructed to inquire whether the State Department are prepared now to state the proposals which in their view should form the basis of negotiations on all phases of the air transport problem together with any suggestions they may have to offer for the transatlantic operations of the commercial air lines while the negotiations are in progress.

5. In view of the desire of His Majesty's Government to settle the arrangements for the United Kingdom representation in the prospec-

²³ These two freedoms covered respectively the right to carry passengers, cargo, and mail from the country whose nationality the plane possessed to another country, and the right to carry such traffic from another country to the country whose nationality the plane possessed. For texts, see *Proceedings of the International Civil Aviation Conference*, vol. I, p. 179.

²⁴ No record of this conversation has been found. Prime Minister Attlee's discussions with various officials on the occasion of his visit to the United States dealt principally with atomic energy matters.

tive negotiations, His Majesty's Government would be glad to receive the observations of the Department of State as a matter of urgency.

WASHINGTON, November 22, 1945.

811.79641/11-2545

Memorandum of Telephone Conversations, by the Chief of the Aviation Division (Morgan)

[WASHINGTON, November 26, 1945.]

At Mr. Clayton's request, on Sunday, November 25 I got in touch by telephone with General C. R. Smith, President of American Overseas Airways [Airlines] and Mr. J. T. Trippe, President of Pan American Airways, and told them both that we had now received formal notice from the British²⁵ that they were going to limit frequencies of the American carriers and also insist that rates charged by the American carriers be first cleared with the British Government. For the time being the British are limiting American Overseas to three frequencies a week and Pan American to the two frequencies a week authorized under the 1937 agreement, if Pan American charges the \$275.00 rate which the British Government considers too low. If Pan American charges a rate which the British Government considers satisfactory, the British Government would consider permitting Pan American to offer some additional frequencies. If American Overseas charges a rate which the British Government considers too low, American Overseas will not be permitted to operate any frequencies.

I was to advise General Smith and Mr. Trippe that after careful consideration, the Department had decided that while it could not agree with the British on a set of principles which were contrary to ours, namely the control of frequencies, fixing of rates by governments and severe limitations on the Fifth Freedom, nevertheless under the circumstances all we can do is to tell the British Government that we recognize that our carriers cannot in the absence of an inter-governmental agreement operate into the U.K. except under such conditions as the British Government may prescribe, and we are prepared to have our carriers accept those conditions and operate on that basis for the time being. We should of course expect the British carriers, when ready to operate into the U.S., to comply with such conditions as we may prescribe.

I told the above to General Smith and Mr. Trippe. General Smith said that he was prepared to go along with that policy. He agreed

²⁵ Reference is to an *aide-mémoire* dated November 19, from the British Embassy, not printed, as elaborated upon informally in a letter, also not printed, of November 24 from the British Civil Air Attaché (Masefield) to the Chief of the Aviation Division (Morgan).

with the Department that there seems to be nothing else we can do under the circumstances. Mr. Trippe demurred somewhat and said Pan American was in a very difficult situation and asked for an opportunity to discuss the matter with us. I told Mr. Trippe that if he could not approve of the actions we proposed, he would have to suggest an alternative as we could not ourselves see any. He said he would be in Washington on Monday, November 26 and would get in touch with me immediately.

STOKELEY W. MORGAN

711.4127/11-2745

The British Ambassador (Halifax) to the Secretary of State

MEMORANDUM

NORTH ATLANTIC AIR SERVICES

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to recall that in a Memorandum of November 13th he set out the proposals of His Majesty's Government in the United Kingdom for an Interim Agreement with the United States Government on the subject of North Atlantic commercial air services. For convenience of reference a copy of that Memorandum is enclosed.

2. In a Memorandum of November 19th the State Department rejected these proposals on the grounds that they included certain principles which the United States Government was not prepared to accept.

3. His Majesty's Embassy, on instructions from His Majesty's Principal Secretary of State for Foreign Affairs,²⁶ then defined the position of His Majesty's Government with particular reference to the announced intention of Pan-American Airways to reduce their fare to \$275 and of American Overseas Airlines to increase the number of their frequencies to and from the United Kingdom. His Majesty's Ambassador requested an assurance from the United States Government that United States air carriers would conform with international practice and not seek to increase frequencies before they have obtained the permission of the country to which they desire to operate. If Pan-American Airways adhered to their intention as announced, His Majesty's Government would be reluctantly obliged to restrict the number of Pan-American services to the United Kingdom to the two per week permitted under the Exchange of Notes of 1937. In the case of American Overseas Airlines His Majesty's Government felt bound to give warning that, if they aligned their fares with

²⁶ Ernest K. Bevin.

those proposed by Pan-American Airways, His Majesty's Government, while ready to accept any rates recommended as economic by IATA, would have no option but to refuse American Overseas Airlines the right to operate to the United Kingdom.

4. On November 22nd His Majesty's Ambassador left with Mr. Clayton a Memorandum expressing the disappointment of His Majesty's Government at the rejection of their proposals for an Interim Agreement and inviting the United States Government to put forward, as a matter of urgency, their counter-proposals for dealing with the air transport problem, together with their suggestion for an interim arrangement covering the North Atlantic routes. On receipt of this communication Mr. Clayton enquired whether His Majesty's Government would agree not to suspend the additional services proposed by Pan-American Airways and American Overseas Airlines in order to afford further time for the adjustment of the matter.²⁷

5. His Majesty's Government have given careful consideration to this suggestion but regret that they are unable to accept any additional frequencies at fares which have not been agreed. In order, however, to meet Mr. Clayton's request and to facilitate the immediate expansion of trans-Atlantic services they are prepared to permit Pan-American Airways and American Overseas Airlines, pending a formal agreement between the two Governments, to operate a total of up to seven services per week each to the United Kingdom, provided that they will charge not less than the fare of \$375 provisionally agreed at the last meeting of the International Air Transport Association.

6. It should, of course, be understood that in the case of both Companies such permission refers to straightforward Third and Fourth Freedom services, and that His Majesty's Government cannot approve Fifth Freedom services until these are covered by formal agreement.

7. His Majesty's Government feel bound to repeat that, with the exception of the two frequencies operated by Pan-American Airways under the 1937 Exchange of Notes, they cannot permit any service at rates less than those agreed from time to time by IATA. His Majesty's Government rely on the United States Government to convey the necessary warning to the Companies concerned, if this has not already been done.

8. Finally His Majesty's Ambassador desires to remind the Secretary of State that the preparations of His Majesty's Government for the conference on a long term Agreement await the counter-proposals from the United States Government, requested in his Memorandum of November 22nd.

WASHINGTON, November 27, 1945.

²⁷ In a covering letter to Mr. Clayton, Lord Halifax referred to talks between them which had taken place over the weekend (811.79641/11-2745). Presumably, Mr. Clayton made his inquiry at that time; no record of these talks found in Department files.

800.796/11-2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 28, 1945—7 p. m.

[Received 8:05 p. m.]

12442. For Morgan and Civil Aeronautics Board from Ryan²⁸ and Satterthwaite. The following is message we tried unsuccessfully to get to you in teletype conference this afternoon.

“MR. RYAN: The Embassy and I have arranged this conference because we think that recent developments have made it highly desirable for prompt decisions to be taken on the interim agreement by the Board and the State Dept.

Satterthwaite and I had a talk with Hildred day before yesterday. Hildred said that he was very much confused by the attitude of the Civil Aeronautics Board toward the proposed interim arrangement, and particularly their attitude as reported to him on IATA. He said that in an effort to meet the American position the British Govt had offered to agree to accept automatically the findings of IATA on rates. Hildred asked us what our position is and what we would like the British to propose. At this point I would like to have Satterthwaite explain what he and the Ambassador believe to be the present position, after which we can discuss this with you.

MR. SATTERTHWAITE: 1. The British mean business in their limiting Pan American to two flights per week. As soon, however, as Trippe indicates that he is willing to discuss rates, we feel this attitude will change, although Pan American's position has suffered.

2. We are convinced that Hildred is completely sincere in his statements that there is no quarrel with the rate as such. The British Govt, however, are in deadly earnest in their insistence on the establishment of some method of controlling rates to prevent subsidy and rate wars. We know that in the last few days the British have made a careful check of the views of nearly all of the European countries on this matter, and they are certain that they will all support the British view on rate control.

3. We believe if a satisfactory rate control method is arrived at the British in an interim agreement are prepared to abandon completely restrictions on frequencies involving third and fourth freedoms, including any restrictions on capacity and as far as an interim agreement is concerned, leave out the question of the fifth freedom pending a bilateral permanent agreement with the US, or alternatively a formula to be developed by PICAQ (Provisional International [Civil] Aviation Organization) which will be acceptable multilaterally. In practice in the interim period, while we do not think the British will specifically grant fifth freedom rights, we do believe they will not in fact raise any question about US airlines carrying fill up fifth freedom traffic.

4. As far as rate control methods are concerned, Hildred told Mr. Ryan that they look upon IATA as a searchlight to find out what the true costs of the operations are, and to detect questionable ac-

²⁸ Oswald Ryan, member of the Civil Aeronautics Board.

counting. They insist they do not wish to hold up the rates artificially. They are perfectly willing that the CAB (Civil Aeronautics Board) have complete power to declare any IATA arrived at rate as contrary to the public interest as far as the US carriers are concerned. They agree the rates must be based on the most efficient operator. They will insist, however, that the rate first be arrived at through discussion under IATA, which will then make all the facts available to the CAB on which the rate is determined. The CAB or any other body would be perfectly free to arrive at a different finding. The British have complete confidence in both IATA and the CAB, and, therefore, feel that it would be highly unlikely IATA would set a rate the CAB would not find in the public interest. The Embassy repeats that the British fully believe their position on rates is the right one and they are convinced that they have the solid support of most of the European countries behind them. Hildred has told Satterthwaite that they will not permit Pan American to get around the two frequencies restriction via shuttle service from Ireland or Belgium. As you are aware the British will permit pending other arrangements, American Airlines to operate once a day, and Hildred has told both Satterthwaite and Slater²⁹ that they will undoubtedly permit them to operate as many frequencies above seven a week as they can, on request, and in view of the need for transportation, Hildred has expressed the hope that American will increase its schedules from five to seven as quickly as possible.

The Department is, of course, aware that France and many of the European countries do not look upon aviation as a business, and unless a scheme is worked out under which rates cannot be controlled unilaterally by one operator or one country, the probabilities are great that the tourist associations, the hotel keepers and possibly the airline officials who are not under the compulsion of making money but only to enhance the prestige of their country, will reduce rates way below cost if there are no safeguards. The British also feel that IATA's searchlight will detect non-commercial services which might have security implications.

In short, the Embassy feels that a very good interim arrangement can be made with the British if we accept IATA control of rates, subject to approval in the case of American carriers by the CAB. We think this interim agreement can be made involving no control on the third and fourth freedoms, but no mention of fifth freedom one way or the other. Hildred thinks that in the trial period during which the interim agreement operates, it is quite possible that the CAB will find that in practice IATA will not rig any rates above the cost of the most economic carrier, and perhaps they will find that the American lines operating under unlimited third and fourth freedom frequencies and tacitly carrying fifth freedom traffic, will not be as harmful to European transport as they once felt. At the end of a reasonable period, they will then build up experience on which we can judge the dangers or lack of them in IATA, and they can judge the dangers or lack of them in the third, fourth and fifth freedoms. During this period, we can then decide whether we wish a bilateral

²⁹ John E. Slater, executive vice president of American Export Airlines, became chairman of the board, American Overseas Airlines, Inc., after the merger of American Export with American Airlines; see footnote 19, p. 227.

agreement or whether we will prolong the interim arrangement until PICAO has found a satisfactory solution in a multilateral basis. They most certainly do not want to start formal talks for a long term bilateral agreement at this time.

Railey³⁰ has been here this week and wishes the Board and Department to know that the French position on IATA is the same as the British.”

[Ryan and Satterthwaite]

WINANT

811.79641/11-1945

The Department of State to the British Embassy

MEMORANDUM

Reference is made to the Embassy's *aide-mémoire* of November 19, 1945³¹ regarding commercial air services at present being operated by American carriers between the United States and the United Kingdom. The Department further acknowledges a letter dated November 24, 1945³² from the Civil Air Attaché of the British Embassy addressed to an official of this Department, explanatory of the *aide-mémoire* referred to above, and the memorandum dated November 27, 1945.

From these documents and from conversations with officials of the British Government, it appears that the British Government is insistent that pending the conclusion of an inter-governmental agreement American carriers shall operate only a limited number of frequencies with commercial rights in the United Kingdom on a trans-Atlantic service and that these operations shall be dependent upon prior agreement upon fares between the American operators and His Majesty's Government, and also that in the event prior agreement upon fares is not reached with the carriers, His Majesty's Government will restrict services to the United Kingdom to the two a week operated by Pan American Airways under the 1937 Agreement.

The United States Government is most anxious to do everything possible to further the development of international air transport services upon what it considers to be sound, economic principles. The United States Government however is unable to accept the British conditions for such operations (as set forth in the British *aide-mémoire* of November 13, 1945) even for an interim period. At the same time, the United States Government recognizes the problem which is created for the British Government if American air carriers seek to operate on a basis unacceptable to the British Government.

³⁰ Howard B. Railey, American Civil Air Attaché in France.

³¹ Not printed; see footnote 25, p. 232.

³² Not printed.

The basis upon which the United States Government desires to see international air services conducted is as set forth in bilateral agreements signed during the past twelve months with various European nations³³ with all of which agreements it is believed the British Government is familiar.

However, the United States Government recognizes that in the absence of an agreement between the two Governments covering air transportation matters, the United States carriers can serve the United Kingdom only upon such conditions as the British Government may prescribe.

Accordingly, the United States Government will interpose no objection to its carriers continuing operations to the United Kingdom for the present upon such conditions as the British Government may prescribe.

The United States Government requests that such frequencies as the British Government may now permit to be operated by United States carriers in addition to the two provided under the 1937 Agreement, shall be made available to the United States Government, which will in turn apportion them among the United States carriers certificated to operate to the United Kingdom.

In the meantime the appropriate authorities of the United States Government will study the problem of reasonable and economic rates for trans-Atlantic operations between the United States and the United Kingdom, and will submit the results for the information of the British Government at an early date.

The United States Government reiterates its hope that it may be possible for representatives of the two Governments to meet at an early date in an effort to reach a satisfactory agreement covering all phases of international air transport between the two countries.

WASHINGTON, November 29, 1945.

811.79641/12-145 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, December 1, 1945—3 p. m.

10449. Regarding Satterthwaite's telephone conversation with Walstrom November 30.³⁴

³³ A list of civil aviation agreements, including those concluded during the period under reference, is contained in Department of State *Bulletin*, December 22, 1946, p. 1126.

³⁴ In a memorandum of conversation, dated November 30, 1945. Assistant Chief of Aviation Division Joe D. Walstrom recorded that Mr. Satterthwaite had called from London to report that he understood from a talk with Harold M. Bixby, vice-president of the Pan American World Airways System, that Pan American was willing to accept the \$375 trans-Atlantic rate. Pan American
Footnote continued on following page.

CAB informed representatives of American Overseas Airlines on evening November 30 that they had understood through Dept that Pan American now thinking of adopting \$375 rate under certain conditions. CAB did not feel it could go further at this time, in which Dept concurs. American Overseas representatives expressed interest but did not commit themselves, although it is understood that they had previously considered \$375 rate as acceptable.

As Dept has stated previously, CAB cannot approve or fix rates. However, if Panam files for \$375 rate with request for waiver of 30-day period, CAB will consent.

CAB has previously stated that total number of schedules to UK will be divided equally. In other words, Panam's two frequencies under 1937 arrangement will be included in the 50-50 division.

BYRNES

811.79603/12-945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 9, 1945—6 p. m.

[Received 6:48 p. m.]

12921. Dept's 10667, Dec 8.³⁵ We have advised British Govt PAA and American have filed \$375 rate. We observe that as yet we are not instructed to ask British Govt to increase frequencies permitted to PAA, for allocation by US Govt (reference Satterthwaite's conversation with Morgan Thursday ³⁶ on Nov 27 [*aide*] *mémoire*).

There were meetings Saturday at the Ministry of Civil Aviation at which the cabled text of PAA press release of Dec 7 ³⁷ was discussed, particularly [with?] relation, if any, to the attitude of the US Govt toward conference recommendation of rates. Hildred called Satterthwaite Saturday night to say that the British Govt would like to consider the filing of the \$375 rate by the two American companies as an agreed rate and therefore reasonably meeting their position until developments in January with respect to US attitude on IATA rate conference, or bilateral talks, but found it difficult to do so in the light of PAA release. He said it was common knowledge that the rate of

also proposed that it retain its two frequencies under the 1937 Agreement and that additional frequencies be divided equally between it and American Overseas Airlines. Pan American urged that these proposals be cleared with American Overseas and the Civil Aeronautics Board. (811.79641/11-3045)

³⁵ Telegram 10667, December 8, 1945, 6 p. m., to London, reads as follows: "Please inform appropriate authorities that Pan American Airways and American Overseas Airways have today filed with CAB fares of \$375 to London (\$675 round trip). These fares effective December 10 CAB consenting to waiver of 3-day term." (811.79603/12-845)

³⁶ No record of conversation on December 6 found in Department files.

³⁷ For summary of Pan American's statement, with quotations therefrom, see *New York Times*, December 8, 1945, p. 19, col. 5.

\$375 was based on consultation, informal, of course, but consultation nevertheless. As the Dept is aware, Hildred is one of the leaders of that group of British Aviation people, Govt and private, wishing to come to a reasonable understanding with the United States. The recent deterioration in aviation relations has hurt Hildred's influence and strengthened those who believe in the extreme position taken by the British at Chicago. While Hildred did not directly say so in his conversation yesterday with Satterthwaite, it is apparent that the events of the last few days have made the British more and more hesitant to abandon restrictions on frequencies, which they were getting ready to do if they were assured a solution to the rate question. Hildred did not refer to Bixby's explanation of what might happen if frequencies were not limited (see Embassy's 12734, Dec 5, 4 p. m.³⁸), but it is clear that it has had an affect on him, as has BOAC, to whom Bixby also discussed the frequency question. We, therefore, feel that uncertainties in present situation, particularly those involving attitude of US Civil Aeronautics Board, may again cause British to return to an increasingly restrictive policy. Related to this is loss of influence of Hildred, through apparent destruction of principle, developed largely by him, that operators could work out much [*such?*] problems as rates for themselves, and that this would be acceptable compromise between original British position of international Govt authority and completely uncontrolled unilateral action.

In spite of foregoing, it is possible that a letter from the Embassy to Hildred, referring to the *aide-mémoire* of Nov 27, informing him that PAA and American having filed identical rates, we assume conditions of *mémoire* have been met, and that therefore pending formal arrangements, the British Govt will permit both carriers to move as much traffic as their limited equipment will permit, will produce a satisfactory reply. A statement couched in such terms would both avoid saying the \$375 rate was an agreed one, and that it was not an agreed one. If we refrain from bringing up the "agreed" question, the British Govt might reply that they had noted that the two American carriers had filed identical rates, which met the spirit of the British position. They would then either permit them to come

³⁸ Not printed. The pertinent portion of this message reads as follows: "Bixby saw Hildred this morning in presence of Satterthwaite. Bixby reviewed present position of Pan American in terms of its domestic competitive situation and assured Hildred that Trippe was in favor of full cooperation with IATA (International Air Transport Association) on rates and other matters but that he did not feel the US Govt supported this position. Bixby said he was disturbed by the thought of unlimited frequencies on the North Atlantic since Pan American had 28 and American 14 large aircraft which for domestic competitive reasons both companies would have to put on the North Atlantic. This would mean, Bixby said, some 40 flights per day. This remark of Bixby's will clearly not make it easier to sustain principle of unlimited frequencies." (811.79641/12-545)

in with a specified or unlimited amount of frequencies. If specified, they could be allocated by the US Govt as it saw fit.

Bixby thinks foregoing may work, and said that Trippe had agreed and would so notify CAB which was meeting Monday.

Bixby reported Trippe as saying that he was afraid CAA [CAB] would issue a statement Monday against conference idea, and that this would upset delicate avoidance of "agreed rate" principle in exchange of letters between two Govts. The British might not, of course, move from their present position until talks begin at first of year, but if they can do so without seriously compromising their principle of consultation on rates, they would like, we think, to have talks preceded by a few weeks of relative peace, rather than mounting difficulties.

WINANT

711.4127/12-1045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 10, 1945—6 p. m.

[Received December 10—4:20 p. m.]

12948. Hildred told Satterthwaite today that when British Govt learned PAA and American had filed identical rates with CAB, and following meetings held on Saturday,³⁹ they sent telegram to Halifax, observing that while there was no rate conference, informal consultations had taken place among the operators after which a \$375 rate was put into effect by some of them. He said that pending certain assurances that neither of the carriers would try to circumvent the \$375 rate through large baggage allowances or through cheaper rates to Eire and on to England from Eire at a rate the sum of the two halves of which would be less than direct fare, the British Govt would allocate 500 seats per week, which could be expressed if we preferred in terms of 14 frequencies per week, for distribution by the US Govt among its carriers, until an agreed recommended rate was arrived at and approved. Hildred said he would agree to eliminate words such as "consultation", or "agreed" in any public statements or releases, and thought we should equally refrain from raising this issue.

Reference Embassy's 12921, December 9, 6 p. m. We feel unless something like the foregoing is worked out, the present unsatisfactory *status quo* will remain until after the bilateral talks or possibly until after the January IATA meeting.

WINANT

³⁹ December 8, 1945.

811.79641/12-1045

The British Ambassador (Halifax) to the Secretary of State

MEMORANDUM

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to refer to the Memorandum from the Department of State dated 29th November, on the subject of North Atlantic Air Services. His Majesty's Government consider that it may be of assistance if they set out in detail the arrangements for the operation of North Atlantic Air Services pending the conclusion of a formal Bilateral Agreement.

2. His Majesty's Government understand that both Pan American Airways and American Overseas Airlines have filed with the Civil Aeronautics Board trans-Atlantic fares of \$375 and that the Board has agreed to these rates, effective from 10th December.

3. His Majesty's Government are prepared to grant landing rights to the United States air carriers which are prepared to charge the agreed passenger fare of \$375 and a freight rate and excess baggage allowance related to this \$375 fare.

4. His Majesty's Government wish to emphasise that this arrangement is temporary and that the agreement of His Majesty's Government is subject to the rate of \$375 remaining in force until an agreed recommendation on fares on the North Atlantic has been reached by the International Air Transport Association's North Atlantic Conference.

5. His Majesty's Government wish to make clear the fact that the principle of a rate agreed by them, after consultation between North Atlantic air carriers, is a condition of the grant of rights to air carriers to operate, to the United Kingdom from the United States, any capacity in excess of that allowed under the existing 1937 Agreement.

6. Subject to the above conditions, His Majesty's Government are willing that up to fourteen services per week within a total capacity of 500 seats per week should be available to the United States Government to apportion among United States carriers.

7. Pending the conclusion of a formal Bilateral Agreement, these services will be straight forward Third and Fourth Freedom services without conferring any Fifth Freedom rights.

8. Finally, His Majesty's Government assumes that full reciprocal rights will be accorded to British air carriers to operate parallel services.

WASHINGTON, December 10, 1945.

[Acting Secretary Acheson on December 14 wired to Secretary of State Byrnes at Moscow to urge him to emphasize to Foreign Secretary Bevin the importance of negotiating as soon as possible a long-term agreement of the United States and the United Kingdom on international commercial air transport (telegram 2525, Secdel 9, December 14, 1945 (740.00119 Council/-12-1445). No record has been found of a conversation of Byrnes and Bevin at Moscow on this subject. For documentation on the meeting there of the Foreign Secretaries of the United States, United Kingdom, and Soviet Union, December 16-26, 1945, see volume II, pages 560ff.]

811.79641/12-2045

The Department of State to the British Embassy

MEMORANDUM

Reference is made to the British Embassy's memorandum of December 10, 1945 on the subject of North Atlantic air transport services. The Department of State notes the conditions under which the British Government is prepared to permit operations by American air carriers between the United States and the United Kingdom, including the provision that fourteen services per week within a total capacity of 500 seats per week have been made available to the United States Government to apportion among United States carriers. Copies of the Embassy's memorandum under reference were transmitted to the Civil Aeronautics Board and to American Overseas Airlines and Pan American Airways.

In reply the Department of State desires to inform the Embassy that the Civil Aeronautics Board has apportioned these schedules equally between Pan American Airways and American Overseas Airlines.⁴³

With reference to paragraph 2 of the Embassy's memorandum, the Department assumes that the Embassy understands that the Civil Aeronautics Board did not actually approve the \$375 rate but simply agreed to this rate becoming effective in less than the 30 days statutory period. The Civil Aeronautics Board does not have the authority to approve foreign rates and the action referred to in the Embassy's memorandum was directed only to the date upon which the rates set by the carriers should become effective.

⁴³ The Civil Aeronautics Board had set forth this policy in an order dated December 13, a copy of which was transmitted with a letter of December 20 (not printed), from L. Welch Pogue to Stokeley Morgan.

With respect to paragraph 8 in which the Embassy assumes that full reciprocal rights will be accorded to British air carriers to operate parallel services, the Department is pleased to inform the Embassy that the British carriers will be awarded reciprocal rights.

WASHINGTON, December 28, 1945.

ASSURANCES SOUGHT BY THE UNITED STATES THAT THE UNITED KINGDOM WOULD NOT OPPOSE EFFORTS BY THE UNITED STATES TO CONCLUDE BILATERAL CIVIL AIR TRANSPORT AGREEMENTS WITH VARIOUS GOVERNMENTS IN THE NEAR AND MIDDLE EAST

[For documentation on this subject, see volume VIII, pages 64 ff.]

REVISED ANGLO-AMERICAN PETROLEUM AGREEMENT, SIGNED AT LONDON, SEPTEMBER 24, 1945

[For text of agreement, see Department of State *Bulletin*, September 30, 1945, page 481. Agreement is a revision of the original agreement, signed August 8, 1944, which did not receive approval of the Senate and was returned to State Department at the request of President Roosevelt on January 10, 1945. For documentation pertaining to this agreement of August 8, 1944, see *Foreign Relations*, 1944, volume III, pages 94 ff. The return of the agreement was followed by conversations between representatives of Government and industry at which misunderstandings were removed and changes agreed upon. Then on September 17, 1945, a new Anglo-American conference opened at London resulting in a revised agreement signed September 24, 1945. This was submitted to the United States Senate and it too failed to obtain ratification and on July 5, 1952, by Joint Resolution of Congress, was returned to the State Department.]

AGREEMENT BETWEEN THE UNITED STATES AND THE UNITED KINGDOM ON THE USE AND DISPOSITION OF RECAPTURED VESSELS

[Effected by exchange of notes signed at Washington May 7 and June 15, 1945. For texts of notes, see Department of State, *Treaties and Other International Acts Series No. 1556*, or 60 Stat. (pt. 2) 1909. For previous documentation on this subject, see *Foreign Relations*, 1944, volume III, pages 140 ff.]

**TELECOMMUNICATIONS AGREEMENT BETWEEN THE UNITED STATES,
THE UNITED KINGDOM, CANADA, AUSTRALIA, NEW ZEALAND, THE
UNION OF SOUTH AFRICA, INDIA, AND SOUTHERN RHODESIA**

[For texts of the agreement with respect to telecommunications, signed at Bermuda December 4, 1945, together with an annex regarding general conditions governing the establishment of direct radio-telegraph circuits, and the protocol between the United States and the United Kingdom covering exclusive telecommunications arrangements, signed at Bermuda December 4, 1945, see Department of State, Treaties and Other International Acts Series No. 1518, or 60 Stat. (pt. 2) 1636.]

**CONVENTION BETWEEN THE UNITED STATES AND THE UNITED
KINGDOM FOR THE AVOIDANCE OF DOUBLE TAXATION ON ESTATES**

[For text of the convention between the Governments of the United States and the United Kingdom for the avoidance of double taxation and the prevention of fiscal evasion with respect to the estates of deceased persons, signed at Washington April 16, 1945, see Department of State, Treaties and Other International Acts Series No. 1547, or 60 Stat. (pt. 2) 1391.]

**CONVENTION BETWEEN THE UNITED STATES AND THE UNITED
KINGDOM FOR THE AVOIDANCE OF DOUBLE TAXATION ON INCOME**

[For text of the convention between the Governments of the United States and the United Kingdom for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington April 16, 1945, see Department of State, Treaties and Other International Acts Series No. 1546, or 60 Stat. (pt. 2) 1377.]

**WORK OF THE COMBINED FOOD BOARD, THE COMBINED RAW
MATERIALS BOARD, AND THE COMBINED PRODUCTION AND
RESOURCES BOARD**

[The White House, on January 19, 1945, released to the press a statement by President Roosevelt and an announcement by the President and Prime Ministers Churchill of the United Kingdom and Mackenzie King of Canada of their decision to maintain the Combined Production and Resources Board, the Combined Raw Materials Board, and the Combined Food Board until the end of the Japanese war. A further continuation was announced on August 29. For texts, see Department of State *Bulletin*, January 28, 1945, pages 119-121, and September 2, 1945, page 333.]

President Truman and Prime Ministers Attlee and King announced on December 10, 1945, that the work of the C.P.R.B. and C.R.M.B. would terminate on December 31, and that some of their remaining functions would be assigned to certain committees on an appropriate international basis. It was further stated that because many food-stuffs were still in short supply and because of their close interrelationship, the Combined Food Board would be retained as a supervisory and coordinating mechanism, presumably until June 30, 1946. For text of the announcement, which was released by the White House on December 10, see *ibid.*, December 16, 1945, page 975.

For a description of the various United States-United Kingdom combined economic agencies and for a survey of their records (primarily those in American custody), see National Archives and Records Service, *Federal Records of World War II*, volume I, *Civilian Agencies* (Washington, Government Printing Office, 1950), pages 1021 ff. For a general account of their organization and operations, see S. McKee Rosen, *The Combined Boards of the Second World War* (New York, Columbia University Press, 1951).]

AUSTRALIA

AGREEMENT BETWEEN THE UNITED STATES AND AUSTRALIA REGARDING CERTAIN PROBLEMS OF MARINE TRANSPORTATION AND LITIGATION, SIGNED AT CANBERRA, MARCH 8, 1945

[For text of Agreement and notes exchanged March 8, 1945, see Department of State Executive Agreement Series No. 467, or 59 Stat. (pt. 2) 1499.]

CANADA ¹

AGREEMENT BETWEEN THE UNITED STATES AND CANADA RELATING TO FLIGHTS OF MILITARY AIRCRAFT

[Effected by exchange of notes signed at Ottawa February 13, 1945; for text, see Department of State Treaties and Other International Acts Series No. 2056, or 62 Stat. (pt. 3) 3943.]

AIR TRANSPORT SERVICES AGREEMENT BETWEEN THE UNITED STATES AND CANADA

[Effected by exchange of notes signed at Washington February 17, 1945; for text, see Department of State Executive Agreement Series No. 457, or 59 Stat. (pt. 2) 1353.]

AGREEMENT BETWEEN THE UNITED STATES AND CANADA ON RE- CONVERSION OF INDUSTRY; COOPERATION IN TRANSITION FROM WAR TO PEACE

[Effected by exchange of notes signed at Ottawa May 7 and 15, 1945. For text, see Department of State Treaties and Other International Acts Series No. 1752. The Agreement was one continuing the principles of the Hyde Park Declaration of April 20, 1941, printed in Department of State *Bulletin*, April 26, 1941, p. 494.]

AGREEMENT BETWEEN THE UNITED STATES AND CANADA ON CANOL PROJECT: ARRANGEMENT FOR EVALUATION OF ALL FACILITIES

[Effected by exchange of notes signed at Ottawa February 26, 1945. For text, see Department of State Treaties and Other International Acts Series No. 1695.]

AGREEMENT BETWEEN THE UNITED STATES AND CANADA ON CANOL PROJECT: WAIVER BY CANADA OF CERTAIN RIGHTS RELATING TO CRUDE OIL FACILITIES

[Effected by exchange of notes signed at Ottawa August 31 and September 6, 1945. For text, see Department of State Treaties and Other International Acts Series No. 1696.]

¹ For history of military cooperation between the United States and Canada, see Stanley W. Dziuban, *Military Relations between the United States and Canada, 1939-1945*, in the official Army history *United States Army in World War II*, issued by the Office of the Chief of Military History, Department of the Army (Washington, Government Printing Office, 1959).

INDIA

INTEREST OF THE UNITED STATES IN THE POLITICAL SITUATION IN INDIA¹

[In a press conference statement made on January 29, 1945, in response to a question, the Acting Secretary of State (Grew) said (for attribution but not for quotation): "The American Government has continued to follow with sympathetic interest developments in the Indian question. It is naturally hopeful that progress will be made in this difficult matter and would be happy to contribute in any appropriate manner to the achievement of a satisfactory settlement. We have close ties of friendship, both with the British and with the people of India. These ties have been strengthened by our common participation in the war effort." The Secretary in charge at New Delhi (Merrell), in his despatch 997, February 3, 1945 (not printed), transmitted copies of comments on Mr. Grew's statement which appeared in certain Indian newspapers, Hindu and Moslem, on January 31 and February 1.]

845.00/4-1945

*Memorandum by Mr. William Phillips, Special Assistant to the
Secretary of State, to the Secretary of State*

[WASHINGTON,] April 19, 1945.

The Atlantic Charter² and statements by the late President Roosevelt on behalf of dependent peoples have led India to expect that she would have the sympathy of this country in her aspirations for eventual self-government. Our policy in the past has been not to disturb our relations with Churchill by unduly pressing upon him our concern with respect to India, because he is known to be sensitive on any subject pertaining to that country. In brief, Churchill regards India as "Britain's backyard" and does not welcome any new approach.

Although responsible Indians realize that they cannot achieve immediate self-government, they do insist that the British Government should take some step now leading up to it. The Congress Party³

¹ For previous documentation, see *Foreign Relations*, 1944, vol. v, pp. 232 ff.

² Joint statement by President Roosevelt and British Prime Minister Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. i, p. 367.

³ Leading Indian Nationalist Party and predominantly Hindu.

also insists that Nehru ⁴ and other leaders should be released from prison and permitted to discuss the future of India with representatives of other parties.

The Viceroy ⁵ is now in London on a short visit. The American Mission, New Delhi, advises us that his visit is "primarily political". Our Embassy in London states that the Viceroy's discussions with the India Office "are continuing and that some progress is being made toward the formulation of proposals for attenuating the present and past in the Indian political situation although little can be expected from the outcome". It may be assumed therefore that Wavell is trying to persuade Churchill to reach a solution.

If only for purposes of record, it seems to me highly important that we should take advantage of this moment to informally express our interest and our hope for an amelioration of the unhappy conditions throughout India.

Consequently I venture to suggest that the Secretary of State be authorized to say informally to Mr. Eden ⁶ that the President is disturbed by the reports of an increasing resentment among the Indian people against both Anglo-Saxon powers, and that he hopes, in the interest of our joint military effort and for the prestige of the white races in Asia, that advantage may be taken of Lord Wavell's presence in London to make another effort to break the Indian deadlock.

WILLIAM PHILLIPS

845.00/4-2445 : Telegram

The Acting Secretary of State to the Secretary of State, at San Francisco

WASHINGTON, April 24, 1945.

30. We understand that Wavell is expected back in Delhi on May 1st and would presumably leave London not later than the 27th. Con-

⁴ Jawaharlal Nehru, "heir" in the Congress Party leadership to the Mahatma Mohandas K. Gandhi, Indian Nationalist leader and proponent of non-violence. In August 1942 Nehru, with others, including Gandhi, and Maulana Azad, Congress Party president, had been imprisoned by the British Indian Government, following the evoking of mass civil disobedience by the Congress Party leadership. For documentation regarding interest of the United States in the Indian political and economic situation following the arrest of Gandhi and other Congress leaders, see *Foreign Relations*, 1942, vol. I, pp. 711 ff. Gandhi had been released on May 6, 1944.

⁵ Field Marshal Sir Archibald P. Wavell, Viscount Wavell, Viceroy of India since October 1943.

⁶ Anthony Eden, British Secretary of State for Foreign Affairs, at this time in the United States for the meeting of the United Nations Conference on International Organization, held at San Francisco April 25-June 26; for documentation on this Conference, see vol. I, pp. 1 ff.

sequently, if you desire to speak to Eden along the lines of Phillips' suggestion, it would have to be done now, otherwise the opportunity will be lost.

GREW

845.00/4-2845 : Telegram

The Secretary of State to the Acting Secretary of State

SAN FRANCISCO, April 28, 1945.
[Received April 28—9:43 p. m.]

10. I had a discussion with Eden this morning relative to the general Indian problem. He thoroughly understands our position. While he made no commitment I feel that I made some headway with him. You will naturally wish to advise Phillips of this.

STETTINIUS

845.00/5-445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 17, 1945—7 p. m.

3897. With reference to my 3512 of May 4; repeated to New Delhi as my 342, same date.⁷ While Mr. Eden was in Washington before returning to London, I had an opportunity to say that I thought Mr. Stettinius had already spoken to him of our feeling that our prestige in the Far East would be greatly improved whenever a solution to the problem of India is found and that we must always reckon with the future development of "Asia for the Asiatics movement". I added that progressive steps in India would tend to offset the strengthening of such a movement. Mr. Eden made no comment except to say that he did not believe that the Indian problem would be settled as long as Gandhi lived.

GREW

845.00/6-1545

The British Minister (Balfour) to the Acting Secretary of State

Ref: 336/38/45

WASHINGTON, June 15, 1945.

DEAR MR. GREW: The decisions taken by His Majesty's Government as a result of the discussion of the political situation in India with the Viceroy during his recent visit to London will be announced in a statement to be made by the Secretary of State for India⁸ in Parliament on

⁷ Not printed; it repeated substance of telegram 10, April 28, from the Secretary of State at San Francisco, *supra*.

⁸ Leopold S. Amery.

June 14 at approximately 2 p. m. I send you herewith a copy of the proposed statement.⁹ The exact text is still subject to revision. May I ask you to regard it as strictly secret until the statement has actually been made.

I may add that as an appendage to the proposal the Secretary of State will also announce:

(a) that arrangements have been made to set free members of the Congress Working Committee who are still in detention, and

(b) that in connection with their proposals it is the intention of His Majesty's Government to appoint in India a United Kingdom High Commissioner to represent the particular interests of the United Kingdom.

Yours very sincerely,

JOHN BALFOUR

128 [Merrell, George R.]: Telegram

The Commissioner in India (Merrell) to the Secretary of State

NEW DELHI, June 19, 1945—11 a. m.

[Received June 19—7: 18 a. m.]

480. Last night Viceroy gave dinner occasioned by my appointment as Commissioner.¹⁰

After dinner he commented with his usual reserve on Wavell plan. He said, however, that he was "working very hard" and that he hoped it would succeed.

As a result of my having said that I would like to be able to keep my Govt confidentially informed as fully as possible of negotiations¹¹ he has arranged for me to consult freely and often with Major Rankin, his assistant private secy, who will remain in New Delhi and will be kept advised of developments.

Sent Dept rptd London.

MERRELL

⁹ Not printed; the statement made in the House of Commons was printed as British Cmd. 6652, *India: Statement of the Policy of His Majesty's Government made by the Secretary of State for India on June 14th, 1945*. A copy of Lord Wavell's statement, made simultaneously at New Delhi, had been transmitted to the Acting Secretary of State on June 13 by the Agent General for India (Bajpai), and a preview from a confidential source had been reported to the Department by the Commissioner in India (Merrell) in his telegram 457, June 10, 11 a. m.; neither printed.

¹⁰ For documentation regarding this subject, see pp. 255 ff.

¹¹ With the announcement of the proposals on June 14, Lord Wavell had issued invitations to 21 Indian leaders to meet with him at the Viceregal Lodge at Simla on June 25 for securing agreement on the proposals and on means for their implementation. The Simla talks began on June 25, continued until June 29, adjourned for an interim period, and reconvened and had a final session on July 14, breaking down on the question of the composition and designation of the members of the new Executive Council; during this period the Commissioner was provided with a series of eight notes informing him in detail of the progress of the Conference (845.00/6-2645, /6-2745, /6-2945, /7-445, /7-1145, /7-1645, /7-3145).

845.00/7-1445

The Ambassador in the United Kingdom (Winant) to the Secretary of State

[Extract]

No. 24278

LONDON, July 14, 1945.

[Received July 28.]

SIR: [Here follow observations of Mr. P. J. Patrick, British Assistant Under Secretary of State for India, on the Wavell Plan.]

Concluding, Patrick said that, in contrast with the wide acclaim which had been given the Wavell Plan, his own remarks might seem to introduce a discordant and cynical note. As a matter of fact, he did entertain reservations regarding the proposals and he thought it only right to say so. What had happened was that the Viceroy had had his way over an unenthusiastic Government and the lukewarm reception which the plan had received in Parliament had been indicative of official reaction thereto. Patrick recalled, with perhaps good humored maliciousness, that those responsible for policy making in India had frequently been admonished by their American friends regarding the necessity for "doing something" toward a settlement in India but without specifying what that "something" should be. Well, the Viceroy was now following the "do something" policy and it remained to be seen how it would work out.

Respectfully yours,

For the Ambassador:

RAYMOND A. HARE

First Secretary of Embassy

845.00/11-1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 16, 1945—2 p. m.

[Received November 17—4:20 a. m.]

12013. Following are highlights of conversation of member of Embassy staff with high official of India Office:

1. Reports reaching London indicate that political situation in India is steadily deteriorating and serious disturbances regarded as probable. Nehru said to be evincing increasing impatience with Gandhi and his "spinning wheel and non-violence policies" and to be following deliberately provocative policy which would suggest he may be attempting to make his renewed imprisonment necessary.

2. Although still indicating intention of participating in elections¹² Congress is not expending much effort in that connection and certain high ranking Congressmen have already indicated unwillingness to assume Government responsibility even though Congress is successful in elections. Reason for this apathy toward elections seen in fact that Congress leaders now taking line that only hope of achieving their ends versus both British and Moslems is resort to violence in anticipation that British Govt might hesitate to use force and that Congress would emerge from ensuing chaos with undisputed mastery of the field. Extent to which these tendencies reflect definite policy, however, is not yet clear. Meanwhile India Office is proceeding with study of plans to implement British Govt's announced policies¹³ and considerable progress has been made on draft of treaty between the UK and India. India Office official mentioned that among many subjects to be covered problems of mutual defence and of position of Indian states will be important features in treaty.

4 [*sic*]. India Office also still has under consideration appointment of British High Commissioner in India. Discussion in that regard is at present centering on scope of that official's functions and office of British Govt to which he would be responsible.

5. Regarding suggested raising of status of office of India representative in the US to that of Minister,¹⁴ India Office official observed that idea had been strongly favored on Halifax¹⁵-Wavell level but that technical personnel in both India Office and FO¹⁶ entertained certain reservations on subject in view of anomalous situation which would result as long as foreign affairs remained attribute of Viceroy. Impression was given that personal favor in which present Agent General¹⁷ held in British official circles had been factor in raising question.

Sent Dept as 12013 repeated New Delhi as 193.

WINANT

¹² After the accession to office of the Labor Government in the United Kingdom on July 26, it was announced that elections in India for the central and provincial legislatures would be held for the purpose of implementing that part of the British offer made by Sir Stafford Cripps in 1942 (British Cmd. 6350, *India: Lord Privy Seal's Mission, April, 1942*); for documentation regarding interest of the United States in the Cripps Mission to India, see *Foreign Relations, 1942*, vol. iv, pp. 619 ff.

¹³ The new Labor Government had invited Lord Wavell to return to London late in August for a discussion of the Indian situation. Upon his return to New Delhi Lord Wavell on September 19 made a statement, reporting that the new British Government "are determined to do their utmost to promote in conjunction with leaders of Indian opinion the early realization of full self government in India", and detailing certain steps which were to be taken; this statement was conveyed to the Acting Secretary of State (Acheson) by the Indian Agent General (Bajpai) with a letter of September 19 (845.00/9-1945).

¹⁴ For documentation regarding this subject, see pp. 255 ff.

¹⁵ Viscount Halifax, British Ambassador in the United States.

¹⁶ Foreign Office.

¹⁷ Sir Girja Shankar Bajpai.

QUESTIONS RELATED TO THE STATUS OF THE REPRESENTATION OF
THE UNITED STATES IN INDIA AND THE REPRESENTATION OF
INDIA IN THE UNITED STATES¹⁸

123 Merrell, George R.

Memorandum by the Director of the Office of Near Eastern and African Affairs (Murray) to the Under Secretary of State (Stettinius)

[WASHINGTON,] November 11, 1944.

MR. STETTINIUS: We have been giving consideration recently to the status of our diplomatic representation in New Delhi, particularly since the return of Mr. Phillips¹⁹ from England and his evident intention of not going back to India.

It seems to me highly desirable that our regular establishment in New Delhi be placed on its own footing, irrespective of the personal representatives of the President who may be sent to India from time to time. Consequently we feel it desirable to accord to Mr. Merrell,²⁰ our senior Foreign Service officer in New Delhi, the rank of Commissioner. This is the title carried by our first representative in New Delhi²¹ when the Mission was established four years ago and we have learned informally that it would be entirely acceptable to the Government of India. The Chinese representative in New Delhi carries this title at the present time.

The designation of Mr. Merrell as Commissioner would not in any way prevent the President from sending a personal representative to India at any time, with whatever personal rank the President might wish to give him. The situation would be analogous to that in Chungking, where we have an Ambassador in charge of our regular diplomatic establishment and at the same time a personal representative of the President with the rank of Ambassador (General Hurley).²²

[Here follows section concerning an attached clipping from a local newspaper.]

You may wish to discuss with the President the subject of the designation of Mr. Merrell as Commissioner,²³ as well as the designation of a personal representative of the President in India.

WALLACE MURRAY

¹⁸ For previous documentation relative to this subject, see *Foreign Relations*, 1941, vol. III, p. 170 ff.; *ibid.*, p. 176, footnote 4; and *ibid.*, pp. 189 ff., *passim*.

¹⁹ William Phillips, Personal Representative of the President to India; for documentation regarding the mission of Ambassador Phillips, see *Foreign Relations*, 1944, vol. V, pp. 232 ff.

²⁰ George R. Merrell, Secretary in charge of the American Mission at New Delhi.

²¹ Thomas M. Wilson.

²² Maj. Gen. Patrick J. Hurley; for documentation regarding the Hurley Mission to China, see *Foreign Relations*, 1944, vol. VI, pp. 247 ff.

²³ The Secretary of State sent a memorandum to President Roosevelt on January 2, 1945, recommending that Mr. Merrell be designated Commissioner with the rank of Minister. The President returned the memorandum with his approval. (123 Merrell, George R.)

128 Merrell, George R.

*Memorandum by the Chief of the Division of Middle Eastern Affairs
(Allen)*

[WASHINGTON,] January 26, 1945.

Subject: *Agrément* for Mr. George R. Merrell

Prior to Mr. Merrell's departure from India in November, 1944 he received a telegram from the Department instructing him to inquire informally of the Government of India whether it would be agreeable to that Government if Mr. Merrell should be designated as United States Commissioner to New Delhi. Mr. Merrell replied by telegraph that he had made such inquiry and had been assured by the Government of India that the appointment would be entirely agreeable.

While Mr. Merrell was in the United States during December, the appointment was cleared with the President and the nomination papers prepared. The question then arose, however, whether the informal inquiry which had already been made was sufficient to constitute an *agrément*. It was decided, in order that no uncertainty remained on this score, to approach Sir Girja Shankar Bajpai on the subject, in Sir Girja's capacity both as Agent General for India and a member of the British Ambassador's Staff, with the rank of Minister. This was done orally on January 9, 1945. Sir Girja undertook to obtain the necessary clearances. On January 16 Mr. Trevelyan, First Secretary at the Agency General, called me to say that the clearance had been given by the Government of India, but that the formal *agrément* could not be given until word was received from London.

Mr. Trevelyan called me this morning to say that the necessary clearance had arrived from London, and consequently the *agrément* and Mr. Merrell's appointment could be considered as formally in our hands.²⁴

GEORGE V. ALLEN

701.4511/1-3145 : Telegram

The Acting Secretary of State to the Secretary in Charge at New Delhi (Merrell)

WASHINGTON, January 31, 1945—7 p. m.

72. The Indian Agent General here²⁵ desires Dept to grant him recognition as a chief of mission. Dept has explained that it has been happy to accord him every feasible courtesy, such as inclusion among the chiefs of mission at United Nations meetings, an invitation to the

²⁴ Mr. Merrell was designated on February 28, 1945, Commissioner of the United States to India, with the personal rank of Minister, to reside at New Delhi.

²⁵ Sir Girja Shankar Bajpai.

inauguration²⁶ as a chief of mission, etc. It is not considered feasible, however, to list him as a full chief of mission in the absence of a request for *agrément* and the presentation of credentials. The Agent General appreciates our position, and for your personal information he has made known to us his intention of making an issue of the question with the British Government if the American Government remains unable to accord him the desired recognition without credentials.

Halifax²⁷ and Eden²⁸ are said to have agreed to a status of chief of mission for Bajpai some months ago but Churchill²⁹ objected.

Any information you may obtain regarding the attitude of officials in India on the subject will be helpful. The position which will be accorded you as commissioner³⁰ may be of some assistance to us in handling the case. Please keep Dept informed in this regard.

GREW

103.7/12-2744

The Secretary of State to the Secretary in Charge at New Delhi
(Merrell)

No. 265

WASHINGTON, February 1, 1945.

The Secretary of State refers to despatch no. 1034 from the American Consul at Karachi, dated December 27, 1944,³¹ a copy of which was transmitted to the Mission by the Consulate, concerning the transmission of publications requested by the Library of Congress. Particular reference is made to the statement that the Consulate frequently receives letters from the Punjab Government suggesting that future communications from the Consulate to the Government be routed through the External Affairs Department of the Government of India in New Delhi.

The Mission is requested to bring to the attention of the Government of India the fact that consular officers are permitted and expected, under international practice, to correspond directly with the local authorities of any of the states, principalities, or political subdivisions within their accepted consular district. The district covered by the American Consulate at Karachi includes the Punjab governor's province. The American Government perceives no basis for any hesitation on the part of the Government of the province to receive corre-

²⁶ The fourth-term inauguration of President Franklin D. Roosevelt, January 20, 1945.

²⁷ Viscount Halifax, British Ambassador in the United States.

²⁸ Anthony Eden, British Secretary of State for Foreign Affairs.

²⁹ Winston S. Churchill, British Prime Minister.

³⁰ Though American representation had been established at New Delhi in 1941, the position of the American Commissioner in the Warrant of Precedence for India had not been settled at that time by the Government of India to the satisfaction of the United States.

³¹ Not printed.

spondence directly from the American consul at Karachi and to reply to him direct.

The Mission is requested to pursue this matter energetically with the Government of India in order that a clear understanding may be reached with regard to the correspondence between all American consular posts in India and the local authorities within their district. In view of the frequent delays which have been experienced in connection with the general subject of rights and privileges in India, the Mission should press for a prompt answer, should keep the matter active, and should keep the Department informed at all times of the steps which are taken to reach a solution.

701.4511/2-845 : Telegram

The Secretary in Charge at New Delhi (Merrell) to the Secretary of State

NEW DELHI, February 8, 1945—5 p. m.

[Received February 8—5 p. m.]

96. Department's No. 72, January 31, 7 p. m. The Joint Secretary External Affairs Department³² indicated to me this morning that Government of India felt that in view of "the constitutional difficulties" it could not accredit Bajpai as a full Chief of Mission.

The position accorded me as Commissioner in the warrant of precedence [will?] doubtless be the same as that given me last June which is immediately after the members of the Viceroy's Executive Council, the Political Advisor to the Viceroy and the Chinese Commissioner, and immediately before the Australian High Commissioner.³³

MERRELL

702.0045/6-145

The Commissioner in India (Merrell) to the Secretary of State

No. 83

NEW DELHI, June 1, 1945.

[Received June 7.]

SIR: I have the honor to refer to the Department's instruction No. 265 dated February 1, 1945, directing the Mission to make energetic representations regarding the refusal of the Punjab Government to correspond directly with the American Consulate at Karachi and to report that after looking into the matter, Mr. Charles Duke, then Joint Secretary to the Government of India in the External Affairs

³² Charles Duke.

³³ The Acting Secretary of State (Grew) in his airgram A-47, February 14, confirmed that it was the Department's view that this was the proper precedence; Mr. Merrell presented his informal letter of introduction on April 20.

Department, informed me that, whereas a circular instruction sent to the provincial governments in March 1938, which doubtless gave rise to the misunderstanding, did preclude direct correspondence between consulates and provincial governments other than those in which the consular offices are located, a superseding circular letter of July 1938 authorized direct correspondence between consular officers and all provincial governments in British India within their consular districts, without reference to the Central Government, on all matters except those involving broad policy.

Since then there has been no change in the Government of India's attitude and any provincial governments which have declined to correspond directly had done so in error. Mr. Duke assured me that a fresh circular has been sent to the provincial governments clarifying the authorization for direct correspondence.

Mr. Duke explained that, on account of the treaty relations between the British Government and the Indian native states by virtue of which all foreign relations between the latter and other countries are placed in the hands of the British, this authorization could not extend to correspondence with the governments of the Indian states. He said, however, that he saw no reason why entirely routine correspondence with the Indian states, such as the Consulate at Madras obtaining Mysore publications which are sent automatically and the newspapers, could not be entered into directly. He implied that it might be better for consular officers in their discretion to attempt to correspond directly on routine matters without first inquiring as to the propriety of such action in view of the fact that, if the matter were presented formally to the Political Department, the latter would feel obliged on account of the rules and regulations to disapprove.

Respectfully yours,

GEORGE R. MERRELL

125.0045/10-2345

The Commissioner in India (Merrell) to the Secretary of State

No. 304

NEW DELHI, October 23, 1945.

[Received October 31.]

SIR: I have the honor to refer to despatch No. 2385 [2383] of October 11, 1945, from the Consulate General at Bombay entitled "Possible Consulate at Lahore, Punjab."²⁴

I agree with the opinion expressed in the despatch under reference that Lahore plus Amritsar together are of importance both commercially and politically. The attitude of the Government of India, however, remains one of opposition to normal consular representation

²⁴ Not printed.

of any kind except at the principal ports; this attitude will, of course, change when India takes another step or two towards self government, and it is possible that a change might be effected now should the United States wish to request it.

In this connection there is enclosed a copy of a memorandum of a conversation between Mills of this office and the Secretary of External Affairs³⁵ regarding the attitude of the Government of India towards the establishment of a consular section in the Mission.

Respectfully yours,

GEORGE R. MERRELL

[Enclosure]

*Memorandum of Conversation, by the Secretary of Mission
at New Delhi (Mills)*

[NEW DELHI,] October 4, 1945.

During a call on Col. Burnett on October 4, 1945, I asked him if he could tell me, for my information, the present situation with regard to the establishment of consular representation in New Delhi. I pointed out that two officers of the Mission, Mr. Flood³⁶ and Miss Monroe,³⁷ were accredited as consular officers at Calcutta, but that the present arrangement appeared to me to result in much lost motion and unnecessary red tape. As an example, I mentioned the necessity when performing notarial services to send the documents, together with rupees to cover the fees, to Calcutta for completion resulting in considerable delay. A few days before, I told him, Lt. General Wheeler³⁸ was put to considerable inconvenience with respect to Miss Wheeler, his daughter, who is a civilian employee of the Army. General Wheeler wished to have his daughter accompany him in his plane on his return to the United States. Her passport, however, had expired and only a consular office could renew it. In this case General Wheeler sent a special courier by plane to Calcutta with his daughter's passport and extension forms so it could be extended, and the Mission had to telephone Calcutta by long distance so the Consulate General would be sure to be prepared rapidly to take care of this service. I also pointed out the great inconvenience to British and Indians residing in New Delhi who wished to travel to the United States by air. If they were travelling in a private capacity they could only be granted American visas by a consular office and this often meant that they had to spend a day in Karachi, for example, in order

³⁵ Lt. Col. R. R. Burnett, Joint and Acting Secretary to the Government of India in the External Affairs Department.

³⁶ Douglas Flood, Secretary of Mission at New Delhi; also Consul at Calcutta.

³⁷ Mildred I. Monroe, Attaché at New Delhi, also Vice Consul at Calcutta.

³⁸ Lt. Gen. Raymond A. Wheeler, Commanding General, India-Burma Theater.

to obtain a visa, or make a special trip from Delhi to one of the cities where there are consular offices prior to embarking on their journey.

Col. Burnett stated that he quite realized that the absence of a consular section in the Mission resulted in considerable extra effort. He stated, however, that the policy of the Government of India remained that of refusing to permit the establishment of foreign consular officers at any interior point in India, the one exception being the Consul Generals of Iran, Afghanistan and Nepal who are established in New Delhi, this being provided for by special treaty arrangements between India and the three countries in question. When I asked why the Government of India objected to foreign consuls at interior points he stated that the policy dated back to Company days³⁹ when there was a question of protection and also of intervention in Indian political affairs by foreign agents. He added that obviously if India advanced on the road to self-government the policy would be changed. I asked whether the policy of excluding foreign consuls from interior points was brought up for reexamination from time to time. Col. Burnett replied that he thought it was and asked whether the American Mission wished to raise the question now so that there could be a reexamination at this time. To this I replied that at the moment I was merely making inquiry as to the situation on my own initiative and without having been able to consult the Commissioner; but that on the latter's return I would tell him of the conversation and he might consider it advisable to request instructions from the Department of State.

I gathered the impression that if the Mission presented a request to establish a consular section in New Delhi with vigor, it might receive favorable consideration from the Government of India. Upon return from his consultations in London in June 1945 the Viceroy⁴⁰ spoke of a plan of the British Government to accredit a diplomatic representative to the Government of India. Moreover in September 1945 the Office of the Chief Representative of the British Board of Trade (British Trade Commissioner) moved his office from Calcutta to Delhi. In view of this precedent it is believed that the Government of India could not, with logic, continue to oppose the initiation of trade promotion activities in the Delhi area by a consular branch of the Mission, if one were established. This particular aspect of the case, however, has not yet been discussed with the Government of India.

³⁹ The East India Company period, 1765-1857, when the Company directly controlled the administration of government in India, under charter grant from the British Parliament.

⁴⁰ Field Marshal Sir Archibald P. Wavell, Viscount Wavell, Viceroy of India since October 1943.

There are in British India nine cities at interior points having a population of over 200,000, namely: Delhi, Lahore, Ahmedabad, Lucknow, Amritsar, Poona, Cawnpore, Agra, and Nagpur, their importance from the standpoint of population being in the order listed. Lahore plus Amritsar, however, is much more important than any of the others taken singly, although almost equalled in importance by Delhi plus Agra. The Indian States⁴¹ are prohibited from carrying on relations with any foreign countries except through the Crown Representative (i.e. the Viceroy and the Political Department), although there are at least three cities in the Indian States which are of sufficient importance so that, except for this situation, the establishment of consular offices might be considered, namely Hyderabad, Bangalore and Benares.

I am of the opinion that at an early date the Department should be requested to instruct the Mission to take up with the Government of India the establishment of consular offices at both Delhi and Lahore, the former to be a consular section of the Mission.

SHELDON T. MILLS

701.4511/10-2845

*The British Ambassador (Halifax) to the Secretary of State*⁴²

[WASHINGTON,] October 28, 1945.

SIR: I have the honour to inform you, under instructions from His Majesty's Principal Secretary of State for Foreign Affairs,⁴³ that His Majesty's Government in the United Kingdom desire to obtain the consent of the United States Government to the raising of the status of the Agent General for India in Washington to that of a fully accredited Minister. I shall be grateful if you will be good enough to inform me whether this proposal is agreeable to the Government of the United States.

I have the honour to add that His Majesty's Government in the United Kingdom are making a similar approach to the Government of China regarding the status of the representative of India at Chungking.

I have [etc.]

HALIFAX

⁴¹ The 560 or so separate states ruled by local princes or princely governments, whose only constitutional bond was their common direct relationship with the British King-Emperor who, through the Crown Representative in India (always the Governor-General and Viceroy), wielded paramount power; this was in contrast to the centrally governed provinces of British India whose administration in India was headed by the Governor-General-in-Council, in turn responsible to a British Cabinet officer in London, the Secretary of State for India.

⁴² The Commissioner in India (Merrell) was informed of this note in telegram 851, November 1, 8 p. m., not printed.

⁴³ Ernest Bevin.

701.4511/10-2845

*The Secretary of State to the British Ambassador (Halifax)*⁴⁴

WASHINGTON, November 7, 1945.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of October 28, 1945 informing me that the British Government desires to obtain the consent of the United States Government to raising the status of the Agent General for India in Washington to that of a fully accredited Minister. It is noted that a similar approach has been made to the Government of China regarding the status of the representative of India at Chungking.

During the discussions in 1941 between the British and American Governments which resulted in the exchange of the present type of representation between the Governments of the United States and India, it was felt that Agent General, Commissioner, or Diplomatic Agent were the designations most appropriate to India's constitutional status at that time. As it is understood that steps are now about to be taken in India for the purpose of revising India's constitutional position, this Government believes that it would be preferable to postpone a decision on the question raised in your note under acknowledgment pending the outcome of these developments.

Meanwhile, this Government would be pleased, if the Government of India so desires, to accord to the representatives of that Government in the United States, on a reciprocal basis, the status of a Commissioner or Diplomatic Agent with the privilege of maintaining his own separate diplomatic establishment. In such case he would be given a position in the diplomatic corps immediately above chargé d'affaires.

Accept [etc.]

JAMES F. BYRNES

701.4511/11-845

Memorandum of Conversation, by the Director of the Office of Near Eastern Affairs (Henderson)

[WASHINGTON,] November 8, 1945.

Participants: Sir Girja Shankar Bajpai, Indian Agent General
Mr. Henderson-NEA
Mr. Berry-ME⁴⁵

The Indian Agent General called this morning at our request. Mr. Henderson opened the conversation by saying that we simply wished to advise him informally of the nature of and the reasons for our

⁴⁴ The substance of this note was conveyed to the Commissioner in India (Merrell) in telegram 869, November 7, 8 p. m., and repeated to the Chargé in China (Robertson) in telegram 1808, November 7, 8 p. m., with request that the appropriate Chinese authorities be informally apprised of its contents.

⁴⁵ J. Lampton Berry, Assistant Chief of the Division of Middle Eastern Affairs.

desire to postpone a decision on the above British proposal pending the results of the constitutional steps about to be taken in India. Mr. Henderson added that a note to this effect had gone to the British Ambassador this morning. Mr. Henderson emphasized our great desire to exchange fully accredited diplomatic representatives with India and that we only wished to postpone a decision pending developments.

Mr. Berry reminded Sir Girja that it was felt in 1941 that the type of representation then exchanged between the Governments of the United States and India was the type most appropriate to India's constitutional status at that time and that no basic change in India's constitutional status had occurred since that date. He added, therefore, that it would seem premature, especially in the light of impending events in India, to make an important change at this time.

Sir Girja replied that our position was legally and constitutionally unassailable but that he felt we might bear in mind that the Government of India has since 1941 been granted a wider scope in the conduct of its own affairs. He referred in this connection to India's membership in the United Nations Organization and its participation in the Far Eastern Advisory Commission. Mr. Berry replied that this did not alter the fact that the Viceroy still possesses the veto power and that basic policies, both political and economic, are formulated in London. He added that only recently our Commissioner in New Delhi had reported that one of the highest Indian officials of the Government of India had told him that he could do nothing in the way of ameliorating India's import restrictions with regard to American firms⁴⁶ as all policies in connection with such matters were dictated from London.

Mr. Berry then expressed the fear that, were we to accede to the British Government's proposals at this time, such action might very well be used by one party or other as campaign material during the forthcoming elections. Sir Girja replied that he perceived little likelihood of this.

Mr. Henderson here re-emphasized our desire to exchange full diplomatic representation with India and that we simply wished to postpone a decision for a few months pending developments. Sir Girja replied that even after the elections were over about April 1, 1946, the actual constitutional position would not be changed until a constituent assembly had drafted a new constitution for a self-governing India which might require several months or even years so that postponement at this time in effect meant postponement indefinitely. Mr. Berry replied that there was something more to a constitution than the written word and that no country was more familiar with conventions than

⁴⁶ For documentation regarding this subject, see pp. 269 ff.

the United Kingdom. He added, therefore, that it was quite possible that the Viceroy would succeed in forming an interim national government after April 1, 1946 by means of informal assurances to the representative Indian leaders that the veto would be used sparingly. If such leaders were convinced that India was in effect self-governing under such an arrangement, there would be a new situation.

Sir Girja stated that he believed that exchange of fully accredited Ministers at this time would be of assistance to India on the road to self-government. Mr. Berry replied that such a step would be strongly resented by every representative Indian because it would publicly put this Government on record as believing that India is already self-governing when such in fact is not the case.

[Here follows expression of personal views by Sir Girja.]

701.4511/11-1345

Memorandum from the Legal Adviser (Hackworth) to the Director of the Office of Near Eastern and African Affairs (Henderson)

WASHINGTON, NOVEMBER 13, 1945.

INDIA—DIPLOMATIC REPRESENTATION

MR. HENDERSON: You have requested a memorandum regarding the desire of the British Government to have a Minister accredited to the United States from India.

1. It is unnecessary to dwell upon the proposition that independent states may send and receive diplomatic representatives. This is axiomatic. All the authorities in speaking of the right to accredit ambassadors, ministers, etc., speak of it as a right appertaining to independent states. We know that India is not independent. It is unnecessary here to go into the question of her status vis-à-vis Great Britain or the outside world. The question is whether despite her lack of independence we may allow her to have an accredited Minister in the United States.

2. While the authorities, in discussing diplomatic representation, connect the privilege with independent states, they also speak of representation by and to semi-sovereign or dependent states.

Thus, Oppenheim states:

“Not every State possesses the right of legation. This right belongs chiefly to full sovereign States, for other States possess it under certain conditions only.

“Half sovereign States, such as States under the suzerainty, or the protectorate, of another State, can, as a rule, neither send nor receive diplomatic envoys. But there may be exceptions to this rule. Thus, according to the Peace Treaty of Kainardji of 1774 between Russia and Turkey, the two half sovereign principalities of Moldavia

and Wallachia had the right of sending *chargés d'affaires* to foreign Powers. Thus, further, before the Boer War, the South African Republic, which was, in the opinion of Great Britain, a State under British suzerainty, used to keep permanent diplomatic envoys in several foreign States." I Oppenheim's *International Law* (Lauterpacht, 1937) 600-601.

Wheaton, in his discussion of the rights of legation, says:

"How far the rights of legation belong to dependent or semi-sovereign States, must depend upon the nature of their peculiar relation to the superior State under whose protection they are placed. Thus, by the treaty concluded at Kainardgi, in 1774, between Russia and the Porte, the provinces of Moldavia and Wallachia, placed under the protection of the former power, have the right of sending *chargés d'affaires* of the Greek communion to represent them at the court of Constantinople." Wheaton's *International Law* (Dana's ed., 1866) 290.

Davis in his treatise states:

"The power of sending and receiving ambassadors belongs also to dependent states, unless its exercise is expressly forbidden by the states upon which they are dependent." Davis, *Elements of International Law* (3 ed., 1908) 191.

3. The United States has at different times been represented diplomatically in quasi-independent states, but usually, if not always, by an officer of lower rank than a minister.

4. For example, prior to the recognition of Bulgaria as an independent Kingdom our Minister to Roumania and Serbia was also Diplomatic Agent to Bulgaria.

5. Prior to the relinquishment by Great Britain in 1922 of her Protectorate over Egypt we were represented in Cairo by a Diplomatic Agent and Consul General.

6. Following the establishment in 1912 of the French Protectorate over Morocco, the United States was represented at Tangier by a Diplomatic Agent and Consul General. We are at present represented by a Counselor of Legation and Consul General with a staff of diplomatic secretaries and consular officers.

7. In 1924 the Secretary of State received an Envoy Extraordinary from San Marino, a Republic, under the protection of Italy.

8. I have not undertaken to determine whether the countries referred to in paragraphs 4, 5, and 6 were similarly represented in the United States, but I know of no reason why they should not have been had such representation been mutually agreeable. A reason for not having special representatives here would have been the fact that they were represented through the protecting Powers.

9. While these representatives were lower in rank than Ministers they nevertheless were diplomatic officials and we thus had diplo-

matic relations with those countries despite the fact that they were not fully independent sovereign states.

10. If diplomatic relations may thus be established through officers of lower rank than Ministers, I know of no reason why, had we so desired, we could not as well have sent Ministers had the state having suzerainty been agreeable. The question of the rank to be given diplomatic officers is one of policy and not of law.

11. India is not an independent sovereign State but she is a member of the League of Nations and of the United Nations. She has been represented here by an Agent General in the British Embassy, who apparently has the rank (presumably personal) of Envoy Extraordinary and Minister Plenipotentiary. If India and the British Government desire to accredit him as Minister for India, it would not do violence to any law, international or municipal, of which I have any knowledge for us to receive him as such. I presume that the British Government would be willing to reciprocate, at least I think that we should make reciprocity a condition, to be exercised or not as we may see fit.

12. The fact that Constitutional changes in India are in process would not seem to have any great bearing on our decision, since such changes of which I have any knowledge would still leave India a part of the British Empire.

13. Generally speaking, the receiving of an accredited diplomatic officer is to be regarded as constituting recognition of the independence of the sending state, and questions may well be raised whether, if we receive a Minister, we have recognized India as an independent State. India might use the recognition of the right of legation as an argument that she is or should be independent. That, however, is largely a matter between India and the United Kingdom. If we acted independently, we would be giving offense to Great Britain. But since Great Britain is making the request that situation does not arise. We could answer inquisitive people—and there may be many—as to the nature and effect of the new situation, by stating the facts and saying that the arrangement was made in the mutual interest of the two countries and at the request of the British Government and that it carries no further implications.

GREEN H. HACKWORTH

PROPOSALS FOR DISCUSSIONS REGARDING LEND-LEASE TERMINATION AND SETTLEMENT, AND THE DISPOSAL OF SURPLUS UNITED STATES PROPERTY LOCATED WITHIN INDIA

845.24/10-2845

*The Department of State to the Indian Agency General*⁴⁷

AIDE-MÉMOIRE

The Government of the United States proposes that discussions should be begun at an early date with representatives of the Government of India concerning lend-lease termination and settlement, and the disposal of surplus property belonging to the United States Government and located within the territory of the Government of India. It would appear to be in the mutual interest of the Governments of the United States and of India that issues relating to the above subjects should be resolved as expeditiously and as completely as possible. The Government of the United States would, therefore, appreciate an early expression of opinion from the Government of India as to when such discussions might be begun.

WASHINGTON, October 26, 1945.

845.24/11-2845

The Agent General for India (Bajpai) to the Secretary of State

AIDE-MÉMOIRE

The Agent General for India has the honour to refer to the *Aide-Mémoire* addressed to him by the Government of the United States on 26th October 1945 proposing discussions with a representative of the Government of India concerning lend-lease termination and settlement, and the disposal of surplus property belonging to the United States Government and located within the territory of the Government of India.

The Government of India welcome the suggestion of the United States Government that problems of termination of Lease-Lend and of Reciprocal Aid and of disposal of surpluses of the United States Government in India should be resolved in discussion between the State Department and representatives of the Government of India. They are collecting the information necessary for the discussions; but it is unlikely that all the material will be ready before the latter half of January. They suggest that the discussion should commence early

⁴⁷ The Agency General was composed of certain members of the staff of the British Embassy; Sir Girja Shankar Bajpai was the Agent General for India.

in February. The Government of India trust that this proposal will suit the convenience of the United States Government.

[WASHINGTON,] 28 November, 1945.

845.24/11-2845

The Secretary of State to the Agent General for India (Bajpai)

MEMORANDUM

The Secretary of State refers to the *Aide-Mémoire* addressed to him by the Agent General for India on November 28, 1945 welcoming the suggestion of the United States Government that problems of termination of lend-lease and of reciprocal aid and of disposal of surpluses of the United States Government in India should be resolved in discussion between the State Department and representatives of the Government of India.

It is noted that the Government of India desires that the discussions commence early in February. The United States Government is agreeable to this proposal and trusts that in view of the need for an early agreement on the matters to be discussed, the conversations may be commenced as soon as possible after February 1.

WASHINGTON, December 11, 1945.

REPRESENTATIONS TO INDIA REGARDING THE POSITION OF AMERICAN EXPORTS IN THE INDIAN MARKET; PROPOSAL BY THE UNITED STATES FOR RESUMPTION OF NEGOTIATIONS FOR A TREATY OF COMMERCE AND NAVIGATION⁴⁸

845.24/12-2644

The Secretary in Charge at New Delhi (Lane) to the Secretary of State

No. 922

NEW DELHI, December 26, 1944.

[Received January 8, 1945.]

SIR: I have the honor to refer to the Mission's airgram A-105 of November 27, 11 a. m. (1944),⁴⁹ reporting a discussion of the question of import control with the Chief Controller of Imports of the Government of India,⁵⁰ and to enclose a copy⁴⁹ of a statement on "Registration of Post-War Requirements of Capital Goods" issued to the press by the Commerce Department of the Government of India on December 22, 1944.

⁴⁸ For previous correspondence concerning treaty discussions, see *Foreign Relations*, 1941, vol. III, pp. 189 ff.

⁴⁹ Not printed.

⁵⁰ Ram Chandra.

The statement, which has been communicated to the Chambers of Commerce of the country, explains that Indian firms which have or intend to place orders for capital goods overseas must register them with the Chief Controller of Imports of the Government of India. An exception to the registration requirement is made in the case of orders for capital goods which are expected to be shipped before July 1, 1945, in which case an ordinary import license will be all that is required. Also exempted from registration will be orders for machine tools with an estimated f.o.b. value of less than Rs. 10,000 (\$3,000) and other capital goods with an estimated value of less than Rs. 25,000 (\$7,500).

The procedure outlined in the statement is as follows:

From the statement, it appears that a firm in India wishing to import capital goods from the United States on which shipment is expected to be made prior to July 1, 1945, needs only the ordinary import permit and priority for dollar exchange. On goods to be shipped after that date, the importer will have to obtain the registration of the order with the Chief Controller of Imports (if for a machine tool with a f.o.b. value of \$3,000 or over or other capital equipment with a f.o.b. value of \$7,500 or over). He must also obtain acceptance of the order by a United States supplier and notify such acceptance to the Chief Controller of Imports. The importer will also require an import license with a right to dollar exchange, which will not be issued unless the above conditions have previously been met. Registration of orders for the purchase of capital goods outside the sterling area will not be accorded unless necessity and urgency can be shown.

Apparently a prospective importer of capital goods will be expected to exhaust all possibilities of obtaining them in the sterling area before having recourse to United States, Canadian, or Swiss suppliers. Knowledge of the supply position in the sterling area, therefore, may well prove a useful guide to American manufacturers in deciding whether inquiries from India deserve serious attention.

Respectfully yours,

CLAYTON LANE

711.452/2-2745

The Secretary in Charge at New Delhi (Merrell) to the Secretary of State

No. 1029

NEW DELHI, February 27, 1945.

[Received March 6.]

SIR: I have the honor to refer to the penultimate paragraph of the Department's airgram A-313, December 19, 1944, 2.15 p. m.,⁵¹ stating

⁵¹ Not printed.

that the Department would be prepared to resume discussions leading to the negotiation of a treaty of commerce and navigation between India and the United States (suspended on December 15, 1942)⁵² and requesting the Mission's comments on the general contents, acceptability and timing of such a treaty.

It will be recalled that on December 30, 1942, the Supply Member of the Government of India, Sir Ramaswami Mudaliar, then in Washington, assured officials of the Department that the Government of India had in no way lost its desire for a treaty, but that the status of the Government of India undoubtedly would undergo a change after the war, and that instruments negotiated now might need to be done again later. The future framework of the Government of India is no clearer now than it was in December 1942. If this reason for postponing negotiations was valid at that time, it is still valid.

On February 21, 1945, the officer of the Mission in charge of economic affairs⁵³ accompanied Mr. Beecroft, the Special Representative of the Foreign Economic Administration in New Delhi, in calling on Mr. Ram Chandra, Chief Controller of Imports and Acting Secretary of Commerce Department of the Government of India. The object of the visit was to permit Mr. Beecroft to obtain the latest views of the Government of India on economic relations between the United States and India before he returns to the United States for consultation early in March. The Mission's economic officer took the opportunity to sound out Mr. Ram Chandra regarding the possibility of resuming negotiations leading to a treaty of commerce and navigation. The latter made it clear that the Government of India at present has not reached any definite views on this subject. He suggested the possibility that when the Secretary of the Commerce Department, Mr. N. R. Pillai, returns to India early in March from his protracted visits to the United Kingdom and the United States, the Government of India might possibly consider the question of India's commercial relations with foreign countries after the war. Mr. Ram Chandra stressed the point that such a decision was only a possibility, and he had no way of knowing whether the question would even come up for serious discussion. The Mission will seek an opportunity to learn the views of the Secretary of the Commerce Department, Mr. N. R. Pillai, when the latter returns to India.

It has been learned from officials of the Federation of Indian Chambers of Commerce and Industry that a resolution will be introduced at the annual meeting of the Federation, which will convene in New Delhi on March 3, 1945, calling for the resumption of negotiations of a commercial treaty between India and the United States. The principal interest of the members of the Federation, it is be-

⁵² See bracketed note, *Foreign Relations*, 1941, vol. III, p. 201.

⁵³ Sheldon T. Mills, Secretary at New Delhi.

lieved, is in alleviating the position of Indian business men by a treaty which would make applicable to them the provisions of Section 3(6) of the Immigration Act of 1924.⁵⁴ Indian interests, it appears would view with unconcern the provisions of paragraph 3 of article XVI of the draft treaty⁵⁵ providing most favored nation treatment and including the United Kingdom and Northern Ireland among the third countries. When it comes to national treatment with respect to navigation, contained in articles II and [to?] VI of the draft, it is anticipated that there would be opposition since Indian shipping interests are bitter over the equal opportunity accorded the British in this field. Similarly national treatment with respect to the exploration for and exploitation of a specified list of mineral resources probably would encounter great opposition in view of the current belligerently nationalistic mood of many Indians. Finally any national treatment with respect to industrial property, covered by Article IX of the draft treaty, would be opposed. In a conversation with Sir Ardeshir Dalal⁵⁶ on February 24, 1945, Dr. Charles F. Remer⁵⁷ of the Department and Mr. Mills of the Mission were told baldly that India intended to see that foreign interests did not in the future acquire majority ownership or control of any of India's industries, and it was implied that India would be able to get along without foreign capital if the latter was unwilling to come to India on a minority basis.

With both Indian business interests and the Indian elements in the Government in such a hyper-nationalistic frame of mind, it is doubtful whether the United States would be able at this time to negotiate with India a treaty of commerce and navigation which would give the United States any of the advantages it might look for in such a treaty. On the contrary recent announcements of officials in Britain do not indicate that the United Kingdom Government is in any mood to scrap the Ottawa Agreements⁵⁸ now. In this connection a Reuter despatch from London, dated February 23, 1945, reports that the British position at the Commonwealth Relations Conference now in session is that there might be some room for an "improved Ottawa Pact" in the form of a relaxation of inter-Commonwealth trade barriers which, it is assumed, would not apply to non-Empire countries such as the United States.

Respectfully yours,

GEORGE R. MERRELL

⁵⁴ Approved May 26, 1924; 43 Stat. 153.

⁵⁵ For text, see *Foreign Relations*, 1939, vol. II, p. 354.

⁵⁶ Member of the Executive Council of the Governor-General for Planning and Development.

⁵⁷ Adviser on Far Eastern investment and finance, Division of Financial and Monetary Affairs.

⁵⁸ Agreements and announcements made at the Imperial Economic Conference, Ottawa, August 20, 1932, *British and Foreign State Papers*, vol. 135, p. 161.

845.515/3-1045

The Secretary in Charge at New Delhi (Merrell) to the Secretary of State

No. 1044

NEW DELHI, March 10, 1945.

[Received March 20.]

SIR: I have the honor to report that, after considerable reflection and in view of growing agitation in the economic press of India for the negotiation of a dollar loan for which some of India's sterling assets would be offered as security, it was decided to bring to the attention of Sir Ardeshir Dalal, Planning and Development Member of the Government of India, in an informal and personal but written form, part of the contents of the Department's confidential Airgram A-313 of December 19, 1944, 2:15 p. m., and a letter was sent to him on March 2, 1945, a copy of which is enclosed.⁵⁹

There is also enclosed a copy of Sir Ardeshir's acknowledgment, dated March 8, 1945,⁶⁰ in which he states that it is possible, but by no means certain, that he may visit the United States on the conclusion of his visit to the United Kingdom. The latter visit will be in company with a group of Indian industrialists who plan to leave India about April 1st and who are scheduled to go to the United States after visiting the United Kingdom. Sir Ardeshir indicates that if he goes to the United States he will have an opportunity to discuss at first hand with officials of the Government of the United States such questions as foreign capital participation, management, and control in such ventures as an electrical machinery industry for India.

It will be noted that Sir Ardeshir, in the final paragraph of his letter, states that he has brought to the attention of the Government of India the interest of the United States in reopening negotiations of a commercial treaty between India and the United States. I mentioned this interest orally to Sir Olaf Caroe, Secretary to the Government of India in the External Affairs Department, shortly after my return to India in January 1945.

Respectfully yours,

GEORGE R. MERRELL

⁵⁹ Neither printed. Regarding airgram A-313, December 19, 1944, see despatch 1029, February 27, from New Delhi, *supra*. In his letter to Sir Ardeshir the Secretary in Charge said in part: ". . . it might be observed that technical and financial aid for . . . India would gain encouragement through the conclusion of a treaty of commerce and navigation between India and the United States. The Department of State would be prepared to resume discussions of such a treaty at any propitious time. As you probably are aware, in 1938 the two Governments agreed that such a treaty should be concluded, but negotiations were interrupted on December 30, 1942, at the request of the representatives of the Government of India who, however, stated that the Government of India had in no way lost its interest in such a treaty." (845.515/3-1045)

⁶⁰ Not printed.

711.452/3-545

*Memorandum by Mr. Richard W. Flournoy, Assistant to the Legal Adviser (Hackworth)*⁶¹

[WASHINGTON,] March 23, 1945.

Subject: Entry of East Indians into the United States for Commercial Purposes

In my recent testimony before the House Committee on Immigration and Naturalization concerning the pending bill which provided for the immigration and naturalization of East Indians⁶² I mentioned, as one argument in favor of its passage, the fact that we have no treaty of commerce between the United States and India, since the commercial treaty of 1815 with Great Britain⁶³ relates only to trade between the United States and British territory in Europe. The fact that the Committee has tabled the bill in question, so that its passage will at least be delayed for some time, might make it desirable to have a commercial treaty with India, so that East Indians coming to the United States to carry on trade between the two countries will not be handicapped by the necessity of obtaining entry, under Sec. 3(2) of the Immigration Act of 1924, as temporary visitors for business, and of thereafter applying repeatedly for extensions of stay. However, this is a question of commercial policy.

R[ICHARD] W. F[LOURNOY]

711.4511/6-1245

*Memorandum of Conversation, by the Adviser on Commercial Treaties, Division of Commercial Policy (Wilson)*⁶⁴

[WASHINGTON,] June 12, 1945.

Participants: Sir Girja Shankar Bajpai, Agent General for India,
Mr. Lane, formerly Secretary of Mission at New Delhi,
Mr. Haley, ITP,⁶⁵
Mr. Berry, ME,⁶⁶
Mr. Ross, CP,⁶⁷
Mr. Wilson, CP.

⁶¹ Addressed to the Division of Commercial Policy and the Division of Research and Publication.

⁶² For documentation regarding this subject, see pp. 281 ff.

⁶³ Signed at London, July 3, 1815, Hunter Miller (ed.), *Treaties and Other International Acts of the United States of America*, vol. II, p. 595.

⁶⁴ Copy transmitted to the Commissioner in India (Merrell) in instruction 323, June 29, with request that the Mission comment on the prospects for negotiating a treaty of friendship, commerce and navigation with India, "considering the prospective political changes in India. . . ." (611.4531/6-2945); for documentation regarding the political situation in India at this time, see pp. 249 ff.

⁶⁵ Bernard F. Haley, Director of the Office of International Trade Policy.

⁶⁶ J. Lampton Berry, Acting Assistant Chief of the Division of Middle Eastern Affairs.

⁶⁷ James A. Ross, Jr., Assistant Chief of the Division of Commercial Policy.

At the invitation of Mr. Haley, the Agent General for India called to discuss informally the question of reopening negotiations looking to a commercial treaty. Referring to the discontinuance (in 1942) of discussions based upon a draft treaty which the United States presented in 1939, the Agent General (1) inquired what developments there had been since 1942 which would have bearing upon the matter, (2) said that, since India desired to terminate the rights and privileges which British nationals and corporations have in India (on a national treatment basis) under the Government of India Act, 1935 (25 & 26 Geo. 5, ch. 42), it would hardly be feasible at the present time to give Americans most-favored-nation treatment in the matters concerned, and (3) expressed the view that Imperial trade preferences would need to be taken into account but should not preclude the making of a treaty.

Department representatives suggested (1) that American business interests could hardly be expected to participate extensively in trade and industry in India unless there were a treaty to provide a general framework for such participation, (2) that the improvement in the general international situation since 1942 seemed to justify the early resumption of discussions, (3) that while each Government would need to consider its own Constitutional arrangements, it should not be impossible to work out applications of the most-favored-nation principle with exceptions where these were unavoidable and, if necessary, with provision that, as to some subject matters, the United Kingdom would not be considered a most-favored "foreign" nation.

There was brief discussion of the applicability of a treaty which might be concluded between the United States and India to the Indian States as well as to British India.⁶⁸

Sir Girja said that he would report this conversation to the Government of India. It was understood that study looking to a draft treaty would be continued in the Department,⁶⁹ and that another conversation concerning the possibility of reopening negotiations would be held as soon as practicable.

⁶⁸ With regard to the Indian States, see footnote 41, p. 262.

⁶⁹ As a result of this continuing study of the treaty question the Office of Near Eastern and African Affairs on September 28, 1945, recommended to the Office of International Trade Policy that no further action be taken at that time toward treaty discussions with India, the Office of International Trade Policy agreeing in a memorandum of April 1, 1946 (711.452/4-146). At the same time the Office of International Trade Policy referred to a memorandum of the India-Burma Committee, "U.S. Benefits and Concessions with reference to [lend-lease and surplus property settlement and other] Negotiations with India", dated March 13, 1946, in which was stated a general Department opinion that ". . . the conclusion of a treaty of friendship and commerce with India should be postponed until representative Indian political elements were in control of the external affairs of their country". (Lot 22, Box 9, Folder "India-Burma Documents 1")

611.4581/7-1845

The Commissioner in India (Merrell) to the Secretary of State

No. 149

NEW DELHI, July 18, 1945.

[Received July 26.]

SIR: I have the honor to refer to the Department's confidential instruction No. 325 of July 2, 1945,⁷⁰ inviting comments by the Mission on points raised during a conversation on June 20, 1945, between Sir Ardeshir Dalal and Sir Girja Bajpai, on the one hand, and officers of the Department on the other.

[Here follows discussion of particular points.]

No doubt Sir Ardeshir is sincere in stating that the present Government of India does not contemplate any change in its tariff policy. Whether that will be true a year from now is questionable. The Wavell Plan to reorganize the Executive Council has failed, but another attempt may be made. If and when Congress Party nationalists are given an important and perhaps dominant voice in determining policy it is not unlikely that the party's long time demand for a high protective tariff may be heeded. It must not be forgotten that attempts to conclude a lend lease agreement with India⁷¹ failed because of the unwillingness of the Government of India to commit itself to a policy of eliminating trade barriers.

Assistant Secretary of State Clayton is reported to have told Sir Ardeshir that there should be no difficulty in obtaining reasonable credits in the United States once the Congress increases the lending power of the Export-Import Bank. It is suggested that prior to granting any substantial credit to the Government of India, the Export-Import Bank should obtain assurances with respect to:

1) The operation of import licensing in India in a non discriminatory manner and its liquidation as soon as practicable. This may involve the withdrawal of India from the Sterling dollar pool unless some agreement can be reached with the British on the operations of the pool during the transition period during which it may be permitted to continue.

2) A guarantee against discriminatory legislation which would affect the investments of Americans in India. This would mean that the Government of India would refrain from enacting legislation that would require all new enterprises to be controlled by Indians. It should be left to the individual entrepreneurs to decide whether or not they will demand majority ownership in new companies undertaken jointly with Americans. If Indians can obtain the financial assistance they need for the purchase of capital goods from the Export-Import Bank they will be reluctant to come to terms with private American investors. The Export-Import Bank, on the other

⁷⁰ Not printed.

⁷¹ See *Foreign Relations*, 1943, vol. iv, pp. 246 ff.

hand, probably can not make available "know-how" with its credits. In many lines it is in the interests of a balanced economic development in India that the policy of excluding foreigners from the control of Indian enterprises should be relaxed. If this is not done, and American credits are available for the purchase of capital goods, considerable waste is apt to occur from misdirected efforts on the part of Indian enterprisers. In complicated lines of manufacture, it is unlikely that Indians can hire first class technical advice without a willingness to share and in some cases to give others the control. Control is more important than ownership.

As previously reported, the major obstacle in the way of negotiation of a commercial treaty between India and the United States is believed to be the existence of the so-called "commercial safeguards" enjoyed by Britain. If these could be superseded by an Anglo-Indian commercial treaty, freely negotiated, it is believed that reluctance on the part of India to negotiate a treaty with the United States would diminish.

Respectfully yours,

GEORGE R. MERRELL

645.116/8-2845

The Commissioner in India (Merrell) to the Secretary of State

No. 212

NEW DELHI, August 28, 1945.

[Received September 7.]

SIR: I have the honor to refer to recent correspondence with the Department regarding the attitude of the Government of India towards the import of goods from the United States, particularly to the following despatches:⁷²

No. 102 of June 13, 1945, entitled: "Registration of Post-War Imports of Capital Goods by the Government of India."

No. 165 of July 26, 1945, entitled: "Transmitting Memoranda of Conversation with Secretary of the Government of India in the Supply Department * Regarding the Position of American Exports in the Indian Market and Related Subjects."

No. 208 of August 25, 1945, entitled: "Trade Difficulties in India of the F. E. Myers and Brother Company of Ashland, Ohio."

I now take pleasure in enclosing a copy of a note⁷³ (No. 1 (20)-ITC/45 dated August 23, 1945, but received only on August 27, 1945) in which the Secretary to the Government of India in the Commerce Department, N.R. Pillai, has replied to some of the questions which Mills and I discussed in our conversation with him on July 19, 1945.

⁷² None printed.

*should be corrected to read "Commerce Department". [Footnote in the original.]

⁷³ Not printed.

It will be noted that no mention has been made of the proposal to grant quotas for the import into India of capital goods from the United States, and I conclude that this project did not receive the approval of London. On the other hand Pillai informs me that the Government of India has modified its import policy and no longer will refrain from issuing licenses for the import of essential goods from the United States merely because similar goods are available in the sterling area. The pertinent paragraph, No. 3 in his letter, reads as follows:

“Coming now to the question of policy, our general policy hitherto, as explained in Ram Chandra’s d.o. 10 (42)—ITC/44 dated the 28th October 1944,† has been that with a view to conservation of difficult currencies such as U.S. dollars, import should not be allowed from outside the sterling area of goods which are either not essential or which are available within the sterling area. You will be interested to hear that this has now been modified and we do not insist rigidly on the second of these criteria. Where a firm in India had a pre-war trade connection with a U.S.A. supplier who normally supplied goods which are considered essential to India’s requirements, licenses are to be issued to that firm even though the goods could be obtained from the sterling area instead; it will not of course be possible to grant licenses up to the full extent of normal pre-war imports, but we hope that the licenses will be sufficient to enable U.S.A. suppliers to keep up their Indian connections.”

Copies of this despatch are being sent to the consular offices in India so that they can inform agents of American firms concerned.

[Here follows discussion of other points of the letter.]

Respectfully yours,

GEORGE R. MERRELL

645.116/9-1045

The Commissioner in India (Merrell) to the Secretary of State

No. 230

NEW DELHI, September 10, 1945.

[Received September 19.]

SIR: I have the honor to refer to previous correspondence extending back well over a year, and particularly to the Department’s restricted memorandum instruction No. 340 of August 7, 1945, (Department’s File No. 645.116/2-545) regarding the difficulties of the F. E. Myers & Brother Company of Ashland, Ohio, in obtaining entry for its pumps and sprayers into the Indian market, and to enclose a copy of a communication (D.O. No. 10(42)—ITC/44) dated

†Although a summary was sent to the Department in a cable at the time and the text was forwarded later, an additional copy is attached for ready reference [not printed]. Pertinent sentence reads: “. . . imports should not be allowed from outside the sterling area of goods which are either not essential or which are obtainable in the sterling area.” [Footnote in the original.]

September 6, 1945,⁷⁴ from the Secretary to the Government of India in the Commerce Department, Mr. N. R. Pillai, relating to the case in question.

It will be noted that the Government of India has been making inquiries as to how far Myers pumps satisfy "the test of essentiality" with the conclusion that the import of manual operated pumps is not regarded as essential but certain types of deep well pumps manufactured by the American firm are considered essential and at present their import is being licensed. Pillai's letter sounds the death knell of his earlier proposal of quotas for American machinery exporting firms, the reason being made clear in the last sentence of his letter, which reads as follows:

"You will, I am sure, appreciate that the present dollar position of the sterling area precludes all imports of non-essentials which would involve dollar expenditure."

It appears probable to me that this marks a reversion to the previous policy of the Government of India of refusing permission to import from the United States goods which may be available in the sterling area. If this is the case the move is obviously connected with the cessation of Lend Lease and the near panic with respect to the dollar position in the United Kingdom. If my interpretation is correct, it is evident that the Bank of England must have instructed the Government of India to limit its demands for dollars from the Sterling Area Dollar Pool as rigidly as possible.

It will be noted that the current communication from Mr. Pillai does not specifically withdraw the statement of policy in his letter of August 23, 1945,⁷⁵ which informed me of a change from the previous rigid refusal to license imports payable in dollars if such goods were available in the sterling area. I believe it would be inexpedient to press now for a clarification of this point since, until I am specifically advised of a change, the Mission can assume that the August 23rd statement still stands, at least in theory. I fully anticipate, however, that great difficulty will continue to be encountered in obtaining the issuance of licenses to import from the United States, at least for the present. An ultimate relaxation of this policy must depend, in my opinion, on (1) the outcome of the negotiations being opened in Washington today between the British and ourselves with respect to Lend Lease termination and related problems,⁷⁶ and on (2) any separate negotiations with India which may be initiated at a later date as a logical outgrowth of the current talks with the British.

Respectfully yours,

GEORGE R. MERRELL

⁷⁴ Neither printed.

⁷⁵ See the Commissioner's despatch 212, August 23, *supra*.

⁷⁶ For documentation regarding this subject, see pp. 1 ff.

645.006/11-2445

The Commissioner in India (Merrell) to the Secretary of State

No. 349

NEW DELHI, November 24, 1945.

[Received December 4.]

SIR: As of interest to the Department and the Department of Commerce, I have the honor to quote below the text of a Press Note issued by the Government of India on November 23, 1945, regarding facilities for the import into India of capital goods under the capital goods orders registration scheme:

"With a view to facilitating early consideration of applications for registration of requirements of capital goods for the cotton textile industry, it has been decided that the Deputy Chief Controller of Imports, Bombay, who is the licensing authority for cotton textile machinery, millstores and component parts, should receive such applications on behalf of the Chief Controller of Imports, New Delhi.

"Applications for registration of such goods should, therefore, in future be addressed to the Deputy Chief Controller of Imports, Bombay, in the first instance, in the prescribed form.

"It has also been decided that imports of capital goods for stock and sale, whether for the requirements of the cotton textile industry or any other industry, will require registration only if the value of any of the individual units included in the stock order is Rs. 25,000 and over (or Rs. 10,000 and over in the case of machine tools), irrespective of the total value of the order.

"It has further been decided that, in future, when once an application has been accepted for registration, an import license will be issued as quickly as possible after issue of the Registration Certificate, from whatever country import has been registered and whatever the goods concerned. In other words, acceptance of registration carries with it automatically the right to an import licence."

The Chief Controller of Imports had previously communicated to the Mission his decision that acceptance of registration of an order to import capital goods from abroad would automatically entitle the applicant to an import license, and in my despatch No. 312 of November 5, 1945,⁷⁷ for example, I reported that the same policy would be applied to imports of machine tools. As far as the Mission is aware, however, the Press Note quoted above constitutes the first public statement by the Government of India regarding this policy.

Paragraph 3 of the Press Note is of interest in that it will permit, providing import licenses can be obtained, larger imports of capital goods for stock and sale. This constitutes, in the opinion of the Mission, a step towards the merging of the capital goods registration scheme in the normal import control system.

Respectfully yours,

GEORGE R. MERRELL

⁷⁷ Not printed.

REMOVAL OF CERTAIN RESTRICTIONS IN THE IMMIGRATION AND
NATURALIZATION LAWS OF THE UNITED STATES, AS THEY RE-
LATED TO THE PEOPLE OF INDIA

150 Barred Zones/27½

*Memorandum of Conversation, by the Director of the Office of Near
Eastern and African Affairs (Murray)*

[WASHINGTON,] December 28, 1944.

Sir Girja Shankar Bajpai, the Indian Agent General, called on me by appointment today.

The principal purpose of Sir Girja's visit was to raise again the question of placing the nationals of India in this country on a basis of equality with the Chinese as a result of legislation passed in Congress during the past session.⁷⁸

Sir Girja told me that he had had an opportunity to discuss this matter quite fully with the President several months ago and that the President, while sympathetic to the idea, had expressed the view that it would be desirable to postpone consideration of the matter until after the national elections.

Now that the elections are past, Sir Girja hopes that the Department may see its way clear to reexamine this question which is one of such vital concern to India. I told the Agent General that we had been following the subject closely and that we would be glad to raise the question in the Department in order to arrive at a decision as to what practicable steps could be taken under the present circumstances.

The Agent General referred to his visit to the West Coast some months ago and to the cordial reception which he had received at the hands of high state officials, including the Governor of California.⁷⁹ Since the Governor had urged him to return again to California and to tour that part of the country, Sir Girja says he expects to do so, taking with him his wife and possibly his daughters on the next trip. Many Californians expressed the view that it would be very helpful to have the people in that part of our country more acquainted with the cultural aspects of modern India; they pointed

⁷⁸ For documentation regarding legislation approved December 17, 1943, (57 Stat. 600), by which Congress repealed the acts relating to Chinese exclusion and the naturalization bar, see *Foreign Relations, China, 1943*, pp. 769 ff. Sir Girja had made informal representations to the Department in 1943 and 1944, hoping that the provisions of that bill might be extended to East Indians (150 Barred Zones/1, 5, 11a). Legislation imposing disabilities on the immigration and naturalization of East Indians included Section 2169 of the Revised Statutes (8 U.S.C. § 359), as interpreted by the Supreme Court in its decision of February 19, 1923, in the case of the *United States vs. Bhagat Singh Thind* (261 U.S. 204); the Immigration Act of 1917 (approved February 5, 1917, 39 Stat. 874); the Immigration Act of 1924 (approved May 26, 1924, 43 Stat. 153); and the Nationality Act of 1940 (approved October 14, 1940, 54 Stat. 1137).

⁷⁹ Earl Warren.

out that the only two cultured Indians whom they had met in long years was the poet Tagore and Sir Girja himself. Sir Girja feels that this is an encouraging indication that Californians and other people in that region would welcome more cultural contacts and he is going to pursue the matter.

I very much hope that with the reconvening of Congress, serious thought will be given to meeting the wishes of the Government of India that some gesture be made to the Indians similar to that already accorded to the Chinese. After all, the Indian war effort both in production and manpower has been astonishingly large despite the fact that the political question⁸⁰ has not yet been solved.

150 Barred Zones/38

The Acting Secretary of State to the Chairman, Committee on Immigration and Naturalization, House of Representatives (Dickstein)

[WASHINGTON,] February 9, 1945.

MY DEAR MR. DICKSTEIN: In response to the request contained in your letter of January 11, 1945,⁸¹ for an expression of opinion concerning H.R. 173⁸² to authorize the naturalization and admission into the United States, under a quota, of Eastern Hemisphere Indians, and with reference to the interim reply sent to you on January 18, 1945, I have pleasure in stating that the Department views with favor the passage of the proposed legislation.

The enactment of legislation such as H.R. 173 would, it is believed, remove an outstanding inequity in American immigration and naturalization laws and one which causes bitter resentment against the United States by the people of India, an important member of the United Nations.

[Here follows a procedural statement.]

Sincerely yours,

JOSEPH C. GREW

150 Barred Zones/40

The Secretary in Charge at New Delhi (Merrell) to the Secretary of State

No. 1007

NEW DELHI, February 9, 1945.

[Received February 16.]

SIR: I have the honor to inform the Department that the legislation now pending before the Congress of the United States regarding the

⁸⁰ See pp. 249 ff.

⁸¹ Not printed.

⁸² A bill introduced by Representative Emanuel Celler of New York.

granting of citizenship to Indians has created considerable favorable comment in the Indian Press.

At yesterday's session of the Central Assembly, Sir Olaf Caroe, Secretary, External Affairs Department, reviewed the history of Indian immigration and citizenship and summarized the points in the pending legislation. In reply to a question, Sir Olaf stated that the Government of India has taken the initiative in raising the matter of Indian immigration into the United States and the granting of citizenship as soon as the American Government had passed the action conferring such rights on the Chinese.

Respectfully yours,

GEORGE R. MERRELL

150 Barred Zones/42: Telegram

The Secretary in Charge at New Delhi (Merrell) to the Secretary of State

NEW DELHI, February 26, 1945—11 a. m.

[Received February 26—8:48 a. m.]

140. Press report from Washington dated February 22 states that the State and Justice Departments are now preparing opinions for Congress regarding bills on the immigration and naturalization of Indians.

In this connection the Department may wish to learn that in a conversation on February 23 of the Planning and Development Member of the Government of India⁸³ on the one hand and Charles Remer⁸⁴ of the Department and Mills⁸⁵ of this Mission on the other, Dalal countered a suggestion that some of India's postwar trade plans might conflict with reciprocity by stating that there could be no talk of reciprocity as long as Indians could not even enter the United States because of our immigration laws. Action on the immigration bill may therefore have an important bearing on our future trade relations with India.

MERRELL

[For a letter of March 5 from President Roosevelt to the Chairman of the Committee on Immigration and Naturalization, House of Representatives (Dickstein), in support of proposals for the removal of discriminatory provisions against East Indians in the immigration and nationality laws of the United States, see *Congressional Record*, volume 91, part 7, page 9523.]

⁸³ Sir Ardeshir Dalal.

⁸⁴ Charles F. Remer, Adviser on Far Eastern investment and finance, Division of Financial and Monetary Affairs.

⁸⁵ Sheldon T. Mills, Secretary at New Delhi.

150 Barred Zones/42

The Acting Secretary of State to the Chairman, Committee on Immigration and Naturalization, House of Representatives (Dickstein)

[WASHINGTON,] March 6, 1945.

MY DEAR MR. DICKSTEIN: I refer to my letter to you of February 9, 1945 in which I stated that the enactment of legislation such as H.R. 173 would remove an outstanding inequity in American immigration and naturalization laws and one which causes bitter resentment against the United States by the people of India.

You will be interested in learning in this connection that the Department has now received strong representations in support of this legislation from Sir Girja Bajpai, the Agent General for India in Washington. The Department has also received a telegram dated February 26, 1945 from the American Commissioner to India, New Delhi, advising the Department that sentiment in India may preclude the extension of reciprocal trade treatment to the United States in the absence of such legislation.

Sincerely yours,

JOSEPH C. GREW

150 Barred Zones/43a : Telegram

The Acting Secretary of State to the Secretary in Charge at New Delhi (Merrell)

WASHINGTON, March 8, 1945.

174. The following statement was presented today by the Chief of the Division of Middle Eastern Affairs,⁸⁶ before the House of Representatives Committee on Immigration and Naturalization in open hearings on pending Indian immigration legislation:

"The Acting Secretary of State has asked me to present the following statement on his behalf:

"In response to an invitation by your Committee, I am glad to make known the views of the Department of State with regard to this proposed legislation. Dept strongly favors the purposes of the legislation, and believes that the existing discrimination against the people of India in our immigration and naturalization legislation should be removed.

India is a prominent member of the United Nations. Its soldiers are fighting shoulder to shoulder with American troops in Italy, Burma and elsewhere. We are asking for and confidently expecting their continued support until the ultimate and final defeat of Japan. Japanese propaganda officials are endeavoring to sow seeds of distrust between us and our allies in the Orient. We know that they shall fail. At the same time, we are aware that our efforts to bring our friends in the Orient, and particularly the four hundred million

⁸⁶ George V. Allen.

people of India, into full and enthusiastic cooperation with us in the war effort and in our endeavors to build a strong and peaceful postwar world are not consistent with existing barriers against Indians contained in our immigration legislation. Declarations such as the Atlantic Charter⁸⁷ are unimpressive when no Indian can be naturalized as an American citizen or immigrate into the United States.

The people of India understand fully that the proposed legislation will permit a minimum number of Indian immigrants to enter the United States each year. There is no difference of view on this point. I recommend to your committee, however, that the principle of discrimination as regards both immigration and naturalization be removed in order that America may approach India with dignity and justice in our relations with that great nation.' ”

GREW

150 Barred Zones/49

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] March 24, 1945.

The Indian Agent General, Sir Girja Bajpai, called on me today at his request after I had failed to see him yesterday afternoon owing to my long conference at the White House and said he had two matters to take up with me.

[Here follows brief reference to the subject of food and agriculture.]

Second, the Agent General spoke of the Indian Immigration and Naturalization Bill which he had learned had been tabled in the House Committee. He spoke at great length of the importance of this legislation from the point of view of the reputation in India of the United States and the very favorable effect on public opinion in his country which the passage of the bill would bring about. He showed me a Reuters⁸⁸ telegram setting forth the sorrow of the Indian people at the news that the bill had been tabled. He said he felt that a technical mistake had been made in not having the bill considered by the Senate before the House, as he thought that favorable action would have been more readily obtained in the Senate.

I said to the Agent General that that of course is a domestic matter which I did not wish to discuss with him. So far as the bill itself goes, I said that he did not need to persuade me of its merits because it had my complete sympathy and I could assure him that I had done and would do everything in my power to obtain early favorable action. The fact that the bill had been tabled does not mean at all that it is dead and it can be brought out at any time by a vote of the Committee. The Agent General asked me whether it would not be well for him to take the matter up with the President, who had been very sympa-

⁸⁷ Joint Declaration by President Roosevelt and British Prime Minister Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. 1, p. 367.

⁸⁸ British news agency.

thetic to him since his arrival in our country. I said that I could tell him confidentially that I had written to the President about this matter only last evening and had made my recommendations, so he has the whole story before him, and I therefore did not think that anything would be gained by the Agent General asking for an appointment. I said that I would follow the matter closely and would be glad to call the Agent General by telephone if any important developments should occur.

JOSEPH C. GREW

150 Barred Zones/61

*The British Ambassador (Halifax) to the Acting Secretary of State*⁸⁹

Ref: 554/20/45

WASHINGTON, May 3, 1945.

DEAR MR. ACTING SECRETARY: I see that when the bill to grant a quota to Eastern Hemisphere Indians and to make them racially eligible for naturalization (H.R. 173) was taken in the House Committee on Immigration and Naturalization a member of the Committee asked a question about the attitude of His Majesty's Government in the United Kingdom. Mr. Biddle⁹⁰ answered that he thought the bill would be welcomed by His Majesty's Government.

The subject matter of the legislation is, of course, one for the Government of the United States to determine. I should, however, like to assure you that His Majesty's Government in the United Kingdom would welcome enactment of a law on the lines of the Bill as a gesture of friendship to India which has played, and is playing, so important part in the war.

Yours very sincerely,

HALIFAX

[For a letter of May 18 from William D. Hassett, Secretary to President Truman, to the Chairman of the House Committee on Immigration and Naturalization, with which was enclosed the late President Roosevelt's letter of March 5, and in which was stated President Truman's agreement with the views expressed in the March 5 letter, see *Congressional Record*, volume 91, part 7, page 9524.]

⁸⁹ Received in the office of the Acting Secretary on May 12; copy forwarded on the same date by the Acting Secretary of State to the Chairman of the House Committee on Immigration and Naturalization.

⁹⁰ Francis Biddle, Attorney General.

130 Hindus/101a

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] June 9, 1945.

As you know, the Department is very anxious to see favorable action taken on the Celler bill for the extension to East Indians of immigration and naturalization privileges similar to those extended to China last year. This bill was tabled by the House Committee on Immigration and Naturalization last March but is being called up for reconsideration on June 14, 1945.

The people of India are following the progress of this legislation with the keenest anxiety and the tabling of the bill last March provoked strong resentment in the Indian press. For example, one journal said that "not until America sees fit to revoke her various humiliating immigration barriers to Indians can we view America and the Americans with anything like the enthusiasm its propaganda seeks to inspire." Another Indian paper found in the Committee's action a foretaste of the type of peace to come and concluded that the professions of the western powers apply only to the white races.

When American officials in India recently suggested to the Indian Member of the Viceroy's Executive Council for Planning and Development the desirability of fostering reciprocal trade relations between our two countries, the Member of Council replied that he saw little basis for such reciprocity as long as we maintained our discriminating immigration legislation against Indians. India has plans for post-war economic reconstruction which surpass anything seen elsewhere outside Russia and the country is a great potential market for American goods.

I have received a letter from Lord Halifax in which he assures me that the British Government "would welcome enactment of a law on the lines of the Bill as a gesture of friendship to India which has played, and is playing, so important part in the war."

As you perhaps know, the late President was keenly interested in the passage of this bill and in a letter to Chairman Dickstein⁹¹ said that "the present statutory provisions that discriminate against persons of East Indian descent provoke ill-feeling, now serve no useful purpose, and are incongruous and inconsistent with the dignity of both our peoples." In the same connection, he said that he was "very keen to alleviate what really amounts to the growing hostility to the white races in India and other places."

If the peoples of Asia conclude that they cannot hope to obtain equitable treatment from the white races, a future color war is a distinct possibility. Pearl Harbor is a recent reminder of the bitter-

⁹¹ March 5; see bracketed note, p. 283.

ness which the oriental can achieve against westerners who treat them as racially inferior.

It should be emphasized that passage of the proposed measure would in no way modify our established quota system. The bill only removes the *racial* disabilities of present legislation and, if passed, about one-hundred East Indians would be admissible to the United States each year, and would be eligible for naturalization, provided, of course, that they could meet the other requirements of our immigration and naturalization laws.

The Department sincerely hopes that favorable action will be taken on this bill and you may possibly wish to discuss it with Congressman Ramspeck⁹² and others who opposed it in the Committee.

JOSEPH C. GREW

150 Barred Zones/6-1645

The Commissioner in India (Merrell) to the Secretary of State

No. 107

NEW DELHI, June 16, 1945.

[Received June 27.]

SIR: I have the honor to inform the Department that the approval of the House Immigration Committee of the Indian Immigration Bill has received small but favorable press notices here. Were it not for the preoccupation of the press over the Wavell Plan,⁹³ the Immigration Bill would undoubtedly have received much more attention.

All papers mentioned that Mr. Phillips⁹⁴ had testified before the Committee in favor of the bill and *Dawn*⁹⁵ captioned its Reuters' announcement "William Phillips Supports Indian Immigration Bill."

Respectfully yours,

GEORGE R. MERRELL

150.01 Bills/9-2845: Telegram

The Acting Secretary of State to the Commissioner in India (Merrell)

WASHINGTON, September 28, 1945—9 p. m.

768. House Rules Committee on Sept. 26 recommended to House that preferred treatment on calendar be given to Indian Immigration Bill.

⁹² Robert Ramspeck of Georgia.

⁹³ Proposals concerning the future government of India made at New Delhi on June 14 by the Governor-General and Viceroy of India, Viscount Wavell; see British Cmd. 6652, *India: Statement of the Policy of His Majesty's Government made by the Secretary of State for India on June 14th, 1945*; see also *ante*, pp. 249 ff.

⁹⁴ William Phillips, Special Assistant to the Secretary of State, and formerly Personal Representative of President Roosevelt to India; for documentation regarding the Phillips mission to India, see *Foreign Relations*, 1943, vol. iv, pp. 178 ff., and *ibid.*, 1944, vol. v, pp. 232 ff.

⁹⁵ Moslem League newspaper.

For your confidential information, House is not likely to debate measure before Oct. 10⁹⁸ as several members favorably disposed to bill will be in Europe until that date.

ACHESON

PROPOSAL BY THE UNITED STATES FOR AN AIR TRANSPORT AGREEMENT WITH INDIA⁹⁷

[Discussions for the negotiation of a bilateral air transport agreement with India were initiated by the United States in 1945, with inconclusive results. Documentation regarding this subject is in Department of State File No. 711.4527.]

⁹⁸ The bill, H.R. 3517, was debated and passed by the House of Representatives on October 10; its legislative history extended to June 1946, at which time the Senate passed an amended version of the House bill on June 14, a Conference settlement being effected on June 29, 1946 (*Congressional Record*, vol. 91, pt. 7, p. 9544; vol. 92, pt. 6, pp. 6543, 6918, 6933, 7077, and 7957). The bill was approved by President Truman on July 2, 1946 (60 Stat. 416).

⁹⁷ For previous documentation concerning this subject, see *Foreign Relations*, 1944, vol. v, p. 291 ff.

IRELAND

AGREEMENT BETWEEN THE UNITED STATES AND IRELAND RELATING TO AIR TRANSPORT SERVICES

[For text of agreement, effected by exchange of notes signed at Washington, February 3, 1945, see Department of State Executive Agreement Series No. 460, or 59 Stat. (pt. 2) 1402.]

UNION OF SOUTH AFRICA

**AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF
SOUTH AFRICA ON POSTWAR ECONOMIC SETTLEMENTS**

[For text of agreement, effected by exchange of notes signed at Washington, April 17, 1945, see Department of State Treaties and Other International Acts Series No. 1512, or 60 Stat. (pt. 2) 1579.]

**AGREEMENT BETWEEN THE UNITED STATES AND THE UNION OF
SOUTH AFRICA ON MUTUAL AID**

[For text of agreement, effected by exchange of notes signed at Washington, April 17, 1945, see Department of State Treaties and Other International Acts Series No. 1511, or 60 Stat. (pt. 2) 1576.]

THE FAR EAST

CHINA

[For documentation regarding relations of the United States with China in 1945, see volume VII.]

FRENCH INDOCHINA

DISCUSSIONS REGARDING THE FUTURE STATUS OF FRENCH INDOCHINA AND FRENCH PARTICIPATION IN ITS LIBERATION FROM JAPANESE OCCUPATION¹

740.0011 P.W./1-145

Memorandum by President Roosevelt for the Secretary of State

WASHINGTON, January 1, 1945.

I still do not want to get mixed up in any Indochina decision. It is a matter for post-war.

By the same token, I do not want to get mixed up in any military effort toward the liberation of Indochina from the Japanese.

You can tell Halifax² that I made this very clear to Mr. Churchill.³ From both the military and civil point of view, action at this time is premature.⁴

F[RANKLIN] D. R[OSEVELT]

¹ Continued from *Foreign Relations*, 1944, vol. III, pp. 769 ff. For the Department of State's estimate of conditions in French Indochina at the end of the war and an account of United States policy in connection with this French colony, see the policy paper of June 22, pp. 556, 567. For previous documentation on postwar policy planning in regard to areas under Japanese control, see *Foreign Relations*, 1944, vol. v, pp. 1186 ff.

² Viscount Halifax, British Ambassador in the United States.

³ Winston S. Churchill, British Prime Minister. Conversation on the subject took place at the Second Quebec Conference in September 1944. Documentation on that Conference is scheduled for publication in a subsequent volume of *Foreign Relations*.

⁴ See also President Roosevelt's comments on Indochina in memorandum of March 15 by the Adviser on Caribbean Affairs (Tausig), especially first and last two paragraphs, vol. I, p. 121.

851G.01/1-3145

The Ambassador in China (Hurley) to the Secretary of State

No. 111

CHUNGKING, January 31, 1945.

[Received February 10.]

SIR: Mr. Achilles Clarac, Counselor of the French Embassy, called on Counselor Atcheson on January 26, 1945 and handed him the enclosed "note" in French with English translation which he requested be forwarded to the American Government. The note appears to be self-explanatory. Mr. Atcheson made no comment to Mr. Clarac in regard to its contents.

I am forwarding the note without taking any other action pending instructions from the Department in regard to policy toward Indochina. So far as I am personally concerned, I have let the diplomatic representatives of the so-called imperialistic governments with interests in southeast Asia know that I am personally opposed to imperialism but that I am not making the policy of the United States on that subject. I have remarked to them that the United States is committed to the proposition that governments should derive their just powers from the consent of the governed. I have said that I personally adhere to the principles of the Atlantic Charter⁵ which provides that we shall "respect the right of all peoples to choose the form of government under which they will live". I have commented that French imperialism and French monopolies in Indochina seem to me to be in conflict with these principles. However, I have emphasized, as indicated above, that I am personally not making the policy of my Government. I have accordingly suggested to the French that they should look to Washington and Paris and not to us here for clarification of America's policy in regard to Indochina.

In connection with my opinion on this subject I refer also to the speeches made early in the war by Prime Minister Churchill, Secretary Hull and President Roosevelt which indicate clearly the principles of liberty for which we are fighting. These principles are also set out definitely in the Atlantic Charter.

[Here follows matter pertaining to China.]

Respectfully yours,

PATRICK J. HURLEY

⁵ Joint Statement by President Roosevelt and Prime Minister Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. I, p. 367.

[Enclosure—Translation⁶]*The French Embassy in China to the American Embassy in China*

CHUNGKING, January 20, 1945.

NOTE

The political position taken by the Provisional Government of the French Republic regarding Indochina is plain. A few sentences will be sufficient to make it clear.

First, France cannot admit any discussion about the principle of her establishment in Indochina. Her presence founded on agreements consistent with international law and based on the immense task carried out by her for the sake of the Indochinese population has never been disputed by any Power. The occupation of Indochina by the Japanese has not changed anything in that state of affairs. This occupation is nothing but a war incident similar to the invasion by the Japanese forces of Malaya, of the Netherlands East Indies and Burma. The activity of the underground movement, the formation of the expeditionary forces that we are ready to send to the Far East, reveal the energy with which France intends to take part in the liberation of those of her territories that have been momentarily torn away from her by the enemy.

This being clear, the French Government is prepared to consider with her allies all the measures that may be taken to insure security and peace for the future in the Pacific area; with respect to these measures she intends to play her part to which the importance of her interests in the Far East entitle her.

Furthermore, the French Government has already decided at the Brazzaville conference⁷ the principles of the policy she means to follow in her overseas possessions. Accordingly she will determine together with the populations concerned the status of Indochina on a basis that will secure for the Union a satisfactory autonomy within the frame of the French Empire. Besides, Indochina will be granted an economic regime that will enable her to profit widely by the advantages of international competition. These decisions, having no international character, come solely within the competence of the French Government. Thoroughly aware of the importance of the principles at stake in the present war, France will not shrink from her responsibilities.

⁶ File translation revised by the editors.

⁷ French African Conference held at Brazzaville, January 30–February 8, 1944, under chairmanship of René Pleven, Commissioner for the Colonies. It was attended by the Governors General of French West Africa, French Equatorial Africa, and Madagascar, and by "observers" from Algeria, French Morocco, and Tunisia.

For the time being, however, France's concerns in the Far East are mainly military. As early as June 1943, the French Committee of National Liberation made it known to its allies that it considered that area as one where it would be extremely desirable for all the interested parties to establish thorough military collaboration. On the 4th of October 1943, it decided to form an expeditionary force that would take part in western Pacific operations and in the liberation of Indochina. At the same time the French Government established in Indochina a network of connections with the French and Indochinese underground. By this action, the efficacy of which has been proved by the role of the French Forces of the Interior in France, it will support the assault of the forces attacking from without and help them in their task in a way that can be decisive.

The French Government has informed Washington and London of all the measures it has taken in that respect. It has repeatedly asked that the expeditionary forces should be sent to the area and used to the best advantage; but the answer was that the decision belonged to President Roosevelt and the Combined Chiefs of Staff. They have not yet responded. Nevertheless, the French Government is prepared to have its expeditionary forces used in the American as well as in the British theatre of operations. Considering therefore the part France is entitled to play and ready to assume in the military operations in the Pacific, it would be useful that she be admitted to the Pacific War Council and particularly to the Sub-Committee responsible for the operations involving French Indochina.

740.0011 P.W./2-645 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, February 6, 1945—2 p. m.

[Received 2:25 p. m.]

177. ReEmbs 116, January 26, 3 p. m.⁸ (1) Following is substance of interview of February 2 between French Military Attaché and General Wedemeyer⁹ which latter has authorized me to report to State Department: Japanese are now assuming a more exacting and arrogant role in Indochina where they are concentrating stronger forces. Should they demand that French troops disarm and disband, those who can will disperse into hills where they will continue to conduct underground and guerilla activities, but some units may be compelled to retire to Yunnan. In such event, they would urgently require medical and communications equipment. He expressed special con-

⁸ Not printed.

⁹ Lt. Gen. Albert C. Wedemeyer, Commanding General of United States Forces, China Theater.

cern over the attitude of the Chinese toward those troops who might be forced over the frontier into China and suggested that a competent member of the French mission now with General Ulatratten be despatched to Chungking as liaison officer at American headquarters here.

(2) Consonant with standing instructions from War and State Departments, General Wedemeyer reports he has maintained non-committal policy vis-à-vis Indochina. In this particular instance he states he informed French Military Attaché that situation latter described was probably well known to leaders of French and American Governments and that it would have to be dealt with by competent higher authorities. This Embassy has consistently advised the French here that policy on Indochina must originate in Washington and Paris, not in Chungking. Wedemeyer states that French are voluntarily furnishing valuable information to his headquarters and 14th Air Force and would like this to be continued.

HURLEY

740.0011 P.W./2-645 : Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, February 16, 1945—8 p. m.

266. The Department is in agreement with the policy adopted by the Embassy and General Wedemeyer as set forth in the second paragraph of your telegram no. 177, February 6, 2 p. m.

Questions arising out of the entry into China of French troops or guerillas are, of course, matters to be settled directly by the French and Chinese, but this would not preclude the American military and other authorities from being helpful to the French where feasible and appropriate as, for example, in arranging for supplying medicines. The Chinese should, of course, be informed of any supplies given to the French under such circumstances.

GREW

740.0011 P.W./3-1245

The French Ambassador (Bonnet) to the Secretary of State

[Translation]

No. 303

WASHINGTON, March 12, 1945.

The French Ambassador to the United States presents his compliments to His Excellency the Secretary of State and has the honor to invite the latter's most earnest attention to the following question.

During the night of March 9, the Domei Agency broadcast a communiqué of the Japanese High Command according to which the Japanese occupation forces in Indo-China evicted the French admin-

istration and disarmed a part of the French troops stationed in that country.

Although the French Government has received no confirmation of these news, it had long foreseen that the Japanese would take such measures with a view to attempting to neutralize, at least in part, the activity of the resistance movement organized by the Frenchmen of Indo-China and to dispel the danger with which the existence of this movement threatened the security of their troops.

The American Government and the American High Command are aware that large groups of Frenchmen both from civilian circles, especially from the administration, and among Army officers organized themselves in Indo-China with a view to undertaking at an appropriate moment and with the cooperation of numerous native partisans, effective assistance to Allied military action in the Far Eastern theater.

The Provisional Government of the French Republic had given orders in advance to the French Resistance of Indo-China looking forward to the situation which has just taken place: in execution of these orders the Resistance was to oppose, by force and with all the means at its disposal and the possibilities which circumstances might offer, the attempt to disarm it which the Japanese radio has now announced. The plan of action drawn up in agreement with the French Government by the local head of the resistance movement (who was to give the agreed signal when conditions appeared to warrant putting it into effect) comprised a first phase in the course of which the troops were to fight in the Tonkinese Delta and in the regions near the frontier.

If, however, it appeared that this resistance of an organized military character was impossible, the troops were to withdraw toward so-called "maquis" areas with a view to undertaking guerilla action; during the retreat they were to effect systematic destruction of communications.

The head of this military and civilian resistance movement for all the Indo-Chinese Union is a high officer who has been duly accredited in this capacity and has been named Commander in Chief of the French Forces and Delegate General and Plenipotentiary of the French Government in Indo-China. In this capacity he is authorized to enter into relations with the Allied Commanders in the Far East and treat with them or with their qualified representatives on all questions concerning the conduct of operations and the relations of the Allied authorities with the French administrative authorities.

The Government of the United States will understand the deep concern of the French Government to have all possible support both in the material and purely military fields given immediately to its

troops and partisans which are engaged in an unequal struggle in the midst of exceptionally difficult circumstances.

The French Government has instructed me to request the American Government to intervene, through the intermediary of its High Command, with the Combined Chiefs of Staff in order that the latter may urgently take the necessary decisions to have the Allied Forces in the Far East give to the forces of the French Resistance in Indo-China immediate tactical and material assistance in every possible field: direct support of operations, and the parachuting of arms, medical supplies, quinine, and food.

It would appear that the American Air Forces based in China are best placed, at least at the beginning, to intervene efficaciously in their favor—and possibly, as well, the troops which are now concentrated in Yunnan Province near the Sino-Indochinese frontier.

Admiral Fenard¹⁰ and, in his absence, General de St. Didier, have authority to hand all questions of coordination between the American Command and French Resistance in Indo-China.

The French Ambassador feels that he cannot emphasize too much the importance and the urgency which the French Government attaches to this matter.

Mr. Henri Bonnet is happy [etc.]

740.0011 P.W./3-1245

The French Ambassador (Bonnet) to the Secretary of State

[Translation]

No. 304

WASHINGTON, 12 March, 1945.

The French Ambassador to the United States presents his compliments to his Excellency the Secretary of State and referring to his note no. 303 of today's date has the honor to inform the latter that the French Government is desirous of concluding with the American Government, for the territory of the Indo-Chinese Union, an arrangement analogous to the Franco-Allied agreements signed in London on August 25, 1944¹¹ and which covered various questions, especially those relating to the civil administration of continental French territory which might arise in the course of military operations leading to its liberation.

¹⁰ Adm. Raymond Fenard, Chief of French Naval Mission in the United States, temporarily in Newfoundland.

¹¹ For text of agreement between the United States and France with respect to civil affairs administration in France, effected by exchange of letters with memoranda dated August 25, 1944, see Department of State Treaties and Other International Acts Series (TIAS) No. 2313, or United States Treaties and Other International Agreements (UST), vol. 2 (pt. 2), p. 1714. Similar agreement was signed on the same date between France and the United Kingdom.

The French Government believes that the conclusion of such agreements for French Indo-China would now be desirable in view of the eventuality of a development of Allied military operations in the Far Eastern Theatre.

Mr. Henri Bonnet is happy [etc.]

740.0011 PW/3-1345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 13, 1945—7 p. m.

[Received March 14—1:23 p. m.]

1196. General de Gaulle¹² asked me to come to see him at 6. He spoke in very quiet, affable, friendly fashion, but this is what he said: "We have received word that our troops still fighting in Indochina have appealed for aid to your military authorities in China and the British military authorities in Burma. We have received word that they replied that under instructions no aid could be sent.["] They were given to understand that the British simply followed our lead.

He said also that several expeditionary forces for Indochina had been prepared: Some troops were in North Africa, some in southern France and some in Madagascar, and the British had promised to transport them but at the last minute they were given to understand that owing to American insistence they could not transport them. He observed: "This worries me a great deal for obvious reasons and it comes at a particularly inopportune time. As I told Mr. Hopkins¹³ when he was here, we do not understand your policy. What are you driving at? Do you want us to become, for example, one of the federated states under the Russian aegis? The Russians are advancing apace as you well know. When Germany falls they will be upon us. If the public here comes to realize that you are against us in Indochina there will be terrific disappointment and nobody knows to what that will lead. We do not want to become Communist; we do not want to fall into the Russian orbit, but I hope that you do not push us into it."

He then went on to say that difficulties were being created too in regard to the promised armament—difficulties he could not understand unless that were part of our policy too. I told him I had been given to understand that the armament was arriving here as promised.

In any event, I said, I would telegraph at once to Washington all that he had said.

CAFFERY

¹² Gen. Charles de Gaulle, Head of the Provisional French Government.

¹³ Harry L. Hopkins, Special Assistant to President Roosevelt.

740.0011 PW/3-1345 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, March 19, 1945—midnight.

1090. Your 1196, March 13. French Embassy has left with us three notes¹⁴ asking (1) that military assistance, including dropping of arms, medicine and supplies, be extended to the resistance forces in Indo-China; (2) that we conclude a civil affairs agreement for that area and (3) that General Blaizot¹⁵ be accredited to General Wedemeyer for liaison purposes.

All three proposals are under study by Joint Chiefs of Staff.

ACHESON

740.0011 P.W./3-1945

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] March 19, 1945.

Yesterday afternoon (Sunday) about six o'clock the French Ambassador called me by telephone and asked whether he could come to see me. I immediately offered to go to the Embassy, which he accepted. When I arrived there he informed me that under instructions from his Government, Admiral Fenard was taking up with Admiral Leahy¹⁶ the following matter.

He said the Fourteenth Air Force of the United States forces in China had planes loaded and all ready to transport supplies and munitions to units of the French forces in Indo-China which were resisting the imposition of total control over Indo-China by the Japanese, this imposition having been recently inaugurated by the Japanese forces in Indo-China. He said the French Government had direct reports from the resistance forces in Indo-China to the effect that if they were granted assistance they would be able to make a very good showing against the Japanese effort to take over the whole country. He said that his Government requested that authorization be given by the United States Chiefs of Staff to send these supplies forward to the French; that Admiral Fenard was making this request of Admiral Leahy and he asked the State Department to make a similar request of the President for authorization for United States assistance to these resistance forces.

¹⁴ Reference is to notes Nos. 303, 304, and 332, dated March 12; No. 332 is not printed.

¹⁵ Gen. Roger Blaizot, head of French military mission at Kandy.

¹⁶ Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy.

Mr. McCloy, Assistant Secretary of War, telephoned me this morning to say that Admiral Fenard had made the above request to Admiral Leahy and that Admiral Leahy had authorized the War Department to send a message to General Wedemeyer giving him authority to send whatever assistance could be spared without interfering with the war effort of the American and Chinese forces. Mr. McCloy said he would send me a copy of the authorization which was being sent to General Wedemeyer, for our information. I am asking Mr. Bohlen¹⁷ to discuss this matter a little further with Admiral Leahy as it has occurred to me that it might be well for this Department to be in a position to inform the French Ambassador here of the action which has been taken in response to his request and also to inform Ambassador Caffery in Paris in order that he may know the latest developments in this situation.

JAMES CLEMENT DUNN

740.0011 PW/3-2445: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 24, 1945—6 p. m.

[Received March 25—2:18 p. m.]

1425. For Acting Secretary and Assistant Secretary Dunn. When I took Judge Rosenman¹⁸ to call on General de Gaulle this afternoon, General de Gaulle said to me as we were leaving: "It seems clear now that your Government does not want to help our troops in Indo-China. Nothing has yet been dropped to them by parachute." I spoke of distances and he said "No, that is not the question; the question is one of policy I assume."

CAFFERY

740.0011 PW/3-2445: Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, March 29, 1945—8 p. m.

1242. Your 1425, March 24. The French are aware that by March 24 some help had been dropped to their troops in Indo-China. We are trying to get more specific information.

GREW

¹⁷ Charles E. Bohlen, Assistant to the Secretary of State.

¹⁸ Samuel I. Rosenman, Special Counsel to President Roosevelt on mission in Europe.

740.0011 PW/3-1245

The Secretary of State to the French Ambassador (Bonnet)

The Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and acknowledges the receipt of the Embassy's note No. 303 of March 12, 1945 on the matter of the Japanese occupation of French Indo-China.

The Government of the United States has given most careful and sympathetic consideration to the subject matter of the communication of the Provisional Government of the French Republic. It has also given consideration to all available information in regard to recent events in Indo-China. The deep concern of the Provisional Government in regard to the situation is fully appreciated.

With regard to the request that the Government of the United States intervene with the Combined Chiefs of Staff to the end that Allied Forces in the Far East will furnish immediate assistance to the French resistance in Indo-China, it is noted that this subject is already before the Combined Chiefs of Staff in the form of a letter from General de St. Didier and there accordingly appears to be no reason for further presentation of the matter to the Combined Chiefs of Staff by the Government of the United States at this time.

With regard to the suggestion that the American Air Forces and troops based in China intervene in favor of the French Forces in Indo-China, the Secretary of State is glad to confirm the information given the Ambassador orally some days ago that the American Air Forces in China have already assisted the French Forces in Indo-China and have been authorized for the present, in aid of the French, to undertake operations against the Japanese in Indo-China, provided such action does not interfere with operations planned elsewhere. The resources of the Allied Forces in the Far East in men, munitions, and transportation must be concentrated on and employed in attaining our main objectives, and the Ambassador will therefore readily appreciate that no commitment can be given with regard to the amount or character of any assistance which may be provided. However, in appreciation of the importance and urgency which the French Provisional Government attaches to this question, immediate steps are being taken to ascertain whether any further assistance can be given from the China Theater to the resistance groups in Indo-China without jeopardizing the over-all war effort in other areas. The Secretary of State will be happy to keep the Ambassador informed of any further developments in that regard.

WASHINGTON, April 4, 1945.

740.0011 P.W./4-1445

The French Ambassador (Bonnet) to the Secretary of State

[Translation]

No. 467

WASHINGTON, April 14, 1945.

The Ambassador of France in the United States presents his compliments to His Excellency the Secretary of State and has the honor to invite his attention to the following question.

By a note dated April 4, the Department of State, replying to note no. 303, which the Embassy of France had sent to it on March 12, concerning the French resistance in Indo-China, was good enough to give the Embassy, besides the assurance that the said communication had been examined with the greatest care and the greatest sympathy, various items of information with respect to the conditions under which the American Air Forces in China had already been, and still are, authorized, in order to aid the French, to undertake operations against the Japanese in Indo-China.

The Ambassador of France wishes to thank the Secretary of State for this information, and for the efforts which the American Air Forces have already made to help materially and to support tactically the French resistance in Indo-China. He desires at the same time to set forth exactly, from the French point of view, the conditions under which the action of this resistance is being carried on. Contrary to what has been said, or written in the press, on various occasions, during the last month, it is not the movement of resistance to the Japanese occupation of Indo-China that has provoked the outbreak of hostilities between the French and the natives, on the one hand, and the Japanese, on the other, but an initiative taken by the Japanese Authorities. Thus, the French and native resistance movement which had been organized in secret and was continuing its preparations clandestinely with a view to the moment when, by agreement with the Inter-Allied Command, it might opportunely enter upon concerted action with the Allied Forces outside, was forced to declare itself prematurely and to enter into hostilities against the Japanese under the worst conditions for it.

The Government of the United States cannot fail to appreciate, under these circumstances, the position of the resistance movement in Indo-China—Allied Forces which had been secretly organized in the enemy's rear in the midst of the greatest dangers, and which courageously accepted the struggle when the latter presented itself, rather than risk missing definitively the opportunity and thus being lost to the Allied cause. They have been carrying on this struggle for more than a month, in spite of the extraordinary difficulties produced for them by the numerical superiority of the enemy, by the considerable

advantages which the initial possession of almost all the positions and almost all the means of communication have given to the enemy, and, lastly, by the lack of arms, munitions and supplies of every sort, by adverse geographic and climatic conditions, and by the terrible moral suffering caused to many French soldiers by their anxiety concerning the fate of their families who have remained as hostages in the towns in the hands of the Japanese.

The Government of the United States will surely judge that such an effort and such sacrifices deserve in themselves, and in the name of Inter-Allied solidarity, the most effective support of their comrades in arms by the American fighting forces. The French Government earnestly requests this of the American Government and begs it to have the goodness to maintain and develop, to the greatest possible extent, the efforts already made in this connection.

But the continuance of the resistance in Indo-China does not only raise a question of assistance; it presents likewise a problem of the general conduct of operations, which demands immediate solution.

In conformity with the precedent of Metropolitan France, the Provisional Government, in the preparatory instructions which it had given to the Indo-Chinese resistance movement, had, in case frontal operations could not be carried on, provided for guerilla actions within the country, having particularly in view the destruction of the enemy lines of communication, and it is actions of this sort that the Command of the resistance movement is endeavoring to keep up wherever circumstances permit, since the retreat to China will not take place until the fortune of arms renders it indispensable. These actions can, however, be continued for a long time only on condition that they are effectively supported from without. They are, moreover, chiefly intended to prepare for a possible landing operation. That is why the Ambassador sent to His Excellency the Secretary of State, at the same time as his note mentioned above, the note of the same date No. 304, relative to the conclusion of an agreement analogous to those signed in London on August 25, 1944.

Lastly, the conclusion of such arrangements itself requires the previous adoption of a decision of principle as regards the delimitation of the theatres of operations.

It is therefore a matter of the greatest importance to the French Government, for the orientation which it must give to the operations of its troops in Indo-China, and for the arrangements which it must make for the utilization of its expeditionary forces, to know the views of the American Command with regard thereto, and the results of the deliberations of the Combined Chiefs of Staff.

That is why, by order of his Government, the Ambassador of France has the honor to beg His Excellency the Secretary of State to be good

enough to intervene with the competent American Authorities in order that the latter may make known, as soon as possible, their opinion in this matter and may, for their part, hasten, within the organizations coordinating the military action of the Allies, the adoption of decisions on which the military effectiveness of the efforts of the French and native resistance in Indo-China depends.

Mr. Henri Bonnet takes pleasure [etc.]

740.0011 P.W./4-1945 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 19, 1945—8 p. m.

1576. From Matthews.¹⁹ The French Embassy has been informally notified that for the period March 29 to April 13 an appreciable number of missions have been flown into Indo-China at direct request of the French in addition to other air forces operations into Indo-China. Embassy was informed that steps have been taken to drop rations, small arms and clothing to one particular group in Indo-China and that question of further assistance to other groups is subject of active negotiations. [Matthews.]

STETTINIUS

740.0011 P.W./4-1345

The Secretary of State to the French Ambassador (Bonnet)

The Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and acknowledges the receipt of the Embassy's note No. 304 of March 12, 1945, conveying the desire of the French Provisional Government to conclude with the Government of the United States an agreement analogous to the Franco-Allied agreement signed in London on August 25, 1944 and applicable to Indo-China.

Careful consideration has been given to the above proposal. The United States Government has consistently believed, and acted accordingly, that the development of military operations in the Far East must be aimed at the earliest possible defeat of Japan. Such operations require the concentration and use of all resources in armed forces, munitions, and shipping and, consequently, the diversion in the immediate future of such resources to specific military operations in Indo-China cannot be contemplated. In the circumstances, the Government of the United States knows of no useful purpose which

¹⁹ H. Freeman Matthews, Director of the Office of European Affairs.

would be served by the conclusion at this time of an agreement along the lines contemplated in the Embassy's note under acknowledgment.

WASHINGTON, April 20, 1945.

851.014/5-945: Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 9, 1945—noon.

1949. Following telegram dated May 8 received from the Secretary at San Francisco,²⁰ is repeated for your information.

"The subject of Indo-China came up in a recent conversation I had with Bidault²¹ and Bonnet. The latter remarked that although the French Government interprets Mr. Welles' statement of 1942²² concerning the restoration of French sovereignty over the French Empire as including Indo-China, the press continues to imply that a special status will be reserved for this colonial area. It was made quite clear to Bidault that the record is entirely innocent of any official statement of this government questioning, even by implication, French sovereignty over Indo-China. Certain elements of American public opinion, however, condemned French governmental policies and practices in Indo-China. Bidault seemed relieved and has no doubt cabled Paris that he received renewed assurances of our recognition of French sovereignty over that area."

GREW

740.0011 P.W./5-1645

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, May 16, 1945.

With respect to General de Gaulle's message of May 15²³ concerning his extreme desire to have French forces participate in the fight of American forces in the decisive campaign against Japan, a copy of which is enclosed, the following considerations are offered for possible use in your conversation with the French Foreign Minister and General Juin²⁴ now scheduled for tomorrow, May 17, for Mr. Bidault, and May 18 for General Juin.

The question of the participation of both French military and naval forces in the Far East was raised by the Chief of the French Naval

²⁰ The United Nations Conference on International Organization met at San Francisco from April 25 to June 26, 1945.

²¹ Georges Bidault, French Minister for Foreign Affairs.

²² For text of note dated April 13, 1942, from Acting Secretary of State Sumner Welles to Ambassador Gaston Henry-Haye, see *Foreign Relations*, 1942, vol. II, p. 561, or Department of State *Bulletin*, April 18, 1942, p. 335.

²³ Annex to this memorandum.

²⁴ Gen. Alphonse Pierre Juin, French Chief of General Staff.

Mission in the United States²⁵ on March 20. When the Joint Chiefs of Staff referred the matter to the Department for an expression of views the Secretary of State replied on April 5 that acceptance of the proposals in principle was considered to be desirable from the point of view of relations with the French Provisional Government, subject of course to military requirements in the theatre of operations. It is understood that from the military point of view the use of French forces in that theatre has relatively little if any value. Until further indications of the nature of the assistance France can provide are considered by the Joint Chiefs of Staff you may wish to avoid making any reply to the proposal of the French Government except in very general terms along the lines of the following procedure which is in harmony with the known views of the Joint Chiefs of Staff.

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. Owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot, however, be contemplated at this time. American troops would not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved, regardless of the theatre of operations from which the assistance may be sent, provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

JOSEPH C. GREW

[Annex]

TEXT IN TRANSLATION OF MESSAGE FROM GENERAL DE GAULLE TO THE PRESIDENT CONVEYED IN NOTE FROM FRENCH EMBASSY DATED MAY 15, 1945²⁶

M. Bidault, who is going to have the honor of seeing you, is to speak to you, among other questions, concerning our extreme desire to have French forces participate at the side of American forces in the decisive campaign against Japan.

I realize that this participation raises difficult technical problems. But at a moment of capital importance to the two countries, I must

²⁵ Adm. Raymond Fenard.

²⁶ Note from French Embassy not found in Department files.

tell you that their effective cooperation in the struggle in the Pacific after the victory in Europe could have very important political, moral and military consequences.

It is for this reason that I feel obliged to draw your personal attention to this matter. General Juin will remain in Washington until the departure of M. Bidault. He is in a position to discuss the technical side of the question.

I send you my best wishes.

GENERAL DE GAULLE

740.0011 P.W./5-2345

Memorandum by the Director of the Office of European Affairs (Matthews) to the State-War-Navy Coordinating Committee

[WASHINGTON,] May 23, 1945.

Reference is made to the minutes of the State, War, Navy Committee meeting of April 13, 1945 dealing with the "Use of Indochina resistance forces"²⁷ and in particular to the Committee's request that the Department of State should take up the question of prompt clarification of our policy on Indochina. In as much as the final determination of policy with respect to Indochina will probably involve and depend upon discussions with the French Government, and in as much as the Secretary of State has expressed the wish that these discussions should not be initiated at least while the present conference in San Francisco is in session, consideration of the matter has been restricted to the immediate implications of General de Gaulle's message to the effect that France wished to participate actively at the side of American forces in the campaign against Japan. This message was discussed with the French Foreign Minister by the President and by the Acting Secretary of State and referred to in the President's public statement²⁸ regarding his talks with M. Bidault. In the latter "the President emphasized that we are faced with a still strong and deadly enemy in the Far East to whose defeat the total resources of this country, both in manpower and material, are pledged. He indicated that such assistance as France and our other Allies may bring to that struggle and which may be synchronized with operations already planned or under way, will be welcomed."

In the conversation which took place in the White House on May 19, 1945, the President referred to General de Gaulle's message and expressed his appreciation of France's offer of assistance. The President then said "that he had received a message from General de

²⁷ Not printed.

²⁸ Released to the press May 18, Department of State *Bulletin*, May 20, 1945, p. 927.

Gaulle to the effect that France would be glad to participate in the war against Japan alongside the United States and the President expressed his appreciation of France's offer of assistance. The President said that it is his policy to leave to the Commander-in-Chief in the field matters relating to the conduct of the war and that in this case also he would wish to leave to the Commander-in-Chief, U.S. Army Forces, Pacific,²⁹ the determination of whether it would be practicable and helpful to have French forces join with us in the operations against Japan. He indicated that such assistance as France and our other Allies might bring to the struggle in the Pacific, which would synchronize with operations already planned or under way, would be welcomed. The President thought that the question would depend in large measure on the problem of transport, and, as the Minister no doubt was aware, this was an important problem involving three times the amount of tonnage that had been used in the war in the Atlantic. This subject was not further pursued."

On the following day the same subject was again referred to in the following terms in a conversation between the Acting Secretary of State and the French Foreign Minister: "I mentioned that among the points which had been touched upon at the White House was that of French military assistance in the Far East in the war against Japan. I reminded Mr. Bidault that while the President had expressed his general approval to French military association with us in this theater, he had emphasized that the problem was a military one and would necessarily have to be judged on its merits by the military authorities. I said that in the circumstances it was up to General MacArthur to decide just how much and where the French military contribution could be best utilized. The Minister mentioned that there were two French divisions ready for immediate transportation to the Far East. In reply to my inquiry as to whether there are Senegalese troops among them, he admitted that this was probably so, although there were also substantial numbers of white French. He made it clear that the French divisions could be utilized anywhere in the Far East, and there was no intention of limiting their contribution to attacking the enemy in Indochina. I reiterated that this matter would be placed before our military authorities immediately.

In as much as the Acting Secretary of State agreed that the matter would be placed before military authorities immediately, it is recommended that the foregoing be brought to the attention of the Joint Chiefs of Staff at the earliest possible moment. In this connection, the following suggestions which are believed to be in harmony with the expressed views of the Joint Chiefs of Staff are put forward:

²⁹ General of the Army Douglas MacArthur.

(a) While avoiding so far as practicable unnecessary or long-term commitments with regard to the amount or character of any assistance which the United States may give to French resistance forces in Indochina, this Government should continue to afford such assistance as does not interfere with the requirements of other planned operations. Owing to the need for concentrating all our resources in the Pacific on operations already planned, large-scale military operations aimed directly at the liberation of Indochina cannot, however, be contemplated at this time. American troops should not be used in Indochina except in American military operations against the Japanese.

(b) French offers of military and naval assistance in the Pacific should be considered on their military merits as bearing on the objective of defeating Japan as in the case of British and Dutch proposals. There would be no objection to furnishing of assistance to any French military or naval forces so approved, regardless of the theatre of operations from which the assistance may be sent, provided such assistance does not involve a diversion of resources which the Combined or Joint Chiefs of Staff consider are needed elsewhere.

H. FREEMAN MATTHEWS

740.0011 PW/5-3145

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 31, 1945.

The French Ambassador called on me this morning, Mr. Phillips³⁰ being present, and referred to the conversation which had taken place between the President and Mr. Bidault in which Mr. Bidault had told the President of the desire of the Provisional French Government to participate in the war against Japan and in which the President had stated that the United States would welcome such participation with the reservation that the Commander-in-Chief in the area of hostilities would determine the nature of such participation. The Ambassador said that in connection with this understanding he wished to report that a French Army Corps composed of two divisions and services would be ready to proceed to the Far East, one division at the end of June, and the second division at the end of July. The first division was already equipped but the second division would require equipment which it was hoped could be supplied through lend-lease. These troops would be commanded by General Le Clerc who had played such a prominent part in the campaign against the Germans. They would be, he said, exclusively white troops.

I thanked the Ambassador for his statement and assumed that this matter would be taken up in accordance with the President's wishes through channels with the Commander-in-Chief in the field.

JOSEPH C. GREW

³⁰ William Phillips, Special Assistant to the Secretary of State.

S51G.00/6-145: Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, June 2, 1945—7 p. m.

843. Reurtel 890.³¹ The Secretary conversed with Bonnet and Bidault at San Francisco on May 8. On the subject of Indochina Bonnet observed that although the French Government interpreted Mr. Welles' statement of 1942 concerning the restoration of French sovereignty over the French Empire as including Indochina, the American press continued to imply that a special status will be reserved for this colonial area. The Secretary made it clear to Bidault that the record was entirely innocent of any official statement of this government questioning, even by implication, French sovereignty over Indochina but that certain elements of American public opinion condemned French policies and practices in Indochina.

GREW

[The question of the division of some areas of operational responsibility in Southeast Asia was raised in a communication sent to Generalissimo Chiang Kai-shek, Supreme Commander, China Theater, by President Truman on August 1, 1945. The President conveyed his conclusion that the portion of Indochina lying south of 16 degrees north latitude should be the responsibility of the Southeast Asia Command, the area north of that line to be left in the China Theater. The Generalissimo agreed to this apportionment, subject to the stipulation that the 16-degree line also be considered the southern boundary of the China Theater within Thailand. The texts of these exchanges will be published in *Foreign Relations*, 1945, volume VII, section entitled: General wartime relations between the United States and China.]

Under the terms of General Order No. 1, issued on September 2, 1945, Japanese forces in all of Thailand were called upon to surrender to the Supreme Allied Commander, Southeast Asia. For text of the General Order, see Supreme Commander for the Allied Powers, Report of Government Section, *Political Reorientation of Japan, September 1945 to September 1948*, page 442.]

³¹ Dated June 1, not printed.

851G.00/9-2445

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] September 24, 1945.

Participants: Sir George Sansom,³² British Embassy;
 Mr. John Carter Vincent, FE;
 Mr. Abbot Low Moffat,³³ SEA.

Sir George Sansom called personally to express concern over the British position in Indochina. He stated that there had been several anti-British demonstrations in Saigon as the people did not wish the French to return and felt that the British were supporting the French. He stated that the British were there only to disarm the Japanese troops.

Mr. Moffat inquired whether Sir George was familiar with the statement of General Slim, commander of the SEAC land forces, that the British would be in Indochina to disarm the Japanese and to maintain order until French troops could arrive; and also that martial law was reported to have been proclaimed with the death penalty to anyone, including the Annamese, found bearing arms.

Sir George, speaking personally, expressed deep concern at the danger of repercussions which an explosion in Indochina would have in all other colonial areas. Speaking personally, we expressed the view that some effort should be made to secure negotiations between the French and the moderate Annamese elements. Sir George indicated that he personally shared this view.

J[OHN] C[ARTER] V[INCENT]

851G.01/10-545 : Telegram

The Acting Secretary of State to the Chargé in China (Robertson)

WASHINGTON, October 5, 1945—6 p. m.

1622. Following pertinent extracts from Dept 657 August 30 to New Delhi³⁴ for Bishop³⁵ are repeated for your information.

"US has no thought of opposing the reestablishment of French control in Indochina and no official statement by US Govt has questioned even by implication French sovereignty over Indochina. However, it is not the policy of this Govt to assist the French to reestablish their control over Indochina by force and the willingness of the US to see French control reestablished assumes that French claim to have the support of the population of Indochina is borne out by future events."

ACHESON

³² British Minister.³³ Chief of the Division of Southeast Asian Affairs.³⁴ Not printed.³⁵ Max W. Bishop, Secretary of the American Commission at New Delhi.

851G.00/10-1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, October 12, 1945—7 p. m.
 [Received October 13—1:30 a. m.]

6006. My 5964, October 10.³⁶ Last night's semi-official *Le Monde* gives further details re Franco-British agreement on Indochina. *Le Monde* states agreement will not be published at this time but that principal provisions are known.

In the agreement French Civil Administration is recognized as sole authority in that part of Indochina south of 16th parallel. Only exceptions result from presence of British troops in this part of Indochina and these exceptions do not affect principles of agreement. *Le Monde* adds agreement is designed to determine relations between French Civil Administration and British military authorities and provides that British Commander will not intervene in civil affairs except through French authority. Latter in Turkey [*turn*] agree to fulfill any requests arising from presence of British troops. Agreement provides British troops will only be there temporarily for purpose of enforcing terms of Jap surrender and to assure repatriation of Allied prisoners and civilian internees.

It is again emphasized that cordial atmosphere of negotiations was indication of solidarity of Franco-British relations in that part of world.

Sent Department as 6006, repeated London as 748.

CAFFERY

851G.00/11-2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 28, 1945.
 [Received November 28—4:05 p. m.]

6857. Speaking of Indochina Chauvel³⁷ said that when trouble with the Annamites broke out de Gaulle had been urged by the French Mission in India to make some sort of policy statement announcing France's intention to adopt a far-reaching progressive policy designed to give the native population much greater authority, responsibility and representation in govt. De Gaulle considered the idea but rejected it because in the state of disorder prevailing in Indochina he believed that no such policy could be implemented pending restoration of French authority and would therefore just be considered by everyone as "merely more fine words". Furthermore de Gaulle and the Foreign

³⁶ Not printed.

³⁷ Jean Chauvel, Secretary General of the French Ministry for Foreign Affairs.

Minister believe that the present situation is still so confused and they have so little information really reliable on the overall Indochina picture that such plans and thoughts as they held heretofore may have to be very thoroughly revised in the light of recent developments.

Despite the fact that the French do not feel that they can as yet make any general statements outlining specific future plans for Indochina, Chauvel says that they hope "very soon" to put into operation in certain areas programs including local elections which will be designed to grant much greater authority and greater voice in affairs to the natives. This he said would be a much better indication of the sincerity of French intentions than any policy statement.

In this connection he said that Admiral d'Argenlieu³⁸ is in touch with the King of Cambodia and the latter has indicated that he has no hostility to the French (but on the contrary apparently fears both Annamite and Siamese aspirations). The French hope soon to negotiate an agreement with him which will result in the granting of much greater responsibility and authority to the Cambodians. He mentioned specifically that there would be many more natives integrated into the local administrative services and it was also hoped that local elections could soon be held. The French he said intend to follow the same procedure in Laos when the situation permits and eventually also in Annam and Tonkin. When order is restored throughout Indochina and agreements have been reached with the individual states Chauvel said the French intend to embody the results of these separate agreements into a general program for all of Indochina.

Insofar as the Chinese are concerned Chauvel said that he does not believe they are encouraging the Annamites who have a hearty dislike of the Chinese nor does he believe they have any territorial aspirations in Indochina. On the other hand he thinks the Chinese are definitely trying to get the maximum "squeeze" from the French in the form of occupational costs for their army, et cetera (my 6815, November 26.³⁹)

He also mentioned the economic negotiations with the Chinese relating to Indochina and said that the French are perfectly agreeable to the establishing of free ports for the Chinese with certain transit rights and use of railways, et cetera in Tonkin where they would be of real use but the Chinese are demanding free port and transit rights for the whole of Indochina. Furthermore, the Chinese are desirous of obtaining title to the northern section of the Indochinese Yunnan Railway. Chauvel was not inclined to place any great importance of [on] these differences of opinion and thought that agreement will be reached.

CAFFERY

³⁸ Adm. Thierry d'Argenlieu, Governor General of French Indochina.

³⁹ Not printed.

JAPAN

JAPANESE TREATMENT OF AMERICAN PRISONERS OF WAR AND CIVILIAN INTERNEES¹

711.94114A/12-2244 : Telegram

The Secretary of State to the Chargé in Switzerland (Huddle)

WASHINGTON, January 8, 1945—3 p. m.

117. American Interests—Far East. Please inform Geneva as follows:

You are requested to take up the following matters in confidence with Junod² before his departure for the Far East. You may ask James'³ help in presenting these matters if you deem it advisable:

Recently there have been received a number of communications from American prisoners of war previously reported missing but who are evidently held in various camps in Japan and Japanese-occupied territory. Communications have also been received recently from prisoners of war reported as dead in 1943 or earlier.⁴ It would be appreciated if Junod would endeavor to obtain from the Japanese Government a complete list of names of American prisoners of war by camps in Japan and Japanese-occupied territory. A list of American prisoners of war who have died and their dates of death is also urgently desired.

In recent months there has been a tendency to transfer prisoners of war to the hearts of industrial areas in Japan. Many of the camp reports received thus far give very little information about the loca-

¹ Continued from *Foreign Relations*, 1944, vol. v, pp. 919 ff.

² Marcel Junod, Chief of the Delegation to Japan of the International Committee of the Red Cross. The Japanese Government's acceptance of Dr. Junod's appointment to this position was reported by the Chargé in Switzerland in telegram 7864, December 1, 1944 (800.142/12-144).

³ Francis B. James, Special Representative of the American Red Cross at Geneva.

⁴ In telegram 820, February 23, midnight (711.94114A/1-1345), to Bern, the Department furnished the names of 5 Americans officially reported dead but known to be alive and 20 Americans not officially reported but known to be prisoners of war to "provide Junod with necessary examples that Japanese Government is not reporting names of prisoners of war in manner consistent with Articles 77 and 79 of Geneva Prisoners of War Convention". (For text of Convention, see *Foreign Relations*, 1929, vol. i, p. 336.) In telegram 185, January 12, midnight, to Bern, the Department requested the Swiss Government to press the Japanese Government "to forward desired lists of American prisoners of war by camps in Japan and Japanese-occupied territory as well as a list of American prisoners of war who have died and their dates of death." (711-94114A/1-1245)

tion of the camps. Detailed information of this kind would be very valuable to the American military authorities who desire to protect as far as possible their own people in Japanese hands.

Any assistance which Junod might render in improving mail transmission would be greatly appreciated. The United States Government is now dispatching mail to American nationals in Japanese custody and mail from Japanese nationals in American custody by two routes: (1) by air from the United States to Tehran and thence by surface means to Japan via Moscow (2) by Soviet vessels plying the Pacific. The Japanese Foreign Office has indicated that mail sent from the United States via Tehran is arriving in Japan and has stated that it will route all mail destined for the United States and its possessions by way of Moscow and Tehran. Thus far, however, no mail has been received in the United States by the Tehran route.

STETTINIUS

[In telegram 388, January 23, to Bern, the Department requested that the Swiss Government express to the Japanese Government the grave concern of the United States Government concerning the treatment accorded to Americans detained at the Prisoner of War Camp, Kawasaki, No. 2, in Japan; for text, see Department of State *Bulletin*, September 9, 1945, page 349.]

740.00115A PW/1-2945: Telegram

The Acting Secretary of State to the Chargé in Switzerland (Huddle)

WASHINGTON, January 29, 1945.

497. Please request Swiss Government to communicate the following message to Gorgé⁵ to be delivered textually to the Japanese Government:

"The United States Government protests vigorously the action of the Japanese Government in holding incommunicado Messrs. Trevor Bowen, Henry Houghton and Leighton Stuart,⁶ American nationals interned in Peking.

The United States Government protests that mail addressed to Messrs. Houghton, Stuart and Bowen by their relatives in the United States is not reaching them. Mrs. Houghton has dispatched to her husband every other day since August 1943 the 24-word message authorized by the Japanese Government for transmission to civilian internees. According to advice received by this Government, as re-

⁵ Camille Gorgé, Swiss Minister in Japan.

⁶ Trevor Bowen and Dr. Henry S. Houghton were Controller and Acting Director, respectively, of the Peiping Union Medical College and John Leighton Stuart was President of Yenching University at the time of their internment by Japanese authorities in December 1941.

cently as the latter part of November, only one message has been delivered to Dr. Houghton. The relatives of the other men have also dispatched authorized messages regularly. It is reported that in the entire year of 1944 only three International Red Cross letters from abroad, namely two for Dr. Stuart and one for Mr. Bowen, have been delivered. No mail communications from abroad through the regular established mail channels have been received by these internees.

It is also of serious concern that no communications, either through the International Red Cross Committee or through the regular mail channels, are being received by the families of these men in the United States. It is unthinkable that men so long separated from their families would have deprived their relatives of the comfort of hearing from them had they been permitted to write. It can only be inferred that they are being denied the right of dispatching messages abroad to their families.

By its commitment to apply the humane standards of the Geneva Convention to the treatment of civilian internees,⁷ the Japanese Government has undertaken under Article 36 to deliver to internees mail dispatched to them from abroad and to enable internees to correspond with their families, transmitting this correspondence by post by the shortest route. As the Japanese Government is aware, this correspondence may not be delayed or retained for disciplinary reasons. Censorship of correspondence must be effected within the shortest possible time and prohibitions of correspondence promulgated for military or political reasons must be transient in character and as short as possible.

The United States Government expects that the Japanese Government will cause an investigation to be made into this matter, will restore to these internees in Peking the humane right to correspond with their families and will cease to inflict upon them and upon their relatives in the United States the suffering caused by lack of communication with each other.

The United States further protests that repeated requests by the local Swiss representative for permission to visit these men have been refused. Authorization to visit the men was also refused to the Swiss Consul General of Shanghai⁸ on the occasion of his visit to Peking in October 1942, despite his urgent representations.

Representatives of the protecting Power should be permitted to go to any place, without exception, where American nationals are interned, to have access to all places occupied by the internees and to interview them personally without witnesses. Internees should be given the right to address themselves to representatives of the protecting Power and to indicate to them the points on which they have complaints to formulate with regard to the conditions of internment. Their requests and complaints may not be withheld but must be transmitted immediately. The humane provisions of the Geneva Convention which the Japanese Government has agreed to apply to the treatment of civilian internees grants these rights but these prerogatives have been

⁷ See telegram 733, February 24, 1942, from Bern, *Foreign Relations*, 1942, vol. I, p. 799.

⁸ Emile Fontanel.

denied by the Japanese Government both to the representatives of the protecting Power and to the internees.

The United States Government has not failed to authorize the representatives of the protecting Power and the International Red Cross Committee to visit the places where Japanese nationals are interned. Nor has this Government refused to permit internees to address themselves freely to the representatives of the protecting Power and the International Red Cross Committee. Not only have visits by official representatives been authorized, but visits by private individuals, friends and relatives have also been permitted.

By its commitment to apply the humane provisions of the Geneva Convention to the treatment of civilian internees, the Japanese Government is obligated to permit the internees to address themselves to the Swiss representative and to authorize him to visit the internees. The United States Government expects that the Japanese Government will without reservation fulfill its commitment to treat civilian internees humanely and will rectify the situation which has deprived these American internees of the rights of protection and representation, rights which have been granted without qualification to Japanese nationals in American custody. Furthermore, the United States Government expects from the Japanese Government assurance that it has given to this protest the serious consideration which it merits and that adequate measures have been taken to ensure that the necessary improvements have been made."

GREW

740.00115A P.W./2-145: Telegram

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, February 1, 1945—8 a. m.

[Received 2:39 p. m.]

704. American Interests—Japan. Legation's 7433, November 9th.⁹ Foreign Office note January 25th states Swiss Legation, Tokyo reports it again approached Japanese Foreign Office to obtain information regarding murder 17 Americans in Philippines mentioned in Department's 3532, October 16th.¹⁰

HUDDLE

⁹ Not printed; but for summary, see *Foreign Relations*, 1944, vol. v, p. 1006, footnote 81.

¹⁰ *Ibid.*, p. 1006. In airgram A-411, March 12, 10 a. m. (740.00115A PW/3-1245), the Minister in Switzerland reported that the Swiss Legation at Tokyo had made renewed representations on March 3 to the Japanese Foreign Office with a view to obtaining the information requested in telegram 3532.

711.94114A/2-145 : Telegram

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, February 1, 1945—6 p. m.

[Received 6:10 p. m.]

731. American Interests—Japan. Your telegram 3007, August 31.¹¹ Swiss note January 29 states Gorgé reported telegraphically January 23 that Japanese Foreign Minister¹² replied to message contained in telegram under reference as follows:

Investigation, which was extremely difficult in present conditions, revealed that no Japanese forces corresponding to descriptions in Department's communication were stationed in the region of Aitape and that he could not admit accusations made in Department's communication.

HUDDLE

711.94114A/2-345

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, February 3, 1945—noon.

[Received 1:54 p. m.]

773. Am[erican] Interests—Japan. Our 8213 December 18.¹³ Note January 31 from Foreign Office reports interview January 19 between Gorgé and General Tamura who replaces Hamada as Chief Bureau Information POWs.

Gorgé requested urgent authorization inspect camps again as last visits occurred October. He informed Tamura that improvement was observed during past year and expressed hope inspections would not be too greatly spaced. Tamura promised exert all efforts this point.

Gorgé informed Tamura of improvement as to lists furnished by Japanese, which received with increasing frequency, but observed that American Government want [*went*] further, communicating weekly to ICRC¹⁴ and monthly to Spanish Government¹⁵ location camps and numbers POWs. Tamura after consulting staff stated he hoped adopt similar measures.

Gorgé pointed out concern principally of British Government at location many camps neighborhood military objectives. Tamura who evidently not *au courant* this matter remarked unable understand Japanese interest in placing camps near such objectives which should

¹¹ *Foreign Relations*, 1944, vol. v, p. 997.¹² Mamoru Shigemitsu.¹³ Not printed; but for summary, see *Foreign Relations*, 1944, vol. v, p. 1013, footnote 88.¹⁴ International Committee of the Red Cross.¹⁵ Spain represented Japanese interests in the Continental United States.

be kept secret. After Gorgé cited several such camps Tamura promised examine question.

Gorgé requested that a certain number seriously ill and wounded POWs, especially blind, might be repatriated if new civilian exchange negotiated,¹⁶ stating American and British Governments would appreciate such humanitarian gesture. Tamura ended interview stating Swiss could count his cooperation.

From interview Gorgé expresses hope amelioration conditions prisoners.

HUDDLE

740.00115A PW/2-1045 : Telegram

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, February 10, 1945.

[Received February 10—9:03 p. m.]

945. American Interests—Japan. Your telegram 4089, December 4th.¹⁷ Swiss note February 7th contains following observations of Legation Tokyo.

Numerous protests already made concerning points raised and although obtained some satisfaction, continuing protests concerning food situation in which no improvement noted. Lack of foodstuffs Japan also felt by Japanese and non-interned aliens.

Fuel also lacking but Japanese permitted heating one room Urawa and manufacture of charcoal by internees Futatabi for brasiers. Swiss insisting upon heating installation Kanagawa.

No complaints concerning lighting but impossible obtain bulbs over 20 watts.

Swiss obtained distribution clothing Kanagawa and Futatabi and promise for distribution other camps.

Small quantities soap issued irregularly but civilians receive no more.¹⁸

Swiss Legation has distributed soap.

Temporary dental work paid in principle by Japanese but internees prefer better work at own expense.

Relatives and servants again permitted present foodstuffs internees Kanagawa.

HUDDLE

¹⁶ For documentation on efforts by the United States to arrange a third exchange of American and Japanese nationals, see pp. 419 ff.

¹⁷ *Foreign Relations*, 1944, vol. v, p. 1010.

¹⁸ In telegram 3237, June 19, the Minister in Switzerland reported that Mr. Gorgé had intervened repeatedly in efforts to obtain increased soap rations, but that the Japanese authorities had refused to increase them as the internees were being treated the same as the civilian population (740.00115A PW/6-1945).

711.94114A/2-2045 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, February 20, 1945.

776. Legation's despatch 8171, May 15, 1944.¹⁹ Request Swiss Government to have Gorgé deliver the following message to the Japanese Government:

The Japanese Government's reply of April 24, 1944 to the United States Government's protest of December 12, 1942²⁰ states that this Government's protest was "made by distorting and exaggerating the facts." This Government cannot accept a statement by the Japanese Government impugning its veracity. The United States Government's protest concerning the treatment accorded by the Japanese authorities to American nationals in Japan and Japanese-occupied territory is based on documentary evidence which cannot be refuted in such an arbitrary fashion by the Japanese Government.

The statements contained in the Japanese Government's reply of April 24, 1944 are so far removed from the facts as known to the United States Government that it can only conclude that the Japanese Government has permitted itself to be misled by fabricated reports of local officials and has not made an independent investigation of the matters protested in the United States Government's note of December 12, 1942. The United States Government therefore considers the reply unsatisfactory and will continue to hold the Japanese Government answerable.

The Japanese Government has referred to Section IV of the United States Government's protest of December 12, 1942 making certain charges against this Government. The reply to this reference will be the subject of a separate communication from this Government.²¹

GREW

711.94114A/2-2845

*The Counselor of the British Embassy (Makins) to the Acting
Secretary of State*

WASHINGTON, 28 February, 1945.

DEAR MR. GREW: In the Ambassador's absence I am passing on to you a personal message which Mr. Eden²² has asked Lord Halifax to convey to Mr. Stettinius. The message is as follows:—

"I am disturbed at divergence of views between us with regard to Japanese offer²³ to allow International Red Cross Committee repre-

¹⁹ *Foreign Relations*, 1944, vol. v, p. 966.

²⁰ See telegram 2814 to Bern, *ibid.*, 1942, vol. I, p. 832.

²¹ See Department's memorandum to the Spanish Embassy, August 7, pp. 363, 388.

²² Anthony Eden, British Secretary of State for Foreign Affairs.

²³ See telegrams 8204, December 18, 1944, and 8235, December 20, 1944, from Bern, *Foreign Relations*, 1944, vol. v, pp. 1012 and 1013, respectively. For Department's statement of February 8 on the Japanese proposal, see Department of State *Bulletin*, February 11, 1945, p. 191.

sentatives to visit a limited number of camps in areas hitherto unvisited in return for similar visits to Japanese held in Allied territory. I appreciate the force of American argument that since Santo Tomas offer is now valueless the Japanese should replace it by an equivalent. I also agree that the Japanese offer is very limited in scope, but I must point out that it constitutes not merely the first indication of Japanese withdrawal from their previous uncompromising refusal to allow neutral visits to these areas but specifically states that these limited visits are a first step.

"I fear that if Geneva Convention is made the subject of bargaining it will destroy the line both Governments have hitherto taken with the Japanese, namely that the Convention and in particular the admission of neutral inspectors to all camps is test of proper conduct. I feel sure that our two Governments should continue as in the past to apply the Geneva Convention without reservation and to press on all suitable occasions for full reciprocity. Otherwise the Japanese can be expected to retort that the Allies only comply with Convention obligations when it suits them and that our strong and persistent criticism of their breach of the Convention was mere propaganda.

"I am afraid that if attempt to bargain results in withdrawal of Japanese offer to visit prisoners in Thailand the effect on public opinion here, already gravely disturbed at conditions in camps in Thailand, will be deplorable. Deep anxiety amongst relatives of prisoners in the Far East continues to cause concern to this Government and to those of the Commonwealth.

"I therefore very much hope that while leaving the Japanese in no doubt about United States standpoint on obligation of both parties to allow visits, you will not allow these negotiations to break down by using United States obligations as a means of pressure on the Japanese.

"The Japanese are not really concerned about the treatment of their nationals in Allied lands but they will seize any opportunity of promoting disunion between us and we must avoid this at all costs."

Yours sincerely,

ROGER MAKINS

711.94114A/10-1444 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, March 8, 1945.

980. Your 6867, October 14, 1944.²⁴ Please request Swiss Government to press Japanese Government to furnish urgently guarantees requested in ultimate paragraph of Department's telegram no. 3322 of September 26 and proper assurances that action demanded by United States Government has been undertaken. United States Government expects that Japanese Government will render full report.

GREW

²⁴ Not printed; it reported delivery to the Japanese Government on October 9 of the contents of telegram 3322, September 26, 11 p. m., to Bern, *Foreign Relations*, 1944, vol. v, p. 1005.

711.98114A/8-945 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, March 9, 1945—6 p. m.

[Received 7:08 p. m.]

1512. American Interests, China. Legation's airgram 753, December 5.²⁵ Intercross informed Legation March 7 that Shanghai delegate Egle with assistant just visited Haiphong Road camp February 10 and gives following report which requests be treated confidentially and in no circumstances published:

Two days prior to visit Egle received underground report from internees' representative that no bread received for 3 days and food supplies very bad. Commandant previously informed Egle camp caused much trouble because internees lack discipline, refusal cooperate in administration, and complaints elderly internees accustomed luxuries, particularly concerning separation from families now interned assembly centers.

Interview of representative held commandant's office before visit where uncordial relations observed and constraint on part representative. During inspection internee, who obliged stand attention, showed bitterness, discontent, refused talk. Even British medical officer refused reply Egle's questions and delegates unable obtain information concerning health, food. Delegates verified internees forbidden talk under threats sanctions, and representative whispered he had many things discuss but warned not to speak. Camp contains 315 internees, 17 hospitalized, canteen empty, kitchens contained only supplies furnished by Swiss Consulate, no heating, electric light 2 hours daily, dormitories lugubrious.

Egle unable account for contrast with POW camps run by same commandant where conditions satisfactory, but will endeavor obtain explanation from commandant who also appears unsatisfied and may accept offer collaboration in obtaining improvement.

HARRISON

711.94114A/8-945 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, March 9, 1945—8 p. m.

999. American Interests—Japan. The Legation is requested to transmit the following to the Swiss Government when instructions in

²⁵ Not printed.

a similar sense from the British Government are received by the British Minister at Bern.²⁶

The United States Government requests that the Swiss Minister in Tokyo protest strongly along the following lines against continuing breaches of the Geneva Prisoners of War Convention which offend against elementary standards of civilized conduct:

The United States Government is reliably informed that the Japanese authorities have continued to locate prisoners of war camps in close proximity to docks, warehouses, war factories, railroad yards and other military objectives. The United States Government is accordingly forced to the conclusion that the Japanese authorities are carrying out a deliberate policy of attempting to render certain points or areas immune from bombardment by the presence of prisoners of war.

The Japanese Government is reminded that Article 7 of the Geneva Convention provides that prisoners of war shall be evacuated from the zone of combat in the shortest period possible after their capture and Article 9 provides that no prisoner may at any time be sent into a region where he might be exposed to the fire of the combat zone, nor used to give protection from bombardment to certain points or certain regions by his presence. The United States Government considers that the Japanese Government has obligated itself under these provisions of the Convention to remove American nationals held as prisoners of war or civilian internees from areas subject to bombardment to camps outside those areas.

GREW

[In telegram 1022, March 10, to Bern, the Department requested that the Swiss Government protest vigorously to the Japanese Government with regard to conditions of captivity of American prisoners of war held at the Lasang Air Field in the Philippines. In telegram 1023, the same day, the Department requested that the Swiss Government protest emphatically to the Japanese Government the cruel and inhumane treatment of American prisoners of war aboard vessels in Philippine waters. The texts of these communications are printed in Department of State *Bulletin*, September 9, 1945, pages 349 and 350.]

711.94114A/2-2845

*The Acting Secretary of State to the Counselor of the British Embassy
(Makins)*

WASHINGTON, March 10, 1945.

MY DEAR MR. MAKINS: Thank you for sending me in Mr. Stettinius' absence the personal message sent to him by Mr. Eden. I should appreciate it if you would convey the following reply to Mr. Eden.

²⁶ In telegram 2243, April 17, midnight, the Minister in Switzerland reported delivery of this message to the Japanese Foreign Office on April 10 (711.94114A/-3-945).

"I trust that there is not real divergence of views between us with regard to the Japanese proposal to allow International Red Cross Committee representatives to visit a limited number of camps in areas hitherto unvisited. I believe that we have not neglected to take your interest into consideration in our proposed reply. I do, however, wish to explain our position. As you are aware, from the outbreak of hostilities the Japanese Government consistently refused, despite continued reference to the standards of the Geneva Convention on your part and ours, to authorize visits to the camps in occupied territories. As long as we had nothing to offer but our fulfillment of the Geneva Convention in the continental United States and Hawaii, we got nowhere with the Japanese Government. When the United States began to take Japanese nationals in the Southwest Pacific, the situation changed.

"Last summer the Japanese Government expressed concern with regard to the Japanese prisoners of war held by the United States in New Caledonia.²⁷ In August, the Japanese Government requested a report on the conditions under which Japanese nationals are held on Saipan and the treatment accorded them.²⁸ The United States Government took advantage of this interest of the Japanese Government in its nationals to offer to authorize visits to the camps on Saipan, and to endeavor to obtain permission from the proper authorities for visits to New Caledonia. The United States Government in making its offer again expressed its willingness to abide by its undertakings with regard to the application of the Geneva Convention but this time stated that the United States Government was prepared to authorize visits to Saipan, the Marshalls and New Caledonia²⁹ when the Japanese extended reciprocity for representatives of the protecting Power to visit camps in the Philippines and other Japanese-occupied territories. It was this offer on our part which produced the present Japanese proposal, the first indication as you point out, of the Japanese Government's withdrawal from its previous uncompromising refusal to allow neutral visits to occupied areas.

"The limited nature of the counter-proposal made by Japan, especially in so far as the United States is concerned, is evident. The United States is asked to offer Saipan, New Caledonia, Guam and Tinian, receiving practically nothing in return. The offer to permit visits to the hospital in Thailand has little value for you or for us. The Japanese have not offered to permit visits to the prisoner of war camps in Thailand over which your people and ours are gravely disturbed. The only offer of any account, and this is very limited, is the offer to permit visits to a prisoner of war camp at Singapore. It is the consensus of War, Navy and State Departments that in the interest of our Allies as well as of ourselves, the United States Government should not forfeit Japan's interest in her nationals on Guam, Tinian,

²⁷ Memorandum 156, Ex. 119.01, June 21, 1944, from the Spanish Embassy, not printed; but see memorandum of August 31, 1944, to the Spanish Embassy, *Foreign Relations*, 1944, vol. v, p. 1122.

²⁸ Memorandum 179, Ex. 119.00, August 5, 1944, from the Spanish Embassy, not printed; but see memorandum of September 18, 1944, to the Spanish Embassy, *ibid.*, p. 1126.

²⁹ For offer to authorize visits to Saipan and the Marshalls, see memorandum of September 18, 1944, to the Spanish Embassy, *ibid.*, p. 1126; for offer relating to New Caledonia, see *ibid.*, p. 1122, footnote 98.

Saipan and New Caledonia so cheaply. The War and Navy Departments have recommended that the United States Government make acceptance of the Japanese offer conditional on complete reciprocity for visits to all places where American nationals are held. However, out of deference to your contention that this might close the door to the Japanese offer to permit visits to your men at Singapore, the War and Navy Departments are willing not to press for visits to Burma and Java. They have also agreed to permit visits to Guam and Tinian although these were not originally contemplated. The United States Government is not insisting upon visits by representatives of the protecting Power but will accept visits by the representatives of the International Red Cross Committee. It is because of the concern which we share with you over conditions in the camps in Thailand that we propose to inquire of the Japanese Government whether visits to the prisoner of war camp where American prisoners of war are held in Thailand are included in the Japanese offer. Your note intimates that the Japanese Government has offered to permit visits to the prisoner of war camps in Thailand. The proposal made to the United States Government appears to authorize visits only to the hospital. With regard to Singapore we propose to inquire whether visits to the civilian camp where Americans are held are included.

"The United States Government's offer to authorize visits to Saipan and New Caledonia was originally made primarily in behalf of our men in the Philippine Islands. They have now been transferred to Japan proper. The visits which the Japanese Government has permitted to the camps in Japan, Formosa, Manchuria and China, as you know, have been sporadic and arbitrary. The locations of some of the camps have never even been reported. The records show that of the almost 10,000 American prisoners of war in Japan not more than 2,800 have been visited. The War and Navy Departments insist that the United States should receive assurance from the Japanese Government that the camps in Japan and the adjoining areas be regularly visited and reported upon.

"You will realize that the United States also is faced with a public which is gravely concerned over the welfare of our men in Japanese hands. If the United States Government should accept the Japanese Government's offer unconditionally without making an attempt to bring about an improvement in the conditions under which our men are held, this Government would be open to severe public and official criticism. It is our belief that the reply which we propose to send and which was drafted in consultation with representatives of the British Embassy, a copy of which may have crossed your message, will not cause a breakdown in the negotiations. If the satisfactory assurances requested by the United States for visits to the prisoner of war camp in Thailand and the civilian camp in Singapore and for regular visits to all camps in Japan and adjoining areas are received, both your people and ours will benefit since they are together in the camps. In any event, the reply leaves the door open for further negotiations if necessary."

Sincerely yours,

JOSEPH C. GREW

711.94114A/3-1645 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, March 16, 1945.

1094. Legation's 8204, December 18, 1944, and 8235, December 20, 1944.³⁰ Request Gorgé to inform Japanese Government that the United States Government has given consideration to the Japanese Government's proposal to permit visits by representatives of the International Red Cross Committee to certain specially designated prisoner of war and civilian camps in Japanese-occupied territory. It is noted that the Japanese Government proposes that the United States Government make arrangements to authorize visits to prisoner of war and interment camps where Japanese nationals are held on Saipan, Tinian, Guam and New Caledonia. The Japanese Government offers, on the basis of reciprocity, to authorize visits by representatives of the International Red Cross Committee to the prisoner of war camps at Singapore, the prisoner of war hospital in Thailand and to the Santo Tomas civilian camp at Manila, subject to the exigencies of military operations.

The United States Government notes with gratification the evidence of the Japanese Government's willingness to take this first step to permit visits by representatives of the International Red Cross Committee to camps never visited before by representatives of the protecting Power or the International Red Cross Committee. It points out, however, that in view of the fact that the American nationals at the Santo Tomas camp have now been freed by American forces it is obvious that the offer to authorize visits by representatives of the International Red Cross Committee to the Santo Tomas camp has no value at this time, thus limiting materially the reciprocity offered by the Japanese Government.

The United States Government requests clarification of the Japanese Government's proposal. Does the Japanese Government's offer permit visits by International Red Cross Committee representatives to the civilian camp at Singapore where American nationals are held? Are representatives of the International Red Cross Committee authorized to visit the prisoner of war camp in Thailand where American nationals are held by the Japanese authorities?

The United States Government also desires assurance that representatives of the protecting Power and the International Red Cross Committee are authorized regularly to visit and to report on all camps in Japan proper, Formosa, China, and Manchuria where American nationals are held.

³⁰ *Foreign Relations*, 1944, vol. v, pp. 1012 and 1013, respectively.

Upon receipt of satisfactory clarification of the points raised by it, the United States Government is prepared to arrange for accredited representatives of the protecting Power and the International Red Cross Committee regularly to inspect the camps where Japanese nationals are held in Saipan and to report on the conditions under which they are held. Although not previously proposed to the Japanese Government, the United States Government is prepared to make arrangements for visits by representatives of the protecting Power and the International Red Cross Committee to Guam and Tinian. It will also endeavor to obtain permission from the appropriate authorities for visits to camps in New Caledonia where Japanese nationals are held in American custody.³¹

STETTINIUS

740.00115 PW/11-1444 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, March 17, 1945.

1111. American Interests—Japan. Intercross cable US 2910 to War Department³² received March 7, 1945 reports deaths of prisoners of war, which, with three exceptions, occurred during period January through April 1944. Request Swiss to protest to Japanese Government regarding delay of Japanese authorities to report promptly these deaths and to press Japanese Government to submit prompt notification in future.

Swiss should also protest vigorously against the cremation of these deceased prisoners of war since the Japanese Government agreed to interment until end of hostilities (Legation's 1853, March 23, 1943³³).

In view of willingness expressed by Japanese Government in Legation's telegram no. 7519 of November 14, 1944³⁴ to forward original death certificates of prisoners of war and civilian internees, Department also desires to know when death certificates of persons named in US 2910 were furnished by Japanese authorities. Please ascertain what channels will be employed in transmitting death certificates to American authorities.

ACHESON

³¹ On May 4 the Delegation to the United States of the International Committee of the Red Cross requested the Department to agree to visits by its personnel to "Pacific islands where Japanese nationals are detained by the American authorities, especially the islands of Saipan, Tinian, Guam and New Caledonia". The Department's reply of May 11 stated: "The Japanese Government has thus far failed to clarify the points raised by this Government . . . Accordingly, this Government is not at this time in a position to authorize a visit by an International Red Cross representative" to these islands (740.00115 PW/5-445).

³² Copy not found in Department of State files.

³³ *Foreign Relations*, 1943, vol. III, p. 974.

³⁴ Not printed.

711.94114A/3-1945 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, March 19, 1945.

[Received March 19—11:23 p. m.]

1662. American Interests—Far East. Legation's 7704, November 23.³⁵ Foreign Office note March 14 states Swiss Legation Tokyo reports that since beginning 1945 it has received about dozen letters from POWs detained various camps Japan.

During recent visits representative Swiss Legation ascertained that POWs had been informed of circular which Japanese authorities had been asked to distribute in all camps regarding correspondence with protecting power.

Swiss Legation not informed whether this circular also distributed camps situated outside Japan.

HARRISON

711.94114A/3-2145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, March 21, 1945—10 a. m.

[Received 10:32 a. m.]

1686. American Interests—Japan. Your 756, February 19.³⁶ Swiss note March 16 states Gorgé will forward translation regulations concerning POW camps which appear in official Japanese gazette. He adds that Jap Foreign Ministry never transmits such regulations protecting Power or Intercross.

HARRISON

[In telegram 1296, March 31, 6 p. m., the Department requested the Swiss Government to inform the Japanese Government that the Japanese reply to American charges of decapitation of an American airman by Japanese forces was unacceptable (see telegram 731, February 1, 6 p. m., from Bern, page 320). In telegram 1371, April 6, the Department requested the Swiss Government to protest the murder by Japanese authorities of four American civilians interned at Manila. For texts of telegrams 1296 and 1371, see Department of State *Bulletin*, September 9, 1945, pages 351 and 352.]

³⁵ *Foreign Relations*, 1944, vol. v, p. 1009.

³⁶ Not printed.

740.00115A PW/4-3045: Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, April 30, 1945.

1629. American Interests—Manchuria. Request Swiss Government to have Gorgé protest along the following lines concerning civilian internment camps in Manchuria:

The United States Government has received information of the presence of American citizens in internment camps in Manchuria of which one at Mukden was established on December 13, 1941. Despite repeated requests by the International Red Cross Committee concerning the welfare and whereabouts of American internees in Manchuria, the Japanese Government failed until the latter half of 1944 to report the camps in Manchuria. The Japanese Government is obligated to safeguard the welfare of all American nationals in its custody and to report their whereabouts to this Government. The failure of the Japanese Government to report the existence of these camps constitutes wilful disregard of the obligations it has undertaken or gross neglect in exercising the care that the circumstances justly demand. This failure has added immeasurably to the anxiety of the internees who, as their presence was unknown to the protecting Power and to the International Red Cross Committee, were denied the right of representation and were deprived of any possibility of receiving relief.

The United States Government protests against the treatment, only now revealed, which the Japanese authorities accorded for more than 3 years to American nationals held in the Mukden civilian internment camp. Insufficient food, including little meat and only small quantities of fish and oil at rare intervals, has caused general loss of weight among the internees. The Japanese authorities have neglected to furnish adequate clothing to the internees who are at the present time most urgently in need of summer and winter underclothing, warm socks and shoes. There is no infirmary at the camp, necessary medicines are not available, sanitary conditions are unsatisfactory resulting in needless illnesses, the health of the internees has deteriorated and some of them should be immediately hospitalized. None of the comfort packages or relief supplies provided by this Government for its nationals have been distributed to them and representatives of neither the protecting Power nor of the International Red Cross Committee were allowed to visit them until December 1944. The internees were not allowed to communicate with the protecting Power nor, from December 1941 until December 1944, a period of 3 years, were they allowed to dispatch any mail whatsoever.

The United States Government demands that the Japanese Government shall undertake at once to improve the conditions at the Mukden civilian internment camp which are not consistent with Articles 11, 12, 14, 36, 37, 42, 44, and 78 of the Geneva Prisoners of War Convention as adapted to the treatment of civilian internees and shall inform the United States Government of the improvements instituted. The camp must be regularly visited and reported upon by a representative of the protecting Power and of the International Red Cross Committee. The United States Government further demands that should there be any other camps not yet reported the Japanese Government shall comply with Article 77 of the Geneva Prisoners of War Convention and immediately inform this Government of their locations and of the number of American nationals held therein.

GREW

711.94114A/5-245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 2, 1945—4 p. m.

[Received May 2—3 : 13 p. m.]

2569. American Interests—Japan. Your 1222, March 26.⁸⁷ Swiss note April 30 states Swiss Legation Tokyo reports increasing difficulties in obtaining authorization visit camps because of bombardments in areas where camps located.⁸⁸

HARRISON

711.94114A/5-445 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, May 4, 1945—7 p. m.

1707. Japanese radio broadcasts report considerable damage to Omori and Shinagawa wards during April. It is a matter of concern to the Department that the Shinagawa prisoners of war hospital (reurdes 11336, April 4) and the Omori prisoner of war camp (reurdes 11335, April 4)⁸⁹ were at the time of the Swiss representative's visit still located in an area subject to bombardment. Have the camps been

⁸⁷ Not printed; it requested the latest available information regarding prisoner-of-war camps in or near Yokohama, Tokyo, Osaka, Kobe, and Nagoya (711-94114A/3-2645).

⁸⁸ In telegram 3057, June 5, 7 p. m., the Minister in Switzerland reported that Mr. Gorgé, in continuing his efforts to obtain authorization to visit POW camps, had addressed an urgent letter to "Minister Tojo" (711.94114A/6-545), presumably Shigenori Togo who became Japanese Minister for Foreign Affairs on April 9, 1945.

⁸⁹ Neither printed.

moved since the time of the visit? If not, request Swiss Government to have Gorgé protest strongly to the Japanese Government along the following lines:

The United States Government is reliably informed that the Tokyo prisoner of war hospital, Higashi Shinagawa, is situated close to a port near and on the road leading to bonded warehouses and that the Omori prisoner of war camp is flanked on either side by industrial installations not more than 500 to 1,000 meters distant. Article 9 of Geneva Convention provides that no prisoner may be used to give protection from bombardment to certain points or certain regions by his presence. The United States Government demands that the inmates of the Shinagawa hospital and of the Omori prisoner of war camp be moved to a zone of safety immediately and that a report of the transfer and the location of the new sites be made to the United States Government.

The United States Government declares that the failure of the Japanese Government to remove the hospital and the camp from a target area as well as any failure to remove other prisoner of war camps from danger zones will have the most serious consequences for the responsible Japanese authorities.

GREW

740.00115A PW/4-945 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, May 7, 1945—7 p. m.

1736. Reurdes 11,379, April 9.⁴⁰ The food situation at Hyogo Civilian Internment Camp where internees are reported to be on a starvation diet is a matter of deep concern to the Department. As the internees physical condition has deteriorated to the point where they have approached the limit of resistance, it is feared that the continuance of such an inadequate diet can only have tragic consequences.

It is difficult to reconcile the insufficiency of the rations at the Hyogo Camp with the reports of 3,400 calories being supplied to the prisoner of war camp at Omori (reurdes 11,335, April 4) and to the prisoner of war hospital Higashi Shinagawa (reurdes 11,336, April 4), to the report that the food has greatly improved at the Nagasaki Civilian Internment Camp (reurdes 11,361, April 6), to the report of 3,500 calories being supplied to the Mukden prisoner of war camp (reurdes 11,120, March 14) and to the report that the food is satisfactory at the Shanghai prisoner of war camp.

⁴⁰ Despatches referred to in this telegram not printed.

Request Swiss Government to have Gorgé make strong representations to the Japanese Government to bring the rations at the Hyogo Camp up to the standard of rations reported at the above camps.

If the standard of rations at the above camps has also deteriorated to starvation point since the time the reports were rendered request Swiss Government to have Gorgé inform Japanese Government that the United States Government solemnly warns the Japanese Government that failure to protect the lives and health of American citizens in Japanese custody will have the most serious consequences for the responsible Japanese authorities.

GREW

[In telegram 1739, May 7, to Bern, the Department requested that the Swiss Government make strong representations to the Japanese Government to permit representatives of the protecting Power and the International Committee of the Red Cross to visit and report at once upon all camps in Japan where American prisoners of war were held. In telegram 1741, the same day, the Department requested that the Swiss Government protest most emphatically to the Japanese Government concerning the welfare and whereabouts of officer prisoners of war supposed to have been transferred from Formosa to Mukden. The texts of these communications are printed in Department of State *Bulletin*, September 9, 1945, page 353.]

740.00115A PW/5-945: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 9, 1945.

[Received May 16—6 p. m.]

A-698. American Interests—Japan. Legation's 1936, April 3.⁴¹ Swiss Foreign Office note, May 8, states Swiss Legation Tokyo telegraphed food situation at Futatabi camp becoming more and more critical.

Since bombardment of Kobe on March 17, food distributed until the end of the month consisted practically only of bread, rice, gruel and sausages of very bad quality. No breakfast given to internees between March 20 and March 27.

Swiss Consulate Kobe was able to send some foodstuffs to camp and Swiss Legation continuing its efforts in endeavor to obtain from Japanese Foreign Office amelioration of food situation at Futatabi.

HARRISON

⁴¹ Not printed; it reported information from Mr. Gorgé concerning the general scarcity of food in Japan (740.00115A PW/4-345).

[In telegram 1789, May 12, 8 p. m., to Bern, the Department requested that the Swiss Government protest to the Japanese Government regarding instructions issued by Japanese military authorities directing the murder of persons captured by or surrendering to Japanese armed forces in the Philippines; for a paraphrase of the text, see Department of State *Bulletin*, September 9, 1945, page 354.]

740.00115A PW/5-1245 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 12, 1945.

[Received May 19—3:30 p. m.]

A-715. American Interests—Far East. Legation's airgram A-698, May 9. Foreign Office note May 7 states civilian internees Futatabi have asked Swiss Legation Tokyo whether possible to place special markings on camp buildings in order that camp may be recognized by Allied planes flying over this region.

Swiss Legation indicates that so far as known there is no international convention which envisions placing special markings on civilian internment camps but it inquires whether it would not be possible to invoke by analogy such a provision as Article 27 of the Rules of Land War annexed to the Fourth Hague Convention of 1907.⁴²

Foreign Office will be glad to communicate to Swiss Legation any information which Legation may wish to communicate with regard to question asked by internees at Futatabi.

HARRISON

[In telegram 1856, May 19, to Bern, the Department requested that the Swiss Government convey to the Japanese Government the demand of the United States Government that punishment be inflicted on those who participated in the massacre of American prisoners of war at Puerto Princesa, the Philippines. In telegram 1857, the same day, the Department requested that the Swiss Government vigorously protest the murder of an American civilian interned at Los Banos, the Philippines, by Japanese authorities. The texts of these communications are printed in Department of State *Bulletin*, September 9, 1945, page 355.]

⁴² Signed October 18, 1907, *Foreign Relations*, 1907, pt. 2, pp. 1204, 1212.

711.94114A/5-2145 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, May 21, 1945.

1863. Am[erican] Interests—Far East. Request Swiss Gov have Gorgé protest strongly Jap Gov along following lines:

Jap Gov memo May 3, 1944, transmitted US Gov by Spanish Embassy Washington, states Jap Gov attaches great importance reporting names and exerting special efforts that direction.⁴³ Liberation Am POWs Burma furnishes conclusive evidence Jap Gov failed report names large numbers Am nationals held Jap custody. Neglect on part Jap Gov exercise care circumstances justly demand caused great and unnecessary anxiety families men some of whom held by Japanese since 1942. Jap Gov voluntarily undertook apply provisions Geneva POWs Convention in treatment Am POWs. Article 77 that Convention provides reporting names within shortest possible period. US Gov demands Jap Gov investigate records and forward to US Gov through appropriate channels names all Am POWs not yet officially reported.

GREW

740.00115 PW/5-2345 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, May 22, 1945—6 p. m.

1869. Request Swiss Government to transmit textually to Japanese Government on urgent basis the following:

The United States Government has been informed ⁴⁴ that the Japanese military authorities at Shanghai have requisitioned the premises occupied by the Columbia Country Club and Yu Yuen Road Civilian Assembly Centers and that the internees from these centers have been transferred to the former Sacred Heart Hospital which is not properly equipped to receive them and which is situated in the Yangtzepoo industrial area of Shanghai.

⁴³ In telegram 1922, May 29, to Bern, the Department stated that the beginning sentences of telegram 1863 should read: "Request Swiss Government to have Gorgé protest strongly to Japanese Government against failure on part of Japanese Government to report all names, places of internment, transfers, deaths of American POWs in Japanese custody. Protest may be along following lines:

Jap Gov memo of May 3, 1944, transmitted to US Gov by Spanish Embassy Washington, states that Jap Gov attaches great importance to reporting the names of American prisoners of war and is exerting special efforts in that direction." (711.94114A/5-2645) The memorandum of May 3 was transmitted to the Department by the Spanish Embassy in its Memorandum J-96, Ex. 119.01, May 11, 1944, not printed; but see *Foreign Relations*, 1944, vol. v, p. 942, footnote 32.

⁴⁴ Airgrams A-671, May 3, and A-689, May 7, from Bern; neither printed.

The Japanese Government voluntarily undertook to apply, in the treatment of civilian internees, the humane provisions of the Geneva Prisoners of War Convention. The action of the Japanese Government in transferring the internees, who have already been subjected to the rigors of internment for more than 2 years and among whom are many women and children, many aged and infirm persons, and many individuals who are ill, to a camp unprepared to receive them in the heart of an industrial district abounding in docks, warehouses, factories and other military objectives constitutes a serious abandonment of the Japanese Government's commitments and a grave dereliction of its duty toward these defenceless civilians in its care. The removal of these civilian internees to an area containing military objectives can only be construed as being for the purpose of attempting to render that area immune from attack and is a grave violation of Article 9 of the Geneva Convention which prohibits exposing those held in custody to the fire of combat zones or using them to give protection from bombardment to certain points or regions by their presence.

The United States Government demands that the Japanese Government, in fulfillment of its obligations, put forth exceptional efforts to remove the internees without delay to camps adequately equipped to receive them and situated in areas of safety where they will not be exposed to danger, injury or harm.

It is reported that plans are also under consideration involving the transfer of the civilian internees from the Chapei and Lincoln Avenue Centers. The United States Government demands that the Japanese Government abandon any plan which may be under consideration for the removal of the internees of these centers to areas which are military targets. Should it in fact be deemed necessary to remove the internees from the Chapei and Lincoln Avenue Centers, the United States Government expects the Japanese Government to honor its obligation to place them in safe areas, to provide suitable quarters and sanitary facilities, to furnish necessary camp equipment, and to make adequate provision for the care of the sick; the United States Government also expects that the Japanese Government, in compliance with its professions that it at all times extends humane treatment to the enemy nationals in its custody, will not fail to give special consideration to the women and children, the aged and infirm and those who may be suffering from ill health.

The United States Government states again that it holds the Japanese Government responsible for safeguarding the lives of the civilian internees in its custody. It solemnly warns the Japanese Government that no Japanese individual will escape accountability for any responsibility he may bear for the exposing of civilian internees to danger

through attempts to render certain points or areas immune from bombardment by their presence.

GREW

711.93114A/5-2245 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, [May 22, 1945]—7 p. m.

1871. Request Swiss Government to transmit textually to Japanese Government on urgent basis the following:

The United States Government has been informed⁴⁵ that the Japanese Government is removing the prisoners of war from the Kiangwan camp in Shanghai and that they were due to depart on May 7 for Fengtai situated on the Shanghai-Peking Railroad about 15 kilometers south of Peking.

The United States Government demands assurance from the Japanese Government without delay that it is not planning to quarter these prisoners of war in the vicinity of the railroad junction and military installations at Fengtai in violation of the humane provisions of Article 9 of the Geneva Convention which states "No prisoner may, at any time, be sent into a region where he might be exposed to the fire of the combat zone nor used to give protection from bombardment to certain points or certain regions by his presence." The United States Government expects to receive the Japanese Government's solemn assurance that the camp to which the prisoners of war are being removed is situated outside the zone of danger. In observance of its commitments the Japanese Government is further obligated to guarantee that the camp is provided with suitable barracks and an adequate hospital and is not deficient in the necessary sanitary facilities and camp equipment.

The United States Government also demands that the Japanese Government report to this Government at once the names of the prisoners of war who are transferred and inform this Government of the exact location of the place of their transfer.

The United States Government furthermore demands that the Japanese Government issue authorization to the representatives of the protecting Power and the International Red Cross Committee to visit the camp where the prisoners of war are detained and to report to this Government without delay the conditions under which they are held.

GREW

⁴⁵ Airgrams A-690, May 7, and A-697, May 9, from Bern; neither printed.

[In telegram 1884, May 24, to Bern, the Department requested that the Swiss Government convey the demand of the United States Government that the Japanese Government punish those responsible for the mistreatment of American prisoners of war at Puerto Princesa, the Philippines; for text, see Department of State *Bulletin*, September 9, 1945, page 356.]

740.00115A PW/5-2945 : Telegram

The Acting Secretary of State to the Minister in Switzerland
(Harrison)

WASHINGTON, May 29, 1945—3 p. m.

1919. Am[erican] Interests—Far East. Request Swiss Gov have Gorgé protest to Jap Gov along following lines:

US Gov protests again (Dept's 1736, May 7, 1945, Dept's 4089, Dec 4, 1944, Dept's 1295, April 15, 1944 ⁴⁶) against grave insufficiency of food furnished to internees at Hyogo Civilian Internment Camp. Despite repeated protests by US Gov concerning treatment of civilian internees at Hyogo Camp Jap Gov has done nothing to ameliorate situation there with result that conditions have now become critical.

US Gov holds Jap Gov responsible for safeguarding lives of Am nationals from starvation and demands that Jap Gov immediately take steps to supply adequate food and to remedy existing conditions at Hyogo Civilian Internment Camp.

GREW

[In telegram 1925, May 29, 8 p. m., to Bern, the Department requested that the Swiss Government protest strongly to the Japanese Government that American prisoners of war in Japan were forced to labor for excessive hours on work directly connected with the Japanese war effort; for a paraphrase of the text, see Department of State *Bulletin*, September 9, 1945, page 352.]

740.00115A PW/5-2945 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 29, 1945—8 p. m.

[Received May 29—6:05 p. m.]

2941. American Interests—Far East. Dept's 1736, May 7. Gorgé replies he already made several representations Japs in effort obtain remedial action but these brought no result. Has strongly intervened with Minister Togo basis reference telegram.

HARRISON

⁴⁶ For telegrams 4089 and 1295, see *Foreign Relations*, 1944, vol. v, pp. 1010 and 937, respectively.

740.00115 PW/6-245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 2, 1945—8 p. m.

[Received 8:27 p. m.]

3016. American Interests—China. Leg's airmail 11202, March 20, A-734, May 18.⁴⁷

Given below substance Swiss note June 1:

Fontanel visited Lunghwa and Chapei civilian assembly centers week ended May 27 and visiting others this week. Will telegraph consolidated report upon termination visits. He invites attention Department to desperate food situation now existing camps. Since beginning year Jap greatly decreased food deliveries which already quite limited. For past 2 weeks rice distribution completely suspended. Diet now given camp inhabitants consists one meal daily including about 1 ounce meat (occasionally substituted by fish or powdered eggs), 3 to 4 ounces boiled vegetables (very often Chinese cabbage), 1 medium sized potato, 1 small beet and 12 ounces black bread. Owing suspension rice distribution Jap promised increase bread ration to 20 ounces but promise not kept thus far. Camps receive neither tea nor other food products in addition those named above.

Situation highly disconcerting for camp committees fearing camp disorders if situation not improved expeditiously. Fontanel made urgent representation local Jap authorities but does not expect positive result since said officials openly admit inadequacy credits made available by Jap Government for camp provisioning. He observes that contrary general scarcity Jap Shanghai supply remains plentiful and does not justify very bad food situation camps. Fontanel believes this due solely artificial exchange rate fixed between yen and CRB dollar.⁴⁸ He immediately took steps supply camps with substantial quantities foodstuffs (cereals, peas, lard, sugar, tea, et cetera) which he hopes pay from funds to be purchased free market.

Swiss FonOff instructed Gorgé make strong representation Jap Government in effort have it remedy soonest possible deplorable food conditions prevailing civilian assembly centers occupied China.⁴⁹

HARRISON

⁴⁷ Neither printed.

⁴⁸ Central Reserve Bank notes issued by the Japanese-sponsored regime at Nanking.

⁴⁹ In telegram 1991, June 8, 7 p. m., to Bern, the Department stated that it was "gravely concerned over conditions reported Legation's 3016" and approved the strong representations made by the Swiss Government and the action taken by Mr. Fontanel (740.00115PW/6-245).

711.94114A/6-745: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 7, 1945.

[Received June 16—4 p. m.]

A-788. American Interests—Indochina. Department's telegram 3739, November 1.⁵⁰ Swiss note June 4 gives in translation following reply of Japanese Foreign Office which Swiss Legation Tokyo telegraphed May 31:

"1.—The prisoner of war infirmary at Saigon is well installed in a former Japanese army billet converted for this purpose.

The Japanese soldiers who are still quartered in the same building have rooms identical with those occupied by the sick prisoners of war.

"2.—The infirmary used for examining and taking care of sick prisoners of war whose hospitalization is not necessary has adequate instruments and medicaments available.

The provisioning is the same as for the Japanese army. As concerns medicaments the infirmary is supplied according to the regulations of headquarters; it receives the quantities which circumstances demand, consideration being given to the requests made by the doctor prisoners of war.

"3.—The purchase of food stuffs and provisions is entrusted to doctor and officer prisoners of war charged with supervision.

Local provisioning is also as copious as possible.

The average daily ration contains 3,400 calories for each person.

"4.—The authorities grant the maximum freedom and have exhibited a benevolent attitude both in the care given to the prisoners of war and in the management of the infirmary.

"5.—The doctor prisoners of war and the patients are very satisfied and acknowledge that they are treated in a humanitarian and attentive manner by the Japanese army in the infirmary and in the Saigon military hospital.

"6.—The facts set forth above have exerted a favorable influence on the sick, both from the physical and moral point of view. Actually the number of patients which reached 500 at the time the infirmary was opened in July 1944 no longer exceeded 180 in December. If the difficult climate is taken into consideration this result proves the excellence of the administration and of the care given.

"7.—The equitable and humanitarian treatment of the sick and wounded cared for in the infirmary and in the military hospital is in no way contrary to the provisions of the first article of the Geneva Convention of 1929.

"8.—The treatment cannot therefore be criticized and the American protest is in consequence without foundation."⁵¹

HARRISON

⁵⁰ *Foreign Relations*, 1944, vol. v, p. 1008.

⁵¹ In airgram A-411, June 23, to Bern, the Department requested the Swiss Consul at Saigon to verify the Japanese statements (711.94114A/6-745). In telegram 3653, July 23, 1 p. m., the Minister in Switzerland reported that telegraphic communications with Indochina had been interrupted and that Mr. Gorgé was unable to telegraph the Department's request to Saigon "as use of code prohibited due Japanese withdrawal from Swiss Consulate Saigon of right to handle POW matters." (711.94114A/7-2345)

[In telegram 1992, June 8, to Bern, the Department requested the Swiss Government to transmit the demand of the United States Government that the Japanese put forth exceptional efforts to remedy the grave food situation in civilian assembly centers at Shanghai and in other civilian centers and prisoners-of-war camps; for text, see Department of State *Bulletin*, September 9, 1945, page 357.]

740.00115 PW/6-845 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 8, 1945—10 a. m.

[Received 10:30 a. m.]

3089. American Interests—China. Leg's airgrams 671, May 3, 689, May 7.⁵² Fontanel reports in connection transfer Yu Yuen Road and Columbia Country Club civilian centers to former Sacred Heart Hospital that this new center designated "Civilian Assembly Center Eastern Area".

Fontanel not yet able visit this camp and will not be authorized do so until completely installed. He rec'd through confidential source complaints from persons taken there. Transfer made hastily and buildings where internees quartered said to lack all essential installations, specially sanitary facilities.⁵³

HARRISON

740.00115 PW/6-1245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 12, 1945—5 p. m.

[Received 11:33 p. m.]

3143. American Interests—China. Legt's 3016, June 2. Swiss note June 9 states Fontanel concluded visits civilian assembly centers Lunghwa, Pootung, Chapei, Lincoln Avenue and Great Western Road. Will forward complete reports by courier when possible. Given below is résumé visits.

1. As previously indicated Fontanel ascertained at all camps that internees inadequately fed and immediately took steps make large deliveries peas, beans and other foodstuffs.

2. Camp matériel especially in kitchens is in very bad condition and cannot be replaced by Jap authorities whose credits wholly in-

⁵² Neither printed.

⁵³ In telegram 2044, June 15, 6 p. m., to Bern, the Department directed that Mr. Fontanel be informed of its deep concern over the serious situation of the Shanghai internees and of its request for strong representations to be made in Tokyo (740.00115 PW/6-845).

adequate. They unable even distribute toilet paper, soap, et cetera. Owing constantly pronounced increase prices Fontanel not in position obtain sufficient assistance enable him replace his [*this*] matériel.

3. Despite foregoing situation, health and morale momentarily satisfactory even Lincoln Avenue where aged detained. Fontanel fears however prolongation internment can only cause general enfeeblement internees whose resistance appears diminish daily. Will endeavor with ICRC delegate distribute parcels.

Fontanel had another conversation with Jap Consul Genl who fully comprehended present conditions existing centers. He assured that he had insisted with Jap Govt, Tokyo, that new credits intended purchase foodstuffs for camps be granted him. Jap representative promised do everything within his power. Despite these assurances Fontanel inquires regarding desirability making new representations Tokyo behalf US, Brit, Dutch Govts.⁵⁴

HARRISON

711.94114A/6-1345 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 13, 1945—7 p. m.

[Received 7:48 p. m.]

3160. American Interests—Jap. Legs 3057, June 5.⁵⁵ Note June 12 from FO states Gorgé personally intervened June 2 with Suzuki⁵⁶ with view obtain concrete result representations made Jap Govt to obtain authorization inspect POW camps.

Gorgé stressed American, Brit Govt had right be surprised persistent refusals Jap military authorities permit visits camps and added this caused useless alarm families POWs which would be reassured now that representatives protecting power had possibility visit POWs.

In subsequent telegram Gorgé advises FonOff that Jap Foreign Ministry informed him officially that Jap Military authorities have finally authorized visits POW camps and given their consent representative Swiss Legt Ruch [be] designated these inspections. Gorgé failed indicate date commencement visits and frequency. Therefore FonOff telegraphed Gorgé obtain further details these points.

HARRISON

⁵⁴ For further information on the situation of Americans in Shanghai, see telegram 3579, July 16, 10 a. m., from Bern, p. 413.

⁵⁵ Not printed: it reported that Mr. Gorgé had addressed an urgent letter to the Japanese Foreign Minister on May 16 in continuing his representations to obtain authorization to visit POW camps (711.94114A/6-545).

⁵⁶ Koichi Suzuki, Chief of the Foreign Interests Section in the Japanese Foreign Office.

711.94114A/6-1845: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 18, 1945—noon.

[Received June 18—11:55 a. m.]

3220. Am[erican] Interests—Japan. Your 1879, May 23.⁵⁷ Fon-Off note June 15 states Gorgé reports not aware whether other aviators than those who participated April 1942 Tokyo raid have been executed. Jap press has not made any mention.

Gorgé adds he has already intervened seven times in writing with Jap authorities in endeavor obtain information requested Dept's 2080, Aug. 26, 1943⁵⁸ re treatment certain Am aviators held military prison "Central China Expeditionary Force". To date Gorgé has received no reply.⁵⁹

HARRISON

711.94114A/5-845

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, June 18, 1945.

MY DEAR MR. SECRETARY: I acknowledge the receipt of your letter of May 8, 1945, replying to our letter of April 23, 1945.⁶⁰ In the last paragraph you suggest that the Department of State carefully check the activities of the Swiss Government in its capacity as protecting Power for United States interests in Japan and promptly bring to its attention any evidence of failure on its part to carry out its duties as protecting Power as diligently and vigorously as possible.

It is the Department's opinion that the Swiss Government is, in general, doing the best that it can under difficult conditions. The difficulties which the Swiss representatives in the Far East have had to face come from the intransigence and truculence of the Japanese authorities and from the fact that the Japanese Government does not consider itself legally obligated to observe the provisions of the Geneva Convention.

⁵⁷ This telegram read: "Department has received report regarding execution American airmen which may refer to 1942 Tokyo raiders. Request Gorgé report whether other American raiders have been executed and if so have executions been given publicity." (711.94114A/4-2545) For report of penalties for Tokyo raiders, see telegram 5010, November 5, 1942, 8 p. m., from Bern, *Foreign Relations*, 1942, vol. 1, p. 824.

⁵⁸ Not printed; it requested the Swiss Minister in Japan to ascertain the present whereabouts of the Tokyo raiders (740.00114A-Pacific War/559).

⁵⁹ In telegram 3512, July 11, 8 p. m., the Minister in Switzerland reported that Mr. Gorgé had called personally on Mr. Suzuki, "insisting Jap authorities give response numerous representations" concerning American aviators (711.94114A/-7-1145).

⁶⁰ Neither printed.

Placed in the unpleasant situation of not being able to hold the Japanese Government legally to observance of the provisions of the Geneva Convention, the Swiss Government has invoked the provisions of the Geneva Convention on humanitarian grounds, regardless of Japan's legal commitment or obligation to the Convention.

The Swiss authorities have faithfully presented the many strongly worded protests which this Government has found it necessary to address to the Japanese Government with regard to Japanese atrocities and maltreatment of American nationals, and strengthened this Government's protests with representations of its own concerning the serious character of the charges and the failure of the Japanese Government to live up to the commonly accepted humanitarian standards of civilized nations.

The Swiss Government has also been untiring in its efforts to secure authorization from the Japanese authorities for regular inspection of camps where American nationals are held. As you are aware, the Japanese Government has from the beginning of hostilities refused to grant the right of a protecting Power to represent American interests in Japanese-administered territories outside of Japan proper and China. The Swiss Government has not only acted as agent for the numerous protests of the United States Government concerning the matter, but has urged upon the Japanese Government the desirability and necessity for a reversal of its position. In view of the intransigent attitude of the Japanese authorities, this has not always been an easy undertaking for the Swiss representative. Wherever the Swiss Government has been authorized to visit camps its representatives have been energetic in carrying out their responsibility. They have faithfully, and it would seem honestly, reported on the conditions in the camps and have called upon the Japanese Government to effect improvements. Their representations have not always met with success but this has not been due to failure on their part to press for reforms.

Another instance of the Swiss Government's efforts is contained in a recent telegram from Bern.⁶¹ The Japanese Government requested the Swiss Government to assume protection of their interests in the United States.⁶² The Swiss Government informed the Japanese Government that it was prepared to take over Japanese interests in the United States subject to certain conditions which included granting greater facilities to Swiss representatives in Japan and Japanese occupied areas in fulfilling the functions of protecting Power in behalf of the United States and Great Britain.

⁶¹ Telegram 2940, May 29, 7 p. m., not printed.

⁶² The Spanish Embassy relinquished representation of Japanese interests in the United States on March 27. The United States accepted the Swiss Government as representative of these interests on July 21. For texts of notes exchanged on these matters, see Department of State *Bulletin*, April 8, 1945, p. 649, and July 22, 1945, p. 125.

However, if, at any time, there is reason to believe the Swiss Government fails satisfactorily to perform its duties as protecting Power for American prisoners of war and civilian internees in the Far East, I assure you that the Department will promptly bring the matter to the Swiss Government's attention.

Sincerely yours,

JOSEPH C. GREW

740.00115 PW/6-1945: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 19, 1945—9 a. m.

[Received 12:32 p. m.]

3227. Am[erican] Interests—Shanghai. Swiss note June 15 transmits following from Fontanel re hospitalization six internees civilian assembly centers.

Pursuant earlier arrangements camp sick were treated city hospital and Country Hospital at expense Swiss Cons. Jap military requisitioned latter April 1945. Since Feb. Jap Cons agreed with Jap Medical Association treat patients from civilian assembly centers exclusively at Saint Luke's Hospital, 219 Kinkiang Road, and place them under strict control this organization. Admission general hospital now restricted special cases. As not previously consulted and all contact with sick refused, Fontanel rejected Jap request pay hospitalization costs Saint Luke. Following negotiations reimbursement these charges during which Jap threatened close hospital, Fontanel concluded arrangement indicated below with Jap Cons:

1. Swiss rep. agrees pay hospitalization costs procuring necessary funds on free market and sick signing promises repay.
2. Jap authorities transfer Am or Brit doctor from one of camps to give necessary medical care under supervision Jap chief physician.
3. Fontanel authorized have regular contact with hospital.

Fontanel considers foregoing very satisfactory permitting substantial reduction hospitalization costs. Inspected Saint Luke May 22, ascertaining urgent need hospital disinfection and improvement certain sanitary facilities especially baths. General conditions for treating all ordinary medical and surgical cases, however, satisfactory. On day visit 76 Am, Brit, Dutch, from camps at Saint Luke all complained inadequate diet, medicaments and presence bugs. Fontanel hopes arrangement concluded hospitalization costs will bring rapid improvement conditions Saint Luke.⁶³

HARRISON

⁶³ In telegram 2132, June 25, 5 p. m., to Bern, the Department requested that its appreciation of the efforts of Mr. Fontanel on behalf of hospitalized internees at Shanghai be transmitted to him and that, if conditions did not improve, the Department be informed urgently (740.00115 PW/6-1945).

711.94114A O.T./6-2345: Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, June 23, 1945.

2123. Request Swiss Govt have Gorgé deliver following message textually to Jap Govt and to inform Dept date of its delivery: ⁶⁴

"The United States Government has been reliably informed that the Japanese authorities in Thailand have quartered prisoners of war in warehouses located at the new port of Bangkok and have forced them to labor at the railway station and on the docks of that city.

The Japanese Government voluntarily undertook to apply the humane provisions of the Geneva Prisoners of War Convention in its treatment of prisoners of war and civilian internees. In spite of its solemn obligation the Japanese Government has failed to apply the provisions of Articles 9 and 31 of that Convention in its treatment of prisoners of war in Thailand.

The United States Government again strongly protests against the disposition by the Japanese Government of prisoners of war in an area in close proximity to docks, railroad yards and other military objectives and their employment on labor having a direct relation with war operations. The United States Government solemnly warns the Japanese Government that the United States Government will hold the Japanese Government responsible for any failure on its part to protect the lives and health of American nationals in Japanese custody."

GREW

711.93114A/6-2345: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 23, 1945—1 p. m.

[Received 11:45 p. m.]

3298. Am[erican] Interests—Shanghai and North China Camps. Inter-cross letter June 21 state Egle ⁶⁵ arrived Peking June 10. Visited various segregation centers. All appeared satisfactory. Reports follow. Transfer POWs from Shanghai effected smoothly. Egle bought considerable quantities foodstuffs, cigarettes for POWs during transfer. Egle hopes shortly have relief service functioning as at Shanghai. Owing certain technical difficulties Egle believes visit new POW camps subject delay. On basis reliable reports he satisfied health, morale POWs very high and adequate arrangements made their welfare.

⁶⁴ In telegram 3505, July 11, the Minister in Switzerland reported delivery of this message on July 5 (711.94114A O.T./7-1145).

⁶⁵ Edouard Egle, delegate at Shanghai of the International Committee of the Red Cross.

Intercross adds with regard funds for relief purchases new POW camps possibly necessary resume monthly payments which previously in abeyance owing exchange complications.⁶⁶

HARRISON

740.00115 PW/6-2645 : Telegram

*The Acting Secretary of State to the Minister in Switzerland.
(Harrison)*

WASHINGTON, June 26, 1945.

2148. The United States Government is gravely concerned over the reported intention of the Japanese military authorities in Shanghai to move internees from Chapei camp and from Lungwha and Pootung centers⁶⁷ as, judging from transfers already effected in Shanghai, transfers from one camp to another entail additional dangers, hardships and difficulties for the internees.

For example, conditions at the Civil Assembly Center Eastern Area, where civilian internees were moved from Yu Yuen Road and from the Columbia Country Club, are reported to be most unsatisfactory and permission has not been granted for a visit to that center by representatives of the protecting Power or of the International Red Cross Committee. The center is located in an area subject to bombardment, in violation of Article 9 of the Geneva Prisoners of War Convention applied to treatment of civilian internees. In disregard of Article 10 the buildings housing the internees are without essential utilities and sanitary facilities are lacking. Considering the climatic conditions prevailing in Shanghai during the summer months this lack constitutes a serious threat of disease and epidemics.

If the Japanese Government contemplates additional transfers of civilian internees to camps not ready to receive them, such transfers will result in increased and unnecessary suffering for individuals who for a period of years have already undergone great hardships.

The results of the transfers to the Civil Assembly Center Eastern Area have proved disastrous and other transfers carried out in a like manner can only end in calamity. At the time of the transfers to the Civil Assembly Center Eastern Area the United States Government informed the Japanese Government that, should transfers be deemed

⁶⁶ In telegram 2183, June 29, 7 p. m., to Bern, the Department requested the Swiss to seek permission to visit the camps near Peking as soon as possible and suggested that the Swiss might wish to point out to the Japanese "that United States authorities have always permitted visits to camps even though newly organized". (711.93114A/6-2345)

⁶⁷ Telegrams 3184, June 15, noon, and 3284, June 22, 1 p. m., from Bern, neither printed.

necessary, the United States Government expected the Japanese Government to honor its obligations to

- 1) place civilian internees in safe areas
- 2) provide suitable quarters and sanitary facilities
- 3) furnish necessary camp equipment
- 4) make adequate provisions for the care of the aged and the sick

This was not done.

The United States Government now therefore demands that the Japanese Government abandon any plans for the transfer of the inmates of the Chapei camp and the Lungwha and Pootung centers unless the Japanese Government can give positive assurances that it will honor these obligations.

By its voluntary commitment to apply the provisions of the Geneva Prisoners of War Convention in its treatment of prisoners of war and civilian internees the Japanese Government is bound to protect the lives and health of American nationals held in Japanese custody. The United States Government will hold the Japanese Government and the Japanese military authorities in Shanghai responsible for any failure on their part to perform this duty.⁶⁸

GREW

711.94114A/6-2845 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 28, 1945.

[Received June 28—10:47 p. m.]

3348. Am[erican] Interests—Japan. Your 1111, Mar 17. FonOff note June 26 states during interview June 16 between Gorgé and Suzuki, latter declared Japan has not undertaken obligation to bury POWs in all cases and all places.

Suzuki stated moreover impossible carry out burials in large centers where Jap themselves cremated. However at other places for example in the country, he added, Jap authorities would assure burial of dead.

HARRISON

⁶⁸ In telegram 2149, June 26, 6 p. m. (740.00115 PW/6-1545), to Bern, the Department requested that Mr. Gorgé transmit textually telegram 2148 to the Japanese Government "if he thinks it will strengthen his position". In telegram 3614, July 19, the Minister reported Mr. Gorgé had communicated the text of this message "since his previous representations this matter without positive result." (740.00115 PW/7-1945)

711.94114A/6-2845 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, June 28, 1945—4 p. m.

[Received June 29—12: 15 p. m.]

3349. Am[erican] Interests—Jap. Legtel 3129, June 11.⁶⁹ Notice June 20 from FonOff states Gorgé instructed Apr 1 [on] request British Leg Bern intervene Jap authorities following matters: 1, right visit camps all areas protecting Power and Intercross; 2, prompt notifications; 3, removal camps from industrial areas and neighborhood military objectives.

In recent telegram Gorgé replied no response Jap FonOff his numerous interventions. Notwithstanding absence results, Gorgé will continue insist and hopes obtain better result in examining these problems directly with Suzuki to whom he has written personal letter. However, Gorgé of opinion Jap authorities will maintain their negative attitude until torpedoing of *Awa Maru*⁷⁰ settled by American Govt to satisfaction Jap Govt.⁷¹

Notice June 26 gives following summary Gorgé's interview June 16 Suzuki: Suzuki recently discussed with Jap Minister War⁷² and convinced FonOff doing all possible aid Gorgé but negotiations between FonOff and military authorities subject difficulties. Interview concerned principally following which Gorgé discussed at length: 1, visit POW camps; 2, location POW camps near military objectives.

Regarding 1, Suzuki seemed anxious satisfy recent personal interventions Gorgé and assured latter camp visits could doubtless be resumed near future. Suzuki stated suspension visits result reorganization camps now under way. Numerous transfers have occurred, but Suzuki apparently possessed no details their regard.

Under these circumstances Gorgé not aware whether certain camps closed and others established but he hopes soon receive information

⁶⁹ Not printed; it stated that according to Foreign Office note of June 8, "Swiss Minister Tokyo again contacted Minister Togo May 30 in endeavor obtain authorization visit POW camp". (711.94114A/6-1145)

⁷⁰ For documentation on this subject, see telegram 1396, April 10, to Bern, p. 462, and succeeding messages.

⁷¹ On August 24, the Delegation to the United States of the International Committee of the Red Cross quoted, for the information of the Department, from a letter of July 16 from Geneva headquarters, as follows: "The Japanese authorities have repeatedly informed us that owing to the torpedoing of the *Awa Maru*, prisoner of war camp visits by Delegates of the International Committee of the Red Cross were to be held in abeyance. We were unable to convince the Japanese Authorities of our opinion that POW camp visits by the International Committee bore no relationship to the sinking of a vessel transporting relief." The letter also cited a Japanese spokesman as stating "he regretted the impasse reached in relief activities due to the *Awa Maru* case, as the USA government's reply was considered unsatisfactory and not conducive to an early mutually acceptable settlement". (711.94114 Supplies/8-2445)

⁷² Gen. Korechika Anami.

this regard. Personally he believes other reasons explain present discontinuance visits, particularly fact military authorities do not desire Swiss delegates visit camps near zones object of bombing.

Regarding 2, states Gorgé would soon receive Jap reply to representations behalf US, Great Britain which Swiss Legation will telegraph when received.

HARRISON

740.00115 PW/7-145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 1, 1945—11 a. m.

[Received 2 p. m.]

3380. Am[erican] Interests—Jap. Legs 3320, June 26.⁷³ Swiss note June 27 states Swiss Consulate representative Kobe recently visited Futatabi camp. Inspection made more favorable impression than previously result improvement food situation since now possible place foods disposal inmates owing funds received from Swiss Legation for collective relief. Additionally interned can consume vegetables they raise.

Representative found apparent perfect understanding among internees. Latter expressed gratitude for aid furnished by American, Brit Govts.⁷⁴

HARRISON

740.00115A PW/6-2145 : Airgram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, July 9, 1945.

A-434. American Interests—Japan. Legation's Airgram 715 May 12, 1945. Request Swiss Foreign Office to inform Swiss Legation Tokyo for information of civilian internees Futatabi that the welfare and safety of American nationals in Japanese custody is of greatest concern to the United States Government and that this Government is most receptive to considering and employing all measures that might ensure greater protection for American prisoners of war and civilian internees in the Far East.

⁷³ Not printed.

⁷⁴ In telegram 3816, August 6, 1 p. m., the Minister in Switzerland reported a further visit to this camp by a representative of Mr. Gorgé who observed that despite the insufficiency of food furnished the internees by Japan, their health had notably improved since the Swiss Consulate began forwarding food purchased on the black market (740.00115 PW/8-645).

The United States Government is of the opinion, however, that the use of distinctive emblems on camp buildings would provide no greater protection for the inmates of camps in the Far East than that which should be ensured through full observance by the Japanese Government of the obligation assumed by it under Article 9 of the Geneva Prisoners of War Convention, which the Japanese Government has agreed to apply to civilian internees in so far as its terms are adaptable.

Request Swiss to continue to demand the removal of all camps whose locations are not in accordance with the requirements of Article 9 of the Geneva Convention and to continue to inform this Government urgently of all changes of camp locations and whether camp locations conform with the provisions of Article 9.

GREW

711.94114A/7-1245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 12, 1945—noon.

[Received July 12—9:50 a. m.]

3529. American Interests—Far East. Bisang⁷⁵ telephones, according information just received from Gorgé, Suzuki now states Jap Government agrees in principle to authorize Swiss visit POW camps Jap occupied territory. While not certain Bisang believes includes Manchukuo, Korea, Singapore as well as China.⁷⁶

Will report promptly as available further developments.

HARRISON

711.94114A/7-1245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 12, 1945.

[Received July 12—7:46 p. m.]

3541. Am[erican] Interests—POWs—Japan. Your 2121, June 21, 1944, Legs 3347, June 28.⁷⁷ FonOff note July 11 states Gorgé recalled to Suzuki during recent interview provisions Article 4 Geneva Convention⁷⁸ insisting upon interest AmGovt and families concerned learn promptly deaths.

⁷⁵ Emil Bisang of the Division of Foreign Interests in the Swiss Foreign Office.

⁷⁶ On July 12 the Delegate to the United States of the International Committee of the Red Cross informed the Department that the Japanese Foreign Office had authorized Walter Salzmann, International Red Cross delegate in Bangkok, to visit the Thai military hospital (711.93114A/7-1245).

⁷⁷ Neither printed; telegram 3347 reported Mr. Suzuki's statement that the Japanese Government had not undertaken the obligation to deliver death certificates of all prisoners of war and civilian internees under Japanese control "which would cause great complications", but was prepared to furnish certificates on special request (711.94114A/6-2845).

⁷⁸ Signed July 27, 1929, *Foreign Relations*, 1929, vol. I, p. 321.

Suzuki envisioned certain difficulties notification deaths quasi [*each?*] individual. Gorgé replied if possible receive list each month wounded, sick, dead POWs great progress realized. Suzuki agreed examine proposal.

Gorgé observed according Geneva Convention death certificate contemplated every deceased soldier enemy hands, however did not insist this point, not knowing reply Am authorities to proposal Suzuki transmitted Leg's 3347.

HARRISON

711.94114A/7-1345 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 13, 1945—11 a. m.

[Received 6 : 37 p. m.]

3549. Am[erican] Interests—Japan. Leg's 3349, June 28. Notice yesterday from Foreign Office states Gorgé reports during conference July 3 Suzuki, he requested immediate information re visits POW camps. Suzuki stated work reorganization, transfers nearing completion and protecting Power delegate can soon begin visits.

Gorgé recalled to Suzuki importance he attached visit camps Manchukuo already requested personally in writing. Suzuki promised examine request with War Minister.

HARRISON

711.94114A/6-2845 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, July 14, 1945.

2310. Legtel 3448 [3348], June 28. Request FonOff to have Gorgé inform Jap Govt at opportune moment that cultural background of American people is opposed to cremation of American dead and some religious beliefs forbid cremation. It is hoped therefore that American dead will be inhumed whenever possible.

GREW

711.94114A/7-1745 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 17, 1945—9 p. m.

[Received July 17—6 : 38 p. m.]

3598. American Interests—Far East. Legation's 3529, July 12, and 3549, July 13. Foreign Office note July 16 states, according telegram

from Gorgé, Suzuki has announced War Ministry agrees in principle Swiss Minister visits POW camps territories occupied Japanese.

Japanese envision authorizing to begin with visits camps Thailand, Singapore subject, as regards dates, military necessity.

Foregoing decision confirmed by note Japanese Legation, Bern, reading follows:

“As regards internee and POW camps regions occupied Japanese forces, authorization visit will be accorded to extent not incompatible with strategic reasons and according principle reciprocity.

However not superfluous indicate henceforth means effect visits will be sometimes limited by local conditions and Japanese Govt hopes Swiss Govt understands this necessity. Japanese Govt furthermore prepared arrange in collaboration Gorgé details visits.”

HARRISON

711.94114A/6-2145

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, July 20, 1945.

MY DEAR MR. SECRETARY: The Department of State is receiving a number of letters from next of kin and friends of American prisoners of war held by the Japanese suggesting that the United States Government offer to ransom American prisoners from the Japanese Government.

Since other repatriation proposals which may prove successful are now pending,⁷⁹ it is doubtful if it would be wise at this time to make an offer to the Japanese Government for the ransom of the prisoners. In order to be on firm ground in answering inquiries from the public regarding ransom proposals, however, I believe we should be able to tell inquirers that the advisability of making a ransom offer to the Japanese has been carefully considered. If pending repatriation proposals are not successful it may become advisable to consider further the feasibility of resorting to a ransom offer to the Japanese Government.

Basically, the question of whether a ransom offer should be made to the Japanese Government seems to turn upon the question of military expediency. Since the Japanese would presumably not be satisfied with American credits, it is likely that any ransom would eventually have to take the form of shipping food and relief supplies to Japan, perhaps even weapons. This would strengthen the ability of the Japanese nation to resist and thereby prolong the war, thus costing more American lives. In effect, if this Government were to pay ransom for the release of prisoners of war it would be obtaining their

⁷⁹ See bracketed note, p. 423.

release at the cost of other American lives. Moreover, the Japanese Government might be able to use our offer as a propaganda weapon.

The question of the military expediency of a ransom offer seems, in view of the foregoing, to be a question for the final determination of the military authorities. I should appreciate receiving your observations with regard thereto. I am addressing a similar letter to the Secretary of the Navy.⁸⁰

Sincerely yours,

For the Acting Secretary of State:

J. C. HOLMES

Assistant Secretary

711.94114A/7-1245 : Airgram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, July 21, 1945.

A-58. Am[erican] Interests—Jap. Legtel 3347, June 28⁸¹ and 3541, July 12. Express Dept's appreciation for Gorgés action in pointing out to Suzuki the obligation of Jap Gov under Article 4 of Red Cross convention and importance attached in western countries to death certificates. Department desires Gorgé to make further representations along following lines:

1) US Gov believes Article 76 and 77 of Geneva POW Convention and Article 4 of Red Cross Convention embody clear obligation of belligerents to furnish death certificates. US Gov has consistently furnished such certificates for Jap nationals dying in American custody to Intercross and to protecting Power when it functioned. US Gov continues to furnish death certificates to Intercross and in absence of protecting Power for Jap interests in US, US Gov is holding certificates until new protecting Power is designated.

2) Article 4 of Red Cross Convention which Jap Gov ratified refers to belligerents and reads in part "They shall draw up and forward to each other death certificates". US Gov cannot understand how Jap Gov can interpret this provision to mean that it will prepare such certificates only when special request is made.

3) US Gov calls upon the Jap Gov to honor the clear and unequivocal obligation of Article 4 and to furnish death certificates to the US Gov for all Americans who die in Japanese custody.⁸²

GREW

⁸⁰ Letter of July 20 to Mr. Forrestal not printed. No replies from the Secretaries of War and Navy found in Department files.

⁸¹ Not printed; but for summary, see footnote 77, p. 352.

⁸² In airgram A-988, August 23, the Minister in Switzerland reported that the Swiss Legation in Japan had cabled the Swiss Foreign Office on August 18 of its intervention "with Japanese Foreign Office in emphasizing statements contained in your A-458". (711.94114A/8-2345)

711.93114A/7-2145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 21, 1945—6 p. m.

[Received 9:20 p. m.]

3647. American Interests—China. Legation's A-873, July 11.⁸³ Foreign Office note July 20 communicates following information Fontanel received from Egle, Intercross Delegate, upon latter's return from Peking.

POWs brought Fengtai near Peking retransferred June 19 Korea and Japan. According additional information received from Commandant, Fengtai camp, appears all American officers thus transferred now Hakodate camp while other POWs dispersed various camps particularly those north of Tokyo.

Internees Haiphong Road camp left Shanghai July 10 destined North China (reference Legation's 3452, July 7⁸⁴). No information thus far obtainable concerning destination but probable will follow same itinerary POWs mentioned above.

Fengtai will be utilized as transit camp for later transfers POWs from south. Fengtai in vicinity military objective particularly near important rail center, therefore very dangerous situation.

During transfers POWs exposed grave danger resulting frequent air attacks and must support very bad conditions travel. Voyage Shanghai-Fengtai requires 5 days. Similar time Fengtai-Fusan. Former internees Haiphong Road including large number aged and sick must suffer particularly such journey.

Fontanel believes as Egle necessary measures must be taken Japanese authorities that such transfers made better conditions. He observes, however, Japanese military continue ignore representations he undertook this subject.

HARRISON

711.94114A/7-2645 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 26, 1945—1 p. m.

[Received 2:47 p. m.]

3685. American Interests—Far East. Legation's 3160, June 13. Foreign Office note July 23 gives French text delivered July 11 from

⁸³ Not printed.⁸⁴ Not printed; it reported that Mr. Fontanel had requested that military authorities in China be informed of this transfer to prevent possible bombardment of the rail line from Shanghai to Peking and that he had not been allowed to visit the prisoners of war before their departure (711.93114A/7-745).

Togo⁸⁵ to Gorgé contained telegram latter dated July 18. Following [is] translation :

Japan although not having ratified 1929 Geneva Convention applies from humanitarian viewpoint provisions of this Convention POW camps held Japan. No camp is placed near military establishment and Japan naturally has no intention place certain points under protection on [from] bombardment by presence POW camps. However American aviation recently employed blind bombardments to such extent even solitary wards [farms] isolated regions often victims. It would be without doubt difficult completely place under protection from aerial bombardments POWs no matter where camps transferred. In any case placing in safe places of POWs against all air raid danger represents greatest wish Imperial Govt. Interested authorities doing all possible defend them against aerial attacks. Camps furnished all possible installations assure their security.⁸⁶

HARRISON

740.00115A PW/7-3045 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 30, 1945.

[Received July 30—10 : 45 p. m.]

3727. American Interests—Manchuria. Your 1629 April 30. Foreign Office note July 26 gives text in French reply Jap Foreign Office transmitted by Gorgé telegram July 23. Following [is] translation :

Civilian internment camps Manchuria being under Manchurian control, Jap cannot in principle intervene. Jap Government considers American Government not in position request list internees from Jap and address protest by Switzerland which is not charged representation American interests Manchuria. Jap does not consider itself bound to reply American communication. However view actual relations between Jap and Manchuria and relations between Manchuria one hand, U. S. and other countries other hand, Jap would be disposed if considers appropriate continue its good offices with Manchurian Govt concerning treatment internees, camp visits, etc.—good offices inspired by humanitarian motives and extended to present as purely kind gesture and by practical spirit.

In explanation reply Jap Foreign Office, Swiss Foreign Office desires recall American Legation [that] Swiss Govt has not recognized state and gov't Manchuria. Under these conditions Switzerland cannot agree represent officially American interests this country. Accordingly not possible intervene within framework its mandate concerning camps situated Manchuria except if camps placed under Jap control.

HARRISON

⁸⁵ Shigenori Togo, Japanese Minister for Foreign Affairs.

⁸⁶ For Department's statement of August 1 on Japanese practice of locating prisoner-of-war and civilian camps in areas subject to bombardment, see Department of State *Bulletin*, August 5, 1945, p. 176.

740.00115 P.W./7-645: Telegram

The Acting Secretary of State to the Minister in Switzerland
(Harrison)

WASHINGTON, July 31, 1945.

2432. Request Swiss to inform Jap Govt as follows:

As of July 4, 1945, Japanese civilian internees held in the United States received daily 4,831 pounds of food representing 4100 calories.

[Here follows detailed information as to food served to Japanese civilian internees and prisoners of war held in the United States.]

The US Govt is becoming increasingly concerned about the food which the Japanese Govt provides for American POWs and civilian internees in Japanese occupied territory as well as in Japan proper. Reports recd in the US indicate that at many camps the food situation is deteriorating. The condition of American nationals liberated from Japanese imprisonment in the Philippine Islands was such that the US Govt knows that its concern for the health of American nationals held by the Japanese is not unfounded.

The US Govt has from the earliest days of the war been concerned because of the deleterious effect of Japanese diet upon American nationals unaccustomed to oriental foods. It has felt not only that oriental foods might be difficult for American nationals to become accustomed to but also that the nutritive value of the food would be less than that to which the Americans were accustomed. The food supplied American POWs and internees has been a subject of continuous representations by the US Govt (See Dept's 2934, Aug 25, 1944,⁸⁷ and Dept's 1992, Jan [June] 8, 1945.⁸⁸). The Japanese Govt has not taken necessary steps to furnish adequate food for Americans in its hands.

Since the beginning of the war the American authorities in contrast to the Japanese authorities, have supplied food to Japanese civilian internees and prisoners of war which was not only sufficient in quantity but was in accordance with the national tastes of the prisoners and internees. To the knowledge of the United States Government no complaints have been made about the food given to Japanese nationals held by the American authorities.

The recent action of the Jap Govt in stopping all financial assistance for American nationals in prisoner of war and civilian internee camps operated by the Japanese (your 3393, July 2⁸⁹) indicates that the Japanese Government will not permit the US Govt to use the only method which has thus far been open to it to provide sustenance on a

⁸⁷ *Foreign Relations*, 1944, vol. v, p. 992.

⁸⁸ See bracketed note, p. 342.

⁸⁹ *Post*, p. 411.

regular basis for Americans held by the Japanese. Unless the Japanese Government permits neutral representatives to purchase relief supplies for the use of American nationals or unless the Japanese Government supports prisoners of war and civilian internees in accordance with its obligations, the United States Government can only assume that the Jap Govt sanctions the starvation of American POWs and civilian internees in its custody.

The US Govt expects the Jap Govt promptly to give assurances that Americans in its hands will be protected from starvation. The US Govt also expects the Japanese Government to indicate the steps which it proposes to take to assure that Americans in its hands will not starve.

The US Govt emphasizes to the Jap Govt the seriousness with which it views reports that Americans in Japanese hands are on starvation rations. The US Govt declares that the Jap Govt and its officers will not be able to avoid responsibility for the starvation of Americans in Japanese custody.⁹⁰

GREW

711.94114A/8-145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 1, 1945—10 a. m.

[Received 11:45 a. m.]

3750. American Interests—Japan. Legation's 3721, July 30.⁹¹ FonOff note July 28 states, according telegram Gorgé, two delegates designated camp visits have had interview Jap officers during which insisted urgency visits.

Jap replied visits could not yet begin. They affirmed Jap authorities accord favorable treatment prisoners and devote particular care questions food. Thus POWs receive in principle 700 grams food consisting barley, rice mixed and soya beans per day while heavy industry workers only receive 560 grams these products. Jap added prisoners provided unpolished rice to prevent lack vitamins. Meat, fish ration as abundant as possible vegetables from 300 to 500 grams while civil population only receives 100 grams or less.

Jap stated relations between camp commanders and prisoners good and prisoners expressed gratefulness treatment. When camps bombed, prisoners cooperate extinguish fires. If camp destroyed prisoners immediately provided new shelter and necessary food.

⁹⁰ In airgram A-984, August 22, the Minister in Switzerland reported communicating telegram 2432 to the Japanese Foreign Office on August 13 (740.00115-PW/8-2245).

⁹¹ Not printed; it reported that representatives of Mr. Gorgé would visit various civilian internment camps in Japan between August 6 and 9 (740.00115 PW/7-3045).

Swiss Legation expects receive shortly list camps indicating address principal camps.

In connection foregoing Bisang states orally information contained Legation's 3721 apparently indicates camps Gorgé wished have visited whereas instant telegram indicates visits not yet permitted.

HARRISON

740.00115 PW/8-245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 2, 1945—5 p. m.

[Received 6 p. m.]

3777. American Interests—Far East. Your 2339, July 18.⁹² Note August 1 from Foreign Office contains following disquieting information.

Fontanel stated in reply internees and hostages from Haiphong Road camp now actually Peking.

Motives far [*for*] transfer not yet given by Japanese but without doubt military in character since Japanese doubtless anticipate sooner or later military action Shanghai region.

Fontanel added to present no indications further transfers contemplated.

In response Foreign Office requested explanation use word hostage. Fontanel states while without official confirmation status internees he believes such status can be deduced from following facts :

1. Social and professional importance.
2. Fact collected by military 1943 without notice before other internees and without their families in special camp under military control.
3. Transfer for purpose placing them safe place.

Fontanel adds in fact these internees are hostages but officially they are considered as special category internees.

HARRISON

711.94114A/8-645 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 6, 1945—6 p. m.

2469. Am[erican] Int[erests]—Japan. Express to Swiss Gov this Gov's appreciation of Swiss representations leading to Jap agreement in principle to permit visits to all prisoner of war camps in

⁹² Not printed ; it requested information as to reasons for the movement of Allied nationals north from Shanghai (740.00115 PW/7-745).

Jap and Jap occupied territory. US Gov welcomes Swiss representation Jap ints in US except Hawaii⁹³ and hopes fact that Switzerland is representing both Jap and Am interests will assure fair and humane treatment for nationals under Swiss protection.

Am authorities have enjoyed relationship in Washington with members of Swiss Leg concerned with representation of German interests and look forward to renewing relationships with [these] Swiss Leg representatives who will act on behalf of Jap int.

US Gov hopes that assumption by Swiss of protection of Jap int in US will enable Swiss Minister Tokyo obtain from Jap Gov not only greater facilities visit camps but increased recognition by Jap Gov of its international obligations to accord fair and humane treatment to enemy nationals in its control.

In order enable Gorgé in light of Swiss assumption of protection of Japanese interests to review with Jap Gov treatment of Americans, US Gov would appreciate it if Swiss would inform Gorgé that Am authorities consider following matters of utmost importance.

1) According information received through Intercross in reporting names of Am POWs held in Jap more than 14,000 Am POWs are still in Jap hands. Less than 5,000 Am POW have been in camps which representatives of Swiss and Intercross have been permitted to visit. US Gov considers it extremely important that representatives of protecting Power visit the camps which have not thus far been visited and where approximately 9,000 Am are held.

2) Am authorities estimate that since Jan 1943 more than 2,500 Am airmen have landed in Jap and Jap controlled territory. From that date up to May 1, 1945 only 134 Am aviators had been reported as POWs of Jap. Am authorities have no info as to welfare or whereabouts of Am aviators presumably in Jap hands. Am authorities desire Swiss Minister make vigorous representations in order learn whereabouts and welfare missing aviators.

3) Recent reports received from both Swiss and Intercross reveal that Am POWs and CIs⁹⁴ in almost all camps visited are losing weight, suffering from vitamin deficiencies, and are on starvation rations. The Am auth realize that food situation in Jap and Jap controlled territories is serious. In view of repeated efforts by US Gov, however, to send relief supplies to Am in Jap hands, US Gov cannot accept Jap food shortages as justification for starving of Am. If Am POWs and CIs are a burden on Jap Gov and it cannot fulfill obligation to maintain them in health, US Gov stands ready on short notice (1) To send supplies to them, (2) To arrange for repatriation

⁹³ Japanese interests in Hawaii were protected by Sweden from the beginning of war with the United States.

⁹⁴ Civilian internees.

of POWs and CIs with guarantees not to use them against Jap, (3) To endeavor to arrange their transfer to a neutral country for the duration of the war. Any indication that Jap Gov will react favorably to any of above proposals would be met by instant action on the part of Am Gov.

4) Refusal of Jap Gov to permit further financial relief to Am in its control⁹⁵ is a matter of grave concern since it removes only method by which Am auth have been able on continuing basis to provide some of food and necessities which Jap Gov has not provided in accordance with its obligations. Action of Jap Gov in preventing further transmission of financial relief to Am in its hands culminates series of Jap acts and refusals to consider relief proposals which can only lead Am people and civilized world to conclude that Jap Gov is engaged in systematic campaign to starve Am nationals in its hands.

5) Despite repeated protests by Am auth Jap Gov has not given assurances that it will move POW and CI camps away from vicinity of military objectives. Camp after camp is located near military objectives. Dept desires Gorgé inform Jap Gov that US Gov on basis of evidence in its hands feels that Jap Gov is engaged in deliberate policy of putting POWs and CIs in vicinity of military objectives and requests assurances from the Jap that steps will be taken to move camps from military areas.

6) Am auth are seriously disturbed by conditions prevailing when POWs and CIs are transferred from camp to camp. In recent months transfers from Shanghai to the north and thence to Jap have involved large numbers of Americans who during such transfers have been exposed to great hardship and to possible aerial attack.

Gorgé should endeavor as soon as possible have visits made to Hakodate camps and camps north of Tokyo to ascertain conditions under which POWs traveled and facilities available upon arrival. Similar visits should be made to CI camps when destination of Shanghai internees is determined. In meantime Dept desires Gorgé express to Jap Gov US Gov's deep concern for welfare of its nationals being transferred from camp to camp.

If Gorgé thinks his position would be strengthened thereby he may communicate foregoing to Jap Gov with necessary deletions. Although each of foregoing matters has been subject of communications to Jap Gov, if Gorgé thinks it helpful to him US Gov will renew its representations in separate communications.

GREW

⁹⁵ See telegrams 3393, July 2, 3 p. m., and 3644, July 21, from Bern, pp. 411 and 414, respectively.

711.94114A/8-745

*The Department of State to the Spanish Embassy*⁹⁶

MEMORANDUM

The Department of State refers to the Spanish Embassy's memorandum (No. J-96, Ex. 119.01) dated May 11, 1944,⁹⁷ transmitting the Japanese Government's reply, dated May 3, 1944, to this Government's protest of January 27, 1944.⁹⁸ The Japanese Government states, Section 1, that this Government's protest of January 27, 1944, is based upon a serious misunderstanding of the Japanese Government's position concerning the application of the Geneva Prisoners of War Convention of 1929 in regard to the treatment of prisoners of war. The Department of State reminds the Japanese Government that in January 1942 the Japanese Government informed the Swiss Minister in Tokyo that Japan was observing the Geneva Red Cross Convention as a signatory state and that, although not bound by the Convention relative to the treatment of prisoners of war, Japan would apply *mutatis mutandis* provisions of that Convention to American prisoners of war in its power.⁹⁹ Furthermore in February 1942 the Japanese Ministry of Foreign Affairs sent a note to the Swiss Legation in Tokyo declaring that Japan would apply on condition of reciprocity the Geneva Convention for the treatment of prisoners of war to civilian internees in so far as the Convention was applicable, and with the understanding that the internees were not to be forced to labor against their will.¹

The Japanese Government did not hesitate to publicize the position it had taken. A Domei despatch dated Tokyo, Feb. 12, 1942 and printed in the *Manila Tribune*, February 14, 1942, reads:

"Tokyo, Feb. 12, 1942 (Domei) Haruhiko Nishi vice Foreign Minister revealed before the session of the lower house that Japan and the United States agreed mutually through a third nation to treat their respective nationals placed in concentration camps in accordance with the international treaty governing war prisoners.

⁹⁶ A copy of this message was sent to Bern as an enclosure to instruction 3117, August 11. The instruction stated: "In view of the fact that the Spanish Embassy no longer represents Japanese interests in the United States and the facilities of the Swiss Government do not permit the rapid transmission of documents to Japan, the Department of State has taken the opportunity afforded by a communication from the Swedish Legation in charge of Japanese interests in the Territory of Hawaii to request the Swedish Minister to have a copy of the enclosed memorandum transmitted to the Japanese Government. The Legation is instructed to transmit a copy of the enclosed memorandum to the Swiss Government for its information." (711.94114A/8-1145) For the Swedish Legation's communication of January 25 and the Department's reply of August 7, see *post*, pp. 429 and 435, respectively.

⁹⁷ Not printed; but see *Foreign Relations*, 1944, vol. v, p. 942, footnote 32.

⁹⁸ See telegrams 274 and 275 to Bern, *ibid.*, pp. 921 and 925, respectively.

⁹⁹ See telegram 398, February 4, 1942, from Bern, *Foreign Relations*, 1942, vol. i, p. 796.

¹ See telegram 733, February 24, 1942, from Bern, *ibid.*, p. 799.

“Although Japan was not a signatory to this agreement, it was said that Tokyo sent a message to the United States that the treatment of war prisoners would be according to international law.

“It was added that the United States replied that she would treat the Japanese similarly.

“The reciprocal nature of this agreement, it was pointed out, insures fair treatment for Japanese placed in American concentration camps.”

Another Domei despatch, dated Geneva, Feb. 14, 1942 and printed in the *Manila Tribune* of Feb. 17, 1942 reads:

“Geneva, Feb. 14, 1942 (Domei)—The Japanese Government informed the International Red Cross that Japan will abide by the provisions of the Geneva Convention regarding the treatment of war prisoners, although Japan is not bound by the Convention. The Japanese Government said that it will treat prisoners of war on a reciprocal basis.”

The United States Government accepted in good faith the Japanese Government's pledge to abide by the humane standards of the Geneva Convention in its treatment both of prisoners of war and civilian internees. In view of the commitments of the Japanese Government and of the publicity given to them by the official news agency of the Japanese Government, the United States Government is at a loss to understand the astonishment of the Japanese Government that the United States Government should refer to the humane standards of the Geneva Prisoners of War Convention when protesting the treatment accorded to its nationals in Japanese custody. The Japanese Government now states that it is also applying the standards of The Hague Convention.²

The United States Government states most emphatically that, as the Japanese Government can assure itself from the objective examination of the uncensored reports submitted to it by the representatives of the protecting Powers and of the International Red Cross Committee who have visited the centers where Japanese nationals are held, the United States Government has fully and consistently applied the provisions of the Geneva Prisoners of War Convention in the treatment of Japanese nationals, both prisoners of war and civilian internees.

The Japanese Government in its treatment of American prisoners of war, however, has disregarded many of the provisions of the Geneva Prisoners of War Convention. It has shown a similar disregard for the Convention provisions in the treatment of civilian internees even though the Japanese Government agreed to apply the Geneva Prisoners of War Convention to civilian internees in so far as its terms were adaptable to civilians.

² See enclosure to despatch 8150, May 10, 1944, *Foreign Relations, 1944*, vol. v, p. 941.

In reply to this Government's protest the Japanese Government states, Section II (1), that visits to prisoner of war camps in occupied territory were not permitted "for the time being" because of military operations. If by military operations the Japanese Government means the period when active hostilities are in progress, the United States Government points out to the Japanese Government that after areas of the Philippine Islands, Burma, Java, Thailand, Malaya had ceased to be theatres of active operations, no representative of either the protecting Power or of the International Red Cross Committee was permitted to visit the camps. The United States Government also calls attention to the fact that the phrase "for the time being" is meaningless when applied over a period of years. Article 78 of the Geneva Prisoners of War Convention provides for camp visits by a representative of the protecting Power. The Japanese Government's procrastination in refusing to permit visits in occupied territories constitutes grave failure to observe its voluntarily given commitment to apply the provisions of the Geneva Prisoners of War Convention in its treatment of enemy nationals held in Japanese custody.

The Japanese Government agreed early in the war to authorize visits by representatives of the protecting Power and of the International Red Cross Committee to camps in Japan proper, China and Manchuria. Despite this agreement the authorizations granted have been sporadic and arbitrary. The visits actually permitted have been few and far between. There are camps in Japan proper which have not been visited since 1943 by representatives either of the protecting Power or of the International Red Cross Committee. Furthermore the United States Government has been reliably informed that there are camps in Japan proper which have never been officially reported and which as a consequence have never been visited.

Where occasional visits have been permitted their value has been minimized by the presence of Japanese witnesses at all times even during interviews of the representatives of the protecting Power or of the International Red Cross Committee with camp spokesmen. In reply to the United States Government's protest on this subject the Japanese Government advances two conflicting statements. It states that witnesses are required by Japanese law and then, referring to a visit made by the Consul General of Switzerland to the prisoner of war camp in Shanghai, states that members of the Japanese Consulate accompanied him as a matter of courtesy. Whatever the reason, the fact that witnesses are present at all times during visits to prisoner of war and civilian internment camps constitutes failure on the part of the Japanese Government to comply with Article 68 of the Geneva

Prisoners of War Convention. This failure has caused cruel and needless suffering to American nationals held by the Japanese. It has prevented them from addressing themselves freely to the representatives of the protecting Power and from making known their needs.

Article 42 of the Geneva Prisoners of War Convention states unequivocally that prisoners have the right to address themselves to representatives of the protecting Power. The Japanese Government, failing to reply individually to the cases cited in the United States Government's protest of January 27, 1944, categorically denies, Section II (2), that Americans held in Japanese custody were not permitted to forward complaints to the competent Japanese authorities or to the protecting Power and states that no punishments had been inflicted because of complaints. This sweeping statement, which is at variance with established and duly documented facts, forces the United States Government to the conclusion that, due to the indifference of Japanese authorities abroad in reporting facts to their superiors at home and the negligence of the home authorities in demanding such reports, the Japanese Government has either been indifferent to the situation or has failed to exercise proper control over its agents. The United States Government therefore expects that the cases of collective punishment at the Columbia Country Club, Shanghai and at Camp B, Yangchow will be investigated again and that the Japanese officials responsible for cases of collective punishment will be duly punished.

The Japanese Government states that, although there may have been some difficulties at the time of the opening of the camps, communications addressed to the representative of the protecting Power were being forwarded at the time of its reply. The United States Government has conclusive evidence that on July 28, 1944, the internees at the Santo Tomas Internment Camp in Manila handed to the Japanese Camp Commandant for transmission to Tokyo a document addressed to the Representative of the protecting Power of the United States, Tokyo, Japan. The representative of the protecting Power has never referred to the receipt of this document.

Article 12 of the Geneva Prisoners of War Convention provides that clothing, linen and foot wear shall be furnished by the detaining Power and that laborers must receive work clothes. The Hague Convention provides that the Government into whose hands prisoners have fallen is charged with their maintenance. The Japanese Government asserts, Section II (3), that it has given thorough consideration to the clothing needs of American prisoners of war and civilian internees and that proper measures are being taken to fur-

nish clothing at the expense of the Japanese Government to the extent that it is necessary. The United States Government has been reliably informed that in the Fukuoka camps the prisoners are in need of underwear and socks; that at Niigata working clothes are required; that at Kawasaki No. 2, warm underclothing is lacking; that at Omori and Shinagawa the prisoners are in need of suitable clothing; and that in the camps in Formosa the prisoners of war lack necessary clothing. Conditions in civilian internment camps, in spite of the many representations made by the protecting Power on behalf of American nationals, follow the same pattern. At Weihsien shoes and clothing are badly needed; at Kanagawa Prefectural Civil Internment Camp the internees require footgear as well as clothing, socks and underwear; and at the civilian internment camp in Urawa there is a pitiful lack of necessary garments.

The Japanese Government denies that prisoners of war in the Philippine Islands were forced to labor without shoes and were inadequately clad. It is an established fact that as late as April 8, 1944, American prisoners of war at the Lasang airfield had their boots taken from them and were compelled to work bare-footed. Although the American colonel in charge of the men made urgent appeals to the Japanese authorities for some kind of foot covering, his requests were ignored and the men, especially those forced to work in the coral pits, had to endure the pain of having their bare feet badly cut by razor-sharp coral.

From the foregoing it appears that the Japanese Government's statement that proper measures were instituted to furnish and to provide at the expense of the Japanese Government clothing for American nationals held in Japanese custody is not borne out by the facts.

The Japanese Government states, Section II (4), that the regulations regarding the personal effects of American prisoners of war and civilian internees are strictly enforced in Japan. If such a rule exists, it is not being followed by the Japanese authorities in the field. The fact that the charges made by the United States Government concerned American nationals in areas so widely separated geographically would tend to indicate that the robbing of prisoners is a general practice among members of the Japanese armed forces serving abroad.

The alleged investigations of these charges appear to have been carried out in such a manner as deliberately to misinform the Japanese Government. For example, the Japanese Government states that there was never a prisoner of war camp, a civilian internment camp or a civil assembly center in Tsingtao. The following notice was de-

livered to American nationals in Tsingtao one to three hours before their removal from their homes to the Iltis Hydro Hotel Camp :

“Naval Headquarters Order October 27, 1942.

Removal preparations must be finished by noon of October 27th.

Following things are permitted to transfer with you :

1. One's personal effect (except bed)
2. Tableware
3. Money
4. Provisions for three days.

Imperial Japanese Naval Headquarters
Tsingtao”

The camp, composed of 147 enemy nationals including 43 Americans, functioned at the Iltis Hydro Hotel from October 27, 1942, until the internees were transferred to Weihsien on March 20, 1943. In addition to the armed guards at the gate three gendarmes were installed on the premises. Effects belonging to American nationals were taken from them before they went into camp and no receipts were given; they were not allowed to take possession of personal property stored in warehouses prior to the war or to recover title deeds from office safes.

The investigation allegedly conducted by the Japanese Government regarding the robbing of American prisoners of war in the Philippine Islands appears to have been equally indifferent in establishing the true facts. The United States Government has on record irrefutable testimony concerning the robbing of American prisoners of war. Article 6 of the Geneva Convention and Article 4 of the Annex of The Hague Convention specify that all effects and objects of personal use shall remain in the possession of prisoners of war.

The United States Government, therefore, reaffirms that vital personal property was stolen by Japanese soldiery and authorities from American nationals at Mariveles Bay, on the march from Bataan to San Fernando, in prisoner of war camps in the Philippine Islands, and at Baguio, Manila, Canton, Tientsin, Peking, Tsingtao, Weihsien and Shanghai. It cannot accept the Japanese Government's claim that no such incidents ever occurred.

The Japanese Government states, Section II (5), that prisoners of war and civilian internees are not subjected to public curiosity because in all camps and centers under Japanese control no one is allowed to enter the camps without official permission. It is all the more serious that the acts which the United States Government protested were committed by persons who could not have done so without official permission. The United States Government repeats its protest that American prisoners of war were subjected to the indignity of being

photographed operating military equipment in connection with the propaganda film, "Rip Down the Stars and Stripes", that sightseeing tours were permitted in internment camps in Baguio, Hong Kong and Tsingtao, and that irresponsible soldiers wandered at will about the premises where American nationals were interned, at night entered dormitories where women were housed, and rifled the internees' personal possessions. Actions such as these are in direct opposition to Article 2 of the Geneva Convention.

The Japanese Government states, Section II (6), that great efforts were made by the Japanese authorities to provide food for American prisoners of war and civilian internees in the Philippine Islands but that food was difficult to obtain. If the Japanese army experienced difficulties in this respect it is the more reprehensible that they denied members of the Philippine Red Cross permission to deliver foodstuffs to the prisoner of war camps. The brutal treatment accorded representatives of relief societies who, endowed with humanity and native goodness, tried to alleviate the sad plight of American prisoners of war, cannot be forgotten or condoned.

The Japanese Government states that remarkable improvement was made in the health conditions of the prisoners of war in the Philippines. This claim is based on the fact that the death rate among prisoners of war declined in 1943. It has been reliably reported to the United States Government that the food furnished by the Japanese became progressively worse during the winter of 1943-1944, that prisoners already greatly underweight lost an additional twenty to thirty pounds, and that only the strongest and hardiest individuals survived the horrors and brutalities under which they lived. It has also been reported that certain foodstuffs indigenous to the Philippine Islands and therefore plentiful were arbitrarily withheld from the prisoners. Ripe fruits, which could have supplied much needed vitamins, were banned and a prisoner of war had his arm broken when he tried to pick some. At Lasang where salt is plentiful it was withheld for weeks at a time. Furthermore, in practically all of the camps, collective disciplinary measures were enforced by withholding food. Article 11 of the Geneva Convention states that all collective disciplinary measures affecting the food are prohibited.

The Japanese Government contends that the prevalence of beriberi, pellagra and scurvy in the Philippine Islands was not due to the quality and quantity of food furnished by the Japanese authorities but to the weakened condition of the prisoners at the time of their capture. If the prisoners of war were in a weakened physical condition it was all the more necessary for the Japanese authorities to provide for their welfare. But this was not done. The half-starved, emaciated condition of American nationals recently liberated in the Philippine

Islands provides ample proof of the starvation diets issued to them by the Japanese authorities as do also the reliable reports from Japan proper dealing with the physical condition of prisoners of war transferred there from southern areas.

The Japanese Government states, Section II (6), that the Japanese authorities are giving specially considerate treatment to prisoners of war in supplying them with food. A careful study of the reports of the meals furnished to the prisoners of war fails to indicate that the foodstuffs issued are adequate either in quality or quantity. The diet is seriously lacking in proteins, fats and vitamins essential to health and the bulk of the food consists of rice or grain to which the prisoners are unaccustomed. Furthermore an analysis of the reported menus shows a wide discrepancy between the actual and reported calories. It is not surprising therefore that camp reports indicate that the men are hungry.

The Japanese Government states, Section II (8), that officer prisoners were never forced to labor or to perform menial tasks. In the Philippine Islands no pretense was made of observing the articles of the Geneva Prisoners of War Convention or of The Hague Convention prohibiting officer labor. Officer prisoners were forced to work in the logging areas and in the rice fields and in contradiction to Article 31 of the Geneva Convention, were forced to carry on labor directly connected with war operations. At Lasang they were ordered to labor long hours on an airfield and when they refused the Japanese authorities, in addition to compelling them to work, subjected them and their men to collective punishment by withholding the food in total disregard of Article 11 of the Geneva Prisoners of War Convention. In view of these well established facts it is evident that the alleged investigations regarding the cases protested by the United States Government on January 27, 1944, concealed rather than disclosed the truth. The United States Government therefore totally rejects the Japanese Government's reply that officer prisoners were never forced to labor and demands that the officials responsible be suitably punished. Instances of this sort have not occurred in the Philippines alone. The United States Government was reliably informed that work was required of officer prisoners held at Formosa, and that officers detained in the Zentsuji Camp were compelled to perform menial services for themselves.

The Japanese Government states, Section II (9), that the health of prisoners of war held in the Philippine Islands was extremely bad and that the inadequacy of medical supplies was unavoidable owing to the great demand. An humane authority faced with a problem of equal magnitude, would have exerted every effort to alleviate the suffering of the sick and wounded and would have endeavored to

improve in so far as possible the conditions under which the prisoners were held. In the Philippine Islands hundreds upon hundreds of prisoners died not only because the Japanese authorities withheld medicaments for treatment of the sick and wounded but also because they failed to issue the most elementary material and equipment needed to maintain a minimum standard of hygiene and sanitation. In addition to their callous neglect, the Japanese authorities deliberately prevented the prisoners of war from receiving aid and supplies from other sources. Representatives of the Philippine Red Cross bringing supplies to Camp O'Donnell were brutally treated by Japanese soldiery. It was reliably reported to the United States Government that when prisoners of war many months later were transferred from the Philippine Islands they were in so serious a condition of malnutrition that many succumbed in the first few months after their transfer to Japan. The Japanese Government therefore cannot so lightly discharge the responsibility of the Japanese authorities for the suffering and death of so many American and Filipino prisoners of war.

The Japanese Government states that the authorities are at the present time paying proper attention to the health of all prisoners of war and that at all internment camps the authorities have taken measures for proper medical care and for hospitalization free of charge. This statement does not accord with reliable information received by the United States Government. It has been reported for instance that at Kawasaki No. 2, medicaments, bandages, and plaster are not sufficient and that necessary surgical instruments are lacking. At Santo Tomas and at Los Banos no provisions were made to guarantee the health and well being of the internees by supplying them with necessary medicaments; at Weihsien and Yangchow, which are far removed from hospital centers, the Japanese authorities have never furnished adequate surgical, medical and dental equipment or medicaments necessary to maintain the health of the internees; and in the Hyogo Civilian Internment Camp in Japan persons in need of hospitalization have been denied entry to the hospitals in spite of the fact that doctors' visits to the camp are rare and irregular. Similar conditions exist in other camps. The United States Government points out to the Japanese Government that the maintenance of health, such as it is, in internment camps must be attributed primarily to the ingenuity and skill of the internees in dealing with the situation and the valiant efforts and help of the representatives of the protecting Power and of the International Red Cross Committee and not, as the Japanese Government states, to the provisions made by the camp authorities for proper care and hospitalization.

These incidents took place although the Swiss Minister in Tokyo was informed by the Japanese Government in January, 1942, that

Japan was strictly observing the Geneva Red Cross Convention as a signatory state. Article 1 of the Red Cross Convention states that wounded and sick shall be respected and protected in all circumstances; they shall be humanely treated and cared for without distinction of nationality. Moreover, Article 77 of the Geneva Prisoners of War Convention provides among other things for the transmission of information respecting internments and transfers, escapes, stays in hospitals and deaths.

The Japanese Government states, Section II (10), that it attaches great importance to the transmission by the Prisoner of War Information Bureau of the names of American prisoners of war, American internees and American dead. In spite of this profession on the part of the Japanese Government of the importance of the matter under discussion, the names of American prisoners of war and American dead have been reported only after long delays or not reported at all as the following instances will prove:

- 1) a complete list of the names of all prisoners taken at Wake Island has not yet been reported
- 2) a complete list of the names of prisoners of war transferred from the Philippine Islands to Japan was not reported
- 3) a complete list of the names of prisoners of war who perished in ship sinkings was not reported
- 4) a list of the names of prisoners of war who were murdered at Palawan was not reported
- 5) the names of the majority of the American prisoners of war who were liberated in Burma had never been reported
- 6) the names of prisoners of war who have died in Japanese custody have rarely been reported in less than a year after their deaths.

The Japanese Government states, Section II (11), that the protests of the United States Government concerning religion appear to be erroneous. It states that during the first few weeks after the opening of prisoner of war camps certain difficulties rendered the holding of religious services difficult but that now special facilities are afforded. The Japanese Government adds in proof of this statement that wine and bread for Holy Communion were sent into the Tokyo camp. Reliable reports received by the United States Government do not confirm that in all other prisoner of war camps the Japanese authorities have dealt with the question of religion so adequately. For example, in the Mukden camp, services are conducted by a Japanese clergyman but no provision seems to have been made for religious services for those of Catholic faith in spite of the fact that priests are held in the civilian internment camp in Mukden. In the Fukuoka camps also no provision appears to have been made by the Japanese authorities to satisfy the spiritual needs of prisoners of war of Catholic

faith and in the former prisoner of war camp in Shanghai, from the day of its opening until the day of its closure, no Catholic service was ever celebrated. It would seem therefore that the special consideration towards prisoners of war in the Tokyo camp as regards the observance of religious rites is an outstanding incident and that in general the Japanese Government has provided no opportunity for worship to those of Catholic faith.

The Japanese Government states, Section II (13), that the United States Government's protest concerning the failure of the Japanese Government to provide adequate equipment and accommodation in prisoner of war camps and civilian internment camps as well as during periods of transportation and the Japanese authorities forced prisoners of war and civilian internees to subsist in inhuman conditions is utterly unfounded. Evidence does not confirm the Japanese Government's assertion. The shocking conditions which prevailed at Camp O'Donnell and the great number of deaths which resulted are testimony that the United States Government's charges are not unfounded. At camps in or near Cabanatuan the barracks, marked into 8 foot squares for the accommodation of five people, had no furniture whatsoever. The crowded and unsanitary condition under which American civilians were forced to subsist when taken into custody in Hong Kong cannot by any definition be termed either adequate or sanitary. When the internees were moved to Stanley Internment Camp they were housed in quarters badly damaged by bombing and shellfire. It is impossible that the Japanese Government can consider the primitive toilet arrangements at Weihsien either adequate or sanitary. Only the superhuman efforts of the internees have made it possible to maintain a minimum of sanitation. Not at Weihsien, not in the camps in Shanghai and Hong Kong, and not in every camp in Japan have the Japanese authorities supplied sufficient cleansing materials and equipment for the maintenance of adequate sanitation.

Equipment such as refrigerators, pots, pans, pails, bowls, eating utensils, containers of all kinds for serving, holding and storing food, has never been adequately supplied by the Japanese authorities. In fact, the Japanese authorities used for their own purposes equipment which was the property of the internees and which might have relieved the situation created by the failure on the part of Japanese authorities to supply much needed equipment. At Weihsien the Japanese authorities allocated four refrigerators confiscated from internees for camp use, but retained for their own use 15 refrigerators which were the property of the internees.

It is a gross misstatement of the facts for the Japanese Government to aver, Section II (13), that the Japanese Government's policy

is to provide adequate shelter and sanitation. Established facts do not bear out this assertion.

In addition to the conditions already protested, another incident involved a work party composed entirely of sick and wounded prisoners of war which was sent into the jungle about 250 kilometers south of Manila. The journey lasted two days but they were given no food whatsoever. In another instance, prisoners, loaded on a freight train, were taken from Bilibid to Cabanatuan. The trip took a day but the Japanese authorities failed to supply any food and at the end of the journey forced the men to march to the camp, allowing them to stop only once for water. They unmercifully beat defenseless prisoners who were unable to keep up with the column.

Conditions on transports were cruel. The prisoners were crowded into the holds of the ships, the hatches often were battened down, lack of air caused strong men to lose consciousness, and many already sick or weak died. Water for all purposes was limited to three quarters of a canteen cup a day a person and requests for more were brutally rejected by the Japanese authorities. The prisoners were fed only twice a day and then but sparingly.

These examples of the treatment accorded to prisoners of war by the Japanese authorities totally refute the Japanese Government's statement that the section of the United States Government's protest of January 27, 1944 which referred to these matters was unfounded.

Article 2 of the Geneva Prisoners of War Convention and Article 4 of the Annex of The Hague Convention specifically state that Prisoners of War are in the power of the hostile Government, but not of the individuals or corps who capture them. The Japanese Government affirms, Section II (13), that it is its policy to accord fair and equitable treatment at all times to prisoners of war. It claims that charges of corporal punishment and torture of American nationals cited in the United States Government's protest of January 27, 1944, go back to the early days of Japan's occupation of the Philippine Islands and that such investigations as could be made do not substantiate the charges. The United States Government refers the Japanese Government to the many and varied protests made by the United States Government on the cruel treatment inflicted upon American nationals. Incidents of brutality and murder have not been limited in time or space. They have occurred on land in widely separated areas and they have occurred on the high sea. They occurred in the early days of the war and they have persistently occurred ever since. The United States Government holds the Japanese Government responsible for each and every case of cruelty, corporal torture and murder that appears upon its records.

The Japanese Government has incorporated in its reply to the United States Government certain protests regarding the treatment of Japanese nationals held by the Government of the United States.³

The Japanese Government has made the allegation, Section III (1), that representatives of the protecting Powers for Japanese interests in the United States have not been permitted freely to visit and to inspect internment camps and relocation centers where Japanese nationals are detained or to speak at length without witnesses with Japanese internees and evacuees. It has stated that the interviews of representatives of the protecting Powers have taken place in the presence of camp authorities and officials of the State Department, that representatives were not permitted to visit all places within the camps and were able to inspect only such places as would raise no question.

It has been the particular responsibility of officials of the State Department to ensure for the delegates of the protecting Powers the full and free exercise of their rights under the provisions of the Geneva Convention. While it is true that officials of the State Department have accompanied the representatives of the protecting Powers on their regular visits to the Camps, the representatives can testify that the officials of the State Department accompanied them for the sole purpose of facilitating and expediting their labors. Japanese nationals have at no time been denied the privilege of speaking privately with the representatives of the protecting Power nor is there any record of any occasion where a request by a representative of the protecting Power to visit any camp or any part of a camp where Japanese nationals are held was denied. Where camp authorities and officials of the State Department have been present at interviews, it has been at the invitation of the Japanese nationals or of the representatives of the protecting Power. The United States Government has welcomed the representation of the protecting Powers. It has received their representations with appreciation and has faithfully endeavored to carry out their recommendations. The Japanese Government has only to make inquiry of the Spanish and Swedish Governments for a confirmation of the above statements.

The Japanese Government makes specific complaint concerning representation at the Sand Island Internment Camp. Authorized representatives of the protecting Power and of the International Red Cross Committee have always been welcome at the camp, and when visits were made all possible help and cooperation was given by the Camp Commander. The representative of the International Red Cross Committee has visited the camp and representatives of the Swedish

³ For documentation on this subject, see pp. 429 ff.

Government in Hawaii have made periodic inspections. The representatives of the protecting Power and of the International Red Cross Committee have always been permitted to discuss any matter privately with any internee. It is, however, the prerogative of the representatives of the protecting Power and of the International Red Cross Committee to decide whether to discuss matters individually with the internees or with the spokesman.

The Japanese Government alleges, Section III (2), that internees were not permitted to forward complaints and were punished for so doing. This allegation has no basis in fact. The internees' regulations provide a regular procedure for the forwarding of complaints to the protecting Power and in no instance have restrictions of any sort been placed upon this procedure. The specific instances cited have been thoroughly investigated. With respect to the complaint that internees at the Lordsburg Internment Camp, Lordsburg, New Mexico, were punished for complaining of labor which they were made to perform, the investigation discloses that the agitation of certain internee leaders regarding labor assignments resulted in friction within the camp. Because proper labor assignment was refused, confinement to barracks and denial of certain privileges were ordered as a disciplinary measure. The labor troubles ceased when the agitators were placed in a separate compound. The Camp Commander never refused to discuss internee complaints regarding labor; and in arranging labor details, took into consideration the age and physical condition of the internees, as well as the summer heat in New Mexico.

It is alleged that the internees were punished at Camp Livingston Internment Camp, Camp Livingston, Louisiana, for forwarding complaints with regard to labor assignments. The United States Government affirms that Japanese nationals in that camp were never placed upon a restricted diet as a disciplinary measure for that or for any other reason.

The statement that the internees at Ellis Island who complained concerning the food were punished by the authorities at that station with internment for the duration of the war is totally false. Internment orders are issued in the Department of Justice and not by officers at the detention station. No officer at Ellis Island is able therefore to punish an internee in the manner alleged.

A thorough investigation of the statement that internees who complained at Fort Missoula were placed in confinement has failed to reveal a single instance of an internee being confined because he complained of conditions.

The Japanese Government alleges, Section III (3), that Japanese internees transferred from the Territory of Hawaii to Camp McCoy Internment Camp, Camp McCoy, Wisconsin, were given insufficient clothing and were exposed to severe cold. Internees who were trans-

ferred to the continental United States during cold weather were issued adequate winter clothing when their own clothing was considered insufficient, and, before being transferred, were permitted to procure any winter clothing which they had at their homes. They were supplied with Army overcoats and woolen underwear if they did not possess sufficiently warm clothing but nearly all the Japanese nationals who were transferred possessed suitable winter wearing apparel as the majority had obtained such clothing for their previous trips to Japan. Internees from the Territory of Hawaii first arrived at Camp McCoy approximately on March 10, 1942 and were there issued additional winter clothing. If there was any delay in the issuance of this additional winter clothing, it could not have resulted in suffering as the internees were well housed and were not required to work outdoors, the winter was not severe and the Spring of 1942 was early.

The Japanese Government refers Section III, (4), to the baggage examination conducted by the customs authorities prior to the sailing of the first American-Japanese exchange vessel, the M.S. *Gripsholm*, in June 1942.⁴ In performing the examination, the United States authorities followed the wartime regulations regarding the examination and detention of effects of persons leaving the United States for enemy territory. The articles which were withheld from the Japanese repatriates and the release of which was not contrary to the interests of national defense were forwarded for safekeeping to the Spanish Embassy then in charge of Japanese interests in the continental United States. In general the articles which Japanese repatriates were prohibited from taking out of the United States appear to conform to the prohibitions placed on United States citizens repatriated from Japan or Japanese-occupied territory, according to the list of some of these prohibitions which was communicated by the Japanese Government to the Swiss Legation at Tokyo in a note dated May 30, 1942.⁵

The Japanese Government alleges, Section III (5), that Japanese internees and evacuees have been subjected to insults and public curiosity.

The matter of body search of the Japanese repatriates was the subject of the second paragraph of the Department's memorandum of August 7, 1943.⁶ The text of the pertinent paragraph is set forth below once more:

“At the time of the first exchange the United States Government found it necessary to search the persons of a few Japanese non-officials

⁴ For documentation on the first exchange of American and Japanese nationals, see *Foreign Relations*, 1942, vol. I, pp. 377 ff.

⁵ Transmitted to Department in telegram 2473, June 4, 1942, from Bern, not printed.

⁶ *Foreign Relations*, 1943, vol. III, p. 894.

because it had good reason to believe that certain of those persons were attempting to take with them important amounts of currency in excess of the amounts of currency permitted under the exchange agreement and other things which were prohibited in the interest of national defense. The results of the search justified the suspicion in these cases. The United States Government is furthermore informed that many non-official United States nationals had their persons searched prior to leaving Japanese-occupied territory and that even officials of the United States Government departing from Manchuria and Chosen had their persons searched."

The Japanese Government alleges, Section III (5), that Japanese nationals when being searched at Sand Island were required to stand unclothed for two hours. All internees upon arrival at Sand Island Internment Camp were subjected to a complete search for weapons and contraband articles but they were subject to no embarrassment during this examination. They were required to undress and they and their clothing were examined. During this procedure no internee was required to remain unclothed for a period longer than five to ten minutes. At no time were more than two or three internees searched at the same time in the same room. Valuable items were taken and properly receipted for. After this first examination, there was no search in which the internees were required to disrobe. Upon departure for the continental United States, there was only a "pocket search" of the clothing worn by the internees.

Section III (5) also contains the specific complaint that a member of the Staff of the Japanese Consulate in Los Angeles was handcuffed and chained to a bed while being transferred from Fort Missoula to White Sulphur Springs. The United States Government has nothing to add to the full explanation given in its memorandum of October 16, 1943, to the Spanish Embassy,⁷ but emphasizes that, contrary to the assertion of the Japanese Government, Mr. Nakazawa was at no time chained to his berth nor was he ever exhibited as a criminal to public view.

The Japanese Government alleges, Section III (6), that food served to Japanese nationals has been neither as to quality nor quantity sufficient to maintain health. This allegation is so grossly at variance with the facts that it does not merit consideration. The Japanese Government has only to refer to the uncensored reports of the representatives of the protecting Powers and of the International Red Cross Committee and to menus collected at random which have been submitted to the Japanese Government for confirmation of the fact that Japanese nationals have at all times received a wholesome and nutritious diet of good quality and of great variety.

⁷ *Foreign Relations*, 1943, vol. III, p. 1073.

The complaint with regard to the amount of money expended on food at the Kennedy Internment Camp is ambiguous but it is taken to mean that whereas there was a fixed allowance of fifty-one cents per day for food, the camp director expended only forty-one cents a day. The ration allowance for internees has never been fixed on a monetary basis and the cost thereof has never remained static. The money allowance has varied and fluctuated according to the location of the camp and the season of the year. The ration allowance is fixed by weight to follow the allowance given American troops in base camps. The weight of foodstuffs provided is in excess of five pounds per man per day, the diet is carefully and scientifically balanced and account is taken of Japanese national taste.

There is not on record a single instance of malnutrition suffered by any Japanese national at any of the camps cited by the Japanese Government or, in fact, at any internment camp or relocation center in the United States. The Japanese Government can obtain verification of these statements by reference to the uncensored reports of the representatives of the protecting Power and of the International Red Cross Committee who have regularly inspected the camps in which Japanese nationals are held and who have seen and sampled the food served.

Since the ration served the internees is equivalent to the ration for the United States troops, it may safely be assumed that there is no connection between the food the internees received at camp and the fact that some internees were afflicted with poor eyesight and an underweight condition. Physical defects of this nature are common to some individuals in any group of persons. It is when the condition is widespread in any group of persons, such as exists in the camps in Japanese custody, that a definite relationship may be assumed to exist between the state of health and the lack of a proper diet.

The Japanese Government makes a specific complaint of malnutrition at Sand Island Internment Camp. This Government refers the Japanese Government to the report of the International Red Cross Committee's representative of September 9, 1942. It will be noted that the three abundant meals served each day were of a quality that equalled the best food of the United States Army. The internees at Sand Island have been extremely healthy and hospital cases have been at a minimum. The Japanese Government's complaint, therefore, concerning malnutrition can only be considered to be unfounded.

The Japanese Government alleges that, Section III (7), canteen profits were used to purchase a second-hand car for the use of United States military personnel at the Camp Livingston Internment Camp, Camp Livingston, Louisiana. The vehicle referred to is probably the truck which was purchased by the internment camp canteen on Sep-

tember 1, 1942, for \$750 with the consent of the camp spokesman. It was repainted after purchase at no expense to the canteen and was used exclusively for the canteen. The vehicle was not purchased out of canteen funds but rather by the canteen and was a legitimate canteen expenditure necessary to the efficient operation of the canteen. The canteen was liquidated approximately July 15, 1943, when all internees were transferred from the camp. The liquidated value of the canteen included the figure of \$254 received for the truck from the prisoner of war canteen established at that camp. The liquidated value of the canteen was transferred on a proportionate basis to the internees at the internment camps to which they were transferred. All records of the canteen, from the initial date to final liquidation, have been audited and certified correct by United States Army auditors.

The Japanese Government alleges, Section III (8), that the United States Government has compelled Japanese nationals to perform labor other than that permitted by the terms of the Geneva Convention as adapted to the treatment of civilian internees. The Japanese Government is again informed that it is the established policy of the United States Government not to require labor from Japanese civilians held in custody except in connection with the administration, management, and maintenance of the camps and in connection with camp installations used for the benefit and comfort of the internees.

Although by the terms of Article 32 of the Geneva Convention the United States Government is not required to pay wages to those engaged in work connected with the administration, management, and maintenance of the camps, the United States Government has liberally interpreted what constitutes such labor and has paid wages for much labor that might rightfully be considered camp maintenance labor and for which no payment is required. All other labor is on a voluntary basis and receives adequate compensation. In the early days of detention there may have been instances of labor performed by Japanese nationals without remuneration but such labor was performed voluntarily and never by force or under order.

Many of the instances cited in Section III (8), are repetitions of previous complaints and have already been adequately dealt with in the Department's memoranda to the Spanish Embassy of November 25 [*December 12*], 1942, and October 16, 1943.⁸

Investigation of the complaints with regard to the unauthorized labor alleged to have occurred at the Lordsburg Internment Camp, Lordsburg, New Mexico, discloses that some difference of opinion existed between the camp authorities and the internee leaders as to what constituted camp maintenance. These differences were discussed by the

⁸ *Foreign Relations*, 1943, vol. III, pp. 1055 and 1073, respectively.

camp authorities and the internee leaders and were settled by mutual agreement. There exists no instance known to this Government of compulsory labor at the point of a gun.

The Japanese Government alleges, Section III (9), that the internees at the Camp Livingston Internment Camp, Camp Livingston, Louisiana, were forced to cut grass outside the camp and to level the ground for the construction of an airport. The internees at that camp were required to cut grass outside the compound within a hundred feet of the fence, without pay, as this was considered camp maintenance. Internees were permitted voluntarily to cut grass outside of the compound beyond this point, but within the limits of Camp Livingston, and payment was made to them for this work. The complaint regarding the alleged leveling of ground for an airfield is unfounded. In order to collect firewood for heating the quarters of the Japanese internees, wood was hauled from the vicinity of a nearby field, where a considerable number of pine trees had been felled. No airfield, runway, or any type of military construction has ever been installed on the site from which the wood was obtained.

The complaint is further made that Japanese nationals at Sand Island Internment Camp were forced to work without compensation in a variety of activities such as building fences, planting vegetables and working in the laundry. Within the first few weeks after December 7, 1941, a large number of aliens were taken into custody. Until permanent housing could be constructed, it was necessary to house these internees in tents. So far as is known, no order was given that Japanese should erect the tents of German and Italian nationals. It was the fixed policy of the camp authorities not to require Japanese nationals to perform labor for German and Italian internees, or for German and Italian internees to perform it for Japanese nationals. However, before separate kitchens and mess halls were available, the cook and kitchen details alternated weekly between racial groups. The racial groups were housed in separate enclosures. Pursuant to a request made by the Japanese leaders, a number of the young men voluntarily assisted in the construction of a fence around their enclosure.

The laundry was made available to the Japanese internees in January 1942, on the understanding that they would launder their own bed linen and clothing. They were not ordered, but occasionally volunteered, to help with the laundry of American Army personnel. The laundry was operated for the convenience of the internees and as such it was not required that labor connected with it should be compensated. Nevertheless, internees who performed laundry labor received regular wages. The members of the work groups were selected by their own group leaders.

Because of the Japanese internees' fondness for fresh vegetables, permission to raise vegetables was specially given and seeds and implements were furnished to them. There never existed any understanding that the Japanese internees were raising vegetables for American troops, but on occasion when crops of certain vegetables surpassed the need of the internees, the internees offered the excess vegetables to the troops.

With regard to the complaint that at Fort Missoula internees were forced to work without compensation and to engage in laundry and other work, it is again emphasized that the internees in accordance with Article 34 of the Geneva Convention were required to perform work connected with the maintenance of the camp but no other work whatsoever. The work performed by Japanese nationals at Fort Missoula was always done willingly and in fact they frequently requested work to keep them occupied. The internees at Fort Missoula, as elsewhere, received compensation for many kinds of work relating directly to the maintenance of the camp for which, by a less liberal interpretation of the Geneva Convention, it would not be necessary to pay.

The Japanese Government also makes the complaint that internees in the Panama Canal Zone Internment Camp were compelled to perform various kinds of work which the Japanese Government enumerates in its memorandum. Japanese nationals interned in the Panama Canal Zone Internment Camp were classified into three groups by the camp surgeon as to their ability to work without injury to their health: (a) those capable of performing regular work, (b) those capable of performing light work only, and (c) those incapable of performing any work. These classifications were kept constantly current depending upon changes in the physical condition of the internees. The work performed by the internees was labor necessary for the maintenance of the internment camp, or labor incident to improving or providing for the comfort or health of internees including cooking, garbage disposal, and hospital duty. At no time were Japanese nationals mistreated or subjected to cruel treatment in any way. The allegations to the effect that Japanese nationals were beaten or kicked were proven, on investigation, to be unfounded.

The Japanese Government alleges, Section III (9), that Japanese nationals were forced to engage in labor directly connected with military operations. The complaint that at Camp Livingston Internment Camp, Camp Livingston, Louisiana, internees were used for the purpose of clearing ground for an aviation field has already been disposed of. It is further alleged that at Lordsburg Internment Camp, Lordsburg, New Mexico, Japanese nationals were forced to dig trenches and to transport cases containing files⁹ and cannon shells.

⁹ The complaint used the word "rifles".

The trenches in question were sanitary fills essential for the disposal of garbage and refuse. They were necessary for the maintenance of the camp. The complaint referring to cases containing "files¹⁰ and cannon shells" is too ambiguous to be understood. There have never been any cannon shells at the Lordsburg Camp.

It is also alleged that at Sand Island Internment Camp, Japanese nationals were forced to dig unexploded shells and trenches. There have been no occasions when the internees were required to handle ammunition of any kind, unexploded or otherwise, nor any occasion or time when the internees were used in any military operations or work connected therewith.

The Japanese Government alleges, Section III (10), that the United States Government has provided no medical treatment to interned Japanese. It also makes the statement that not only are the medical provisions in the internment camps and relocation centers generally imperfect but also that the medical staff and pharmaceutical provisions are so deficient and defective that unnecessary suffering and death have resulted. These statements are completely and totally at variance with the facts. From the opening of the camps the internees have received careful and consistent medical attention.

Every relocation center is provided with a hospital, the size varying from 140 to 250 beds according to the size of the center. Each hospital has modern operating rooms, isolation wards for contagious diseases, X-ray equipment, as well as a clinic where outpatients may be treated.

The equipment originally provided at each hospital was based upon the standard United States Army Station Hospital equipment lists which were supplemented by additional quantities of certain items as well as by additional articles and medicaments to meet the special needs of the women and children in the evacuee population.

The initial materials consisted of drugs, chemicals, biological stains, biological products; surgical equipment, and miscellaneous diagnostic instruments; laboratory, dental, physiotherapy and X-ray equipment; hospital furniture, hospital linen and bedding, mess equipment, cleaning and preserving materials, and miscellaneous hospital equipment. Supplies were included in all categories where they were necessary. Also included were modern reference textbooks, in most cases the most recent editions on various phases of surgery, medicine, dentistry, pharmacy, nursing, and other subjects.

All hospital departments are adequately supplied with sheets, hospital linen, and bedding, as well as with hospital clothing for the patients. A completely equipped laundry is attached to each hospital, to insure sufficient and clean linen at all times. At every center

¹⁰ The complaint used the word "rifles".

the hospital has a special kitchen to prepare the foods necessary for patients and to make possible the preparation of special diets for individual patients.

With respect to current supplies and pharmaceuticals, the centers may draw on the items listed in the Army Service Forces Medical Supply Catalog. Not only may they maintain stocks up to the levels established therein (usually a three months' supply) but may also maintain stocks at substantially higher levels where the requirements of the center indicate that they are necessary. For example, the supply of insulin maintained at one center is eight times the standard established in the medical supply catalog. There are on hand in the centers, or available on short notice, virtually all of the drugs, pharmaceuticals, and biologicals available to the public generally. Sulfa drugs are obtainable and are used wherever indicated. Even penicillin, a new and rare drug, available to the public only in emergency cases, has already been used in the centers.

Tuberculosis wards are provided in all of the hospitals, and in addition, there are several hundred tuberculosis patients maintained at government expense in outside sanatoria. They receive the same care as other patients in the sanatoria.

Patients at the centers who require specialized medical consultation or hospital facilities not available at the centers, have been transferred by the authorities to large medical centers at Los Angeles, Phoenix, Denver, and Portland where the required specialized services are obtainable. Wherever such transfers are made and the condition of the patient so requires, a registered nurse or a physician accompanies the patient. In one case a patient was sent from one of the Arkansas centers to Los Angeles, with a doctor and nurse in attendance during the entire journey.

Medical cases, traveling under escort, are provided with standard pullman accommodations, frequently compartments, with meals served in the compartment when it is deemed medically necessary. In the case of ambulatory patients, arrangements are usually made with the dining car stewards to accommodate them in advance of the regular meal hours. Standing while awaiting service is thus avoided.

The representatives of the Spanish Government, who have visited the medical facilities at the centers and are familiar with the provision made by the United States Government, will bear witness to the excellent medical care available to Japanese nationals held in custody in the United States and can testify to the absolute groundlessness of the Japanese Government's allegations.

The findings of the investigation with regard to the Japanese Government's allegation that Mr. Susaichi Katoh (referred to as Sasaichi Katoh in the Spanish Embassy's memorandum) lost the sight of an eye due to the failure of United States authorities to permit treatment,

have already been transmitted to the Spanish Embassy in the Department's memorandum of October 16, 1943. Mr. Katoh was given all possible treatment and the loss of his eye can in no way be attributed to the lack of proper attention and care. Furthermore, Mr. Susaichi Katoh wrote voluntarily to the St. Vincent Sanitorium, Santa Fe, New Mexico, expressing appreciation of the care he received and enclosing a monetary donation to the sanitorium.

It is further asserted that one Puchi was given insufficient medical treatment in the Panama Canal Zone Internment Camp and at the Fort Sill Internment Camp, Fort Sill, Oklahoma. This reference is undoubtedly to Internee Alejandro Ouchi who was apprehended and detained in Panama and evacuated to the continental United States for internment. The death certificate indicates that he died at Fort Sill on May 2, 1942, of inoperable cancer of the tongue. The American Army medical personnel rendered him all possible attention. The records of Fort Sill Internment Camp disclose that Mr. Ouchi received constant medical care from the date of his arrival at that camp, April 10, 1942, until his death. Funeral services were conducted by a Buddhist priest. He was buried in Lawton, Oklahoma, on May 4, 1942, and his grave properly marked. Report of his death was made to all interested agencies including the protecting Power and a notification was sent by the camp chaplain to the internee's widow in the Republic of Panama.

The Japanese Government alleges, Section III (11), that the United States Government has failed to transmit any precise and complete list of the Japanese nationals interned in the United States and has not reported the deaths of Japanese nationals who have died in the internment camps and relocation centers. The Japanese Government states that, whereas the total number of evacuees held in relocation centers amounts to approximately one hundred thousand, the names communicated to Japan do not total more than six thousand. The attention of the Japanese Government is called to the fact that the greater part of the one hundred thousand evacuees to whom the Japanese Government refers are American citizens. The United States Government is under no obligation to report their names for transmission to the Japanese Government.

The United States Government in conformity with Articles 77 and 79 of the Geneva Prisoners of War Convention of 1929 has forwarded, through the International Red Cross Committee and the protecting Power for transmission to the Japanese Government, the names of Japanese nationals held in custody by United States authorities. All such names have been reported. Delay in forwarding the names has in numerous instances been occasioned by the unwillingness of Japanese nationals to submit for the information of the Japanese

Government the names of their next of kin in Japan. There have also been reported to the Japanese Government approximately one thousand deaths. When additional deaths occur, the names will similarly be forwarded.

The Japanese Government alleges, Section III (12), that in July 1942, a religious meeting at Lordsburg Internment Camp, Lordsburg, New Mexico, was broken up by guards with bayonets. This Government has been unable to confirm any such incident.

The Japanese Government alleges, Section III (13), that neither the text nor the Japanese translation of the Geneva Convention was posted in the Internment camps where Japanese nationals were held in custody from six months to a year after internment. Before the transfer of civilian internees to the Department of Justice for internment, the War Department secured a Japanese language translation of the Geneva Convention and distributed it to internment camps under War Department jurisdiction to be posted in conspicuous places for the benefit of the internees. Because of difficulties encountered in obtaining an accurate translation, a considerable period elapsed after the outbreak of the war before the translations were available. Prior to the distribution of translations, internee spokesmen were free at any time to inquire of camp authorities regarding provisions of the Convention, and to have the Convention translated for them by official camp interpreters.

The Japanese Government alleges, Section III (14), that inadequate accommodations were provided for the detention of Japanese nationals in the United States and that Japanese nationals have been subjected to **inhumane treatment**.

The Japanese Government has made specific complaints concerning the treatment of Japanese nationals at the Sand Island Internment Camp. It has also alleged that overcrowding existed during transportation of the internees to the continental United States. The treatment of Japanese nationals held in custody at Sand Island as elsewhere has, since the beginning of hostilities, been marked by scrupulous observance of treaty obligations and agreements. Throughout the process of investigation, apprehension and detention, Japanese nationals have been treated humanely and have been protected against violence, insults and public curiosity. The internees at Sand Island were provided living quarters in compliance with basic United States Army regulations which take into consideration elements of health, ventilation and comfort. Male and female internees were separated. Suitable toilet facilities were furnished and exercise periods were allowed. Food was served to internees in a roofed enclosure and they were not in any way subjected to the elements as alleged in the Japanese Government's complaint.

Internees transferred to the continental United States from Hawaii were housed in second and third class accommodations and were not restricted by wire netting or by any other device. Men and women were separated. Toilet facilities in all cases were furnished within the rooms or were readily accessible. Accommodations given internees were superior to those furnished either the ship's crew or transit troops.

In regard to the complaints concerning transportation of Japanese nationals to the United States from Panama, United States Army transports were used for this purpose. The accommodations were not of a luxurious character but they were adequate in every respect and all possible consideration was extended to the internees. The internees occupied quarters normally furnished to United States Army troops aboard the ship. Food was proper and sufficient. Adequate ventilation was provided although, of course, during blackout hours port holes were closed as a security measure. The ventilators were however in working condition. During daylight hours the hatches were kept open for additional ventilation. The internees were permitted to exercise on deck.

The Japanese Government alleges, Section III (15), that early in 1943 Japanese nationals were forced en masse to salute the American flag day after day at Fort George Meade Internment Camp. The regulations applicable at that time have been subsequently revoked. The complaint that an internee named Adachi was placed in solitary confinement for failing to salute the American flag has been investigated. Adachi was admitted to the hospital for observation and diagnosis but on being diagnosed as simple adult maladjustment was returned to the camp. Whereas the authorities had difficulty with him he was never placed in solitary confinement for failing to attend a flag saluting ceremony.

With regard to the specific instances of mistreatment of Japanese nationals alleged in Section III (15) the findings with regard to the cases of Kenza-buro Oshima and Wakasa were transmitted to the Spanish Embassy in the Department of State's memorandum dated June 29, 1943¹⁰ and October 27, 1944.¹¹ Those with regard to the cases of Shiro Obata and Hirota Somura were forwarded in the Department's memorandum dated November 20, 1944.¹² The findings in the case of Shigekazu Hazama were forwarded to the Spanish Embassy in the Department's memorandum dated October 16, 1943. These cases have all been thoroughly investigated and complete and full accounts rendered.

¹⁰ Not printed.

¹¹ *Foreign Relations*, 1944, vol. v, p. 1128.

¹² *Ibid.*, p. 1130.

It is alleged by the Japanese Government that at the outbreak of the war the authorities in the Philippines resorted to extreme violence and maltreated all Japanese nationals. In making this sweeping statement the Japanese Government fails to cite by name a single Japanese national who suffered death or bodily injury from the alleged violence. Nor is any charge directed against a specific individual in authority. The protest is couched in broad general terms and appears to be a studied exaggeration of events. It is known that Japanese nationals were interned in the Philippine Islands when hostilities began but, as it is the policy of the United States Government to apply the provisions of the Geneva Prisoners of War Convention in the treatment of both prisoners of war and civilian internees, acts of cruelty are not tolerated. The United States Government has not been in a position until recently to investigate the alleged acts of savagery at Davao. Although the United States Government is of the opinion that these acts never took place, since they are contrary to the customs of the American people and to the high tradition of the United States Army, it will, nevertheless, undertake to investigate the allegations upon the receipt from the Japanese Government of further details regarding the place, the time, and the alleged participants.¹³

The Japanese Government alleges, Section IV, 1(A), that unjust treatment was accorded to Japanese nationals and to Americans of Japanese origin in moving them from the Pacific Area to the interior of the country. The United States Government reiterates that the Japanese Government has a legitimate concern for Japanese nationals only. This allegation was the subject of a memorandum dated May 7, 1943, to the Spanish Embassy.¹⁴ As at that time it was thoroughly examined any further discussion would appear unnecessary. The report that Japanese nationals have been moved from Virginia is the subject of a memorandum to the Spanish Embassy, dated November 20, 1944.

The Japanese Government alleges, Section IV, 1 (B), that the American authorities subjected Japanese nationals to inhuman questionings in order to cause them to renounce their allegiance to Japan. No attempt has ever been made to force or to persuade any Japanese national to renounce his loyalty to Japan. No possible advantage could accrue to the United States from such a procedure. This totally unfounded allegation of the Japanese Government was the subject of a memorandum dated August 10, 1944, to the Spanish Embassy.¹⁵

The Japanese Government alleges, Section IV, 1 (C), that internment camps in the United States are surrounded with barbed

¹³ For documentation on Japanese allegations of massacre of Japanese residents of Mindanao, Philippines, see *Foreign Relations*, 1942, vol. I, pp. 855 ff.

¹⁴ *Foreign Relations*, 1943, vol. III, p. 1067.

¹⁵ *Ibid.*, 1944, vol. V, p. 1117.

wire, equipped with watch towers and posted with armed soldiers. At the Tule Lake Relocation Center it was deemed necessary to maintain an external guard to prevent unauthorized ingress and to prevent the recurrence of such an incident as occurred on November 4, 1943, when evacuees armed with clubs entered the administrative area. The function of the armed guard, which at other centers has been progressively reduced in size, is to patrol the periphery of the center.

The United States Government calls to the attention of the Japanese Government that on December 17, 1944, the Commanding General of the Western Defense Command rescinded the general exclusion orders thereby restoring freedom of movement within the coastal areas of the United States to all persons of Japanese ancestry, with the exception of a limited number of individuals to whom individual exclusion orders are being issued. A memorandum concerning this matter was transmitted to the Spanish Embassy on February 5, 1945.¹⁶

The United States Government totally rejects the Japanese Government's allegations, Section IV, 1 (D), of mistreatment of Japanese subjects from Central and South America. The United States Government has done a service to the Japanese nationals in question by providing them with a place of shelter and with subsistence when the governments of the countries in which they were living decided upon their expulsion. So far as possible the United States Government has restricted such transfers of Japanese nationals to those who were known to be disposed or in a position to perform unfriendly acts against the United States Government and its allies. Requests of the other American republics that many thousands of other Japanese not falling within this category be accepted by the United States for internment have been rejected.

In particular the United States Government rejects as palpably unfounded the statement the Japanese nationals from Panama are being mistreated by American authorities. The Japanese Government is fully aware that all the Japanese nationals from Panama were repatriated to Japan in 1942 and 1943 and none remain in this country.

So far as concerns Japanese from Peru, the United States Government rejects any allegation that it has broken up Japanese families or deprived Japanese nationals of their belongings since this Government has exerted itself to provide special facilities for the families of Japanese deportees to rejoin the heads of families in the internment camps in the United States and has provided other special facilities for the transportation of the effects of the Japanese nationals which they were not able to bring with them when they were deported. The United States Government is informed that owing to war condi-

¹⁶ *Post*, p. 431.

tions the economic situation of other Japanese remaining in Peru is such that their lot would be considerably improved by transfer to the United States, which they themselves desire but which the United States Government is unwilling to grant because no sufficient purpose would be served thereby.

As the Japanese Government has been informed previously,¹⁷ the United States Government is motivated in these matters purely by the desire to assure the security of the Western Hemisphere and to immobilize those Japanese nationals who are capable of illegal subversive actions. In carrying out this program, the United States Government has the full cooperation of the other South American Republics which equally desire to attain this end, as evinced by their support of the Resolutions of the Committee for Political Defense¹⁸ at Montevideo upon which such action is based.

WASHINGTON, August 7, 1945.

740.00115A PW/8-745

The Minister in Switzerland (Harrison) to the Secretary of State

No. 12257

BERN, August 7, 1945.

[Received August 18.]

The American Minister at Bern has the honor to refer to the Legation's airmail despatch No. 9693 of October 31, 1944,¹⁹ concerning regulations in force at the civilian internment camp Mytho in Indochina.

There is now enclosed, for the Department's information and records, a copy and translation of a note dated August 6, 1945, from the Swiss Foreign Office.¹⁹ It may be noted that visits to this camp are no longer permitted and that leave from the camp has been forbidden.²⁰

¹⁷ Memorandum of June 7, 1944, to the Spanish Embassy, not printed; but for summary, see *Foreign Relations*, 1944, vol. v, p. 965, footnote 45.

¹⁸ For texts of resolutions adopted from 1942 to 1944, see first and second annual reports of the Emergency Committee for Political Defense, distributed in English edition by the Pan American Union, especially Resolution XX on the detention and expulsion of dangerous Axis nationals, approved May 21, 1943, first *Annual Report*, pp. 73, 81.

¹⁹ Not printed.

²⁰ In telegram 3827, August 7, 2 p. m., the Minister in Switzerland reported that the Swiss Consul at Saigon no longer received information concerning POWs interned at Saigon but had been able to effect a further shipment of food, clothing, and some medicines to them on July 9 "by special favor". (711.93114A/8-745)

711.93114A/8-845 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 8, 1945—10 a. m.

[Received August 10—7:30 p. m.]

3832. American Interests—Far East. [Legation's] 3647 July 21. Letter August 7 Intercross repeats information contained Legation's 3647 and adds Intercross has established office Peking to assist POWs passing through Fengtai and funds made available effect relief purchases for POWs.

Letter underlines importance insuring utmost safeguard POWs and CIs during journey or stay transit camps. Intercross suggests measures be taken provide adequate visible markings railway trucks [*equipment?*] transporting POWs. Similar steps regard vessels.

If American authorities declare prepared respect trains, ships transporting POWs, CIs bearing necessary markings to be agreed upon, Intercross prepared negotiate with Japanese this end. Desires receive suggestions and possible conditions. Intercross prepared take all possible steps insure fulfillment conditions by obtaining permission Intercross delegates accompany trains or ships.

Intercross has addressed similar letter British authorities and requests coordinated and early reply.²¹

Despatch follows airmail.²²

HARRISON

740.00115 PW/8-245 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 8, 1945—8 p. m.

2492. Inform Swiss that Department is seriously concerned by use of term hostage in your 3777 August 2. Suggestion has been made by a reliable neutral long resident in Tokyo that Japanese savagery might be vented upon POWs as war goes against Japan. Department desires to receive any information Swiss may receive in this regard.

BYRNES

²¹ On August 20, paraphrases of this message were sent to the Secretaries of War and Navy for their views so that an appropriate reply to the Committee might be made (711.93114A/8-845). No replies from the Secretaries found in Department files.

²² Despatch 12271, August 8, not printed.

794.00114/8-1145

*Memorandum by the Secretary of State to President Truman*²³

WASHINGTON, August 10, 1945.

The State-War-Navy Coordinating Committee has agreed with the Joint Chiefs of Staff that it would be desirable for the attached draft warning to be issued to the Japanese Government and people over the signatures of the heads of the Allied states concerned (Australia, Brazil, Canada, France, Mexico, the Netherlands, New Zealand, the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America). This matter is presented at this time with the thought that if the Japanese Government continues to wage war it may engage in acts of violence against Allied prisoners of war and civilian internees in its hands. In that event it might be necessary for the protection of Allied prisoners of war and civilian internees to issue the attached draft warning at the earliest possible moment.

It is recommended that if the Japanese Government continues to wage war the attached draft warning be cleared with the interested Governments at the highest possible level. The State Department will obtain this clearance.

A similar warning was addressed to the German Government in April last by President Truman, Prime Minister Churchill, and Marshal Stalin.

JAMES F. BYRNES

[Annex]

REDRAFT OF THE DRAFT WARNING TO ALL JAPANESE²⁴

This solemn warning is issued to the Government of Japan and to the Japanese people by the Allied Governments of Australia, Brazil,

²³ Approved by President Truman on August 11. In a memorandum of August 22, Carl M. Marcy of the Special War Problems Division stated: "In view of the fact that the Japanese Government indicated on August 14, 1945, that it was prepared to sign unconditional terms of surrender it was not necessary to proceed further with the underlying draft warning to be issued by the heads of Allied states to all Japanese." (794.00114/8-245) For documentation on the Japanese surrender, see pp. 621 ff.

²⁴ The original draft warning, prepared by the Acting Chairman of the State-War-Navy Coordinating Committee, was circulated as SWNCC 154 on June 21 for consideration by the Committee. The War Department member of SWNCC prepared a redraft on July 14 (SWNCC 154/2). Further changes recommended by the Acting Chairman of SWNCC (SWNCC 154/3) were approved on August 2 (SWNCC 154/4). In a memorandum of August 2 transmitting the draft to the Secretary of State, the Acting Chairman of SWNCC (Hickerson) stated: "The Joint Chiefs of Staff have advised that they consider it desirable from a military point of view that this draft warning be issued, and stated further, that it would be advisable to recommend to the heads of the states concerned that the warning be issued over their signatures and that the statement be distributed in the form of leaflets dropped over Japanese territory after the Japanese Government has received the warning." (794.00114/8-245)

Canada, France, Mexico, the Netherlands, New Zealand, the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America.

These Allied Governments declare the Government of Japan and the Japanese people must give full protection to Allied prisoners of war and civilians. Japan and the Japanese cannot escape this duty. Allied prisoners and civilians at all times must be properly fed and housed and treated with kindness. They must be guarded from harm. The Allied Governments intend to hold the Government of Japan and the Japanese people, individually and collectively, responsible for the safety and welfare of Allied prisoners of war and civilians. Each Japanese subject, who comes in contact with any Allied prisoners of war or civilians, shares this responsibility. Particularly, proper treatment of Allied nationals is demanded of members of the Japanese Army, Navy, and Air Forces; of commandants, officers, and guards at prisoner of war camps and of officers and members of the Japanese *gendarmarie*.

The Japanese Government by solemn public declaration has told the nations of the world that it gives good, humane treatment to prisoners of war and civilian internees. This declaration is in effect a pledge of Japan's national honor. The declaration has been made on many occasions. At the end of hostilities the Allied Governments will each make careful investigation to find out the extent to which the Japanese authorities have treated properly the Allied nationals in their custody and the extent to which they have wilfully or unnecessarily exposed them to danger. In so far as the solemn declarations of the Japanese Government are then proved to be false, the Allied Governments will persistently pursue and punish each individual who has mistreated an Allied prisoner of war or civilian or who has consented to or permitted such mistreatment. This will be done regardless of the position or status of the offender. It will make no difference where the offenses took place, whether in the battle zone, in the lines of communication, in a camp, hospital, prison or elsewhere.

Equally, the Allied Governments will take into consideration in dealing with Japanese individuals any special acts of kindness which may be reported to them by Allied prisoners or civilian internees who come into Allied hands at the end of hostilities.

The Allied Governments regard this responsibility as binding at all times on the Japanese Government and on each individual within Japanese territory. The responsibility cannot be avoided or transferred.

740.00115 PW/8-1145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 11, 1945.

[Received August 11—9:01 p. m.]

3872. Am[erican] Interests—China. Foreign Office note, August 6, states end January Fontanel advised Swiss Foreign Office he had intervened local Japanese authorities for removal anti-air machine gun installed proximity camp for aged Lincoln Avenue, which had previously caused accidents during Allied air raids. Japanese Consulate, Shanghai, replied as result circumstances not possible agree his request.

Foreign Office then charged Gorgé make representations Japanese insisting serious danger internees as result machine gun.

According recent communications Gorgé, Japanese Foreign Office stated removal machine gun not possible while Allied aerial bombardments effected without discrimination.²⁵

HARRISON

711.94114A/8-145 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 13, 1945—6 p. m.

2524. Discuss following with Swiss FonOff requesting that Gorgé continue to press for authorization camp visits :

Dept increasingly concerned at continued failure Jap Govt authorize visits POW camps. For example, Jap statement that POWs receive certain foods "in principle" obviously not satisfactory and requires investigation by protecting Power (Legs 3750, Aug 1).

When question Swiss representation Jap interests was under discussion Swiss Govt informed Jap Govt prepared take over Jap interests subject certain conditions including granting greater facilities to Swiss Rep Jap occupied areas in fulfilling protecting Power functions behalf US and Gt Britain (Legs 2940, May 29²⁶).

In early June Gorgé advised FonOff that Jap Foreign Ministry informed him officially that Jap military authorities had finally authorized visit POW camps and gave consent representative Swiss Leg Ruch designated these inspections (Legs 3160, June 13).

On July 3rd Suzuki stated work reorganization [and] transfers nearing completion and protecting Power delegate could soon begin visits (Legs 3549, July 13).

²⁵ In telegram 3881, August 14, the Minister in Switzerland reported Mr. Fontanel had ordered all internment camps in the Shanghai region to be marked with a cross on the roof but this had not yet been done (740.00115 PW/8-1445).

²⁶ Not printed; but for summary see penultimate paragraph of letter of June 18 to the Secretary of War, and footnote 61, p. 345.

It should be noted that, in spite fact Swiss Leg insisted urgency visits, Jap reply that camp visits could not yet begin (Legs 3750, Aug 1) was made only after Swiss Govt assumed representation Jap interests in US.

Am Govt is most disappointed by this development and trusts Swiss Govt will take Jap attitude into consideration in connection with Swiss protection Jap interests in US.²⁷

BYRNES

740.00115 PW/8-1745 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 17, 1945.

[Received August 17—12: 54 p. m.]

3914. American Interests—China. Ranking Foreign Office official just telephones according telegram Fontanel all CIs Shanghai liberated August 15. Because prevailing confusion resulting from great enthusiasm and joy, Fontanel requested internees remain camps several days until arrival Allied troops. He adds situation calm.²⁸

HARRISON

711.94114A/8-2045 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 20, 1945.

2565. Request Swiss Foreign Office to ask Swiss representatives in Jap and former Jap occupied territories to give full cooperation to Allied military authorities who have plans for evacuation of POWs and CIs.²⁹ POWs and CIs should remain in camps in close contact with camp spokesmen until arrival of Allied forces.

BYRNES

²⁷ In telegram 3904, August 15, 10 p. m., the Minister in Switzerland reported the views of a ranking official of the Swiss Foreign Office given earlier in the day that the ending of the war rendered unnecessary action called for by telegram 2524 (711.94114A/8-1545).

²⁸ In telegram 1400, August 19, 8 p. m., the Ambassador in China (Hurley) reported: "Small [U.S. Army] liaison teams have been flown to various internment camps and reports have already been received from teams at Wehsien, Peiping, Mukden and Keijo where conditions of internees reported as generally good although underweight; Japanese reported cooperating. Reports from other liaison teams expected shortly." (740.00115 PW/8-1945)

²⁹ In telegram 2628, August 28, 7 p. m., to Bern, the Department stated: "Mil authorities in Pacific have plan for orderly evacuation from camps to specified ports and then to Manila where final processing will take place and repatriation will be effected immediately after the surrender terms are signed." (711.94114A/8-2345)

711.94114A/8-2145 : Telegram

*The Minister in Switzerland (Harrison) to the Secretary of State*BERN, August 21, 1945—5 p. m.
[Received August 21—4:37 p. m.]

3953. American Interests—China. Legation's 3914, Aug. 17. Ranking Foreign Office official telephones that according telegram from Fontanel civilians are leaving camps despite warnings. He requests to be informed whether this is contrary to intention of [U.S.] Commanding General China Theater of Operations³⁰ as messages from him and various broadcasts appear indicate internees should remain camps. Fontanel requests consideration be given fact most internees were residents of Shanghai and do not wish to be evacuated.³¹ He and Jap fear incidents. Jap insist order and *status quo* be maintained pending relinquishment camps in orderly fashion.³²

In reply foregoing Foreign Office requested inform Fontanel in sense Dept's 2565, August 20.

HARRISON

711.94114A/8-2345

The Minister in Switzerland (Harrison) to the Secretary of State

No. 12385

BERN, August 23, 1945.
[Received August 30.]

The American Minister at Bern has the honor to refer to the Department's telegram No. 1925 of May 29—8 p. m.,³³ concerning the treatment of American prisoners of war in Japan.

The Legation has now received a note dated August 21, from the Swiss Foreign Office which is based upon a telegram from the Swiss Legation at Tokyo. According to the note the Japanese Foreign Office immediately undertook an investigation on this subject which revealed that American prisoners of war do not labor under the conditions set forth in the Department's telegram under reference. The Japanese Foreign Office expresses a desire to ascertain the source of the information on which the Department's telegram was based.

³⁰ Lt. Gen. Albert C. Wedemeyer.³¹ In telegram 2587, August 22, 8 p. m., to Bern, the Department stated that American civilian internees "will not be evacuated against their wishes unless in opinion military authorities such evacuation should be necessary". (740.00115-PW/8-2145)³² In telegram 2629, August 28, 7 p. m., to Bern, the Department advised that Army authorities in China were emphasizing "tragedy of situation if loss of life were to result at this time from carelessness or disobedience to orders". (711-93114A/8-2545)³³ Not printed; but for summary, see bracketed note, p. 339.

The Swiss Legation adds that it has noted the contents of the Department's telegram No. 2396 of July 26—8 p. m.,³⁴ but that it does not have the intention of communicating this to the Japanese Government.

740.00115 PW/8-2345

The Minister in Switzerland (Harrison) to the Secretary of State

No. 12386

BERN, August 23, 1945.
[Received August 30.]

The American Minister at Bern has the honor to refer to the Department's telegram No. 2492 of August 8—8 p. m., with regard to the use of the term "hostage" by the Swiss Consul General at Shanghai in a recent report relating to American civilian internees in Japanese hands.

The Legation is now in receipt of a note dated August 21, from the Swiss Foreign Office which states that according to Consul General Fontanel there is no reason to fear that the internees transferred from the former camp of Haiphong Road to Peking may be subject to bad treatment. The Japanese military authorities of the latter region are anxious to surrender and to return prisoners and civilian internees to Allied authorities in as good condition as possible. Consul General Fontanel explains that he had used the expression "hostage" only to indicate that the internees in question had a status and condition differing from those of other internees and that the Japanese, therefore, attributed to them a particular value.

740.00115 P.W./8-2445: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 24, 1945.
[Received September 6—7 p. m.]

A-997. American Interests—Occupied China. Your telegrams 1869, May 22—6 p. m., and 2148, June 26.

Foreign Office note August 23 states Swiss Legation Tokyo has received from Minister Togo following reply:

1) Only military reasons necessitated transfer persons interned Shanghai and not as claimed by American Government desire to protect certain regions against bombardment;

2) Plants and enterprises in regions Sacred Heart Hospital are mostly without military character and do not therefore constitute objects legitimate attack. These are additionally situated considerable

³⁴ Not printed.

distance from hospital. If therefore Allied aviation takes, as it should, necessary precaution measures, security of hospital assured, even if Allied aviation attacks illegally the plants referred to;

3) Clear that United States must be held responsible for security civilians in centers because if American forces continue employ inhuman methods contrary at [to] laws war, such as blind bombing without seeing military objectives and without regard civilians, will be very difficult Japan despite its efforts assure security civil centers;³⁵

4) Opinion American British authorities regarding transfer civilians therefore unjustified and Japan fulfils humanitarian obligations in devoting all efforts treatment civilians in centers, notably in furnishing comfortable and hygienic lodgings and in taking necessary measures care given sick.

Foreign Office adds foregoing telegraphic response suffered delay 10 days in transmission.

HARRISON

711.94114A/8-2545: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 25, 1945—2 p. m.

[Received 5:10 p. m.]

4002. Legation's 3349, June 28; 3750, August 1. Foreign Office note August 24 states, according telegram August 17 from Gorgé, despite repeated efforts only able visit two POW camps this year. Adds principal reason without doubt reluctance Japanese authorities permit inspectors travel bombed regions.

However POW Bureau Japanese Foreign Office has sent Legation numerous lists POWs and deceased. During July Legation received 39 lists bearing total 3776 names.

HARRISON

711.93114A/8-645

The Secretary of State to the Secretary of War (Stimson)

WASHINGTON, August 27, 1945.

MY DEAR MR. SECRETARY: I refer to your letter of August 1, 1945, with which you enclosed a report made by three Allied prisoners of war who escaped from Japanese custody.³⁶ I have noted that the report indicates that American prisoners of war have been punished for escape attempts by court-martial sentences of ten years imprisonment.³⁷ These sentences are, of course, in violation of the provisions

³⁶ For documentation on Japanese protests against the bombing of allegedly nonmilitary objectives, see pp. 469 ff.

³⁷ Letter and its enclosure not printed.

³⁸ Mr. Stimson's letter indicated the sentences were based on charges of "desertion from the Japanese Army in time of war" and that further reports from escaped prisoners indicated this practice was continuing.

of the Geneva Prisoner of War Convention of 1929 which provide that escape prisoners who have been retaken shall be liable only to disciplinary punishment.

I am enclosing for your information a copy of a note dated September 30, 1943, addressed to the British Chargé d'Affaires ad interim.³⁸ This note concerns the punishment imposed by the Japanese Government upon certain American and British nationals who were imprisoned for lengthy periods for attempts to escape and sets forth the reasons why the Department of State felt at that time that no purpose would be served by further controversy with the Japanese authorities regarding the subject.³⁹

In view of the cessation of hostilities it is believed that it would not be advisable at this time to raise this matter again with the Japanese authorities.

Sincerely yours,

JAMES F. BYRNES

711.94114A/8-3045: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 30, 1945.

[Received September 6—7 p. m.]

A-1013. American Interests—Far East—Japanese treatment American aviators. Foreign Office notice, August 29, referring numerous communications relative treatment aviators captured by Japanese forces, gives following information based telegram Swiss Legation, Tokyo:

Gorgé has not failed insist numerous occasions in conversations with officials Japanese Foreign Office on necessity authorize visit camps where American aviators held. Legation has always devoted most particular attention to condition this category POWs in Japanese hands. Additionally Gorgé emphasized during course interviews that if Japanese did not see possibility authorize visits American aviators Japan nevertheless had obligation at least furnish indications relative their status. Finally Gorgé made new pressing representations with Minister Suzuki in an effort to have the War Ministry agree to his wishes. All his efforts remained however without result.

August 20, Japanese Foreign Office recalling numerous written and above all oral representations Gorgé informed latter he might visit aviators in camp near Tokyo. Nevertheless Minister Suzuki required Legation to make formal demand this regard. Gorgé considered this requirement surprising but in order prevent further delay addressed

³⁸ Not printed.

³⁹ For reasons set forth by the Department, see bracketed note, *Foreign Relations*, 1943, vol. III, p. 977.

Japanese Foreign Ministry August 21, note of which following substance:

1.—Since beginning Swiss Legation has continually insisted that it be permitted visit regularly all POW and CI camps without exception.

2.—Efforts of Swiss Legation unhappily without satisfactory results and even this year it has been able to visit only two POW camps Tokyo.

3.—During its various representations Swiss Legation has insisted on necessity to permit it visit aviators or at least that it be furnished with precise information regarding them.

4.—Japanese War Ministry is today disposed authorize visits to camps in question.

Although this information is tardy Swiss Legation accepts it with satisfaction and is immediately giving instruction to its delegate, M. Ruch, in order that he holds himself at the disposal of the Japanese War Ministry.

Gorgé adds that this matter gives an idea of the difficulties which he still now encounters. Actually after all his representations with view to inspect prisoner camps and after having declared officially that he would visit these camps without regard to time or place subject to the wishes of the Japanese military authorities, the latter still demand at the moment when the war is ending to make a special request in order to visit any particular camp.⁴⁰

HARRISON

711.94114A/8-3145: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 31, 1945.

[Received September 12—7 p. m.]

A-1021. American Interests—Japan. Your 2469, August 6—6 p. m. Foreign Office note, August 30, states Gorgé in expressing thanks makes following comments:

1.—Despite all efforts never able obtain precise information regarding actual number prisoners of war or their transfer. More than 10,000 prisoners of war transferred to Japan without his knowing from where they came. He believes difficulties encountered due large part faulty Japanese administration.

2.—This question discussed Legation's A-1013 of August 30.

3.—Gorgé's position always solid regarding relief prisoners of war and civilian internees result intentions manifested American Gov-

⁴⁰ In airgram A-1036, September 5, the Minister in Switzerland reported a visit by Swiss and International Red Cross representatives to Shinagawa, the principal camp at Tokyo where American aviators were held, and that the Swiss representative "had most trying impressions because aviators in very bad health and exhausted, suffering particularly undernourishment and fatigue". (711.94114A/9-545) In airgram A-1077, September 13, the Minister reported a visit by the Swiss representative to the Pryuna camp at Tokyo "where aviators were detained in deplorable conditions". (711.94114A/9-1345)

ernment submit all arrangements which would permit assist captured American nationals. Since *Awa Maru* Gorgé always encountered inertia Japanese authorities. This attitude explainable in part by fact Japanese reluctant do for enemies that which unable accord own subjects.

4—Gorgé states misunderstanding this question. Japanese Government not opposed delivery individual payments but refused authorize sending funds collective purchase foods. Foods having disappeared from market nothing remained to purchase thus sending funds without object.

5—Japanese response communicated Department Legation's 3685, July 26.

6—Regarding transfer civilian internees Shanghai Foreign Office refers note August 23 (Legation's A-997, August 24). Gorgé adds would not have failed again take up with energy question transfers if hostilities had continued. This particularly so since for certain time mystery surrounded alleged reorganization camps combined with transfer prisoners of war coming from no one knew where. All efforts employed by Legation to obtain information this subject actually remained without result.

HARRISON

740.00115 Pacific War/9-545 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 5, 1945.

[Received September 12—7 p. m.]

A-1035. American Interests—China. Your 2587, August 22—8 p. m.⁴² Foreign Office note, September 4, states according telegram from Fontanel he, in agreement representatives internment camps, has authorized civilian internees having lodgings and financial means definitely leave detention centers. However, indigent persons required remain different centers. They are free to leave but receive no relief except camp food. Fontanel now examining with resident associations possibility grant internees who later leave camps financial relief and will soon submit proposals this effect.

Fontanel emphasizes decision liberate internees due principally fact apartments and properties run risk pillage not only by Japanese who leaving but also by alleged new Chungking organizations. Additionally Fontanel states danger incidents sensibly decreased. However arrival occupation troops awaited with anxiety in hope Allied contingents accompany them.

HARRISON

⁴² Not printed, but see footnote 31, p. 396.

711.93114A/9-545 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 5, 1945.

[Received September 12—7 p. m.]

A-1037. American Interests—Far East. Your 1871, May 22—7 p. m. Foreign Office note, September 4, states Japanese Foreign Office has just informed Swiss Legation Tokyo of reply Japanese Government and while this superseded by recent events Swiss Foreign Office nevertheless communicates it. Substance follows:

Kiangwan POWs were transferred for humanitarian reasons. Taking into consideration the turn in developments one had every reason to believe this region would shortly become a theater of war operations.

The Government of the United States seems to believe that the transfer ordered by Japanese authorities is contrary to Geneva Convention; this is to interpret erroneously Japanese intentions since the new camp was situated outside of the dangerous zone.

The Japanese Government wishes to emphasize that it has not sought to preserve nor to protect certain places from the danger of bombardment by installing there this camp. The demand of the American authorities tending to obtain assurances this regard seems without object, it being granted that bombardments of the American forces are carried out without discrimination and in violation international laws prescribing that only objects of military character can be attacked.

While Japan not bound by provisions Geneva Convention it will conform nevertheless their spirit and will communicate at later date more exactly concerning the transfer American POWs from Kiangwan.

HARRISON

740.00115A PW/9-545 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 5, 1945.

[Received September 12—7 p. m.]

A-1039. American Interests—Philippines. Your 1857, May 19.⁴³ Foreign Office note, September 4, states Japanese Foreign Office informed Swiss Legation Tokyo, competent authorities not aware murder Louis, formerly American interned Los Banos camp, and that they will conduct investigation there.

HARRISON

⁴³ See bracketed note, p. 335.

711.94114A/9-1045: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 10, 1945.

[Received September 19—6 p. m.]

A-1053. American Interests—Far East. Legation's telegram 3983, August 23.⁴⁴ Swiss note, dated September 7, transmits following information:

According to a telegram dispatched by the Swiss Minister at Tokyo, his representative at Singapore, Mr. Wild, visited the Changi POW camp at Singapore, accompanied by Mr. Schweizer, ICRC delegate. Mr. Wild ascertained during visit that camp greatly overcrowded and inadequately equipped. Many articles of basic necessity lacking. Swiss representative nevertheless observed with satisfaction that, despite privations and undernourishment from which they suffered, POWs retained excellent morale. Approximately one-fifth of the detainees should be hospitalized chiefly for dysentery, beriberi and malaria.

Swiss Minister Tokyo adds that he has transmitted directly to Allied Commander⁴⁵ various information and requests from Mr. Wild concerning POWs held in the Malay Archipelago.

HARRISON

711.94114A/9-1145: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 11, 1945.

[Received September 19—6 p. m.]

A-1064. American Interests—Far East. Department's 1111, March 17, Legation's 3347⁴⁶ and 3348, June 28, and 3541, July 12.

Foreign Office note, September 8, gives substance communication from Minister Togo⁴⁷ telegraphed September 4 by Swiss Minister Tokyo. Following translation:

1.—Bodies of POWs deceased while in captivity will henceforth be buried except under certain special circumstances. This particularly in camps at Tokyo and Osaka where Japanese regulations forbid burials in vicinity of these camps. In Borneo cremation was ordered to prevent danger of epidemics.

2.—Delays in notification POW names not intentional on part of Japanese authorities but principally due to circumstances surrounding

⁴⁴ Not printed.

⁴⁵ General of the Army Douglas MacArthur, Supreme Commander, Allied Powers in Japan.

⁴⁶ Telegram 3347 not printed; but for summary, see footnote 77, p. 352.

⁴⁷ Shigenori Togo resigned as Japanese Minister for Foreign Affairs on August 15.

handling of matters. As soon as lists prepared, competent Japanese authorities will communicate them to Swiss Legation.

3.—Japanese authorities will only deliver copies of death certificates on special request from interested Governments as it is unable send copies of all documents. All death certificates have been kept and will be submitted to American and British Governments after the war.

Although these statements superseded by recent events, Swiss Foreign Office nevertheless communicates them for Legation's information.

HARRISON

740.00115 PW/9-1145 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 11, 1945.

[Received September 18—6 p. m.]

A-1067. American Interests—Japan. Foreign Office note, September 7, states Swiss Minister Tokyo had lengthy discussion with Japanese Foreign Office with regard contents Department's 1992, June 8.⁴⁸

Swiss Minister states it would seem that Japanese authorities made every effort to give proper food to internees Shanghai region despite considerable difficulties they encountered.

HARRISON

740.00119 PW/9-2745 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, September 27, 1945—8 p. m.

2825. Please convey formally to Swiss Foreign Office the thanks of the United States Government for services rendered in the Far East in somewhat following terms:

“With the signing of the terms of surrender by the Japanese Government⁴⁹ I wish on behalf of the United States Government to thank the Swiss Government and its representatives for the services which they have rendered in the Far East in behalf of American prisoners of war and civilian internees. The United States Government realizes that Swiss representatives in the Far East have carried on under conditions which would discourage most men and yet have been able in spite of difficulties to do a great deal to alleviate the suffering of American prisoners of war and civilian internees in Japan and areas formerly occupied by the Japanese.

⁴⁸ See bracketed note, p. 342.

⁴⁹ September 2.

"I wish particularly to express to the officials of the Government at Bern as well as to the Swiss Minister at Tokyo and his staff, the Swiss representatives in China, Indo-China, and Siam, this Government's appreciation for their activities in behalf of Americans in the Far East."

ACHESON

711.94114A/9-2745 : Telegram

*The Minister in Switzerland (Harrison) to the Secretary of State*⁵⁰

BERN, September 27, 1945.

[Received September 27—10:05 p. m.]

4229. American Interests—Far East. Foreign Office note Sept 25 states during evacuation American POWs interned Japan, delegates Swiss Legation, Tokyo, found large number POWs no knowledge Swiss represented American, British interests Japan and that they should have had possibility correspond Swiss Legation.

Following these findings Gorgé addressed letter Shigemitsu⁵¹ strongly protesting that despite assurances given him by Jap Foreign Office POWs had not had means correspond representative protecting power. Gorgé added greatly regrettable his responsibility not recognized, particularly since this caused grave uneasiness families POWs.

Note refers foregoing relation information contained Legation's 7704, Nov 23⁵² and 1662, March 19.

HARRISON

711.94114A/9-2945 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, September 29, 1945.

[Received October 11—3 p. m.]

A-1113. American Interests—Far East. Foreign Office note, September 28, states Gorgé received September 23 official visit Acheson⁵³ recently arrived from Washington. Latter expressed thanks American Government to Gorgé assistance latter gave protection American interests Japan.

⁵⁰ The Department forwarded a copy of this message to the War Department on October 4 and stated: "In view of the fact that the enclosed telegram shows that the Japanese Government did not abide by the Geneva Convention in its treatment of prisoners of war it is suggested that the Secretary of War may desire to bring the enclosed communication to the attention of the appropriate military authorities in the Far East." (711.94114A/9-2745)

⁵¹ Mamoru Shigemitsu, Japanese Minister for Foreign Affairs, August 17-September 16, 1945.

⁵² *Foreign Relations*, 1944, vol. v, p. 1009.

⁵³ George Acheson, Jr., Acting Political Adviser to the Supreme Commander, Allied Powers in Japan.

Gorgé took occasion express to Atcheson his regret results obtained in protection American interests did not correspond with efforts expended particularly as concerns POWs. Actually, despite numerous representations made by Gorgé, Swiss Legation Tokyo only succeeded visiting 11,300 POWs of total of 36,000 POWs interned that time Japan.

HARRISON

711.94114A/10-2545: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, October 25, 1945.

[Received November (*October?*) 26—6 p. m.]

A-1168. American Interests—Japan. Department's telegram 1296, March 31—6 p. m.,⁵⁴ and Legation's 2313, April 20—7 p. m.^{54a} Foreign Office note, October 24, states according further communication from Swiss Legation Tokyo Japanese Foreign Office states that following new inquiry it has been established that Lieutenant Kurita commanded the unit at Aitape. Since Kurita has probably not returned to Japan, the Japanese authorities on the spot have been directed to conduct an immediate inquiry and in case possible find guilty persons to punish them severely and forward report.

HARRISON

711.94114A/10-2945: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, October 29, 1945.

[Received October 29—9:20 p. m.]

4553. American Interests—Far East. Department's 2565, August 20. Foreign Office note, October 25, states according telegram former Swiss Consulate, Batavia, no POW of [*or*] CI has thus far been officially liberated in Netherlands Indies. Note after referring your 2565 states instructions were given by Swiss Minister Tokyo to Swiss Consulate Batavia.

Swiss Consulate adds rather large number men and women have nevertheless left camps without permission, adding under these conditions arrival Allied Forces should be hastened in order expedite liberations POWs and CIs.

HARRISON

⁵⁴ See bracketed note, p. 330.

^{54a} Not printed.

[In airgram A-1171, October 29 (received November 10), the Minister in Switzerland reported: "Since arrival Allied missions Indo-china persons confined Mytho free circulate that city. Nevertheless as result difficulties found lodging and insecurity of region around Saigon, greater part preferred remain camp. Internees nevertheless journey from time to time that city with coming and going of American and British officers." (390.1115/10-2945)]

EFFORTS BY THE UNITED STATES TO SEND FINANCIAL AND OTHER ASSISTANCE TO AMERICAN NATIONALS HELD BY JAPAN⁵⁵

[Efforts for the relief of American nationals held by Japan continued in 1945, taking the form of money payments by the United States through Swiss officials and by the sending of relief supplies. A major problem presented was the continuing depreciation of the purchasing power of the Japanese yen and the Central Reserve Bank currency issued by the Japanese-sponsored regime at Nanking which lessened the ability of the United States to provide adequate relief. For the most part, documentation on these subjects has been omitted.]

740.00115A P.W./1-2245 : Telegram

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, January 22, 1945—11 a. m.

[Received January 22—9:40 a. m.]

453. American Interests—China. Legation's 7784, November 27, Department's 4185, December 12.⁵⁶ Foreign Office note January 18 states Swiss Consulate Shanghai reports that prior receipt from Bern of funds necessary make December relief payments, as [Japanese] authorities stated they opposed 60% increase over November payments to noninterned and that they would accept only 30% increase. Japanese also only authorized payment 3,000 and not 4,000 to internees.

View great increase cost life occupied China, Fontanel⁵⁷ feels relief authorized by Japanese to non-internees absolutely insufficient and expects at time delivery encounter difficulties with beneficiaries. Regarding reduction relief to internees, Fontanel does not feel that they

⁵⁵ Continued from *Foreign Relations*, 1944, vol. v, pp. 1015 ff. For documentation on efforts by the United States to arrange with the Soviet Union for the acceptance and onward shipment of relief supplies and mail for the benefit of prisoners of war and interned civilians in Japanese-controlled territory, see *ibid.*, 1945, vol. v, pp. 1053.

⁵⁶ *Foreign Relations*, 1944, vol. v, pp. 1072 and 1076, respectively.

⁵⁷ Emile Fontanel, Swiss Consul General at Shanghai.

will be greatly affected due distribution large amount relief in kind to camps during December.

HUDBLE

740.00115A P.W./1-2245 : Telegram

*The Acting Secretary of State to the Chargé in Switzerland
(Huddle)*

WASHINGTON, February 5, 1945—8 p. m.

586. American Interests—China. The Japanese action described in your 453, January 22, 11 a. m., appears to the Department to be an unprecedented and unwarranted interference in the routine functions of the protecting Power. The United States Government has not undertaken to influence in any way the extent of financial payments made to enemy nationals in this country by the protecting Powers.

Department satisfied that amounts of payments established by Swiss are necessary to maintenance of health and life of Americans whether or not interned and that arbitrary action of Japanese is incompatible with humanitarian obligations of Japanese Government and with established facts regarding cost of living in Shanghai area. It is requested that the Swiss Government bring this matter to the attention of the appropriate authorities at Tokyo with the request that remedial measures be taken. Telegraph Department results reported by Gorgé⁵⁸ in order that further steps may be considered if necessary.

If Gorgé considers it useful he may point out to the Japanese that while the Spanish in charge of Japanese interests in the United States have not received complete directives from the Japanese Government regarding the disbursement of funds provided by the Japanese for the relief of their destitute nationals in this country, the attitude of United States Government toward the execution of such directives as may eventually be issued must necessarily be colored by such situations as that which has arisen at Shanghai.

GREW

740.00115A PW/3-2645 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, March 26, 1945.

[Received March 26—8:27 p. m.]

1787. American Interests—Japan. Legation's airmail 9246, September 15,⁵⁹ telegram 945, February 10.⁶⁰ Swiss report that accord-

⁵⁸ Camille Gorgé, Swiss Minister in Japan.

⁵⁹ Not printed.

⁶⁰ *Ante*, p. 321.

ing telegram from Swiss Legation Tokyo its delegate observed increasing food inadequacy at Urawa during most recent visit. Swiss Legation now plans effect collective relief shipments to camps but it is progressively difficult, except for camp number 211,⁶¹ to send relief except in financial form to internees in country where everything is lacking. Gorgé considers that as already suggested (Legation's 1226, February 24⁶²) only solution is another urgent shipment of food from United States. Swiss Legation already made repeated representations Japanese Foreign Office obtain improvement food.

HARRISON

711.94114 Supplies/4-1145: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, April 11, 1945.

[Received April 11—9: 14 a. m.]

2125. American Interests—Far East—Relief supplies. Legation's 6916, October 18,⁶³ Point *Sexto*. Swiss note April 9 states Swiss Legation Tokyo telegraphed April 5th as follows regarding transport of relief parcels and mail to Allied POWs in Japanese hands:

According communication from Japanese Foreign Office, Soviet Government recently informed Japanese Government that it would authorize a Japanese vessel to enter port of Nakhodka to load relief supplies under conditions similar to those for the last transport. Japanese Government has therefore decided to send vessel *Awa Maru* upon its return (Legation's note: Please see Legation's 1903, March 31⁶⁴) and to proceed with distribution of relief to prisoners of war and internees in the south and other areas under the following conditions.

1. Japan will assure the transport from Nakhodka under the same conditions as those for transport on the *Hakusan Maru* of approximately 2,200 tons of mail and relief supplies stored or to be stored shortly on Soviet territory.

2. The United States will grant safe conduct for the *Awa Maru* as formerly for the *Hakusan Maru* and it will obtain assurances of safe conduct of all interested countries including Russia.

3. The United States will similarly give safe conduct for the *Awa Maru* for the transport of relief supplies to China and to the southern area as previously for the *Hosi Maru* and *Awa Maru*.

⁶¹ Marginal notation: "Futatabi".

⁶² Not printed; it cited a report from the Swiss Minister in Japan (Gorgé) of a general shortage of foodstuffs and medicines in Japan and Japanese-occupied territories (711.94114 Supplies 2-2445). Telegram 1936, April 3, 5 p. m., from Bern, reported further information from Mr. Gorgé concerning the general scarcity of food in Japan (740.00115A PW/4-345).

⁶³ *Foreign Relations*, 1944, vol. v, p. 1059.

⁶⁴ Not printed.

4. Japan will communicate to the Swiss Legation within the period desired by the United States the route, schedule, departure and characteristics of *Awa Maru*.

Swiss Legation Tokyo adds that Japan prepared dispatch *Awa Maru* to Nakhodka middle of April.⁶⁵

HARRISON

740.00115 PW/5-845: Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 8, 1945.

[Received May 16—6 p. m.]

A-695. American Interests—Japan. Foreign Office note, May 4, states according information received from Swiss Legation Tokyo special permit must be obtained from Japanese Finance Ministry for every monthly relief payment higher than 300 yen per family.

For several months these permits were delivered with great delays and permits for February and March only obtained beginning of April after numerous requests.

These delays cause great prejudice to interested persons as relief payments barely cover expenses for one month. Therefore recipients have been obliged to sell first necessity articles to obtain indispensable funds.⁶⁶

HARRISON

711.94114 Supplies/5-945: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 9, 1945.

[Received May 9—3: 18 p. m.]

2672. American Interests—Far East. Legation's 2125, 11th. Swiss note May 7 states that according telegram May 5 from Swiss Legation, Tokyo, it has been informed by Japanese Foreign Office that Japanese Government decided abandon plan outline[d] owing sinking *Awa Maru*.⁶⁷ Japanese informed Soviet Government of this decision.⁶⁸

HARRISON

⁶⁵ For documentation concerning the sinking of the *Awa Maru* by a United States submarine on April 1, see pp. 460 ff.

⁶⁶ In telegram 3484, July 9, 6 p. m., the Minister in Switzerland reported that permits authorizing payments exceeding 300 yen monthly were being granted without delay as a result of representations by the Swiss Legation in Japan (740.00115 PW/7-945).

⁶⁷ For further effects on Japanese policy of the sinking of the *Awa Maru*, see telegram 3349, June 28, 4 p.m., from Bern, and footnote 71, p. 350.

⁶⁸ In a memorandum of June 4, Mrs. Alice B. Correll of the Special War Problems Division informed Assistant Secretary of State MacLeish that "a cargo of relief supplies is now at Vladivostock awaiting onward shipment to Japan". (740.00117 PW/6-745)

740.00115A PW/7-145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 1, 1945—10 a. m.

[Received 1:47 p. m.]

3378. China—Am[erican] Interests. Legs 1420, March 6.⁶⁹ FonOff notice June 27 states during interview June 16 between Gorgé and Suzuki ⁷⁰ latter confirmed Jap Govt not able for political reasons permit Switzerland pay relief to Shanghai Filipinos. Suzuki added Filipinos already receiving relief in kind from Jap authorities.⁷¹

HARRISON

711.94114A/7-245 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 2, 1945—3 p. m.

[Received July 3—1:55 a. m.]

3393. Am[erican] Interests—Japan. Substance FonOff note June 29 follows:

During discussion June 16 between Gorgé and Suzuki latter stated financial relief POWs and civilian internees territory occupied by Jap was no longer possible.

Actually camp commanders all declared now impossible accept sums for individual periodic relief for purchase necessities because actually nothing available on free market. In rare cases only possible at detriment civil population.

Gorgé states regard foregoing that impossibility to purchase supplementary necessities confirmed to him by POWs.

Suzuki added Jap disposed examine possibility send relief in particular cases citing as example Christmas. Possible also consider assuring feeding more permanent manner [for] example through purchase heads beef. Gorgé remarked to Suzuki that if really impossible purchase anything transmission of considerable relief in effect useless. Simultaneously he emphasized obligation Jap make special effort

⁶⁹ Not printed.⁷⁰ Koichi Suzuki, Chief of the Foreign Interests Section in the Japanese Foreign Office.⁷¹ In telegram 3817, August 6, 2 p. m., the Minister in Switzerland reported that a written communication had been sent by the Japanese Foreign Office to the Swiss Legation in Japan, stating that it was "difficult admit in principle Swiss representatives assist Philippine and Indian nationals occupied China" because the "Philippine Government" and the "Provisional Government of Free India" were formally recognized by Japan. The communication stated further that Japan, "in agreement govts mentioned, supports indigent Philippine and Indian nationals". (740.00115 PW/8-645) In telegram 2723, September 12, to Bern, the Department expressed its "desire Filipinos Shanghai be afforded protection and necessary relief by Fontanel pending assumption that function by US Govt". (390.0015/9-545)

assure sufficient food POWs and civilian internees. Suzuki replied Jap would do all possible.

HARRISON

740.00115A PW/7-945: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 9, 1945—4 p. m.

[Received 7:20 p. m.]

3481. Am[erican] Interests—Japan. Legs 3320, June 26.⁷² Swiss note July 6 states through May situation favorable [for] Black Market purchases behalf Futatabi internees with special credit authorized Dept's 1439, Apr. 12.⁷³ Thus far two credits utilized retroactively for Feb and March. Since June 5 raid, Kobe prices increased repeatedly practically impossible purchase anything. During same raid substantial quantity food intended Futatabi camp concentrated Swiss Consulate, Kobe, destroyed.

HARRISON

711.94114 Supplies/7-1345: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 13, 1945—3 p. m.

[Received 10:47 p. m.]

3553. Japan—American Interests. Legation's A-821 June 21⁷³ and previous. Foreign Office note July 11 gives following substance interview July 3 Gorgé and Suzuki. Gorgé drew attention grave uneasiness food problem POWs and civilian internees result existing food shortage.

Gorgé recalled question regarding civilian internees capable settlement by further repatriation. However situation POWs doubtless worsen unless supplies received via Siberia. Gorgé insisted that in authorizing transport by *Awa Maru* food, medicines, other articles lacking POWs, Japanese Government had not shown generosity but merely taken measure permitting it to substitute this measure for its obligations toward POWs whose minimum well-being properly as-surable by Japanese.

Gorgé had impression Suzuki recognized justice these statements but latter nevertheless recalled difficulties raised by numerous Japa-

⁷² Not printed; it reported that Mr. Gorgé was again intervening with the Japanese authorities regarding food, bathing facilities, clothing, cigarettes, and relief parcels at the camp for civilian internees at Futatabi (740.00115A PW/6-2645).

⁷³ Not printed.

nese circles as result employment *Awa Maru* this purpose. These circles believed Japan itself should assume all responsibility maintenance POWs its proper means. Following torpedoing *Awa Maru*, Suzuki anticipated stronger opposition and Gorgé unable envision presently sending another vessel Nakhodka.

Suzuki failed comment regarding manner remedy situation. Gorgé believes despite efforts Japanese Government increase production potatoes, grave food shortage may be anticipated and internees and POWs will suffer as all Japanese population.

HARRISON

740.00115 PW/7-1645 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 16, 1945—10 a. m.

[Received 8 : 30 p. m.]

3579. Legt's 3143 June 12.⁷⁴ Complete report telegraphed by Fontanel received under cover Foreign Office note July 12 of which following substance translation.

Report indicates food situation internees rather alarming. In subsequent telegram Fontanel discloses distress greater among protected persons not interned because since several months received no funds for payment relief. Actually Foreign Office awaiting agreement Jap to technical means proposed for transfer funds relating financial relief occupied China.

In meantime Fontanel states obliged contract debts guaranteed by future remittance funds and he thus envisions following measures assistance noninterned and interned :

1. Noninterned. Fontanel paid April relief during June on basis amounts authorized 100,000 CRB dollars ⁷⁵ per person. He states this amount completely insufficient, adding if not prevented by difficulties obtaining financial advances he will pay shortly May relief base 400,000 CRB dollars per person and will follow this payment short intervals by June and July relief base 400,000 and 500,000 CRB dollars per person. Thus he can settle sums overdue which have caused great difficulties and heavy indebtedness beneficiaries who only able obtain indispensable funds at interests rates from 30% to 40% monthly. Fontanel estimates that relief indicated above represents absolute indispensable minimum considering actual living costs. He states great number noninterned suffer undernourishment and requests medical care, hospitalization representing enormous expense have reached

⁷⁴ *Ante*, p. 74.

⁷⁵ Central Reserve Bank notes issued by the Japanese-sponsored regime at Nanking.

alarming proportions during last month. These requests are supported by doctors.

2. Internees. Following action taken improve camp conditions:

a. Despatch great quantities foodstuffs for collective preparation meals to supplement insufficient Jap rations;

b. Provision extent possible comfort supplies instead comfort money for distribution camps on following base per person per month:

I. Food (English pounds): Sugar $\frac{1}{2}$, bacon $\frac{1}{2}$, cracked wheat 5, rice 2, drybeans 3, potatoes 3, green vegetables 1, salt $\frac{1}{4}$, pepper $\frac{1}{20}$, curry powder $\frac{1}{50}$, dryfruit 1, tea $\frac{1}{4}$, meat $\frac{3}{4}$, total costs foregoing actual prices approx 500,000 [55,000] CRB dollars;

II. Comfort supplies: Eggs 30, peanut butter 1, jam 1, honey 1, bacon 1, cigarettes 300, matches 1 box, toilet soap $\frac{1}{2}$, washing soap 1, toilet paper 1 roll, dental tube 1, sugar 1, tea $\frac{1}{4}$, approx cost 75,000 CRB dollars.

Fontanel emphasizes, to present, beneficiaries have signed repayment promises for amounts advanced as comfort money in camps but he considers preferable not raise question promises reimbursement comfort supplies because would certainly result complication with Japs. He explains that quantities indicated above provisional subject adjustment according local market-conditions which become extremely precarious.

Additionally Fontanel endeavoring obtain delivery 1 pint milk daily children below 6 years and adult sick. Also doing all possible continue meet requests special foodstuffs, medicines, shoes, clothing, general camp equipment and cleaning and other articles greatly needed internees.

Measures indicated above taken particularly camps region Shanghai and Yangchow camp. Fontanel indicated representatives outports take similar measures if circumstances permit. Because precarious postal communications not aware exact situation outports but believes generally better than Shanghai.

Full report following airmail.⁷⁶

HARRISON

711.94114A/7-2145: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 21, 1945.

[Received July 21—5:15 p. m.]

3644. Am[erican] Interests—Japan. Legation's 3393, July 2. FonOff note July 19 states Jap FonOff gave following info Gorge concerning suspension relief.

⁷⁶ Despatch 12134, July 18, not printed.

1. Financial assistance must cease all POW camps including metropolitan Japan, Thailand and all CI⁷⁷ camps under military control within regions occupied Jap troops.⁷⁸

2. Relief requests in suspense no longer subject consideration.

Following this reply Gorgé made pressing request Jap Govt authorize new dispatch relief either by Red Cross vessel or by Nakhodka.

HARRISON

711.94114 Supplies/8-445 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, August 4, 1945.

2457. Request Swiss to communicate the following proposal to Jap Govt:⁷⁹

"The United States Government is becoming increasingly concerned over the situation of American prisoners of war and civilian internees held in Japan and Japanese-occupied territory.

The Japanese Government has repeatedly stated that its treatment of prisoners of war and civilian internees is humanitarian and in accordance with principles of international law.

Undoubtedly the Japanese Government desires, therefore, to return prisoners of war and civilian internees in its custody in good physical condition at the end of hostilities. Realizing, however, that the Japanese Government may experience increasing difficulty in obtaining proper foods and medicines for prisoners of war and civilian internees in its custody, the United States Government proposes the following:

1. That the Japanese Government authorize suitably identified American aircraft to fly to areas in the vicinity of camps where Allied nationals are held for the purpose of delivering food and medical supplies for the occupants of such camps.

2. That such food and medical supplies be delivered either by parachute or by landing them at airports designated by the Japanese Government.

3. That the Japanese Government indicate the markings which aircraft engaged in these relief missions should carry and the routes which they should follow in reaching areas designated by the Japanese Government for the delivery of supplies.

⁷⁷ Civilian internee.

⁷⁸ Clarification of the Japanese decision was made by the Minister in Switzerland in despatch 12421, August 27; it stated: "Minister Gorgé has informed the Swiss Foreign Office that the Japanese Government refuses to authorize any financial action in favor of prisoners of war and internees under military control" and "that all civilian internee camps are under military control except camps in Metropolitan Japan, Manchukuo and Shanghai (with the exception as regards Shanghai of that at Haiphong Road)". (711.94114A/8-2745)

⁷⁹ In airgram A-1050, September 10 (711.94114 Supplies/9-1045), the Minister in Switzerland reported that the contents of telegram 2457 were conveyed to the Japanese Foreign Office on September 3. For documentation on the surrender of Japan, see pp. 621 ff.

4. That the Japanese Government accord safe conduct to the aircraft engaged in these missions.

5. That the Japanese Government authorize flights in adequate numbers to permit the delivery of supplies in sufficient quantities to insure the health of all prisoners of war and civilian internees in its custody.

6. That the Japanese Government indicate its acceptance of this proposal through the protecting Power and thereafter use shortwave radio broadcasts to indicate to the American authorities the places to which supplies should be delivered, the routes to be followed by the American aircraft, and the date and hour when the flights should be undertaken.

7. That the Japanese Government authorize neutral representatives to ascertain from time to time that supplies delivered by aircraft are actually being received by Allied prisoners of war and civilian internees.

If the Japanese Government accepts the proposal set forth above, the United States Government agrees on its part as follows:

1. To devote such aircraft as used in the delivery of supplies for prisoners of war and civilian internees exclusively to the transportation of these supplies while under safe conduct for this purpose.

2. To give widespread publicity to the humanitarian gestures of the Japanese Government in authorizing the delivery of relief supplies to prisoners of war and civilian internees in its hands.

The United States Government would appreciate receiving the urgent reply of the Japanese Government to this proposal and in the event that it is accepted, the American authorities will be prepared to implement this plan as rapidly as is operationally feasible.

This proposal is not intended as a substitute for any pending proposals envisaging the shipment of relief supplies and correspondence by ship or other surface means of transportation. This proposal is intended to supplement those proposals by making possible the immediate forwarding by air of urgently needed relief supplies pending the inauguration of regular shipments of relief supplies and correspondence by other means at which time it is contemplated that supplies will be moved by air only to such places where Allied nationals are held as may not be readily accessible by surface transportation."

GREW

711.94114 Supplies/9-1345 : Telegram

The Acting Secretary of State to the Acting Political Adviser in Japan (Atcheson)

WASHINGTON, October 5, 1945—5 p. m.

16. In Nov 1944 Jap Govt employing *Hakusan Maru* picked up at Nakhodka approx 2,000 tons relief supplies sent from US for Allied nationals in Jap custody. On return to Japan some supplies off-loaded Rashin. Remainder of cargo allocated for camps Japan, North China, and southern areas. Supplies for North China camps

transported to Shanghai and Tsingtao in *Hosi Maru*. Supplies for southern camps forwarded in *Awa Maru* which was to off-load supplies at Formosa, Hong Kong, Indo-China, Sumatra, and Java.

In arranging with Jap Govt for this operation US Govt agreed pay all transportation and distribution costs.⁸⁰

Prior to Jap surrender three requests for reimbursement were received totaling approx \$153,000. Payment was authorized through Swiss Govt. Subsequent to surrender two claims have been received totaling approx \$135,000.⁸¹ Payment of latter two items has not yet been made.

It is desired that Jap Govt be instructed by the Allied Supreme Command to submit immediately final and detailed summary of all expenses claimed to have been incurred in connection this operation including those for which payment has already been made. Lump sum statements heretofore rendered are not satisfactory. Summary should include statement that it is definitive and that no further claims will be presented.

If question raised by Japs, it should be stated that this inquiry has no reference to claims arising from *Awa Maru* disaster. That matter will be considered subsequently.

No commitment should be made as regards settlement these claims. For your info it has not yet been decided whether payment these claims will be made directly or whether claims will be considered in connection with reparations.

ACHESON

711.94114 Supplies/11-2945

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 77

TOKYO, November 29, 1945.

[Received December 11.]

SIR: I have the honor to refer to the Department's telegram 16, October 5, 1945 in regard to Japanese claims for expenses in connection with the shipment of relief supplies from Nakhodka to various camps under Japanese control.

There are enclosed copies of two Headquarters directives dated October 13 and November 16, 1945⁸² instructing the Japanese Government to submit a final and detailed summary of all expenses claimed

⁸⁰ See telegram 3582, October 20, 1944, to Bern, *Foreign Relations*, 1944, vol. v, p. 1062.

⁸¹ In airgram A-1126, October 4, the Chargé in Switzerland reported two further Japanese requests for reimbursement totaling 48,618.48 yen. The airgram was received October 12. (711.94114 Supplies/10-445)

⁸² Neither printed.

in that connection. There is also enclosed a signed copy of a summary submitted by the Japanese Government under date of November 20, 1945.⁸³ According to this summary the Japanese claim a balance due them of ¥728,407.04. It is stated in the summary that the Japanese Government has already requested through the Swiss Government the payment of ¥1,176,981.28 of which amount ¥599,467.70 have been received through the Swiss Government.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00115 PW/11-2945 : Airgram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, November 29, 1945.

[Received December 7—9: 10 a. m.]

A-1240. American Interests—China. Swiss Foreign Office note, November 28, transmits following information received from Swiss Consulate General Shanghai concerning disposition of relief supplies destined civilian internee camps in China.

Swiss Consulate Shanghai made agreement with British, American and Netherlands representatives and gave all its supplies estimated CRB \$2,240,000,000 to British Consulate General. Latter took necessary steps to have supplies distributed through British Red Cross.

Accordingly Swiss Consulate General credited American Interests Account with portion which had been charged against American Government at time stocks were constituted.

Swiss Consulate General adds relief payments in Shanghai region resumed by British, American and Netherlands Consulates beginning with October. It has, however, no definite information regarding out-ports. It assumes relief payments will still have to be made by its representatives for October and November.

HARRISON

⁸³ Not printed; the summary set forth total claims of ¥1,327,874.74 (Swiss Fr. 1,354,283.24), of which ¥150,893.46 had not yet been demanded, and stated that no further claims would be presented. The exchange rate was given as ¥98.05 for Swiss Fr. 100. (711.94114 Supplies/11-2945)

In a memorandum of December 29 to Assistant Secretary Donald S. Russell, Albert E. Clattenburg, Assistant Chief of the Special Projects Division, recommended that "the balance of this claim be considered as an off-set against reparation claims against the Japanese". The matter was submitted to the Secretary's Staff Committee which approved the recommendation on January 22, 1946. (711.94114 Supplies/12-2945)

EFFORTS BY THE UNITED STATES TO ARRANGE A THIRD EXCHANGE
OF AMERICAN AND JAPANESE NATIONALS ⁸⁴

711.94115 Exchange/1-1145

The Department of State to the Spanish Embassy

MEMORANDUM

The Department of State has received with great interest the information embodied in the memorandum (No. J.5, Ex. 115.000-G) dated January 11, 1945 ⁸⁵ from the Spanish Embassy in charge of Japanese interests in the continental United States that the Japanese Government expects to carry out an exchange of nationals between Japan and the United States this year and is prepared to give special consideration to the repatriation of Japanese nationals held at the Tule Lake Relocation Center, Newell, California.

The Department awaits with interest the more detailed proposals which the Japanese Government will undoubtedly, in view of the above memorandum, soon submit. ⁸⁶

WASHINGTON, January 18, 1945.

711.94115 Exchange/2-645

The Spanish Embassy to the Department of State ⁸⁷

MEMORANDUM

No. 19

Ex. 115.000 G

The Spanish Embassy presents its compliments to the Department of State and with reference to its Memorandum No. J-5 (Ex. 115.000 G) dated January 11, 1945, stating that "in view of the special nature of the Tule Lake Segregation Center, the Japanese Government is prepared to give special consideration to the repatriation of the Japanese subjects detained in that Center".

The Spanish Embassy now wishes to inform the State Department that the Imperial Japanese Government has replied to the American news broadcast of January 23, 1945, that its Memorandum should not be interpreted as a formal proposal to the State Department, but

⁸⁴ Continued from *Foreign Relations*, 1944, vol. v, pp. 1081-1099.

⁸⁵ For text, see Department of State *Bulletin*, January 28, 1945, p. 132.

⁸⁶ The Japanese communication was transmitted to Bern in telegram 286, January 18, 7 p. m., with a request that the Swiss Minister in Japan (Gorgé) "obtain additional information with regard to the Japanese Government's plans for the exchange to enable the American Government to answer questions raised by Japanese nationals at Tule Lake Relocation Center" (711.94115 Exchange/1-1845).

⁸⁷ The Department made acknowledgment of this memorandum on February 15.

solely as a promise to the internees at Tule Lake to the effect that should a new exchange take place, they would be given "special consideration".

WASHINGTON, February 6, 1945.

711.94115 Exchange/3-2645 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, March 26, 1945—7 p. m.
[Received March 26—6: 18 p. m.]

1795. American Interests—Japan—Civilian Exchange. Department's 286, January 18.⁸⁸

Swiss note March 24 states that during recent conversation with Secretary, Foreign Interests Section of Japanese Foreign Office, Gorgé insisted that Japan reply to proposals of American Government. Gorgé stresses that it was not possible during conversation to obtain positive statement but that spokesman once again confirmed that competent Japanese authorities will not neglect the problem and expressed the hope that decision will soon be made on the basis of one of American proposals, envisaging use of neutral vessel which would be taken over at designated port by Japanese crew. Japanese official added that possibility of using vessel of small tonnage which would have proceeded to Goa had long been contemplated but finally abandoned because vessel was no longer available. Gorgé's informant finally stated that Japanese authorities were especially examining possibility of effecting a second British exchange which should precede another American exchange because only one British exchange thus far concluded. Gorgé reports that his discussion had been difficult because Japanese officials constantly alleged that solely military authorities were competent.

HARRISON

711.94115 Exchange/5-945 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 9, 1945.
[Received May 9—8: 35 p. m.]

2671. American Interests, Japan. Legation's 1795, March 26. Swiss note May 5 states that Gorgé during conversation with Minister Suzuki, Chief of Foreign Interests Section, Japanese Foreign Office, was informed that he had hoped to find practical solution for second British exchange and later for third American exchange but that all

⁸⁸ Not printed ; but for summary, see footnote 86, p. 419.

plans for effecting these exchanges have been made much more difficult as result *Awa Maru* sinking.⁸⁹

HARRISON

711.94115 Exchange/7-145: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 1, 1945—9 a. m.

[Received 2:38 p. m.]

3377. Am[erican] Interests—Jap. Leg's 2671, May 9. FonOff notice June 28 states Gorgé during interview June 16 with Suzuki drew latter's attention to numerous postponements and consequently his hope realize civilian exchange fading.

Suzuki replied evasively and repeated that examination Brit proposition to place two exchange vessels Jap disposition never completely abandoned. However, this suggestion having been made through Intercross⁹⁰ and never having been presented through protecting power Gorgé not informed and therefore unable discuss with Suzuki this proposal.

Gorgé believes that if Brit Govt were not disposed to renew through official channels the nonofficial offer made through Intercross (offer of two exchange vessels) question might be taken up in form examination possibility exchange through Siberia.

HARRISON

711.94115 Exchange/7-145: Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

WASHINGTON, July 20, 1945—8 p. m.

2357. Urtel 3377 July 1. Gorgé should be requested report grounds for suggesting exchange through Siberia at this time. Dept had understood from earlier reports facilities not available overland or sea transportation any appreciable number exchangees to Siberia. If Gorgé now believes any real progress could be made Dept would like his views for use in shaping proposals.

GREW

⁸⁹ For documentation on the sinking of this Japanese vessel by an American submarine, see pp. 460 ff.

⁹⁰ International Committee of the Red Cross.

711.94114A/7-2145

*The Acting Secretary of State to Senator Warren R. Austin
of Vermont*

WASHINGTON, July 23, 1945.

MY DEAR SENATOR AUSTIN: I refer to our telephone conversation on July 21, 1945 concerning the exchange of General Wainwright⁹¹ and other American prisoners of war in Japanese custody.

As I pointed out, the question of the relief and exchange of American prisoners in Japanese hands has been constantly a preoccupation of the Department since the earliest days of the war. The Department has exercised its utmost endeavors to bring about exchanges of American prisoners in Japanese custody for Japanese in American custody, in addition to the two exchanges that have already been carried through. The British have had only one exchange with the Japanese so far. The attitude of the Japanese toward the question of further exchanges has been characterized by utter indifference and they have seized upon every pretext to avoid discussion of our many and various exchange proposals. In spite of this attitude the Department nevertheless is persisting in its efforts to obtain Japanese agreement to further exchanges. For your personal information a new exchange proposal is being formulated to include the group of recently captured Japanese officials⁹² which, it is hoped, will help to stimulate Japanese interest in the subject. This proposal is at present, of necessity, being coordinated with our Allies. It is expected that it will be possible to present the proposal to the Japanese at an early date. The success or failure of this new project will depend, of course, on the attitude that the Japanese Government adopts toward it. Without Japanese agreement and cooperation it is of course impossible to repatriate Americans who are held by the Japanese.

The capture of the aforementioned group of high-ranking Japanese officials in Europe, we believe, has definitely strengthened our bargaining position in endeavoring to arrange for further exchanges. These Japanese officials will be used to the fullest extent possible to benefit all Americans in Japanese custody.

With reference to the specific problem of obtaining the release of General Wainwright, the question has been raised whether he would wish to be given preference over his fellow prisoners of war, particularly the sick and the wounded, and many vigorous letters from the public have protested the erroneous newspaper report that he would

⁹¹ Lt. Gen. Jonathan M. Wainwright, Commander of United States Forces in the Philippines, March-May, 1942.

⁹² In Europe; for information on arrangements made by the United States for the detention of these officials, see Department of State *Bulletin*, July 8, 1945, p. 54.

be asked for by name in an exchange. It is not impossible, however, that he might be included sooner or later in a general exchange for reasons which will be explained below.

Up to now the Department has been inhibited by lack of any ground in law or international custom from endeavoring in exchange negotiations to obtain Japanese agreement to the inclusion of American prisoners of war, other than the sick and wounded and sanitary personnel. However, with the completion of a period of three years of captivity by many American prisoners of war, particularly those who were captured in the Philippine campaign of 1941-42, it is hoped successfully to invoke the principle of Article 72 of the Geneva Convention⁹³ relating to the repatriation of prisoners of war who have undergone a long period of captivity. If it be possible to obtain Japanese assent to the inclusion of American prisoners of war in such exchange operations as it may be feasible to arrange, it is believed that no American would wish priority allotted prisoners of war except upon medical grounds. Under this plan General Wainwright would of course receive consideration with his fellow prisoners of war in accordance with the broad directives laid down for the selection of American prisoners of war eligible for exchange.

If you have not already seen the Department's summary of the efforts put forth to procure the exchange of Americans in Japanese custody, I should like to invite your attention to the enclosure⁹⁴ on this subject.

Sincerely yours,

JOSEPH C. GREW

[In a meeting on August 8 between officers of the Special War Problems Division and the British Embassy, it was agreed that two proposals on repatriation would be submitted to the Japanese Government. In the first, the offer of a vessel by the United States to Japan (first made in telegram 2425, July 31; see bracketed note, page 464) was reiterated, the vessel to be used in a continuing series of voyages until all repatriable persons on both sides were exchanged. The proposal urged repatriation of all Allied civilians and of all Allied prisoners of war who were sick, wounded, captive for at least three years, or of protected status. The second repatriation proposal affected Japanese officials captured in Germany.]

Draft communications to the Japanese Government were prepared in the Department on August 9 and August 19 (711.94115 Exchange/-8-845). Neither communication was delivered, presumably because of the end of hostilities with Japan on August 14.]

⁹³ Signed July 27, 1929, *Foreign Relations*, 1929, vol. I, pp. 336, 353.

⁹⁴ Not attached to file copy.

711.94115 Exchange/8-1045 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 10, 1945—11 a. m.

[Received 9:08 p. m.]

3851. American Interests—Far East. Your 2357, July 20. Fon-Off note August 6 states Gorgé replies during numerous interviews Jap officials latter did not hide that further civilian exchange had continually been deferred because difficulties obtain vessel. Situation this regard further aggravated result development military operations. Gorgé thought to gain time advisable insist that repatriation by groups be organized across Siberia because after great effort he believed impossible obtain Jap agreement further exchange by vessel.

Gorgé believes his position stronger if he could state Soviet Govt disposed assist repatriation via Siberia and if he had been able indicate method execution this plan. Nevertheless, he indicated repatriation via Siberia difficult under actual conditions result incessant bombardments ports and communications.

Problem having become most urgent result food shortage, Gorgé intends again discuss question insisting Jap reply proposals of interested govts. He will simultaneously raise question that if as result shipping shortage further exchange by sea not envisioned there remains possibility repatriation by groups via Siberia. He will likewise insist that question relief supplies via Nakhodka⁹⁵ be again examined.

Note adds Dept 2425, July 31⁹⁶ duly transmitted Swiss Legt Tokyo for information Jap Govt.

HARRISON

**PROTESTS BY THE UNITED STATES AGAINST JAPANESE ATTACKS
ON HOSPITAL SHIPS**

740.00117 PW/1-645 : Telegram

The Acting Secretary of State to the Chargé in Switzerland (Huddle)

WASHINGTON, January 16, 1945.

245. Please request Swiss Foreign Office to deliver following message to the Japanese Government:

“(1) On July 6, 1944 the Japanese Government acknowledged receipt of notification that the USS *Comfort* was designated as a United States hospital ship.

⁹⁵ For documentation on the sending of relief assistance by way of Soviet territory, see vol. v, pp. 1053 ff., *passim*, and *Foreign Relation, 1944*, vol. iv, pp. 1159 ff.

⁹⁶ See bracketed note, p. 464.

On October 24, 1944 at 0200 local time in the vicinity of latitude 08-50 North, longitude 128-50 East, the *Comfort* was attacked by a Japanese aircraft. At the time of attack the *Comfort* was proceeding at a slow speed. The vessel was conventionally painted as a hospital ship and fully lighted with two illuminated crosses on deck and four on the stack.

During this attack upon the *Comfort* three bombs were dropped, two of which landed close aboard.

(2) On July 14, 1944 the Japanese Government acknowledged receipt of notification that the USS *Hope* was designated a United States hospital ship.

On December 3, 1944 at 1600 local time at latitude 09-36 North, longitude 128-21 East, the *Hope* was attacked by a Japanese torpedo plane. This attack was made in daylight on a conspicuously marked hospital ship. Following this deliberate attack the attacking Japanese aircraft retired toward Mindanao.

(3) The United States Government emphatically protests against the above-described attacks upon the hospital ships *Comfort* and *Hope*, such attacks representing flagrant violations of the Tenth Hague Convention of 1907⁹⁷ as well as those principles, customs, and usages of international law attached to hospital ships. The United States Government insists that the Japanese Government give its assurances that attacks by the Japanese armed forces upon hospital ships will not be repeated in the future and that those persons responsible for the above-mentioned attacks on the *Comfort* and *Hope* have been punished."

Please request Swiss representative to telegraph date of delivery of this communication to the Japanese Government and date of Japanese acknowledgment thereof.⁹⁸

GREW

[In telegrams 1798, May 14, 1968, June 5, and 2046, June 15, to Bern, the Department requested the Swiss Government to deliver messages to the Japanese Government protesting, respectively, attacks by Japanese aircraft on the hospital ships USS *Comfort* on April 28, 1945, the USS *Solace* on April 30, 1945, and the USS *Relief* on April 2, 1945. The content of these protests paralleled that of telegram 245, printed *supra*.

In a message to the Japanese Government giving additional details concerning the attack of April 28 on the USS *Comfort*, the Department noted that a Japanese pilot had crashed his plane on board the vessel and then stated: "There was found in the wreckage of the

⁹⁷ Signed October 18, 1907, *Foreign Relations*, 1907, pt. 2, p. 1229.

⁹⁸ In telegram 771, February 3, the Chargé in Switzerland reported delivery of this communication to the Japanese Foreign Office on January 29 (740.00117-PW/2-345). In telegram 2942, May 29, the Minister in Switzerland (Harrison) reported that the Japanese Foreign Office had informed the Swiss Legation in Japan that an investigation was in progress (740.00117 P.W./5-2945).

crashed aircraft a Flight Intelligence document which listed two hospital ships among other ships present off Okinawa on the afternoon preceding the attack upon the *Comfort*. The fact that two hospital ships were included in a list of combatant ships in that area indicates that no effort was made to impress attacking Japanese pilots with the immunity of hospital ships. On April 9, 1945, at approximately 1500 local time, a Tokyo broadcast announced that the Japanese are justified in bombing hospital ships in as much as they are being used to repair ships and for the purpose of returning wounded men to the fighting fronts. The United States Government states emphatically that its hospital ships are not being used for repair or any other purposes not permitted by strict interpretation of the terms of the Geneva Convention relative to use of hospital ships" (telegram 2038, June 15, to Bern). The reference is to the Convention, signed at The Hague, October 18, 1907, for the Adaptation to Maritime Warfare of the Principles of the Geneva Convention of July 6, 1906, for the Amelioration of the Condition of the Wounded in Armies in the Field. The texts of the two Conventions are printed in *Foreign Relations*, 1907, pt. 2, pages 1229-1235, and *ibid.*, 1906, pt. 2, pages 1559-1565, respectively.

The files of the Department of State do not contain any Japanese replies to protests by the United States against attacks on American hospital ships.]

PROTESTS BY THE UNITED STATES AGAINST ATTACKS BY JAPANESE NAVAL FORCES ON SURVIVORS OF TORPEDOED AMERICAN MERCHANT VESSELS⁹⁹

195.7 *Jean Nicolet*/1-1745

The Acting Secretary of State to the Secretary of the Navy (Forrestal)

WASHINGTON, February 2, 1945.

MY DEAR MR. SECRETARY: I acknowledge the receipt of your letter of January 17, 1945 referring to the Department's letter of December 13, 1944¹ with which there was transmitted to the Navy Department the text of a protest addressed by the United States Government to the Japanese Government² regarding an attack on July 2, 1944 by a Japanese submarine upon the United States merchant vessel *Jean Nicolet* and the treatment which was subsequently accorded the survivors of that ship by the officers and crew of the Japanese vessel.

⁹⁹ Continued from *Foreign Relations*, 1944, vol. v, pp. 1175 ff.

¹ Neither printed.

² See telegram 4184, December 12, 1944, to Bern, *Foreign Relations*, 1944, vol. v, p. 1176.

I have now been informed that the United States protest with respect to this matter was delivered on January 5, 1945 to Minister Suzuki, Chief of the Enemy Interests Section, Japanese Foreign Office, by one of the assistants of Mr. Gorgé, Swiss Minister at Tokyo, under cover of a letter from the Minister.

It is noted that views of the Department of State are requested on the proposal that a broadcast be made in plain language to the Pacific Fleet of the cruelties to which the crew of the *Jean Nicolet* was subjected by the Japanese. In the opinion of the Department there do not seem to be any justifiable grounds on which the Japanese Government could raise objections to a broadcast to our own fleet.

The Department has also given consideration to the proposal that the story be broadcast to the people of Japan from the radio station at Saipan. The Department does not wish to do anything at this time which might endanger the successful conclusion of an exchange whereby we could bring our people home.³ A communication from the Japanese Government has been recently forwarded to the Department of State by the Spanish Embassy at Washington⁴ in charge of Japanese interests in the continental United States stating that the Japanese Government is carefully considering an exchange of nationals between Japan and the United States and expects to carry out the exchange within this year.

The efforts put forth by the Department of State for the repatriation of American nationals in Japanese custody have been many and continuous but without much response from the Japanese Government. This is the first indication that the Department's efforts to overcome the indifference of the Japanese Government may be bearing fruit and that after long delay, Japan may now be ready to enter negotiations for the repatriation of American nationals. It is believed that a broadcast to the Japanese people giving the story of the savage behavior of the Japanese submarine personnel toward the crew of the *Jean Nicolet* might be considered by the Japanese Government an "Atrocity Campaign". From the manner in which the Japanese Government has reacted in the past to such publicity it is not at all unlikely that the Japanese Government would use what they term our "Atrocity Campaign" as a pretext for not entering into negotiations for the proposed exchange.

I also note that the Japanese Government appears to be giving the United States protest regarding the *Jean Nicolet* detailed consideration. Evidence of this is a recent communication received through the Swiss Government according to which the Japanese Government

³ For documentation on efforts to arrange a third exchange of American and Japanese nationals, see pp. 419 ff.

⁴ See footnote 86, p. 419.

requests further information regarding the latitude of the attack.⁵ This Department is of the view that it would be undesirable to emphasize the attack on the *Jean Nicolet* in such a way as to cause the Japanese Government to give an unsatisfactory response to the protest. For these reasons the Department of State is of the opinion that it would be better not to make the broadcast to Japan at this time.

With reference to your request that the Navy Department be informed regarding what action, if any, has been taken, or is being taken, by the British Government with respect to similar atrocities committed against the crews of British ships by what appear to be the same submarine commander and crew, this Department is addressing a communication to the British Embassy at Washington⁶ and I shall inform you promptly regarding the nature of the reply received.⁷

Sincerely yours,

JOSEPH C. GREW

195.7 *Richard Hovey*/1-3145 : Telegram

The Acting Secretary of State to the Chargé in Switzerland (Huddle)

WASHINGTON, February 12, 1945.

679. Request Swiss Foreign Office to deliver following message verbatim to Japanese Government in reference to Department's telegrams 2043, June 14, 1944 and Legation's 8041, December 8, 1944:⁸

"Concerning United States protest regarding the Japanese attacks upon survivors of torpedoed *Richard Hovey*, the United States Government notes that the Japanese Government, after a reported thorough examination of the facts involved, states that no action has been revealed corresponding to that set forth in the protest under reference.

"The evidence stated in the protest of the United States Government was specific. Statements of survivors who witnessed the attack are of unchallenged validity. The United States Government, therefore, reserves all rights in the matter."

⁵ Telegram 451, January 22, 9 a. m., from Bern, not printed. The Department's reply, in telegram 550, February 2, 4 p. m., stated that the position given in the protest represented the considered consensus of the survivors and was "sufficiently exact so that, with the conclusive evidence of the attack given in the protest, the responsible Japanese submarine and crew can be fully identified". (195.7 *Jean Nicolet*/1-2245)

⁶ Letter of February 2, not printed.

⁷ The British Embassy's reply of April 10 stated: "His Majesty's Government protested to the Japanese Government through the Protecting Power regarding the treatment accorded by the Japanese to survivors of merchant ships torpedoed in the Indian Ocean, and the Japanese Government replied that their submarines had nothing to do with the incidents complained of. The Foreign Office have under consideration the question of a further protest on the subject." A copy of the British Embassy's letter was transmitted to the Secretary of the Navy on April 25. (195.7 *Jean Nicolet*/4-1045)

⁸ *Foreign Relations, 1944*, vol. v, pp. 1175 and 1176, respectively.

The Swiss Minister at Tokyo should be requested to telegraph date of delivery to Japanese Government.⁹

GREW

195.7 *Jean Nicolet/5-2645*: Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, May 26, 1945.

[Received May 26—11 p. m.]

2920. Am[erican] Interests—Japan. Department's 4184, December 12.¹⁰ Swiss note May 25 gives in translation following Japanese reply telegraphed May 24 by Swiss Legation, Tokyo:

“Serious investigations made by competent authorities were unable disclose any act corresponding similar accident. Japanese Government takes occasion reaffirm that all Japanese warships, boats and vessels strictly observe laws of war.”

HARRISON

THE TREATMENT OF JAPANESE NATIONALS BY THE
UNITED STATES¹¹

740.00115 PW/1-2545

The Swedish Minister (Boström) to the Secretary of State

The Minister of Sweden in charge of the Japanese interests in the Territory of Hawaii presents his compliments to the Honorable, the Secretary of State and has the honor to forward herewith, copy of a cablegram dated January 23, 1945, containing a renewed protest from the Japanese Government in reply to the note of the Department of State of March 25, 1944, No. 740.00115, Pacific War/2257¹² concerning the treatment of Japanese civilians, interned in the Territory of Hawaii after the outbreak of the war in December 1941.

WASHINGTON, January 25, 1945.

[Enclosure]

The Japanese Government to the Swedish Government

Japanese Government ask you transmit United States Government following renewed protest and wish obtain United States Government's reply as soon as received.

⁹ In telegram 1320, March 1, the Minister in Switzerland reported delivery of the message on February 21 (195.7 *Richard Hovey/3-145*).

¹⁰ *Foreign Relations*, 1944, vol. v, p. 1176.

¹¹ Continued from *Foreign Relations*, 1944, vol. v, pp. 1099 ff.

¹² *Foreign Relations*, 1944, vol. v, p. 1106.

Japanese Government have carefully perused United States Government's reply of 25th March 1944 to their protest concerning treatment of Japanese subjects in Hawaii. In first paragraph of United States Government's reply it is stated that United States Military Authorities in Hawaii did not have to use handcuffs in arresting and transporting Japanese subjects. But according information received from most reliable source Tokuye Takahashi, physician, who was arrested on 7th December, 1941, at 4:30 p. m. was handcuffed when he was taken from his home to a *Gendarmerie* station by motorcar, and two other Japanese subjects Messrs. Seigan Saito and Minetaro Hori who were escorted in same car were fastened together with a pair of handcuffs. Many other Japanese subjects were also handcuffed.

The place where these Japanese subjects were detained for 3 days after their arrest was an immigration station converted into a *Gendarmerie* station. Rooms were secured with iron doors and windows with equipments for preventing escape.

After taking in Japanese subjects doors were locked. Sleeping place consisted of three-storied bunks and two or three persons had to sleep in one bunk. Internees were not allowed go out except for meals which they were compelled take on lawn irrespective of weather. Only physical exercise they were allowed to take was a walk to and from the place where they took meals three times a day and it scarcely occupied an hour a day.

As regards second paragraph of United States Government's reply concerning imposition of compulsory labour on Japanese internees those who returned to Japan by exchange ship¹³ report that at Sand Island Internment Camp guards compelled Japanese internees at point of gun to engage in construction of fences and transport of timber. For two weeks at least after outbreak hostilities authorities of camp imposed compulsory labour on Japanese internees. Captain Ifler superintendent of camp frankly admitting unlawfulness of compulsory labour imposed on and other unjust treatment accorded to Japanese internees there during said period subsequently took steps to arrange for their labour to be of voluntary nature.

In regard to fourth paragraph of United States Government's reply concerning treatment of Japanese subjects during their transport to American continent those who returned to Japan by exchange ship state that first group of Japanese subjects transported from Hawaii to American continent were stowed away in steerage which was entirely shut off from sunshine. Wall facing corridor was a metal net

¹³ For documentation on the two exchanges of American and Japanese nationals, see *Foreign Relations*, 1942, vol. I, pp. 377 ff., and *ibid.*, 1943, vol. III, pp. 867 ff.

of about one inch mesh and door of similar construction was locked as soon as Japanese entered. There being no toilet facilities in the room it was so arranged that the guard should come and unlock door every four hours to enable internees to go to lavatory. But guard shirked his duty and often failed to appear at appointed time. Japanese internees some of whom suffering from diarrhea when unable to withstand the urgent call of nature had to implore or offer some cigars or other presents to guard in order to induce him to unlock door. As result of their request for supply of chamberpots two garbage cans and two or three small buckets were brought in. Internees stood in queues waiting for their turn to do their needs and afterward they had to take the vessels out and dispose of their contents. They were provided with no facilities for washing their faces nor was any water supplied for the purpose.

Japanese Government present to United States Government a strong protest against above-mentioned unjustifiable insults and inhuman maltreatment to which United States authorities have subjected innocent Japanese civilians. While reserving all rights relating to the matter Japanese Government call for conscientious consideration on part of United States Government and desire them to institute more thorough and accurate investigation and Japanese Government expect to be notified of result of such investigation.

740.00115 P.W./1-1845

The Department of State to the Spanish Embassy

MEMORANDUM

The Department of State informs the Spanish Embassy in charge of Japanese interests in the continental United States that the general exclusion orders by which persons of Japanese ancestry have been excluded from the West Coast of the United States since early in 1942¹⁴ have been rescinded. The Commanding General of the Western Defense Command rescinded the mass exclusion orders on December 17, 1944, thereby restoring freedom of movement within the coastal areas to all persons of Japanese ancestry, including Japanese nationals, with the exception of a limited number of individuals to whom individual exclusion orders are being issued. The orders of the War Department which controlled the egress of persons of Japanese ancestry from the War Relocation Authority centers have also been revoked as of January 20, except as they still apply to persons resident in the centers who have been designated by the War Department for

¹⁴ For documentation on this subject, see *Foreign Relations*, 1943, vol. III, pp. 1046 ff., *passim*.

further control. The War Relocation Authority has also revoked its Leave Regulations.

There are enclosed for the Embassy's information copies of the following statements relating to the rescinding of the exclusion orders:¹⁵

- a.* Public Proclamation No. 21, issued December 17, 1944, by the Commanding General of the Western Defense Command.
- b.* Statement by the War Department, December 17, 1944.
- c.* Statement by the Secretary of the Interior.
- d.* A Message from the Director of the War Relocation Authority.

A great majority of the alien evacuees are now free to leave the centers at any time. Most of them will be eligible to return to the Pacific Coast area as well as to relocate in other parts of the United States. The War Relocation Authority proposes to extend substantially the same assistance to persons eligible to return to their former homes on the West Coast as it extends to persons wishing to relocate elsewhere. The staff of the War Relocation Authority in the States of Washington, Oregon, and California is being enlarged to assist with this work and the program of the War Relocation Authority in other States is being continued.

Relocation assistance will be provided for citizens and aliens alike in order to facilitate their orderly absorption into normal communities. Relocation assistance will be of the following types:

1. Counselling assistance from trained welfare counselors to help families develop relocation plans to fit their individual circumstances.
2. Financial assistance to individuals and family groups who leave centers on the basis of approved relocation plans. This will include (*a*) grants to cover the cost of transportation to destination, and (*b*) grants in the case of need to cover subsistence costs en route and initial expenses at the point of relocation.
3. Free movement of household goods and personal effects to point of relocation.
4. Property management assistance to evacuees in regaining possession of business and residential properties and in reestablishing themselves.

In addition, other assistance made available through public agencies to the population generally will be available to relocating evacuees.

¹⁵ All enclosures are found with a letter of August 6, 1945, from the War Relocation Authority to the Department of State (not printed). For texts of enclosures *a*, *b*, and *c*, see 10 *Federal Register* 53, press release of December 17, 1944, by the War Department, and press release of December 18, 1944, by the Department of the Interior, respectively. Enclosure *d* not printed.

Thus the facilities of the United States Employment Service and the War Food Administration may be utilized in connection with securing employment. Credit accommodations may be sought from the Reconstruction Finance Corporation, the Federal Security Agency, and the Farm Credit Administration. Resources of the appropriate Federal, State, and local housing agencies will be available in locating living quarters. The regular welfare programs carried on by the Federal Security Agency and State and local agencies will be applicable to dependent and handicapped evacuees needing special assistance; in this connection Congress has appropriated supplementary funds for the special purpose of providing relief and assistance to persons who have been affected by wartime restrictions.

It will be noted by the Spanish Embassy that the great majority of the Japanese nationals residing in the War Relocation Authority centers are now free to leave at any time and that they will be given assistance in finding a place to live and means of support.

WASHINGTON, February 5, 1945.

740.00115 P.W./1-2745

The Department of State to the Spanish Embassy

MEMORANDUM

The Department of State refers to the memorandum dated December 11, 1944 (No. 252, Ex. 150,000) from the Spanish Embassy¹⁶ in charge of Japanese interests in the continental United States transmitting a memorandum from the Japanese Government with reference to the alleged employment of Japanese civilians on Saipan on the construction of military airfields. In the Department's acknowledgment of December 22,¹⁷ the Embassy was informed that this matter was receiving consideration and that a further communication would be addressed to the Embassy with regard thereto.

Investigation of this allegation has disclosed that the article which appeared in the August 28, 1944 issue of *Newsweek* was grossly inaccurate concerning the statements made with regard to the employment of civilians on Saipan. Civilian internees held on Saipan have not been employed on airfield construction nor are they forced to perform labor.

WASHINGTON, February 20, 1945.

¹⁶ *Foreign Relations*, 1944, vol. v, p. 1145.

¹⁷ Not printed.

740.00115 PW/4-1845

*The Acting Secretary of State to the Secretary of the Treasury
(Morgenthau)*

WASHINGTON, June 5, 1945.

MY DEAR MR. SECRETARY: The Department of State has received a telegram from the American Legation at Bern in which it is stated that the Legation received a letter from the International Committee of the Red Cross at Geneva, stating that the Japanese Red Cross has requested that arrangements be made for the distribution for relief to interned Japanese civilians in the United States of 60,000 Swiss francs and for assistance to Japanese presently in Mexico of 89,222.50 Swiss francs. It was proposed that the Delegates of the International Committee of the Red Cross in the United States and Mexico respectively distribute currency to the officers in charge of the camps and that purchases should be made by the beneficiaries themselves. The International Committee of the Red Cross at Geneva has asked to be informed by this Government whether transfers directly to the United States and Mexico are possible.

I believe that retaliatory measures will be taken against United States nationals in the Far East¹⁸ if this proposed transmission of funds to Japanese interned in the United States is not permitted.

I should therefore appreciate it if the Treasury Department would issue and send to the Department of State for transmission to the Delegate of the International Committee of the Red Cross in the United States a license permitting the International Committee of the Red Cross in the United States to receive from the Department of State a check drawn on the Treasurer of the United States for the counter value in dollars of the sum of 60,000 Swiss francs deposited to the credit of the Special Swiss Franc Account in favor of the American Legation at Bern with the Swiss National Bank and to disburse such funds to the officers in charge of internment camps in the United States where Japanese civilians are interned.¹⁹

The Department of State instructed the American Embassy at Mexico City to inform the Mexican Government of the proposal by the International Committee of the Red Cross at Geneva regarding the proposed remittance to Mexico and to ascertain whether the Mexican Government would agree to permit such a remittance to be made.

¹⁸ For documentation on efforts by the United States to send financial and other assistance to American nationals held by Japan, see pp. 407 ff.

¹⁹ No reply from the Secretary of the Treasury found in Department files. However, the Foreign Funds Control of the Treasury Department issued a license on June 14 to the International Committee of the Red Cross in the United States to receive from the Department of State the dollar equivalent of 60,000 Swiss francs for the purpose requested.

The Embassy has informed the Department of State that it has received a communication from the Mexican Ministry for Foreign Affairs in which it is stated that although in its opinion the distribution of such funds among Japanese civilians in Mexico is unnecessary, the appropriate Mexican authorities are prepared to consider the matter again on the basis of a request from the International Red Cross, or from the Power protecting Japanese interests in Mexico.

Sincerely yours,

For the Acting Secretary :

JULIUS C. HOLMES

Assistant Secretary

740.00115 PW/8-745

The Acting Secretary of State to the Swedish Minister (Boström)

The Acting Secretary of State presents his compliments to the Honorable the Minister of Sweden in charge of Japanese interests in the Territory of Hawaii and refers to the Minister's note dated January 25, 1945, transmitting a renewed protest from the Japanese Government concerning the treatment of Japanese civilians interned in the Territory of Hawaii and the conditions of transport of Japanese nationals from Hawaii to the continental United States.

The Government of the United States points out that the Japanese Government's protest is a repetition of complaints that have been transmitted previously to the American Government which were the subject of the Department's communications of March 25, 1944, and July 21, 1944, to the Legation.²⁰

The preparation of these communications was preceded by an exhaustive investigation, lasting over a period of many months, regarding the treatment of Japanese nationals in the Territory of Hawaii after the outbreak of hostilities and regarding the conditions under which Japanese nationals were transported to the continental United States. As the Legation was informed, the investigation indicated that Japanese nationals were humanely and considerately treated.

There is enclosed a memorandum²¹ which refers to a memorandum dated May 11, 1944, from the Spanish Embassy²² then in charge of Japanese interests in the continental United States. The Legation will note that the memorandum refers in part to the treatment of Japanese nationals in the Territory of Hawaii. It is thought that this memorandum and the information furnished the Legation in the Department's communications of March 25, 1944, and July 21, 1944,

²⁰ *Foreign Relations*, 1944, vol. v, pp. 1106 and 1115, respectively.

²¹ Dated August 7, p. 363.

²² Memorandum J-96, Ex. 119.01, not printed; but see *Foreign Relations*, 1944, vol. v, p. 942, footnote 32.

may be considered a full reply to the statement of the Japanese Government transmitted under cover of the Legation's communication under reference.

It would be appreciated if the Minister of Sweden would cause the enclosed memorandum to be transmitted to the Japanese Government since the Spanish Embassy no longer represents Japanese interests in the continental United States and is not in a position, therefore, to forward the memorandum to the Japanese Government.

WASHINGTON, August 7, 1945.

740.00115 PW/8-645

The Department of State to the Swiss Legation

MEMORANDUM

The Department of State transmits for the information of the Swiss Legation in charge of Japanese interests in the continental United States a statement, with enclosures, prepared by the War Relocation Authority of the United States Department of the Interior, concerning the present situation of Japanese nationals residing in War Relocation Centers. Reference is made in connection with the enclosed statement to a recent telephone conversation between Mr. Weingartner of the Legation of Switzerland and Mr. Marcy of the Department of State during the course of which Mr. Weingartner requested information regarding War Relocation Centers in the United States.

If the Legation of Switzerland desires further information regarding War Relocation Centers the Department of State will be pleased to endeavor to obtain such information.

It is suggested that for the present the Legation of Switzerland send communications destined for the War Relocation Authority or Japanese evacuees in War Relocation Centers through the special War Problems Division of the Department of State which will promptly forward them.

The information contained in the attached statement with its enclosures is for the information of the Swiss Legation and it is requested that it not be communicated to the Japanese Government.

WASHINGTON, August 17, 1945.

[Enclosure]

Statement Prepared by the War Relocation Authority

[WASHINGTON,] August 6, 1945.

The following observations are submitted for the information of the Swiss Legation which may find them of interest:

In the first place, following the evacuation it was necessary for the War Relocation Authority to give major attention to providing food, clothing, housing, medical care, and other necessities to the persons whose evacuation from the West Coast was ordered by the military authorities. To this end relocation centers were established as places of temporary residence pending relocation. Almost immediately, however, provision was made for the relocation of some of the evacuees. In 1943 nearly 17,000 left centers on indefinite leave, and a considerable number left centers for temporary periods to engage in various types of work or to take care of miscellaneous personal business outside of centers. In 1944 an additional 18,500 left the centers on a permanent basis and several thousand left the centers temporarily to work or to take care of personal business.

In 1943 it became evident that there was a sharp cleavage between certain groups of evacuees. A majority adhered to the American way of life. Their sons enlisted in, or were drafted into, the American Army, and in various ways they lent their support to the American war effort and programs. Another group, on the other hand, by refusal to accept induction into the armed services through Selective Service procedure (applicable only to citizens), by requesting exchange to Japan, and by various other means, indicated their adherence to Japanese ideology and nationalistic aims. In the interest of maintenance of order in the Centers, and for the good of the great mass of evacuees, it became necessary, therefore, to designate one of the centers as a segregation center to which a majority of the pro-Japanese group were transferred. This was the period of "Segregation."

The program of the Authority, up to this time, including Segregation, is summarized in Senate Document No. 96²³ entitled "Segregation of Loyal and Disloyal Japanese in Relocation Centers," two copies of which are enclosed herewith, as Enclosure 1.

In December of 1944 an entirely new development occurred, consistent with the progress of the war, namely, the rescinding of the exclusion orders by the Commanding General of the Western Defense Command of the U.S. Army. This development permitted a renewed emphasis upon relocation and required the reshaping of a number of our policies in order that the evacuees might take their places as promptly as possible in the main currents of American life.

The principal policy change involved was a decision to close all relocation centers, other than Tule Lake, within six months to one year after revocation of the mass exclusion orders. With the great majority of the evacuees free to return to their former homes or resettle anywhere else in the United States, the Authority felt that it

²³ 78th Cong., 1st sess.

was neither necessary nor desirable to operate the centers beyond a period which would make reasonable allowance for resettlement of the remaining population. Three years of experience in managing the centers had indicated clearly that they could not and should not be more than temporary shelters. Isolated as they have unavoidably been from the main currents of American life, the centers have always been abnormal communities, destructive of initiative, self-respect, and personal dignity. Their effect on the people living in them, and particularly on the young people of school age, has been to retard rather than accelerate both their personal development and their adjustment to American social and economic life. Moreover, the acute manpower shortage and the plentiful employment opportunities for evacuees throughout the nation made it doubly desirable to complete the relocation job and liquidate the centers at the earliest practicable date. Accordingly, the Authority enlarged its relocation staff and now maintains 57 offices serving the principal cities, States, and production areas in the United States. The field offices expedite relocation, assist in locating housing, and provide for the various types of assistance evacuees need in regaining their position as self-reliant, self-supporting members of American society.

These changes and announcements are documented and explained by enclosures numbered 2, 3, 4, and 5.²⁴

At the present time certain persons are precluded from returning to their homes or from relocating in the United States generally. The War Department, through the Western Defense Command, has excluded certain individuals from the West Coast Areas and has required that certain others be detained. Most of those ordered detained are already at Tule Lake and the remainder are to be transferred there in the very near future. The result will be that as soon as this transfer has been accomplished, every person at any of the other centers will be free to leave and will not in any sense be detained. Consequently, visits by the representatives of the Protecting Power to Centers other than Tule Lake should no longer be necessary.

As indicated above, we are convinced that the welfare of the evacuees requires their absorption into American life as soon as possible. Quite recently we have worked out a definite schedule for closing the centers on a gradual basis between October 15 and December 15 of the current year. Our reasons for taking this action have already been indicated briefly and are set forth in some detail in enclosures 6 (see pages 12 and 13 especially) and 7. Our field staff is prepared to meet the many and varied problems involved in assisting individual families to accomplish their individual relocation.

²⁴ See documents itemized in the memorandum of February 5 to the Spanish Embassy, p. 431, and footnote 15, p. 432.

The original evacuation affected approximately 110,000 persons of Japanese ancestry, two-thirds American citizens, and one-third alien. As of March 31, 1945, there were approximately 74,800 residents of centers, of whom 58 per cent were citizens and 42 per cent were aliens. Enclosure 8 presents these data by Centers. Enclosure 9 is the most recent report, "Net Absences on Leave by Center," and presents the current picture on relocation, which in recent weeks has averaged in the neighborhood of 1,000 per week.

740.00115 PW/9-645

The Department of State to the Swiss Legation

MEMORANDUM

The Department of State refers to a memorandum dated September 6, 1945, with enclosure, from the Legation of Switzerland²⁵ in charge of Japanese interests in the United States except the Territory of Hawaii, concerning the situation of certain Japanese nationals resident at War Relocation Centers who desire to be repatriated to Japan at an early date. The communication from the Legation points out that the question uppermost in the minds of many Japanese nationals desiring repatriation is to ascertain what arrangements have been made to take care of them and their families until such time as their repatriation is possible.

The Legation is informed that the United States authorities are giving active consideration to the possibility of arranging for the early repatriation to Japan of Japanese nationals desiring repatriation. In the meantime and in view of the cessation of hostilities, arrangements are being made to enable Japanese nationals who have been resident at Relocation Centers to move from them and live in complete freedom. The United States Government cannot assume responsibility for the care of Japanese nationals until their repatriation merely because they do not wish to remain in the United States.

WASHINGTON, September 20, 1945.

740.00115 PW/9-545

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, September 21, 1945.

MY DEAR MR. SECRETARY: At Bedford Springs, Pennsylvania, the Department of State has under detention approximately 160 Japa-

²⁵ Not printed.

nese nationals²⁶ who were apprehended in Germany and brought to this country to be exchanged for United States and United Nations nationals as well as to be used in psychological warfare against Japan. The agreement with the management of the Bedford Springs Hotel calls for the use of the premises for a minimum period of four months which will expire on November 5, 1945. In order to avoid unnecessary expenditure of public funds and to remove from this country a group whose detention here is no longer warranted, it is hoped that the War Department can arrange for these Japanese to be accommodated on a vessel leaving for Japan as soon as possible after November 5 as well as for the reception of the group by the United States forces in Japan. It is possible that some members of the group may qualify as war criminals.

The group referred to in the foregoing paragraph constitutes only a small portion of the number of Japanese in this country and in this hemisphere who should promptly return to Japan. It is appreciated, however, that in the initial stages of occupation and in the present shipping situation the transportation to Japan and reception there of very large groups is probably not feasible. This matter has, however, been taken up with the American Consul General at Manila for discussion with General MacArthur's²⁷ staff in a telegram, a paraphrase of which I attach for your convenience.²⁸

I should greatly appreciate any information you can provide me in the foregoing matter. There is a great deal of popular pressure in Western Pennsylvania for the removal of the Japanese at Bedford Springs at the earliest possible date.

Sincerely yours,

DEAN ACHESON

[On October 3, Acting Secretary of State Acheson sent a further communication to the Secretary of War which cited advice from the Consul General at Manila that General MacArthur had "no objection to the evacuation of those Japanese in the United States when it can be accomplished without displacing replacement personnel en route to Japan". The communication also expressed Mr. Acheson's belief that the Canadian Government, which had borne the burden of interning its own Japanese nationals throughout the course of the war, "should be accorded as good facilities as the United States Government in dealing with the disposal of such persons". (740.00115 PW/9-2745)]

²⁶ For Department's statement of June 25 on the detention of Japanese officials, see Department of State *Bulletin*, July 8, 1945, p. 54.

²⁷ General of the Army Douglas MacArthur, Supreme Commander, Allied Powers in Japan.

²⁸ Not printed.

740.00115 PW/10-2245

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, October 22, 1945.

MY DEAR MR. SECRETARY: Reference is made to your letters dated 21 September and 3 October 1945,²⁹ SWP 740.00115 PW/9-545 and SWP 740.00115 PW/9-2245, and to my interim reply of 15 October 1945,³⁰ concerning the general subject of the repatriation of Japanese nationals held in the United States and Canada.

The War Department has now received General MacArthur's concurrence in the immediate return to Japan of the group of approximately 160 Japanese nationals now held at Bedford Springs, Pennsylvania, and the subsequent return of all Japanese nationals held by the United States and Canadian Governments, whom it is desired to repatriate, subject only to the availability of shipping space. General MacArthur further states that the local situation in Japan, so far as concerns receiving these repatriates, can be accommodated to any decision reached in Washington as to the actual timing of their return.

The operating responsibility in the War Department in this matter has been assigned to The Provost Marshal General,³¹ and it is accordingly suggested that the interested officials in your Department communicate directly with this officer in order to make the necessary arrangements for the actual movement of these individuals.

Sincerely yours,

ROBERT P. PATTERSON

740.00115 PW/10-845

The Department of State to the Swiss Legation

MEMORANDUM

The Department of State acknowledges the receipt of a memorandum dated October 8, 1945 (Ref. No. IX-11) from the Legation of Switzerland³⁰ in charge of Japanese interests in the United States except Hawaii, presenting various questions concerning the eventual reunion of Japanese internees with their relatives in relocation centers for subsequent repatriation to Japan.

It has always been the policy of the War Relocation Authority and the Department of Justice in so far as possible to keep Japanese family units intact. As a result of this policy very few Japanese family units now interned are broken. An exception to this rule does exist, however, in the case of certain Japanese nationals removed from the

²⁹ Letter of October 3 not printed; but for summary, see bracketed note, *supra*.

³⁰ Not printed.

³¹ Brig. Gen. Blackshear M. Bryan, Jr.

Tule Lake Relocation Center as a consequence of their efforts to disturb the peace of that community.

The Legation will understand that the logistic problem of repatriating Japanese is a serious one and that the difficulties involved will probably preclude the reunion of some individuals with their family units before their departure from this country.

The Department is unable to confirm the oral statement accredited to an official of this Department to the effect that repatriation of persons who are, or have been held, in relocation centers is no longer under consideration in view of the fact that with the termination of the war an end has been made to the exchanges of American against Japanese civilians.³³ The Legation is correct in its understanding that the termination of hostilities has rendered unnecessary negotiations for the exchange of American against Japanese nationals. As the matter now stands, policy with regard to the repatriation of Japanese nationals who are, or have been, accommodated in relocation centers has not been definitely determined and repatriation in a particular case will probably be governed by the circumstances surrounding that case.³⁴

WASHINGTON, October 22, 1945.

711.94115/12-1345

The Acting Secretary of State to the Chairman of the House Committee on Immigration and Naturalization (Dickstein)

WASHINGTON, December 18, 1945.

MY DEAR MR. DICKSTEIN: I refer to my letter of October 4, 1945,³⁵ concerning H. R. 1444, a bill "To provide for the deportation of Japanese aliens."

It is the view of the Department that H.R. 1444, providing for the deportation of all Japanese nationals who on the seventh day of December 1941, were subjects of the Government of Japan, with the exception of those Japanese nationals closely related to persons

³³ For documentation on efforts by the United States to arrange a third exchange of American and Japanese nationals, see pp. 419 ff.

³⁴ A further memorandum on this subject was sent to the Swiss Legation on November 5. It stated: "The American authorities working on the plans for the repatriation of Japanese nationals are endeavoring in every way practicable to keep family units together and to reunite the few units which have been broken. It is probable that the men who were removed from the Tule Lake Relocation Center because of their efforts to disturb the peace of that community will be permitted to rejoin their families at the port of departure. It should be understood that the practical difficulties in carrying out repatriation operations at this time will be many and that there may be exceptions to the general policy mentioned above because of these practical considerations." (740.00115 PW/10-845)

³⁵ Not printed.

who served in the armed forces of the United States during the war between the United States and Japan, is too comprehensive in covering certain categories of Japanese nationals and not sufficiently so to include others who might advisably be included.

The terms of the bill would require the deportation from the United States of all Japanese nationals except those closely related to persons who served in the armed forces of the United States during the war between the United States and Japan. Many of the Japanese nationals to whom a deportation law such as the one proposed would apply are persons long resident in the United States who could not attain the right of citizenship because of the laws of this country but whose loyalty to this country has been firmly established. They were not considered dangerous during the war period and many of them have contributed indirectly to the prosecution of the war against Japan. Furthermore the bill would disregard the claim on the gratitude of the people of the United States of the hundreds of Japanese who have taken a direct and important part in the war effort against Japan. These people have willingly sacrificed their standing in their native land for the sake of American ways of life. The bill would also call for the deportation of the parents of American citizens who, because of age or physical disabilities, could not serve in the armed forces of the United States. Thousands of family units might be broken by the operation of the provisions of the proposed legislation.

Japanese nationals, who were not considered dangerous, together with American nationals of Japanese ancestry were evacuated from the west coast under the terms of Public Proclamation Number 1, dated March 2, 1942. On December 17, 1944, the mass exclusion orders were revoked through the issuance by Major General Henry C. Pratt, Commanding General of the Western Command, under the terms of Public Proclamation Number 21. A pertinent paragraph of the Proclamation reads:

"The revocation order provides that any person of Japanese ancestry about whom information is available indicating a pro-Japanese attitude will continue to be excluded on an individual basis. Those persons of Japanese ancestry whose records have stood the test of Army scrutiny during the past two years will be permitted the same freedom of movement throughout the United States as other loyal citizens and law abiding aliens."

Since the proclamation was issued, the Government has spent large sums trying to find new homes for these people and has even assisted them to return to the west coast. Many Japanese nationals have in this way reentered the stream of American life and it would not appear to be consistent with the relocation policy now to deport them to Japan.

Many persons of Japanese ancestry, who were born in the United States and thus acquired American citizenship, renounced their American citizenship after December 7, 1941. Yet the deportation of such renunciants would not become mandatory if the proposed bill becomes law.

In view of the foregoing, I believe that the passage of the bill as it has been drafted might cause grave injustice in many instances.

Finally, I cannot refrain from expressing grave doubts in regard to the moral aspects of a proposal to eject from our community, solely on racial grounds, an element in our population which can rightfully claim an enviable record during the war period for industry, law observance, and loyalty to their adopted land. I fear that the bill would violate long established and valuable principles which have guided the people of this country since the founding of the republic.

I suggest that you ask for the recommendations of the Department of Justice and the War Relocation Authority with regard to this matter as those agencies have had many more contacts with the Japanese alien residents of the United States during the past five years than this Department has had.

I am enclosing for your information four statements³⁶ issued by various offices which have been concerned with the segregation in the United States of Japanese nationals that may be of interest to you in considering H.R. 1444.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.³⁷

Sincerely yours,

DEAN ACHESON

**PROTESTS BY JAPAN AGAINST ATTACKS BY THE UNITED STATES
ON HOSPITAL AND OTHER SHIPS³⁸**

740.00117 P.W./1-1845

*The Spanish Embassy to the Department of State*³⁹

MEMORANDUM

No. 8

Ex. 150.000

The Spanish Embassy presents its compliments to the Department of State, and with reference to its Memorandum No. 245 of December 4, 1944,⁴⁰ has the honor to transmit below a memorandum received

³⁶ None printed; see documents itemized in the memorandum of February 5 to the Spanish Embassy, p. 431, and footnote 15, p. 432.

³⁷ H. R. 1444 was not reported out of Committee; see *Congressional Record*, vol. 91, pt. 14, p. 840.

³⁸ For previous documentation on protests by Japan against attacks by the United States on hospital ships, see *Foreign Relations*, 1944, vol. v, pp. 1147 ff.

³⁹ The Department made acknowledgment on January 24.

⁴⁰ *Foreign Relations*, 1944, vol. v, p. 1164.

from the Japanese Government through the "Ministerio de Asuntos Exteriores"⁴¹ of Madrid, in which it complains further of the attack made on the Japanese hospital ship *Tatibana Maru*:

MEMORANDUM—January 17, 1945.

"With reference to protest filed by Japanese Government with United States Government against unlawful attack made by United States Air Force on Japanese Hospital ship *Tatibana Maru*, on 6th November last off Capones Lighthouse in Philippines, Japanese Government inform United States fact established from detailed reports which have since been received from front, and in addition to their previous protest, hereby present protest to United States Government against same;—

As soon as United States planes appeared above Manila on 5th November, at 7:30, *Tatibana Maru*, which was then at anchor in port of Manila, sailed out to west to avoid any possible danger, and when she was sailing eastward at point sixteen (16) miles to west of port at 12:45 o'clock, two United States planes (single engined, apparently Graman [*Grunman?*] fighters), coming from direction of starboard side of ship, machinegunned from above stern towards portside upper-deck from altitude of about one hundred metres. As result of this attack man on watch duty at portside end of bridge was killed, and sixty odd bullets hit Red Cross marks, funnel, lifeboats, and bridge."

WASHINGTON, January 18, 1945.

740.00117 P.W./1-1845

The Spanish Embassy to the Department of State

MEMORANDUM

No. 9

Ex. 150.000

The Spanish Embassy presents its compliments to the Department of State and has the honor to transmit below a memorandum received from the Japanese Government through the "Ministerio de Asuntos Exteriores" of Madrid, in which it complains of the attack made on the Japanese hospital ship *Kikawa Maru*:

MEMORANDUM—January 17, 1945

"1—While Japanese hospital ship *Kikawa Maru* with sick and wounded aboard was sailing about thirteen miles off west coast of Bataan Peninsula on 25th November, 1944, she was, in latitude 14 (Fourteen) degrees north and longitude 120 (one hundred and twenty) degrees east at about 8.50 A. M. and then machine-gunned on deck and bridge.

Again at about 9:20 A. M. on same day she was machine-gunned on central part near funnel by two United States planes from altitude of

⁴¹ Ministry for Foreign Affairs.

one thousand two hundred metres. On account of said bombings and machine-gunning, several persons including surgeons were injured, and ship and her equipment seriously damaged. Though ship fortunately escaped sinking, subsequent navigation, as well as nursing of sick and wounded, was extremely hampered.

2.—At time of both above-mentioned attacks, weather was fine, visibility good, and sea calm. Ship was clearly painted, and identification marks were quite distinct. Therefore she could not have been mistaken for any other thing than hospital ship. She was sailing alone, and there was not other ship in the vicinity. Therefore she could not have been accidentally bombed. It is perfectly evident that United States planes repeatedly attacked her deliberately and intentionally with full knowledge of her being hospital ship.

Name of ship had been formally notified to United States Government according to Convention of 1907 for adaptation of principles of Geneva Convention to maritime war.⁴²

Japanese Government hereby present protest to United States Government against violation of rules of International law relation to war perpetrated again by United States planes. Japanese Government, while reserving all right relating to matter, demand of United States Government punishment of those concerned and guarantee for prevention of recurrence of similar outrages.”

WASHINGTON, January 18, 1945.

740.62114/1-2145

The Secretary of State to the British Ambassador (Halifax)

The Secretary of State presents his compliments to His Excellency the British Ambassador and has the honor to refer to the Embassy's *aide-mémoire* of November 30, 1944⁴³ and to other correspondence relative to the recent interception of the German hospital ships *Tuebingen* and *Gradisca* when en route between Trieste and Salonika in order to evacuate German sick and wounded.

The Department is now informed that the *Gradisca* was intercepted by British naval authorities on January 20, 1945, when traveling between Crete and Trieste for the purpose of evacuating German sick and wounded from the former.

The United States Government fully appreciates that the decisions of the British naval authorities in intercepting the hospital ships referred to appear to be defensible in the light of existing international law and in the light of the particular interests of the British Government as measured against the situation prevailing in European waters. It is further recognized that the actions referred to represent independent policies of the British Government in which the

⁴² Signed at The Hague, October 18, 1907, *Foreign Relations*, 1907, pt. 2, p. 1229. The convention for the amelioration of the condition of the wounded in armies in the field was signed at Geneva, July 6, 1906, *ibid.*, 1906, pt. 2, p. 1559.

⁴³ Not printed.

United States Government has not associated itself or been asked to associate itself. Nevertheless the United States Government is not without misgivings regarding the effect of the execution of these policies upon the general protection and immunities which may in the future be accorded hospital ships either in other theaters of the present conflict or in any other wars which may unfortunately occur. In particular the United States Government feels that the effect upon the Japanese Government of such policies respecting German hospital ships is a proper subject for speculation since the impact of any Japanese reaction may be felt largely by United States hospital ships. In the event that the Japanese were to decide to follow the British policy manifested in the interception of the *Gradisca* and the *Tuebingen* there is no assurance that they would feel a compulsion to distinguish between vessels evacuating the sick and wounded of beleaguered garrisons and those evacuating other sick and wounded.

In view of the foregoing it is the considered view of the United States Government that an endeavor should be made to establish a common understanding between the United States and British Governments with a view to achieving a standard of practice such as to minimize the likelihood that the enemy may endeavor to bring retaliation upon British and United States hospital ships upon the pretext of treatment accorded their corresponding vessels.

Pending an exchange of views regarding the considerations set forth in the above paragraph, the United States Government suggests, with respect to the German sick and wounded aboard the *Gradisca* and in the event that they are taken to an Allied port, that a Mixed Medical Commission should be established at that place which would determine which of the individuals aboard the *Gradisca* are not repatriable and thus should be taken into custody as prisoners of war.

WASHINGTON, January 31, 1945.

740.00117 P.W./B-345

The Spanish Embassy to the Department of State

MEMORANDUM

No. 33

Ex. 150.000

The Spanish Embassy presents its compliments to the Department of State and with further reference to its Memorandum No. 97 of May 11, 1944 and State Department's Memorandum No. 740.00117 Pacific War/111 dated July 27th, 1944,⁴⁴ regarding the attack and

⁴⁴ *Foreign Relations*, 1944, vol. v, pp. 1158 and 1162, respectively.

sinking of the Japanese Hospital ship *Buenos Aires Maru*, by American planes, begs to transcribe below a new complaint that has been received today from the Japanese Government through the "Ministerio de Asuntos Exteriores" of Madrid regarding this same matter :

"MEMORANDUM—March 2, 1945—With reference to second reply of United States Government concerning sinking of Japanese hospital ship *Buenos Aires Maru*, Japanese Government have made further investigations and received further reports from survivors of disaster, and according to same, while confirming assertions made in first, second protests, refute allegations of United States Government as follows :

1. While it is estimated by Japanese Authorities that attack was made from an altitude approximately of 1200 metres, United States Government allege that altitude was 700 feet high. But whichever case, Red Cross mark over deckhouse of hospital ship was, as mentioned in previous protest, 36 metres by 40 metres, and distinctly discernible from an altitude of 6000 metres.

United States reply denies that Red Cross marks of ship were recognizable on basis of photograph taken at time of attack, stating that total impression is not of a Geneva cross but of lines, shadows, and so forth. But it must be pointed out that what can be easily recognized by naked eye does not always appear so clearly in a photograph, since in letter [*latter?*], dark colors and shadows show themselves very boldly. Above-mentioned impression is supposed to have resulted from unevenness of roof of deckhouse and condition of light. There can be no doubt that vivid contrast of colors between white painted deck and red cross marks over it, made latter clearly recognizable to naked eye in spite of any shadows.

In view of circumstances at time of attack which were described in two former protests, Japanese Government are unable to understand how United States Government could contend that 'Hospital ship marking of vessel were not apparent until after attack had been made'.

2. United States reply states that lifeboats were attacked as there were no identity marks on them. But, as was stated in previous protest, they were painted white and there were green bands and red cross marks on them. Most of wounded and sick soldiers in lifeboats were [*wore?*] white clothes bearing [apparent omission] have been unmistakably discerned as that they were, otherwise United States planes which circled over lifeboats on 29th November and forenoon of 1st December would not have refrained, as they did, from attacking. Allegation that victims had weapons is entirely unfounded. Japanese hospital ships are not armed at all, and weapons for selfdefense (swords and pistols) in possession of wounded and sick soldiers are kept in custody. At time of incident, it was necessary for commanding officers to carry pistols to protect wounded and sick soldiers from sharks, but there were none drifting on sea who had weapons with them.

3. Result of investigation as stated above has established that the explanations given in second United States reply do not in least release United States Government from responsibility for unlawful sinking of *Buenos Aires Maru*.

Therefore, in spite of all explanations made by United States Government to avoid responsibility, Japanese Government hereby notify to United States Government their final and definite conclusion that there exists full criminality on part of United States Government concerning the matter, and once again declare that they reserve all rights relating to matter."

WASHINGTON, March 3, 1945.

740.00117 E.W./3-845

The British Ambassador (Halifax) to the Acting Secretary of State

No. 118

Ref 705/9/45

His Majesty's Ambassador presents his compliments to the Acting Secretary of State and has the honour to refer to Mr. Stettinius' note of the 31st of January last regarding the interception of the German hospital ships *Tuebingen* and *Gradisca* while en route between Trieste and Salonika in order to evacuate German sick and wounded.

In his note under reference Mr. Stettinius stated that the United States Government fully appreciated that the decisions of the British Naval authorities in intercepting the hospital ships referred to were defensible in the light of international law but that, nevertheless, the United States Government had some misgivings regarding the effect of the execution of these policies upon the general protection and immunities which may be accorded hospital ships in other theatres of the present conflict or in any other wars which may unfortunately occur.

Under instructions from His Majesty's Principal Secretary of State for Foreign Affairs,⁴⁵ Lord Halifax now has the honour to inform Mr. Grew that in the view of His Majesty's Government in the United Kingdom there can be no doubt whatever of the legality of the removal of sick and wounded from an enemy hospital ship. This is merely an application of the normal rights of visit, search and capture, categorically affirmed in Articles 4, 12 and 14 of the 10th Hague Convention of 1907, which itself merely restated the common law of nations. No other proof of this is needed than the fact that although the Germans have addressed several notes to His Majesty's Government concerning the interception of the hospital ships *Gradisca* and *Tuebingen*, they have made no complaint whatsoever about the removal of their sick and wounded.

His Majesty's Government first considered this question in 1942 when they were themselves anxious to withdraw from the crowded and bombed hospital of Malta.

⁴⁵ Anthony Eden.

The Italian Government were approached, but insisted on the hospital ship calling at an Italian port, and in view of their presumed intent of capturing the sick and wounded on board the ship was not sent. When control of the Mediterranean was regained the tables were turned. The first British interception of a hospital ship was the "Gradisca" on the 8th. December 1943, as she was considered likely to have British sick and wounded from the Dodecanese Islands on board. In the event, 66 British sick and wounded, 63 British protected personnel, 791 Italian sick and wounded, and 33 Italian protected personnel, were liberated. No German sick and wounded were found. Subsequently, this ship and the *Tuebingen* have been intercepted whenever opportunity offered, in order to prevent the Germans bringing back into the battle lines sick and wounded members of outlying garrisons. Some 3,500 German military personnel have thus been captured, of whom at least three-quarters have been pronounced by the British medical authorities as likely to be fit again for active service within nine months. The remainder have either been repatriated direct in the hospital ships or examined by the Mixed Medical Commission for repatriation in the normal way.

His Majesty's Government do not consider that there can be any question of putting thoughts into the heads of the Japanese which are not already there. The legal right is of long standing, and the risk of sick and wounded being captured inevitably arises if hospital ships are sailed in waters where they can be easily intercepted by the enemy. Throughout the war they have refrained from sailing their hospital ships in waters freely patrolled by the enemy, and in the European theatre the Axis showed the same caution until force of circumstances drove them to risk capture of their sick and wounded in the Mediterranean. No belligerent can be expected to watch enemy military personnel, often lightly wounded and comprising valuable technical grades, pass unmolested through waters under their control and we are quite certain that the Japanese, if given a favourable opportunity, would exercise the right of capture without any prompting.

His Majesty's Government are unable to accept the view that the exercise of a legal right by them against the Germans is likely to lead to retaliation by the Japanese, and they have been unable to find any evidence to suggest that Japanese policy in such matters as hospital ships has been affected by occurrences in the European theatre.

The Japanese have already made numerous allegations of illegal attacks on the Japanese hospital ships by American and British forces. The Japanese have rejected all explanations of these attacks and have thus, according to their own ideas, built up a case for reprisals. In any event His Majesty's Government consider there is no doubt at

all that if any Allied hospital ship is placed within easy reach of the Japanese navy, the ship, as well as the sick and wounded on board, will be lost. In this connection it may be recalled that in 1942 even before the Japanese had begun their propagand campaign concerning Allied attacks on their hospital ships, they intercepted and appropriated the Dutch hospital ship *Optenoort* on the flimsiest pretext.

His Majesty's Government have already carried out several interceptions in the Mediterranean, and they consider that a change of policy now in the European theatre would probably be too late to affect Japanese policy.

For the reasons set forth in the preceding paragraphs His Majesty's Government feel convinced that the misgivings expressed by the United States Government in regard to the policy of His Majesty's Government are groundless.

His Majesty's Government believe that a more practical issue may be whether the same policy that they have pursued in regard to German hospital ships should also be pursued in respect of Japanese hospital ships, and in this case other considerations may apply, owing to the peculiar Japanese psychology and the different conditions of the Pacific war. His Majesty's Government have not yet considered this question in relation to the Pacific and with such consideration in mind they would be grateful to be informed as to what standing instructions, if any, have been issued by the United States authorities concerning the treatment of Japanese hospital ships when encountered.

WASHINGTON, March 8, 1945.

740.00117 P.W./3-245

The Department of State to the Spanish Embassy

MEMORANDUM

The Department of State refers to memorandum no. 259 (Ex. 160-000) from the Spanish Embassy⁴⁶ in charge of Japanese interests in the continental United States and to the Department's preliminary reply of January 8, 1945⁴⁷ concerning the reported attack on the Japanese hospital ship *Muro Maru* by United States aircraft on November 13, 1944 outside the port of Manila. The vessel is stated to have sunk following this attack.

The appropriate United States authorities have thoroughly investigated the reported attack on the *Muro Maru*. This investigation has established that two hospital ships were seen in the Manila

⁴⁶ Dated December 27, 1944, *Foreign Relations*, 1944, vol. v, p. 1165.

⁴⁷ Memorandum of acknowledgment not printed.

Bay area on November 13, 1944. Flight leaders repeatedly broadcast warning of the presence of each of the hospital ships and injunctions to refrain from attacking them. Though several attacks were initiated they were discontinued when the character of the ships was determined.

One of the two above-mentioned hospital ships was observed to be under way in the vicinity of Corregidor. The majority of the pilots who participated in the strike commented on the ease with which its distinguishing marks could be identified at a distance. With regard to the second vessel, however, considerable difference of opinion was expressed regarding the effectiveness of its marking as seen from the air. It is presumed that this second vessel was the *Muro Maru*. As a result of the attack by the first wave of aircraft, visibility at bombing level was quickly reduced by a pall of smoke, from burning ships and installations, which formed at a height of 1000 to 6000 feet.

In view of the circumstances mentioned above, the apparent ineffectiveness of the markings of one of the hospital ships and the smoke pall, it is possible that the *Muro Maru* may have inadvertently been struck and damaged by bombs launched at legitimate targets or at what, under existing conditions, were believed to have been legitimate targets. As indicated above it is apparent, however, that no pilot consciously bombed or strafed a ship recognized as a hospital ship.

It is regretted that this incident occurred despite precautions taken to prevent it. The United States Government reiterates, however, that though visibility at sea level was good the restricted visibility at bombing altitude made the identification of individual ships in the congested harbor extremely difficult. This condition, coupled with the presence of the *Muro Maru* among legitimate targets, constituted a jeopardy to the ship; in contrast the fact that the clearly identifiable hospital ship off Corregidor was not molested is further evidence that the armed forces of the United States endeavor to respect the immunity of hospital ships.

WASHINGTON, March 26, 1945.

740.00117 P.W./5-2645

*Memorandum by the State-War-Navy Coordinating Committee to
the Secretary of State*

WASHINGTON, 26 May, 1945.

The Joint Chiefs of Staff have considered your letter dated April 17, 1945, SWP 740.00117 P.W./3-345,⁴⁸ with which was forwarded for

⁴⁸ Letters to the Secretaries of War and Navy, not printed.

our consideration a further note from the Japanese Government, set forth in an enclosed memorandum dated March 3, 1945, from the Spanish Embassy, concerning an alleged attack on the Japanese hospital ship *Buenos Aires Maru*. It is noted that you wish our comments on this matter for use in the event an answer to the Japanese Government is deemed appropriate.

It is the opinion of the Joint Chiefs of Staff that whether a reply to the latest Japanese note should be made by this government is primarily a question for decision by your department. If a further reply, however, is made,⁴⁹ it is believed that it should reaffirm the position already taken by this government, while again expressing this government's regrets and emphasizing that all possible steps are taken to prevent attacks on hospital ships by the armed forces of this government.

The Secretaries of War and the Navy concur in the above views of the Joint Chiefs of Staff.

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS

Acting Chairman

740.00116 P.W./6-245

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State

WASHINGTON, 2 June, 1945.

Reference: SWNCC 133/2.

Reference is made to your letter, SWP 740.00116 P.W./11-2144 of 14 December 1944⁵⁰ concerning an alleged attack by an American submarine on 3 July 1944 upon the Japanese vessel *Taiei Maru*.

Investigation has established that an American submarine, on 3 July 1944, attacked and sank a Japanese wooden inter-island steamer which was intercepted between Palau and Yap. The vessel was identified by survivors as the *Taimei Maru* of 989 tons. Although a wide discrepancy exists between the tonnage given in the Japanese protest and that reported by survivors, the identity in date, hour and geographical location, and the similarity in names, leave no doubt that this was the incident to which the Japanese protest refers.

In reporting the attack the commanding officers of the U.S. submarine stated that the vessel was taken under fire about 1010 on 3 July 1944. All gunfire was directed at the vessel, which attempted escape. On completion of the attack, which left the vessel burning

⁴⁹ No further reply found in Department files.

⁵⁰ Letter to the Secretary of the Navy, not printed; it transmitted a copy of memorandum 251, Ex. 150.000, November 21, 1944, from the Spanish Embassy, *Foreign Relations*, 1944, vol. v, p. 1139.

furiously, the submarine temporarily retired from the scene, presumably because of danger that the smoke column from the burning vessel would attract enemy aircraft. The submarine returned to the scene less than 45 minutes later but, because of the presence of hostile aircraft, remained submerged until 1545. At 1605 five wounded survivors were picked up, given medical treatment, and retained on board the submarine.

In the next two hours the submarine was on three occasions forced to submerge on the approach of enemy aircraft. Nevertheless, attempts were made during brief periods on the surface to rescue other survivors, two of whom deliberately evaded capture by swimming away. On one occasion, prior to submerging, the crew of the submarine dropped a rubber lifeboat containing food, fruit juices, water and a knife alongside a half-submerged lifeboat to which two women were clinging. It is probable that these were the two women later rescued by the Japanese and entirely possible that the other five survivors owe their lives to the presence of the same boat.

The following Japanese survivors are now interned in Australia :

Ota, Eigoro	Tailor	Age 26
Seki, Tsukane	Student	Age 17
Kubota, Ichiro	South Seas Civil Office at Yap	Age 34
Kitazono, Hideo	Kokusai Wireless Co., Ltd., at Yap	Age 30
Tamura, Yakichi	South Seas Develop- ment Co., Ltd. (Nanyo Kohatsu) at Palau	Age 50

A brief of the report of the interrogations of the above is substantially as follows:

On 3 July, the captain of the *Taiei (Taimiei) Maru* believed the vessel had been sighted by a submarine and increased speed in an attempt to escape. About 1000, a submarine was seen to surface astern and open fire. The third or fourth shot struck the engine room and started a fire. The submarine shortly thereafter raked the ship with machine-gun fire and passengers began to abandon ship. The survivors do not believe the submarine was shooting at persons in the water. One survivor (Ota) stated that by the time the first Japanese plane flew overhead the majority of the other passengers who had jumped overboard had drowned. At this time he and six other survivors clung to a small wooden raft. Subsequently, the ship's lifeboat came by with the captain of the *Taiei (Taimiei) Maru* and two or three wounded crew members aboard, picked up two of the survivors from the raft, and proceeded toward the *Taiei (Taimiei) Maru* for the purpose of obtaining oil drums to improve the boat's buoyancy. Shortly thereafter the submarine surfaced again, came

alongside the raft, and picked up the five survivors, who were taken below. Ota is certain that he did not hear any further shooting and added that the treatment received by the survivors on board the submarine was excellent. Kitazono, another survivor, stated that he thought the captain of the *Taiei (Taimei) Maru* unwise to attempt to flee from the submarine, knowing, as he did, that the vessel could not possibly hope to escape. Tamura stated that there were no other survivors in the water when the submarine surfaced to pick them up. None of the above is of the opinion that the submarine machine-gunned any persons in the water. "Otherwise," they ask, "why should the submarine have picked us up?" All are now in good health and well-satisfied with the treatment they have received since capture.

The Joint Chiefs of Staff are of the opinion, in which the Secretaries of War and the Navy concur, that every effort was made to rescue the passengers and crew of the Japanese vessel, the submarine remaining in the vicinity despite repeated approaches of enemy aircraft, which forced it to submerge to avoid damage. The Navy Department categorically denies the Japanese charges and reaffirms that Naval forces will continue to observe the principles of international law and the fundamental principles of humanity.

Inasmuch as similar protests were addressed to the British Government and to the Royal Netherlands Government, it is assumed that those Governments will be informed of your reply to the Japanese Government.⁵¹

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS
Acting Chairman

740.00117 P.W./6-1445

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State

WASHINGTON, 14 June, 1945.

Reference is made to your letter, SWP 740.00117 P.W./1-1845 of 31 January 1945,⁵² enclosing a memorandum from the Spanish Em-

⁵¹ Marginal notation: "File as there is no protecting power." A draft reply to the Swiss Legation, which embodied the data contained in the SWNCC memorandum of June 2, was prepared in the Special War Problems Division on July 30. With the end of hostilities on August 14, work on the draft reply was stopped. On December 20, the Office of Far Eastern Affairs stated that it did not believe any practical purpose would be served by a formal reply to the Japanese Government, "especially as Japan is no longer in control of its foreign relations". (740.00116 PW/6-245) The Spanish Embassy relinquished representation of Japanese interests in the United States on March 27. The United States accepted the Swiss Government as representing these interests on July 21.

⁵² Letters to the Secretaries of War and Navy, not printed.

bassy⁵³ in charge of Japanese interests in the United States concerning a protest against an alleged attack on the Japanese hospital ship *Tatibana Maru* at about 1245 local time, 5 November 1944.

A thorough investigation of the alleged incident reveals the following:

One of the flight leaders participating in a shipping strike in the Manila Bay area reported that on 5 November 1944 the carrier air group under his command attacked a *Nachi* class cruiser inside the bay. On completion of this attack he observed three aircraft approaching a Japanese hospital ship at low level. One of these aircraft fired a short burst at the hospital ship, whereupon the flight leader immediately ordered "cease firing." The attack was at once broken off, although the pilot replied to the flight leader that the hospital ship had opened fire on him. All pilots in the group had been repeatedly briefed on the necessity of refraining from attacking enemy hospital ships.

It is the opinion of the Joint Chiefs of Staff that if the *Tatibana Maru*, which the hospital ship in question is assumed to have been, was in fact armed and opened fire, her immunity was thereby invalidated and she was a legitimate object of attack. Article VIII of the X Hague Convention of 1907 reads in part as follows:

"Hospital-ships and sick-wards of vessels are no longer entitled to protection if they are employed for the purpose of injuring the enemy."

If the hospital ship was not armed, the anti-aircraft fire must have been directed at the aircraft from shore batteries or other ships in the bay, which created the impression that the aircraft was being fired on by the hospital ship. If this was the case, the incident is regretted.

Inasmuch as the pilot involved in this incident was killed in action over Ormoc Bay on 11 November 1944, no disciplinary action can be taken.

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS
Acting Chairman

740.00117 PW/5-2645

The Acting Secretary of State to the British Ambassador (Halifax)

The Acting Secretary of State presents his compliments to His Excellency the British Ambassador and has the honor to refer to the Embassy's note no. 118 (Ref. 705/9/45) of March 8, 1945 and to the Department's note of January 31, 1945. These communications refer

⁵³ No. 8, Ex. 150,000, January 18, p. 444. No reply to that memorandum has been found in Department files.

to certain matters relating to the interception of hospital ships, particularly speculation regarding the effect which the interception of certain German hospital ships in European waters may have upon the Japanese attitude toward hospital ships. It is noted that the British Government inquires regarding the nature of standing instructions, if any, which have been issued by the United States authorities concerning the treatment of Japanese hospital ships when encountered.

As stated in the Department's communication under reference, the interception of hospital ships under specified conditions appears to be defensible in the light of existing international law. The United States Government recognizes that under the Hague Conventions of 1899⁵⁴ and 1907 it is lawful to intercept a hospital ship, to remove the sick and wounded, and make them prisoners of war. It is the current United States military policy with regard to Japanese hospital ships to observe the provisions of the Third Hague Convention of 1899 and the Tenth Hague Convention of 1907, regarding hospital ships, which have been ratified by this Government. It is, furthermore, the United States military policy to avoid any interference with the hospital ships of the enemy unless there is prima facie evidence of flagrant violation of international conventions.

There is no record, to date, of any instance of interception of hospital ships in the Pacific Ocean area. In view of the overwhelming Allied naval power in the Pacific, it is considered unlikely that the Japanese will resort to interference with Allied hospital ships except in retaliation for similar action by Allied surface forces against Japanese hospital ships. In as much as unrestricted passage of hospital ships is of greater importance to the Allies, due to the more extensive use of hospital ships by them, it does not appear desirable at this time to change the existing policy on this subject and thereby expose Allied hospital ships to the risk of retaliation by the Japanese.

WASHINGTON, June 16, 1945.

740.00117 PW/8-645

Memorandum by the Special War Problems Division to the Office of the Legal Adviser and the Division of Japanese Affairs

[WASHINGTON,] August 6, 1945.

Reference is made to the underlying memorandum of August 4, 1945 from Captain Tonseth of the Navy Department.⁵⁵ Captain Tonseth sets forth for the information of the Department of State certain facts with regard to the interception of the Japanese hospital ship *Tachi-*

⁵⁴ Signed July 29, 1899, *Foreign Relations*, 1899, p. 521.

⁵⁵ Not printed.

bana Maru (Tatibana Maru).⁵⁶ It appears to have been ascertained by the interception authorities that the conduct of the vessel was not in accordance with the terms of the Hague Convention of 1907 regarding hospital ships and that in consequence thereof the crew and patients aboard the vessel will be disembarked and the ship held for prize court adjudication.

Subsequent to the receipt of Captain Tonseth's memorandum, it was discussed by telephone between Captain Tonseth and Mr. Hibbard (of SWP).⁵⁷ At that time Captain Tonseth indicated that he wanted to be informed regarding the first reaction of the Department of State to the interception of the vessel and its capture and then stated that he would appreciate an indication whether the Department, on the basis of facts made available, is of the view that the steps taken by the military authorities were *improper*. He indicated that in the event that they were construed to be improper the Navy Department should be informed immediately.

Mr. Hibbard reminded Captain Tonseth of the Department's recent discussions with the British on the subject of the interception of hospital ships. On June 16, 1945 the Department informed the British in response to the latter's inquiry regarding the policy of this Government with respect to the interception of hospital ships in the Pacific that it is the United States military policy to avoid any interference with hospital ships of the enemy unless there is *prima facie* evidence of flagrant violation of the international conventions. It was further pointed out to the British that it was considered unlikely by the United States Government that the Japanese would resort to interference with Allied hospital ships except in retaliation for attacks by Allied surface forces against Japanese hospital ships.

After informal discussion of the matter with Mr. Bishop of Le,⁵⁸ Captain Tonseth was informed that in the event an investigation of the facts established the violation of the Convention with respect to the characteristics required for the immunity of hospital ships there would appear to be no legal objection to the procedure adopted by the military authorities with respect to the *Tachibana Maru*. In this connection Mr. Bishop cited volume 6, page 459 of Hackworth's *Digest of International Law* and volume 3, page 2074 of Hyde's *International Law*.

This memorandum is being addressed to Le and JA in order that they might arrange to register immediate objection with the Navy Department in the event that review of the few papers available in-

⁵⁶ Captain Tonseth's communication, paraphrasing despatches of August 3 and 4 from the Commander of the 7th Fleet, stated that the vessel was "found to be carrying contraband munitions". (811.043/8-445)

⁵⁷ Richard E. Hibbard of the Special War Problems Division.

⁵⁸ William W. Bishop, Jr., of the Office of the Legal Adviser.

dicates the action of the military authorities in connection with the *Tachibana Maru* to have been improper. Captain Tonseth expressed his wishes in approximately the following language: "We don't want a polite letter saying that the Navy Department is doing well; we only want to know if there is objection."⁵⁹

740.00117 PW/2-2745

The Department of State to the Swiss Legation

MEMORANDUM

The Department of State refers the Legation of Switzerland in charge of Japanese interests in the United States with the exception of the Territory of Hawaii to memorandum no. 9 (Ex. 150,000) dated January 18, 1945 from the Spanish Embassy⁶⁰ formerly in charge of Japanese interests in the continental United States and to the Department's preliminary reply of January 24, 1945⁶¹ in regard to a protest from the Japanese Government concerning reported attacks on the Japanese hospital ship *Kikawa (Hikawa) Maru* on November 25, 1944.

Careful investigation by the appropriate United States authorities has revealed that United States aircraft attacked a ship off Bataan Peninsula on November 25, 1944 in the course of a strike against shipping in the Manila Bay area. The ship was not identified as a hospital ship until a diving attack, which began at a high altitude, was well advanced. On pulling out of his dive, the group leader saw what he believed to be a Red Cross on the ship's side and broadcast a message indicating presence of a hospital ship, whereupon the attack was broken off. Testimony of the pilots involved in this incident, all of whom have been adequately trained in recognition and thoroughly indoctrinated with regard to the immunity to be accorded

⁵⁹ In a memorandum of August 7 to the Special War Problems Division, the Division of Japanese Affairs stated: "We see no reason for concluding that the Navy did not act in accordance with 'the United States military policy to avoid any interference with the hospital ships of the enemy unless there is prima facie evidence of flagrant violation of international conventions'. In view of the Department's note of June 16, 1945 to the British Embassy . . . we assume that the Navy Department would not depart from that policy without giving the State Department an opportunity to notify the British Government of any such change in policy. A definitive expression of the Department's opinion appears unjustified without more detailed information from the Navy." (740.00117-PW/8-645) No reply by the Office of the Legal Adviser to the memorandum of August 6 and no communication to the Navy Department on the matter found in Department files.

⁶⁰ The Department's reply to this memorandum was ready for dispatch to the Spanish Embassy on March 28 but was not delivered because the Embassy was in the process of relinquishing charge of Japanese interests in the United States. The Swiss Legation assumed charge of these interests on July 21.

⁶¹ Memorandum of acknowledgment not printed.

hospital ships, is unanimously to the effect that crosses were not visible from above and astern.

Careful inspection of photographs taken during the attack fails to reveal any marking characteristic which could be recognized as establishing the identity of the ship prior to attack.

Another group of aircraft, approaching for a horizontal attack was unable to identify the *Kikawa (Hikawa) Maru* as a hospital ship until altitude had been reduced to 4,000 feet and even at that altitude, no crosses were visible on the superstructure.

The United States Government rejects as without basis in fact the statement of the Japanese Government that the *Kikawa (Hikawa) Maru* could not have been accidentally bombed and that it is "perfectly evident that United States planes repeatedly attacked her deliberately and intentionally with full knowledge of her being hospital ship." The attacks upon the vessel are attributed solely to the lack of clearly identifiable markings on the superstructure, which would have provided immunity from aerial attack. The proper indoctrination and good faith of the United States air crews involved are attested by the fact that the ship was not molested after its character was determined.

The United States Government considers the attack upon the *Kikawa (Hikawa) Maru* to have been regrettable despite the presence of extenuating circumstances. Furthermore, the United States Government gives assurance that its Armed Forces have made, and will continue to make every effort to observe the Tenth Hague Convention of 1907.

WASHINGTON, August 14, 1945.

SINKING BY A UNITED STATES SUBMARINE OF THE JAPANESE SHIP "AWA MARU"⁶³ WHILE RETURNING TO JAPAN UNDER SAFE CONDUCT

711.94114 Supplies/2-245: Telegram

The Chargé in Switzerland (Huddle) to the Secretary of State

BERN, February 2, 1945.

[Received February 2—2:13 p. m.]

746. Am[erican] Interests—Far East—Relief ship *Awa Maru*. Legation's 703, January 31,⁶³ and previous. Foreign Office note Feb-

⁶² For further documentation on the sinking of this vessel, see vol. v, pp. 1060-1067, *passim*.

⁶³ Not printed; it reported that the contents of telegram 146, January 10, 1945, to Bern, had been delivered to the Japanese Government on January 18 (711.94114-Supplies/1-3145). Regarding telegram 146, see *Foreign Relations*, 1944, vol. v, p. 1075, footnote 40.

ruary 1 encloses text following communication from Japanese Government.

"In accordance with understanding reached between Governments of Japan and United States concerning transmission relief supplies transported by *Hakusan Maru* from Nakhodka to Kobe for POWs and Civilian Internees in Japanese custody,⁶⁴ Japanese Government have decided utilize ship now plying between Japan and southern areas and to transport relief supplies by *Awa Maru* and distribute to POWs and Civilian Internees in Taiwan, Hong Kong, French Indo-China, Malaya, Burma, Thailand and Java, Sumatra, Borneo. Features, identification marks, routes and sailing dates of *Awa Maru* are as described below. Japanese Government desires United States Government confirm guarantee that ship on either outward or homeward voyage shall not be subjected any attack, visit, or any interference whatever by United States and Allied forces.

[Here follow details as to features and markings of the *Awa Maru* and its sailing schedule.]

HUDDLE

711.94114 Supplies/2-245 : Telegram

The Acting Secretary of State to the Chargé in Switzerland (Huddle)

WASHINGTON, February 6, 1945.

598. Legation's 746, February 2. Request Swiss urgently to communicate following by telegraph to their Legation Tokyo for immediate delivery to Japanese Foreign Office.

"American Government assures safe conduct on the part of American and Allied Governments for round trip voyage Japanese vessel *Awa Maru* carrying as part of its cargo relief supplies for Allied nations in Japanese custody from Japan to Formosa, thence to Hong Kong, thence to Saigon, thence to Singapore, thence to Surabaya, thence to Batavia, thence to Muntok, thence to Singapore and return to Japan.

This safe conduct is based on the following schedule:

[Here follows sailing schedule of the *Awa Maru*.]

Note has been taken of the characteristics of this ship and of its special markings and that such markings will be electrically illuminated at night and that all navigation lamps will be lighted at night.

American Government draws attention to necessity for strict adherence to the ship's schedule and course as proposed by Japanese Government and agreed to herein. It is expected that there will be no deviation therefrom except for reasons beyond the vessel's control. In case such deviation becomes necessary, notice of such revision in schedule as may be required should be communicated to this Govern-

⁶⁴ For documentation on agreements with Japan and the Soviet Union to send relief supplies to a Siberian port where they would be handed over to Japanese authorities for distribution, see *ibid.*, pp. 1015 ff., *passim*, and *ibid.*, vol. IV, pp. 1159 ff.

ment by the Japanese Government by the most expeditious means possible.”⁶⁵

GREW

711.94114 Supplies/4-1045 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, April 10, 1945.

1396. Request Swiss communicate urgently following textually to Japanese Government:

Information has been received that at about midnight April 1 east longitude date a ship was sunk by submarine action at a position approximately forty miles from the estimated scheduled position of the *Awa Maru*. No lights or special illumination were visible at any time. The ship sank almost immediately. One survivor has stated that the ship was the *Awa Maru*. If in fact the ship sunk was the *Awa Maru*, the Government of the United States deeply regrets the occurrence of this incident and will furnish the Japanese Government additional information as it becomes available.

As indicated above, a degree of uncertainty still remains as to the actual identity of the ship. If the ship in fact was the *Awa Maru*, the question of primary responsibility for this incident has not as yet been determined. The Government of the United States assures the Japanese Government that the investigation of this incident is proceeding in all sincerity and good faith.⁶⁶

It is hoped that there will be no change in the plans of the Japanese Government to pick up in the immediate future a further consignment of Allied relief supplies⁶⁷ at Nakhodka.

STETTINIUS

[The Japanese Government's protest of April 26 regarding the sinking of the *Awa Maru* was transmitted by Bern on May 4 in telegram 2623. The Department's interim reply was despatched to Bern on May 18 in telegram 1841. In the meantime, on May 16, the Japanese Government sent a further statement demanding that the United States Government apologize to the Japanese Government for the sinking of the vessel, punish those responsible, and pay indemnities.

⁶⁵ For Department's statement of February 7 on the safe conduct given to the *Awa Maru*, see Department of State *Bulletin*, February 11, 1945, p. 188.

⁶⁶ In telegram 1675, May 2, the Department directed Bern to "Request Swiss inform Japanese Government in sense of following: The sole survivor in American hands from the *Awa Maru* is Kantaro Shimoda, age 45, a steward. He is in excellent health, is now at Guam, and has been accorded the status of a protected person.

"Further details concerning this incident are not as yet available. The submarine commander is being brought to trial by court martial. Additional information as developed will be communicated promptly to the Japanese Government." (711.94114 Supplies/4-2645)

⁶⁷ For Japanese intention to use the *Awa Maru* for further distribution of relief supplies, see telegram 2125, April 11, from Bern, p. 409.

The statement was transmitted by Bern on May 30 in telegram 2959. The texts of the three communications are printed in Department of State *Bulletin*, June 3, 1945, pages 1033-1035, and *ibid.*, July 15, 1945, page 86.]

711.94114 Supplies/6-1545

Memorandum by the Acting Secretary of State to President Truman ⁶⁸

WASHINGTON, June 15, 1945.

The Japanese vessel *Awa Maru*, traveling under safe conduct granted by the United States on behalf of itself and the other Allied Governments, was sunk by an American submarine on April 1, 1945. The safe conduct was provided to enable the *Awa Maru* to discharge at ports in the southern areas (Hong Kong, Saigon, Singapore, Surabaya, Batavia and Muntok) for delivery to American and other Allied prisoners of war and civilian internees in Japanese custody a portion of the relief supplies, furnished by the Allied authorities, that had been picked up last fall at Nakhodka, U.S.S.R., by the Japanese for such distribution.

On only three occasions since the outbreak of the war in the Pacific, the third being the shipment under reference, have the Japanese agreed, after prolonged negotiations, to accept shipments of food, medicine, and other relief supplies urgently needed by American and other Allied nationals in their custody.⁶⁹ On only two occasions (one in 1942, the other in 1943) has the Japanese Government been willing to cooperate in an exchange of American and Japanese personnel.

Because of the unfortunate circumstance referred to it is believed improbable that the Japanese Government will agree to any further exchanges of personnel⁷⁰ or accept any further shipments of relief supplies for distribution to Allied prisoners of war and civilian internees in their custody unless the United States furnishes a replacement for the *Awa Maru*. Furthermore, it is feared that if relief supplies of food, clothing, medicines, and other necessities are not distributed to these persons, they will suffer further serious impairment of health and many of them will die.

⁶⁸ Marginal notation by President Truman: "Approved HST 6/16/45".

⁶⁹ Cargoes of American relief supplies were carried by the *Gripsholm* and turned over to Japanese authorities, once in 1942 and again in 1943. This was done as part of the vessel's mission of returning to the United States Americans released by Japan under the exchange agreements negotiated in these years. For documentation on these agreements, see *Foreign Relations*, 1942, vol. I, pp. 377 ff., and *ibid.*, 1943, vol. III, pp. 867 ff.

⁷⁰ For documentation on efforts by the United States to arrange a third exchange, see *ante*, pp. 419 ff.

For this reason and notwithstanding the serious shipping situation, I recommend that this Government offer to the Japanese Government as a replacement of the *Awa Maru* a ship of approximately the same size and characteristics selected by the Joint Military Transportation Committee, to be used, in accordance with carefully outlined conditions, in connection with exchanges of Allied and Japanese nationals and for the transport of urgently needed relief supplies.

The Secretaries of War and Navy concur in this recommendation, which has the approval of the Joint Chiefs of Staff.

JOSEPH C. GREW

[The Department's reply to the Japanese Government's statement of May 16 was dispatched to Bern on June 29 in telegram 2188. The reply acknowledged the responsibility of the United States Government for the sinking of the *Awa Maru*. On July 31, in telegram 2425, the Department made known to Bern its offer of an immediate transfer to Japan of an American vessel to replace the *Awa Maru* for the purposes of carrying relief supplies and of engaging in the exchange of Japanese and Allied nationals. The texts of the two communications are printed in Department of State *Bulletin*, July 15, 1945, page 86, and *ibid.*, August 12, 1945, page 249.]

711.94114 Supplies/8-1745

*The Japanese Government to the United States Government*⁷¹

Upon studying the replies of the United States Government dated the 18th May and the 5th July to the protest dated the 26th April and the demand dated the 16th May of the Japanese Government concerning the sinking of the *Awa Maru*, the Japanese Government hereby communicate to the United States Government their views regarding the same as follows:

1) The United States Government affirm that as the result of the official investigation into the incident which has now been concluded it has been established that as the *Awa Maru* was complying substantially with the conditions of the safe-conduct agreement the burden of establishing identity was on the commander of the American submarine, and in view of his failure to do so the United States Government acknowledge their responsibility for the attacking and sinking of the vessel. The United States Government also state that they have al-

⁷¹ Transmitted on August 15 by the Japanese Legation in Switzerland to the Swiss Foreign Office in a *note verbale* dated August 10; copy sent to the Department by the Minister in Switzerland as an enclosure to despatch 12328, August 17; received August 30.

ready officially expressed their deep regret that this incident has occurred and there was such a heavy loss of lives in connection therewith.

2) In view of the seriousness of the incident the Japanese Government expect a severe punishment of the persons responsible. The United States Government's reply, however, only states that a disciplinary action is being taken with respect to the commander of the American submarine who is directly responsible for the occurrence of the incident.

The Japanese Government, in pursuance of their demand made in their note of the 16th May, request to be informed of the name and rank of the commander of the submarine, the mode of his punishment and its execution. The Japanese Government expect that all those persons who were responsible for the incident such as those who were in a position to give orders to and supervise him have also been punished, and request to be informed thereof. It is said that the commanding officer of the submarine did not see the *Awa Maru* prior to or after she had been torpedoed. If so, it appears as though the order relating to the strict observance of safe-conduct issued either by the United States Government or the superior officer to the commander of the submarine has not been definitely given. The Japanese Government also expect that the United States Government will thoroughly investigate as to the validity of this point.

3) As regards the question of the indemnities for the loss of the lives of the passengers and the loss of the vessel and the goods which were on the vessel, the United States Government propose on the ground of the complex nature of the question that the matter of indemnity be deferred until the termination of hostilities. But the Japanese Government consider that the question of indemnities in respect of this incident is quite clear and simple and there exists nothing so complicated. As has been pointed out to the United States Government, it was the humanitarian consideration on the part of the Japanese Government who are constantly anxious to accord humane treatment to prisoners of war and civilian internees that has prompted them to carry out the transport of the relief supplies by the *Awa Maru*, in compliance with the repeated desire of the United States Government and in spite of various considerable difficulties. The *Awa Maru* which made voyages in such special circumstances was attacked and sunk in disregard of the safe-conduct undertaking thrice entered into by the United States Government. It is a unique case and the issue is absolutely simple and clear. The Japanese Government hold that now that the United States Government have acknowledged their responsibility for the incident an immediate payment of indemnities without waiting for the cessation of hostilities is not only the United States Government's obligation to the Japanese Government but also their duty to those who have directly or indirectly suffered from the incident.

The Japanese Government, therefore, trusting that the United States Government will, without waiting for the conclusion of the war, immediately furnish indemnities in accordance with the Japanese Government's demand made in their note of the 16th separately present to the United States Government a statement of claims.⁷² The calculation of those claims have been made on a fair and simple basis in order to facilitate the settlement and it is hoped that the United States Government will frankly admit their responsibilities.

4) Gathering from the Radio News Broadcast from America and England at the time of the United States Government's announcement of the incident, the Japanese Government had been under the impression that several persons had survived the incident, but were deeply disappointed to be informed that there was only one survivor. The United States Government state in their note that the heavy death toll resulted in part from the refusal of survivors to accept the life lines thrown to them from the submarine which remained on the scene making every effort to rescue the survivors. But, in view of the statement in the United States Government's reply to the effect that the commander of the American submarine failed to establish the identity of the *Awa Maru* either before or after attacking her, it can hardly be maintained that the submarine made efforts to rescue other persons than Mr. Kantaro Shimoda. The Japanese Government request the United States Government to make a reinvestigation in this respect and inform the Japanese Government of its result. The repatriation of the only survivor, Mr. Kantaro Shimoda, is in no way related to the exchange of prisoners of war or civilian internees. These two propositions being of an entirely different nature, the Japanese Government request the United States Government promptly to repatriate Mr. Shimoda. Furthermore, the Japanese Government have received and are studying the United States propositions as regards the transfer of a vessel, not as indemnification, but as a replacement for the *Awa Maru* to be used for the purposes as specified in the recent American note. However, it is the intention of the Japanese Government to consider the proposition as a separate matter upon the United States' acceptance of the demands above presented to them by the Japanese Government.

[Enclosure]

The Japanese Government to the United States Government

In pursuance of a demand for indemnities put forward by their note of the 16th May regarding the *Awa Maru* incident, the Japanese

⁷² The enclosure below.

Government make the following claims and request that the United States Government promptly satisfy them in compliance with the views of the Japanese Government set out in their note of the 10th August concerning the question of indemnities.

1) That the United States Government pay to the Japanese Government as a compensation for the loss of the lives of the crew and passengers of the *Awa Maru* being 2003 persons yen 196,115,000 (one hundred ninety-six million one hundred fifteen thousand yen). The above amount is to be distributed to the families or relatives of the victims in accordance with four ranks of victims' personal status as follows:

1.—The highest rank for 18 men.	Yen 200,000 per person
2.—The high rank for 689 men.	Yen 150,000 per person
3.—The middle rank for 287 men.	Yen 100,000 per person
4.—The lower rank for 1009 men	Yen 50,000 per person
	amounting to Yen
	186,100,000,

and to this added the victims' cash and the costs of their personal effects estimated at Yen 5000 per person which totals Yen 10,015,000.

2) That the United States Government pay to the Japanese Government as an allowance to be made to the family of Mr. Kantaro Shimoda, the only survivor, for the period of four months from the 1st April to the 31st July 1945 Yen 1,600 (one thousand six hundred yen). In the event of the repatriation of Mr. Shimoda taking place later than the 31st July an additional sum shall have to be paid.

3) That the United States Government pay to the Japanese Government as a compensation for the loss of the goods which were on board the *Awa Maru* being 9,812 kilotons, Yen 30,370,000 (Thirty million three hundred seventy thousand Yen).

4) That the United States Government pay to the Japanese Government the expected profits of the *Awa Maru* which would have accrued until the date of the delivery of a substitute ship mentioned in item 5 below at the rate of Yen 200,000 (two hundred thousand Yen) *per mensem*, which is equivalent to the former actual average monthly business profit of the vessel. The amount for the four months from the 1st April to the 31st July 1945 will be Yen 800,000. The sum total of the above mentioned amounts is Yen 227,286,600 (two hundred twenty-seven million two hundred eighty-six thousand six hundred Yen) which has been worked out on a fair basis of calculation. The above sum shall be paid either in gold or in foreign currency freely convertible to gold currency in accordance with the choice of the Japanese Government.

5) That the United States Government hand over to the Japanese Government a ship to replace the *Awa Maru*. The substitute ship shall be equal to the *Awa Maru* whose description was as follows:

- | | |
|---|--|
| a) Kind of vessel | cargo and passenger-boat, first class |
| b) Gross tonnage | 11,249.40 tons |
| c) Maximum speed | 20,823 nautical miles |
| d) When built,
launched | the 24th August 1942, completed the 5th
March 1943 |
| e) Hull | steel |
| f) Type of vessel | light scantling vessel |
| g) Registered
dimensions | length 154.97 meters
breadth 20.20 meters
depth 12.60 meters |
| h) Engine | Diesel engine (Mitsubishi MS two stroke
single acting 10 cylinders, solid injection)
shaft horse-power 16,141 |
| i) Wireless equipments transmitters and receivers for long and short
waves | |
| j) Note | the <i>Awa Maru</i> was built at the Mitsubishi Dockyard, Nagasaki and was one of the very best vessels prior to the establishment of the war time standard among the cargoes. On the <i>Awa Maru</i> there were one kiloton of goods belonging to the Swiss Legation in Tokyo and two kilotons of goods belonging to the French Embassy in Tokyo. These two lots of goods are not included in the goods mentioned in item 3 above. The Japanese Government are informed that as regards the former lot the Swiss Government will communicate with the United States Government. |

[An agreement extinguishing Japanese indemnity claims based on the sinking of the *Awa Maru* was signed at Tokyo on April 14, 1949, by the American and Japanese Governments; for text, see Department of State, Treaties and Other International Acts Series No. 1911, or 63 Stat. (pt. 3) 2397.]

PROTESTS BY JAPAN AGAINST THE BOMBING OF ALLEGEDLY NON-MILITARY OBJECTIVES,⁷⁵ INCLUDING THE ATOMIC BOMBING⁷⁴ OF HIROSHIMA

740.00116 Pacific War/12-3044

The Secretary of State to the Secretary of War (Stimson)

WASHINGTON, January 18, 1945.

MY DEAR MR. SECRETARY: I refer to the Department's letter of December 23, 1944⁷⁵ and to a memorandum⁷⁶ addressed by Colonel Charles W. McCarthy⁷⁷ to Mr. Harold Moseley⁷⁸ of this Department regarding a protest from the Japanese Government concerning an alleged attack by United States aircraft upon certain objectives in the Okinawa Islands stated by the Japanese Government to be of a non-military character.

This Department has given consideration to the request contained in Colonel McCarthy's memorandum that the Department of State indicate whether the alleged attack by United States aircraft constitutes a violation of international law and what the reaction would be if (1) we agree to discontinue such attacks, (2) reply stating that we are continuing them, although they are a violation of international law, and (3) if we reply stating that in the opinion of the United States Government they are not a violation of international law.

The Department of State, on the basis of the information available to it concerning the alleged attack, would prefer to express no opinion regarding the status of the alleged attack under international law until more detailed information regarding the alleged attack is made available. Pending clarification of the facts, consideration of the matter would appear to be of a hypothetical character.

As the War Department is doubtless aware, the rules of international law relative to such an attack as that protested by the Japanese Government are by no means firmly established or universally accepted. Under the circumstances, it is believed that most serious con-

⁷³ Continued from *Foreign Relations*, 1944, vol. v, pp. 1167 ff.

⁷⁴ The Combined Policy Committee, a high level United States-United Kingdom group, met at the Pentagon on July 4, 1945, to discuss the use of atomic weapons in the war against Japan; for extracts of minutes of meeting, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. i, p. 941.

⁷⁵ Not printed; it transmitted to the War Department a copy of memorandum 251, Ex. 150.000, December 11, 1944, from the Spanish Embassy and stated: "For the present this Department is merely acknowledging receipt of the Embassy's memorandum. I should, however, appreciate receiving your views regarding the nature of a further reply to the Embassy, should one be deemed desirable." (740.00116 PW/12-1144) For memorandum 251, see *Foreign Relations*, 1944, vol. v, p. 1169.

⁷⁶ Dated December 30, 1944, not printed.

⁷⁷ Acting Secretary of the State-War-Navy Coordinating Committee.

⁷⁸ Special Assistant to the Director of the Office of European Affairs.

sideration should be given the question whether it is deemed desirable to engage at this time in any legal controversy with the Japanese Government over a question as uncertain as that raised by the protest under consideration.

It will be recalled in this connection that the receipt of the protest from the Japanese Government was merely acknowledged by this Department and that no commitment was given to make a further reply.

Sincerely yours,

EDWARD R. STETTINIUS, JR.

740.00116 P.W./3-645

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State

WASHINGTON, 6 March, 1945.

Reference is made to your identical letters to the Secretaries of War and Navy dated December 23, 1944,⁷⁹ enclosing memoranda dated December 11, 1944, from the Spanish Embassy,⁸⁰ which transmitted the text of a communication from the Japanese Government concerning alleged attacks by United States aircraft upon the Okinawa Islands on October 10, 1944. It was stated therein that the Department of State has merely acknowledged receipt of the Embassy's memorandum, and requests the views of the Secretaries of War and the Navy regarding the nature of a further reply to the Embassy, should one be deemed desirable. Reference is also made to your letter of 18 January 1945 to the Secretary of War on the same subject. It is noted that no commitment was given to make a further reply.

A strike against Okinawa Jima was conducted by the aircraft of a task group of the United States Navy on 10 October 1944. The mission of this task group was the destruction of enemy aircraft, ships, aircraft facilities, shipping facilities and enemy defenses. This strike consisted of several raids. After the third raid principal targets had largely been destroyed and certain units on subsequent raids bombed and strafed the building and warehouse area of the town of Naha.

The proximity of the installations and persons, reported in the Japanese protest as having been damaged and killed, to legitimate targets within the town is not possible of determination.

The degree to which the nature of the attacks is accurately described in the communication from the Japanese Government is questionable.

It is felt that to deny that attacks such as described in the Japanese communication are a violation of international law would be incon-

⁷⁹ Neither printed; but for summary, see footnote 75, p. 469.

⁸⁰ *Foreign Relations*, 1944, vol. v, p. 1169.

sistent with the frequently expressed views of this Government. To acknowledge them as such would jeopardize all aviators forced land in enemy territory and possibly subject them to treatment as war criminals. A reply on any other basis would lead to lengthy controversy as to the circumstances of the attack and the applicable international law which, as pointed out by your letter of 18 January 1945, is by no means firmly established or universally accepted.

Accordingly, it is the view of the Secretary of War and Secretary of the Navy that further reply to the Spanish Embassy is not desirable.⁸¹

For the State-War-Navy Coordinating Committee:
 JAMES CLEMENT DUNN
Chairman

740.00116 P.W./7-3045

The Swiss Chargé (Grässli) to the Secretary of State

The Chargé d'Affaires ad interim of Switzerland in charge of Japanese interests presents his compliments to the Honorable the Secretary of State and has the honor to quote the text of a cable just received from abroad:

"The Japanese Government has called the attention of the United States Government to the indiscriminate bombing of Naha City carried out by United States airplanes on 10th October, 1944,⁸² and in particular to the deliberate inhuman wounding and killing of a large number of innocent civilians. And in view of the fundamental principles of humanity and the guiding principles of international law which should none the less be adhered to even in time of war, the Japanese Government has presented an emphatic protest to the United States Government and demanded from it an immediate reply setting forth its views regarding such indiscriminate bombing. The Japanese Government has not yet received any reply from the United States Government. No sign of any serious attention on the part of the United States Government to the above-mentioned Japanese protest is seen; but on the contrary, in subsequent air raids on Japan proper the United States air forces have concentrated their attacks on non-military objectives. Especially the attacks made by United States airplanes on Tokyo, Nagoya, Osaka, Kobe, Yokkaichi, and many other cities since the 25th February this year, when judged from the method of attack could not but be regarded as having been exclusively aimed at the wounding and killing of innocent civilians. In these attacks the United States planes deliberately bombed such absolutely non-military objectives, as shrines, temples, schools, hospitals, and densely populated residential quarters and reduced them to ashes. They slaugh-

⁸¹ No further reply to the Spanish Embassy found in Department files.

⁸² See memorandum 251, Ex. 150.000, December 11, 1944, from the Spanish Embassy, *Foreign Relations*, 1944, vol. v, p. 1169.

tered an innumerable number of women, children, and aged people, and scenes of disaster presented were simply shocking.

"The Japanese Government strongly condemns these cruel inhuman and indiscriminate bombings carried out by United States airplanes as violations of the principles of humanity and the rules of international law, and solemnly protests against same to the United States Government. While reserving all rights and freedom of action relating to the matter, the Japanese Government demands of the United States Government its responsible reply."

The Chargé d'Affaires ad interim has been requested to cable the date of this notification and would, therefore, greatly appreciate it if the Honorable the Secretary of State would refer this matter to the appropriate American authorities for consideration.

WASHINGTON, July 30, 1945.

740.00116 P.W./8-1145

The Swiss Legation to the Department of State

MEMORANDUM

The Legation of Switzerland in charge of Japanese interests has received an urgent cable from the authorities abroad, requesting that the Department of State be immediately apprised of the following communication from the Japanese Government, reading, in translation, as follows:

"On August 6, 1945, American airplanes released on the residential district of the town of Hiroshima bombs of a new type, killing and injuring in one second a large number of civilians and destroying a great part of the town. Not only is the city of Hiroshima a provincial town without any protection or special military installations of any kind, but also none of the neighboring region of this town constitutes a military objective.

"In a declaration President Truman has asserted that he would use these bombs for the destruction of docks, factories, and installations of transportation.⁸³ However, this bomb, provided with a parachute, in falling has a destructive force of a great scope as a result of its explosion in the air. It is evident, therefore, that it is technically impossible to limit the effect of its use to special objectives such as designated by President Truman, and the American authorities are perfectly aware of this. In fact, it has been established on the scene that the damage extends over a great area and that combatant and non-combatant men and women, old and young, are massacred without discrimination by the atmospheric pressure of the explosion, as well as by the radiating heat which results therefrom. Consequently there is involved a bomb having the most cruel effects humanity has ever known, not only as far as the extensive and immense damage is con-

⁸³ For statement by President Truman, issued to the Press by the White House on August 6, see p. 621.

cerned, but also for reasons of suffering endured by each victim.

"It is an elementary principle of international public law that in time of war the belligerents do not have unlimited right in the choice of the means of attack and that they cannot resort to projectile arms or any other means capable of causing the enemy needless suffering. These principles are stipulated in the Convention respecting the laws and customs of war on land and in Article 22, as well as under letter (E) of Article 23 of the rules concerning the laws and customs of war on land.⁸⁴ Since the beginning of the present war, the American Government has declared on various occasions that the use of gas or other inhuman means of combat were considered illegal in the public opinion of civilized human society and that it would not avail itself of these means before enemy countries resorted to them.⁸⁵ The bombs in question, used by the Americans, by their cruelty and by their terrorizing effects, surpass by far gas or any other arm the use of which is prohibited by the treaties for reasons of their characteristics.

"The Americans have effected bombardments of towns in the greatest part of Japanese territory, without discrimination massacring a great number of old people, women, children; destroying and burning down Shinto and Buddhist temples, schools, hospitals, living quarters, etc. This fact alone means that they have shown complete defiance of the essential principles of humanitarian laws, as well as international law. They now use this new bomb, having an uncontrollable and cruel effect much greater than any other arms or projectiles ever used to date. This constitutes a new crime against humanity and civilization. The Government of Japan, in its own name and at the same time in the name of all of humanity and civilization, accuses the American Government with the present note of the use of an inhuman weapon of this nature and demands energetically abstinence from its use."

Reference: I-10

WASHINGTON, August 11, 1945.

740.00116 P.W./7-3045

The Secretary of State to the Swiss Chargé (Grässli)

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of Switzerland in charge of Japanese interests in the United States with the exception of the Territory of Hawaii and acknowledges the receipt of the Legation's note dated July 30, 1945 (Reference: I-10) transmitting the text of a communication from the Japanese Government concerning alleged attacks by United States

⁸⁴ Signed at The Hague, October 18, 1907; for text, see *Foreign Relations*, 1907, pt. 2, pp. 1181, 1204, 1211. Articles XXII and XXIII are part of the Annex to the Convention.

⁸⁵ See statement of June 8, 1943, by President Roosevelt, *Foreign Relations*, 1943, vol. I, p. 406. For documentation on assurance by the Japanese Government that it would not use poison gas provided the United States also did not use it, see *ibid.*, 1944, vol. v, pp. 1169-1170.

aircraft upon various Japanese cities. It is noted that certain non-military objectives are said to have been damaged during these attacks.

WASHINGTON, August 29, 1945.

740.00116 PW/8-1145

Memorandum by the Special War Problems Division to the Chairman of the State-War-Navy Coordinating Committee (Dunn)

[WASHINGTON,] September 5, 1945.

Subject: Japanese protest received by the Department of State in a memorandum dated August 11, 1945 from the Swiss Legation in charge of Japanese interests in the United States with the exception of Hawaii, concerning the alleged bombing on August 6, 1945 with "bombs of a new type" by United States airplanes of the town of Hiroshima (Japan).

Problem: Should a reply be made to this Japanese protest? If so, what should be the nature of the reply?

*Recommendations:*⁸⁶

- (1) That the receipt of the Swiss memorandum be merely acknowledged.
- (2) That no reply be made to this Japanese protest in view of the events which have transpired since the receipt of this note from the Swiss Legation.
- (3) That no publicity whatsoever be given to the receipt of this protest from the Japanese Government.

740.00116 PW/8-1145

The Department of State to the Swiss Legation

MEMORANDUM

The Department of State acknowledges the receipt of a memorandum dated August 11, 1945 from the Legation of Switzerland in charge of Japanese interests in the United States with the exception of the Territory of Hawaii, transmitting the text of a communication from the Japanese Government concerning the alleged bombing on August 6, 1945 of the town of Hiroshima by United States airplanes.

WASHINGTON, October 24, 1945.

⁸⁶ In memorandum SWNCC-3301, September 24, the State-War-Navy Coordinating Committee accepted the three recommendations of September 5.

REPORTS OF UNOFFICIAL SUGGESTIONS FROM JAPANESE SOURCES
THAT JAPAN WAS READY TO MAKE PEACE⁸⁷

740.0011 PW/1-3045

*Memorandum by the Director of the Office of Far Eastern Affairs
(Ballantine) to the Under Secretary of State (Grew)*

[WASHINGTON,] January 30, 1945.

Mr. GREW: The Department has received from OSS,⁸⁸ which apparently has a contact with the Vatican, a series of reports in regard to Japanese negotiations, beginning in early January, 1945, with the Vatican looking toward mediation by the Pope in the war in the Pacific. In the beginning it appears that the requests for mediation were made by Japanese "industrialists" to Catholic dignitaries in Japan, including Mgr. Marella, the Apostolic Delegate in Tokyo, and Mgr. Doi, a Japanese Catholic Bishop. More recently, however, it appears that the Japanese Government is involved, as negotiations are now being conducted at the Vatican by the Japanese Minister (Ken Harada) and his assistants.

The alleged Japanese minimum demands, which included Japanese retention of Hongkong and Hainan, an independent Philippines, dominion status for British India and the Netherlands Indies, and recognition of Japan's "privileged position" in the Far East, were considered by the Vatican to be too far from the minimum demands (a return to the *status quo ante* 1937) which the Vatican believed that the Anglo-Americans would consider, to make mediation at all hopeful of success. The Pope therefore refused to attempt to mediate unless the Japanese demands could be brought closer to what it was hoped would be considered by the Allies.

On January 17 Masahide Kanayama, a Secretary of the Japanese Legation at the Vatican, urged upon a group of Vatican officials that mediation be started before the meeting of the Big Three because Japan expects that Far Eastern questions will be discussed at the meeting.⁸⁹ It is represented that Japan expects that Stalin will be asked to denounce the Russo-Japanese Neutrality Pact⁹⁰ and to place Soviet airfields at the disposal of the Anglo-American forces; and

⁸⁷ For previous documentation, see *Foreign Relations*, 1944, vol. v, pp. 1183 ff. For additional material obtained from the Japanese Foreign Office archives, see section on "Peace feelers through the Soviet Union" in *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. i, pp. 873-883; *ibid.*, vol. ii, pp. 1248-1264. These volumes also contain documentation in regard to the surrender of Japan; see *ibid.*, vol. i, pp. 884 ff., and *ibid.*, vol. ii, pp. 1265 ff.

⁸⁸ Office of Strategic Services.

⁸⁹ For meeting at Yalta between President Roosevelt, British Prime Minister Churchill, and Marshal Stalin, Chairman of the Council of Commissars of the Soviet Union, February 4-11, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 562 ff.

⁹⁰ Signed at Moscow, April 13, 1941; see telegram 763, April 13, 1941, 11 p. m., from Moscow, *Foreign Relations*, 1941, vol. iv, p. 944. Cf. Department of State *Bulletin*, April 29, 1945, p. 812.

that Japan expects Stalin to ask that a serious attempt at mediation be made before these steps are taken, and to offer to act himself as mediator. Kanayama therefore hoped that the Pope would be the first to attempt to mediate (presumably because it is expected that Stalin's price for mediation would be distasteful to the Japanese). The Vatican officials, however, insisted that the Japanese Government offer terms which would be closer to those expected of [by?] the Allies before the Holy See undertakes mediation. Kanayama said that he would communicate this view to his Government.

Later Harada informed the Vatican that the Japanese Ambassador at Moscow ⁹¹ is negotiating with the Kremlin for the continuation of the existing Russo-Japanese Neutrality Agreement, in return for which continuation Japan will denounce the Tripartite and Anti-Comintern Pacts,⁹² will break completely with Germany, and will abolish Anti-Communist control in Japan.

These OSS reports are sufficiently circumstantial and sufficiently correct in detail to render it possible that they be given some credence. FE ⁹³ will continue to give its close attention to this matter and will not fail to report further developments.

J[OSEPH] W. B[ALLANTINE]

740.00119 P.W./2-1645 : Telegram

The Acting Secretary of State to the Personal Representative of President Roosevelt to Pope Pius XII (Taylor)

WASHINGTON, February 21, 1945—1 p. m.

23. Secret source within Government reports that you have had your "first talk" with Ken Harada. We assume that if such a conversation had occurred you would of course have so reported.

GREW

740.00119 PW/2-2345 : Telegram

The Personal Representative of President Roosevelt to Pope Pius XII (Taylor) to the Secretary of State

VATICAN CITY, February 23, 1945—11 a. m.

[Received February 23—9:05 a. m.]

45. Re Department's 23, February 21, 1 p. m. We have not seen Ken Harada, much less talked with him.

TAYLOR

⁹¹ Naotake Sato.

⁹² For the former, signed at Berlin, September 27, 1940, see *Foreign Relations, Japan, 1931-1941*, vol. II, p. 165; for the latter, signed at Berlin, November 25, 1936, and at Rome, November 6, 1937, see *ibid.*, pp. 153 and 159, respectively.

⁹³ Office of Far Eastern Affairs.

740.00119 P.W./4-645 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 6, 1945—5 p. m.

[Received 7:10 p. m.]

1288. The following is the substance of a telegram which, according to von Post, the Swedish Foreign Office has just received from the Swedish Minister at Tokyo:⁹⁴

There is no doubt that unconditional surrender terms would be unacceptable to the Japanese because it would mean dishonor. Application of such terms would be fatal and lead to desperate action on the part of the people. The Japanese people believe that the war can not be won but also they believe that it would be impossible to conquer and occupy Japan. The Japanese soldier and likewise the Japanese civilian prefers to die than to give himself up as a prisoner. On the other hand it seems probable that very far-reaching conditions would be accepted by the Japanese by way of negotiation.

Exchange of the Japanese constitution must also be considered as excluded. The Emperor must not be touched. However, the Imperial power could be somewhat democratized as is that of the English King.

JOHNSON

740.00119 P.W./4-745 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 7, 1945—8 p. m.

[Received April 7—8 p. m.]

1313. Acting Secretary General of Foreign Office, Mr. Assarsson, informed me this p. m. that information conveyed by von Post and reported in my 1288, April 6, 5 p. m., represented views expressed to Swedish Minister Bagge in Tokyo by "Jap officials of very high rank".⁹⁵ It is Foreign Office opinion although Bagge did not say so that these views were intentionally given to Bagge in expectation they would come to attention of United States and British Governments. Bagge's report was received 2 days before Russian denunciation of the neutrality pact with Japan.⁹⁶

JOHNSON

⁹⁴ Widor Bagge.

⁹⁵ For conversations prior to April 7 between Mr. Bagge and the Japanese Minister for Foreign Affairs, Mamoru Shigemitsu, see Mr. Bagge's affidavit, International Military Tribunal for the Far East, Record of Proceedings Dec. 3-4, 1947, Tokyo, pp. 34561-34562.

⁹⁶ Soviet denunciation took place on April 5; see Department of State *Bulletin*, April 29, 1945, p. 811.

740.00119 P.W./4-645: Telegram

The Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, April 19, 1945—7 p. m.

710. As it seems possible that the Legation may receive further information along the lines of that reported in its telegrams 1288, April 6, 5 p. m., and 1313, April 7, 8 p. m., for your own information the Department is interested in being informed of such indications of Japanese trends of thought. Although the Department desires that the Legation show no interest or take any initiative in pursuit of the matter because to do so might be misconstrued as indicating room for modification of this Government's demand for unconditional surrender, there would be no objection if, in reference to this or future communications of this nature, the Legation as on its own initiative were to express orally its own thanks for the courtesy of the Swedish Government in the matter.

STETTINIUS

740.00119 PW/5-745: Telegram

*The Ambassador in Portugal (Baruch) to the Secretary of State*⁹⁷

LISBON, May 7, 1945—noon.

[Received 9 p. m.]

990. . . .^{97a} of OSS reports that the Counselor of the Japanese Legation here, Masutaro Inouye, yesterday approached . . . the DNB representative in Portugal (formerly DNB Washington). . . . who has been a trusted undercover agent of OSS for past year informed . . . that Inouye made following statements to him:

"I do not want this to be construed as a 'peace feeler' but please try to get into touch with the American Embassy and find out what exactly they plan to do in the Far East. There can be no 'unconditional surrender' as the Emperor would never do that. But we realize that Japan will be hopelessly smashed by United States bombers. We regard the Tripartite Pact⁹⁸ as torn by Germany as Doenitz⁹⁹ has surrendered to the western powers though the pact said that there would be no separate peace. So we now feel able to conclude a peace with the western powers too. The only drawback is that we do not know how far the western powers intend to go. We are prepared to give up all the conquests in this war but would like to keep what we had before. We think that we have a rather good point for argument: China and Russia. The Americans no doubt know that Russia will try to drive

⁹⁷ The substance of this telegram was given the British Embassy on May 14.^{97a} The names of certain officials have been deleted from this document.⁹⁸ Signed by Japan, Germany, and Italy at Berlin, September 27, 1940, *Foreign Relations, Japan, 1931-1941*, vol. II, p. 165.⁹⁹ Grand Adm. Karl Doenitz, successor to Adolf Hitler as head of German Government, May 1.

them out of the Far East and that the United States may lose the great Chinese market. The way Molotov¹ acts at San Francisco² shows plainly that Stalin has reverted to Imperialism or to Isolationism. There can be no other solution for the western powers than to get up a united front against Stalin. The Japanese are very strong in China. If need be the Government can go to China and fight on from there. We hold the richest parts of the Chinese sub-continent and we have an important Chinese following. We have the argument of 'Asia for the Asiatics'. So instead of waging a very long war against Japan in China and finally losing the Far East markets to Russia the western powers should come to some sort of an arrangement, however bad it might be for us. We do not think that after the Polish experience the USA will grant a six billion dollar credit to Stalin and we think that the Russians will drift even farther apart from the western powers. We hope that the United States will see this in the same light."

BARUCH

740.00119 P.W./5-1145

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, May 11, 1945—1 p. m.

[Received 4:05 p. m.]

1748. At request of Legation, contact of Legation spent evening May 7 with General Onodera (Military Attaché), Doctor Jiro Homma (assistant to Onodera) and Colonel Kinoshita of Japanese Legation. Contact was advised that 23 members Japanese Colony have come from Denmark and Germany and at request of Swedish Government are bound by oath to remain in district near Malmo but not privileged to go into Malmo. Japanese also advised that funds brought with them have been blocked.

Japanese Legation Stockholm received a letter of credit from Tokyo on May 3 to the amount of 300,000 kroner which Swedish Government has blocked. Withdrawals are permitted on basis of vouchers submitted by Japanese for payment salaries, rental expenses, office expenditures but not for other purposes.

General Onodera stated that information from Tokyo reveals that Russians are moving 400,000 troops to Manchurian border and that Russians intend to declare war on Japan. He also advised that information received from Tokyo indicates that American bombing in Japan has been much worse than is generally believed and probably much worse than Americans themselves believe. Onodera stated that it is realized that Japan cannot win and that the best possible solution would be to prevent the destruction of its cities and places of

¹ Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

² At United Nations Conference on International Organization which met at San Francisco, April 25-June 26, 1945.

culture. He stated that he was authorized to attempt to arrange for a member of the Swedish Royal Family to approach the Allies for some settlement. (Please advise Joint Chiefs of Staff.) Onodera pointed out the necessity of this not being unconditional surrender in view of the fact that the Japanese must save their face with respect to the Chinese. Onodera requested contact to raise this question with Prince Carl Senior, the King's brother. He insisted that the intermediary must be a member of the Royal Family in order to be in keeping with the fact that he would be representing the Emperor of Japan. Onodera insisted that he, and not the Japanese Minister to Sweden,³ had the power of attorney to arrange for these discussions but pointed out that until he met with the Swedish representative he would under all circumstances deny that he had ever initiated an approach.

Legation's contact did not make known and will not make known fact that he has had any connections with this Legation or that he is advising Legation of this information. On night of May 8, Legation's contact approached Prince Carl Senior's personal secretary, Lowenhielm, who subsequently advised contact that as head of the Swedish Red Cross Prince Carl Senior cannot become involved in political affairs. Accordingly Prince Carl Senior intends to take question up with the King and Bernadotte⁴ and agreed to advise contact of decision by May 12.

Onodera stated that he was anxious to contact Oshima, Japanese Ambassador to Germany, and to have him come to Sweden. He stated the last contact with Oshima was on May 2 and 3. Indication was that Oshima has knowledge of or would participate in any negotiations.

Swedes are not being advised that Legation has information concerning this approach. Contact has agreed to inform us immediately of any developments.

JOHNSON

740.00119 PW/5-1145 : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, May 12, 1945—8 p. m.

879. It is not clear from your telegram (1748, May 11, 1 p. m.) to what extent the Legation has indicated an interest in these discussions. As the American policy is not even to consider any terms short of unconditional surrender, it is extremely important that the Legation give no impression even to the Swedes that it has taken any initiative

³ Suemasa Okamoto.

⁴ Prince Carl Junior, nephew of King Gustav V.

in the matter or that it would be interested in transmitting to this government information regarding any offer except one of unconditional surrender. Please report any further conversations with your contact.

GREW

740.00119 PW/5-1245

*Memorandum by the Director of the Office of Strategic Services
(Donovan) to the Secretary of State*

WASHINGTON, 12 May, 1945.

The following information, transmitted by the OSS representative in Bern, originates with a German source, an authority on the Far East who is considered anti-Nazi but pro-Japanese:

The source, on 11 May, talked with Shunichi Kase, the Japanese Minister to Switzerland. He reports that Kase expressed a wish to help arrange for a cessation of hostilities between the Japanese and the Allies. Kase reportedly considers direct talks with the Americans and the British preferable to negotiations through the USSR, because the latter eventuality would increase Soviet prestige so much that the whole Far East would become Communist.

Kase allegedly believes that one of the few provisions the Japanese would insist upon would be the retention of the Emperor as the only safeguard against Japan's conversion to Communism. Kase feels that Under Secretary of State Grew, whom he considers the best US authority on Japan, shares this opinion.

WILLIAM J. DONOVAN

740.0011 PW/5-1745

*The British Minister (Sansom) to the Chief of the Division of
Japanese Affairs (Dickover)*

WASHINGTON, May 17, 1945.

DEAR DICK: With reference to our conversation in which you informed me of some statements made in Tokyo to the Swedish Minister by certain Japanese individuals, I send you herewith the substance of a telegram just received from the Foreign Office.

You will see that the Foreign Office, like the Department of State, did not regard the statements quoted as amounting to a peace feeler; and that some additional information as to remarks made by Prince Konoye⁵ is included in their message.

We have just received your memorandum of May 14th⁶ regarding

⁵ Prince Fumimaro Konoye, Japanese Prime Minister, June 1937-January 1939, and July 22, 1940-October 16, 1941.

⁶ See footnote 97, p. 478.

the views of the Japanese Counsellor at Lisbon, and have transmitted it to the Foreign Office.

Yours very sincerely,

GEORGE

[Enclosure]

The British Embassy to the Department of State

The Foreign Office received a similar report from the same source and through the same channels early in April, to the effect that the Japanese considered unconditional surrender dishonourable and would not accept any change in the constitution affecting the position of the Emperor.

According to the version received by the Foreign Office, the Japanese individuals in question said that suggestions mooted at the recent I.P.R.⁷ Conference that the Emperor and his family should be set aside, had created a very bad impression even among those Japanese who were most in favour of ending the war. The report added that the Japanese realized that the war was lost and that they would be prepared to accept far reaching conditions in a negotiated peace, but they did not believe that the Allies could occupy Japan.

The above views were not, in the report received by the Foreign Office, quoted as those of certain high ranking officials, but as representing the attitude of the Japanese people in general. There did not seem to be any question of a peace feeler, and consequently it was not thought worth while to notify the Department of State.

Subsequently the Foreign Office have received from the same source a report that Suzuki⁸ is in favour of making peace, but what kind of peace is not stated. This report adds that Prince Konoye, in conversation with the Swedish Minister, had expressed the view that the British must be getting very jealous of the Americans now that the latter had shown such extraordinary strength in both Europe and Asia.

The Swedish Minister is said to have answered that it would be foolish of the Japanese to count upon any disagreement between the United States and Britain.

[WASHINGTON,] May 17, 1945.

⁷ Institute of Pacific Relations.

⁸ Adm. Baron Kantaro Suzuki, Japanese Prime Minister since April 7.

740.00119 P.W./5-1745 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, May 17, 1945—5 p. m.

[Received 6:12 p. m.]

1821. My 1748, May 11, 1 p. m. and 1798, May 15, 7 p. m.⁹ Contact heard from Lowenhielm that after careful survey by Prince Carl Senior they are let [*led*] to believe that something could be arranged. According to Lowenhielm, this impression was obtained from contacts they had made on the question. (Presumably Lowenhielm was referring to contacts with other Swedes and not with Allies. I am not informed of any approach to Allies here.)

Lowenhielm stated further that the question is now being handled by "the highest man in this country" (obviously meaning the King). He further requested contact to report substance of above to General Onodera. Latter according to contact was very pleased and gratified upon receiving report.

There have been certain rumors here that Japanese approach for negotiated peace is being made in other places but I have no information on this.

JOHNSON

740.00119 PW/5-1945 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, May 19, 1945—midnight.

[Received May 19—6:31 p. m.]

1089. Embtel 990, May 7, noon. . . .^{9a} has again been approached by DNB representative . . . who stated that Inouye, Japanese Counselor here, inquired whether there had been any results following . . . last approach.

We have informed . . . that when he next sees . . . he should inform Inouye that unless Inouye is (a) acting under instructions, (b) can produce satisfactory evidence of his authority and (c) is prepared to propose unconditional surrender, no further contact with . . . on this subject is desired. . . . may add that we do not propose to act as channel for transmission of Japanese propaganda to Washington.

My British and Chinese colleagues have been apprised of foregoing.

BARUCH

⁹ Latter not printed.^{9a} The names of certain OSS personnel have been deleted from this document.

740.00119 P.W./5-2845 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, May 28, 1945—5 p. m.

[Received May 29—2:40 p. m.]

863. Although the Department will, of course, have been fully informed by our Embassy in Lisbon of the recent Japanese peace feeler, I submit as of probable interest the following summary of a telegram from Chang Chien, Chinese Minister there, which has been made available by the Acting Foreign Minister:¹⁰

[Here follows summary of telegram similar to telegram 990, May 7, noon, from Lisbon, printed on page 478.]

When handing this message to Briggs,¹¹ Wu stated that the Chinese Foreign Office had already replied, declaring that China will accept nothing less than unconditional surrender of Japan. He also commented upon the "obvious effort" of Japan to sow suspicion of Russia.

HURLEY

740.00119 PW/5-2845 : Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, May 30, 1945—7 p. m.

817. Reurtel 863, May 28, 5 p. m. Following telegram to Lisbon is repeated for your information:

"Several of our missions in Europe have been approached indirectly on this subject but the Japanese concerned have in no case exhibited any authority to speak on behalf of the Japanese Government. As it would be most unwise for our representatives abroad to hold conversations, however informal and indirect, with unauthorized Japanese, your action in this particular case is approved. However you will please report for the Department's information any further approaches of this sort made to the Embassy, but we prefer that you not discuss these matters with your colleagues."

GREW

740.00119 P.W./5-3045 : Airgram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, May 30, 1945.

[Received June 6—6 p. m.]

A-446. Evening newspapers in Lisbon published following communiqué from Japanese Legation:

"In the Foreign Press Conference on the 21st of the present month M. Iguchi, spokesman for the Japanese Government, categorically

¹⁰ K. C. Wu, Chinese Political Vice Minister for Foreign Affairs.

¹¹ Ellis O. Briggs, Economic Counselor of Embassy in China.

denied the reports of peace proposals divulged by the Anglo-Americans stating the following:

‘It would be superfluous to say that the reports that Japan has presented peace proposals are totally without foundation.

Japan has never proposed peace either to America or England in any place or through any channel and the intentions of the enemy in making propaganda of this type are obvious and contemplate the weakening of the fighting morale of the Japanese people.

It may be assumed that this propaganda will be repeated in the future whenever it is judged useful to do so. Nevertheless, the policies already determined by the Japanese Empire in reference to the prosecution of war will not be affected in any manner which, furthermore, it is unnecessary to reaffirm.’”

BARUCH

740.00119 P.W./6-145

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, June 2, 1945.

Subject: Japanese Surrender Terms.

The following information has been transmitted by the OSS representative in Lisbon:

“On 7 May 1945 the OSS representative reported that during a contact with a regular source of varying reliability, source stated that he had been asked by Masutaro Inoue, Counsellor of the Japanese Legation in Portugal, to contact United States representatives. Source quoted Inoue as saying that the Japanese are ready to cease hostilities, provided they are allowed to retain possession of their home islands. Inoue stressed American and Japanese ‘common interests’ against the USSR. He said, however, that unconditional surrender would not be acceptable to Japan.

“(The OSS representative believes that Inoue selected this particular source to carry his message to American representatives, because of source’s long experience in Portugal and Japan.)

“On 19 May, the OSS representative reported that Inoue again had repeated to source his desire to talk with an American representative. On this occasion Inoue declared that actual peace terms were unimportant so long as the term ‘unconditional surrender’ was not employed. The Japanese, he asserted, are convinced that within a few weeks all of their wood and paper houses will be destroyed. Inoue insisted, however, that such destruction would not lead to unconditional surrender and that the war would still be prosecuted in China. The destruction of the Meiji Jinja shrine, Inoue added, had strengthened Japanese will to resist.

“(The information contained in the above messages was given the United States Ambassador by the OSS representative.)

“The OSS representative on 23 May reported that the United States Ambassador, after consultation with the British and Chinese, instructed that Inoue be told he must show proof that he is authorized

to speak for the Japanese Government and that he is prepared to discuss unconditional surrender—the only basis acceptable to the United States.”

No action on our part is at present indicated but we shall carefully follow further developments along this general line.

JOSEPH C. GREW

740.00119 P.W./6-445

*Memorandum by the Acting Director of the Office of Strategic Services
(Buxton) to the Secretary of State*

WASHINGTON, 4 June, 1945.

The following information, transmitted by the OSS representative in Bern on 2 June, is a sequel to a memorandum dated 12 May 1945 concerning an alleged Japanese peace feeler. The source of the information is the same German authority on the Far East who is considered anti-Nazi but pro-Japanese:

Source is in touch with Fujimura, who is understood to be one of the principal Japanese naval representatives in Europe and a former Assistant Naval Attaché in Berlin. Fujimura is reported to be in direct and secret contact by cable with the Japanese Minister of Marine [*Navy?*]¹² and is believed to enjoy the confidence of the Japanese Government.

Fujimura indicated to source that the Navy circles who now control [?]¹³ the Japanese Government would be willing to surrender but wish, if possible, to save some face from the present wreckage. These Navy circles, he declares, particularly stress the necessity of preserving the Emperor in order to avoid Communism and chaos. Fujimura emphasizes that Japan cannot supply itself with basically essential foodstuffs and is dependent upon Korea for sugar and rice. He also insists that Japan needs to retain some of its merchant marine for necessary food imports.

G. EDWARD BUXTON

740.00119 P.W./6-2245

*Memorandum by the Acting Director of the Office of Strategic Services
(Buxton) to the Secretary of State*

WASHINGTON, 22 June, 1945.

The following information, transmitted by the OSS representative in Bern, is a sequel to memoranda dated 12 May and 4 June concern-

¹² Adm. Mitsumasa Yonai, Japanese Minister of Navy. (Brackets appear in the original.)

¹³ Brackets appear in the original.

ing peace feelers emanating reportedly from the Japanese Legation in Bern. The source of the information is the same German authority referred to in previous memoranda, a description of whom is appended below :

According to source, Fujimura insists that the Japanese, before surrendering, would require assurances that the Emperor would be retained. Fujimura has read accounts in the Bern press of Mr. Allen Dulles' ¹⁴ part in arranging for the German capitulation in North Italy. Fujimura is obviously interested in knowing what terms short of unconditional surrender might have been granted these Germans.

[Fujimura, a former Japanese Assistant Naval Attaché in Berlin, is considered to be one of the principal Japanese naval representatives in Europe. From Bern he is reportedly in close touch by cable with naval circles in Tokyo.] ¹⁵

[Source is a German national who was taken prisoner by the Japanese in World War I. Upon his release he remained in Japan and established important commercial relations there. He placed Japanese purchases in Germany, made a substantial fortune, and gained the confidence of high Japanese circles, particularly in the Navy. Some years ago he returned to Europe, and, as he was *persona non grata* with the Hitler Government, he took up residence in Zurich. He maintained contacts, however, with Japanese circles in Berlin, especially with Admiral Nomura, the Japanese Naval Attaché. He is understood to have advised the Japanese two years ago that Germany would be decisively defeated, while Ambassador Oshima at that time officially predicted a German victory.] ¹⁵

G. EDWARD BUXTON

740.00119 PW/7-645: Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, July 6, 1945—6 p. m.

[Received July 7—4: 19 a. m.]

2384. Following is substance of report given Leg[ation] by Prince Carl Bernadotte following a conversation with Jap Military Attaché. This conversation took place at a dinner arranged by the Japs for Prince Carl who had previously informed Leg that he would.

Major General Onodera, Jap Mil Attaché, stated that Japs know war has been lost and when right time comes they will make direct contact with King of Sweden. Onodera said this would be done by him and he emphasized that he and not Jap Minister has authorization from Emperor and Jap Govt to enter into negotiations. King Gustaf would be approached with view to his contacting Allies. Onodera referred to Emperor and pointed out that by reason of Em-

¹⁴ New York attorney serving with the Office of Strategic Services in Europe.

¹⁵ Brackets appear in the original.

peror's position contact will have to be made by Swed King. He further stated that Emperor must be maintained in his position after the capitulation. No other conditions of surrender were specified. Bernadotte was asked not to advise the Americans of conversation at this time, Mil Attaché stressing point that time had not yet arrived for contact to be made. Onodera then requested Prince Charles [Carl] to arrange meeting for him with his father Prince Carl Senior. Bernadotte replied that his father is now in Oslo and is not well but that he would deliver message and give Onodera Prince Carl Senior's reply. Prince Carl Senior is brother of King Gustaf and President of Swed Red Cross.

JOHNSON

[For statement to the press by the Acting Secretary of State on July 10, 1945, concerning Japanese peace offers, see Department of State *Bulletin*, July 15, 1945, page 84.]

740.00119 P.W./7-1345

Memorandum by the Acting Director of the Office of Strategic Services (Cheston) to the Secretary of State

WASHINGTON, July 13, 1945.

The following information, received from Mr. Allen Dulles in Wiesbaden, dated 12 and 13 July, concerns a new Japanese attempt to approach Allied authorities through OSS representatives in Switzerland:

Per Jacobsson, a Swedish national and economic adviser to the Bank for International Settlements, has been approached by Kojiro Kitamura, a director of the Bank, a representative of the Yokohama Specie Bank and former financial attaché in Berlin. Kitamura indicated to Jacobsson that he was anxious to establish immediate contact with American representatives and implied that the only condition on which Japan would insist with respect to surrender would be some consideration for the Japanese Imperial family. Kitamura showed that he was completely familiar with OSS operations which led to the surrender of German forces in North Italy, and declared that he wished to establish a contact similar to that made by General Karl Wolff.

According to Jacobsson, Kitamura is acting with the consent of the Japanese Minister to Switzerland, Shunichi Kase, and is working with Brigadier General Kiyotomi Okamoto, a former Japanese Military Attaché in Bern. [Okamoto is probably the chief of Japanese

intelligence in Europe.]¹⁶ Kitamura claims that the Japanese group in Switzerland has direct communications with Tokyo and is in a position to make definite commitments.

(Responsible OSS cut-out sources who talked with Jacobsson at Basel believe that the Kitamura approach was initiated locally rather than on the basis of instructions from Tokyo. Hence it is difficult to assess the seriousness of the approach.

(The OSS representative in Bern reports that Jacobsson has urgently requested him to come to Basel to see him this coming weekend. The OSS representative has declined the invitation but has told Jacobsson that he could see him in Bern on Sunday, 15 July. The OSS representative in Bern will see Jacobsson only to obtain such intelligence as Jacobsson is able to give, and expects to treat the entire matter with the greatest caution and reserve.)

CHARLES S. CHESTON

740.00119 PW/8-245

*Memorandum by the Director of the Office of Strategic Services
(Donovan) to the Secretary of State*

WASHINGTON, 16 July, 1945.

The following information, a sequel to a memorandum dated 13 July concerning a new Japanese attempt to approach Allied authorities through OSS representatives in Switzerland, has been received from Mr. Allen Dulles in Wiesbaden. The information was supplied by the source of the reference memorandum, Per Jacobsson, a Swedish national and economic adviser to the Bank for International Settlements in Basel. Jacobsson had asked to see Mr. Dulles and was brought to Wiesbaden for that purpose on 15 July, returning immediately to Basel.

Jacobsson reports that between 10 and 13 July he had a series of conferences with Yoshimura, a Japanese official attached to the Bank for International Settlements, and Kojiro Kitamura, a director of the Bank, representative of the Yokohama Specie Bank, and former financial attaché in Berlin. Yoshimura and Kitamura claim to be acting in consultation with the Japanese Minister to Switzerland, Shunichi Kase, and Brigadier General Kiyotomi Okamoto, former Japanese military attaché in Bern, who now is believed to be chief of Japanese Intelligence in Europe. Yoshimura and Kitamura claim further that Kase and Okamoto have direct and secret means of communicating with the Japanese Chief of Staff.¹⁷ Yoshimura also claims that the peace group which he represents includes General

¹⁶ Brackets appear in the original.

¹⁷ Gen. Yoshijiro Umezu.

Yoshijiro Umezu, Army Chief of Staff; Admiral Mitsumasa Yonai, Minister of Navy; and Shigenori Togo, Foreign Minister.

Yoshimura and Kitamura appeared to Jacobsson no longer to question the principle of unconditional surrender, though at one point they asked whether unconditional military and naval surrender might not be sufficient. On his own initiative, Jacobsson replied that such a proposal would not be acceptable to the Allies but would be considered merely a quibble. Both Japanese officials raised the question of maintaining Japanese territorial integrity, but they apparently did not mean to include Manchukuo, Korea or Formosa.

Throughout discussions with Jacobsson, the Japanese officials stressed only two points: (a) the preservation of the Emperor, and (b) the possibility of returning to the constitution promulgated in 1889. Kitamura prepared and presented to Jacobsson a memorandum asking him to sound out Mr. Dulles' opinion on the two points.

(Mr. Dulles feels that these two Japanese are insisting on the retention of the Emperor because they feel that he alone can take effective action with respect to surrender and that some hope of survival must be held out to him in order to gain his support for unconditional surrender.)

Later Yoshimura and Kitamura prepared a second memorandum in which they asked how, if Tokyo were ready to proceed, conversations could be arranged with Allied representatives and what form of authorization would be required.

Jacobsson is personally convinced that these approaches are serious and that the Japanese group in Switzerland is in constant cable contact with Tokyo. This conviction appears to be based on impressions only, since his two Japanese contacts never stated precisely that they had received instructions from any authorized agency in Tokyo.

(Mr. Dulles, in carefully guarded statements, pointed out to Jacobsson that:

(1. Mr. Grew's statement of 10 July ^{17a} covered the situation. As yet these approaches which Jacobsson described, in the absence of conclusive evidence that they emanated from a fully-empowered official, fall squarely into the category of "peace feelers" described by Mr. Grew.

(2. If competent Japanese authorities accepted unconditional surrender, appropriate Allied authorities would determine how such a surrender should be effected.

(3. He (Mr. Dulles) had no comments to make with regard to dynastic and constitutional questions.

(4. Prompt unconditional surrender appears to be the only way to save anything out of the wreckage.

^{17a} Department of State *Bulletin*, July 15, 1945, p. 84.

(Mr. Dulles agrees with Jacobsson that the Japanese have taken to heart the consequences which Germany has suffered, including extensive physical destruction and the collapse of all German authority, because it prolonged a futile struggle many months after its hopelessness was wholly apparent. Jacobsson feels therefore that a tendency is growing in certain Japanese circles to try to terminate the war at any cost, provided that non-militaristic Japanese governmental institutions can be preserved in the Japanese home islands.

(Mr. Dulles expects within a few days to obtain some evidence as to whether these approaches by Yoshimura and Kitamura have any serious backing or represent merely an effort by the Japanese group in Switzerland to start something on their own initiative.)

WILLIAM J. DONOVAN

740.00119 PW/7-1845 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, July 18, 1945—4 p. m.

[Received 6:55 p. m.]

3611. For Acting Secretary. Hirs, Director Swiss National Bank, Zurich, told Secretary Altaffer¹⁸ that Financial Attaché Japanese Legation, Bern, said to Hirs on Friday 13 that if Hirs had American friends Attaché wished he would tell them "we want peace". Attaché said further he knew Japan was defeated and question was now only one of getting as good terms from Allies as possible. Hirs quoted Attaché as then saying that Japs could not accept unconditional surrender but that, if they could keep their Emperor, he was sure we could obtain their surrender under our own terms.

Hirs expressed conviction Attaché had so expressed self under instructions from Minister.

HARRISON

740.00119 P.W./7-1845

*Memorandum by the Director of the Office of Strategic Services
(Donovan) to the Secretary of State*

WASHINGTON, 18 July, 1945.

The following information, transmitted by Mr. Allen Dulles, Chief of the OSS mission in Wiesbaden, on 18 July, is a sequel to previous memoranda dated 13 and 16 July concerning a Japanese attempt to approach Allied authorities through OSS representatives:

Mr. Dulles has been informed by OSS representatives in Switzerland that Yoshimura and Kojiro Kitamura, Japanese officials in the

¹⁸ Maurice W. Altaffer, First Secretary of Legation.

Bank for International Settlements, were scheduled to confer at once with Brigadier General Kiyotomi Okamoto at Zurich, and immediately thereafter to cable Tokyo. [Okamoto is a former Japanese military attaché in Bern, now believed to be chief of Japanese Intelligence in Europe.]²⁰

(Mr. Dulles believes that for the next few days important developments in this matter are not likely, but that a line is being opened which the Japanese may use when the situation in Tokyo permits Japan to accept unconditional surrender.)

WILLIAM J. DONOVAN

740.00119 PW/8-245

Memorandum by the Acting Director of the Office of Strategic Services (Cheston) to the Secretary of State

WASHINGTON, 2 August, 1945.

The following is the substance of a message, dated 1 August, received from Mr. Allen Dulles, Chief of the OSS mission in Wiesbaden. The information contained in this message is a sequel to memoranda dated 13, 16 and 18 July concerning a Japanese attempt to approach Allied authorities through OSS representatives.

Immediately following is a summary of a report by Per Jacobsson, a Swedish national and economic adviser to the Bank for International Settlements, transmitted to Mr. Dulles through an intermediary:

The Japanese Chief of Staff has acknowledged without comment a long cable which Brigadier General Kiyotomi Okamoto sent from Switzerland on 19 July. Okamoto's telegram reportedly stated that Japan has lost the war and must promptly accept the consequences. [Okamoto is believed to be the head of Japanese Intelligence in Europe.]²⁰

The Japanese Foreign Minister has also acknowledged a detailed report from Shunichi Kase, Japanese Minister in Bern. Kase's report, sent on or about 21 July, included (a) Mr. Grew's statement of 10 July, (b) a memorandum from Kojiro Kitamura, director of the Bank for International Settlements and former financial attaché in Berlin, who has been active in the current Japanese approaches to Mr. Dulles, and (c) a statement of Kase's own position. The Foreign Minister's reply to Kase's message contained the following query: "Is that all you have to say?" Kase interprets this query as an invitation to continue peace approaches.

²⁰ Brackets appear in the original.

The recent tripartite ultimatum to Japan ²¹ has been the chief topic of discussion among Japanese groups in Switzerland. Their first reaction, on the basis of excerpts published in the Swiss press, was that (a) the proclamation showed a lack of understanding of Japanese character, (b) the document should have not been framed on a basis of "take it or leave it", (c) the inclusion of China as a signatory represented an "added element of humiliation", and (d) the document should have been sent through private channels rather than publicly. After receiving the full English text through Jacobsson, and after further study, the attitude of the group changed, and the proclamation was accepted as an "astute document which left a possible way out". The group was particularly impressed by "unconditional surrender" in connection with the "Japanese armed forces" and to the reference to revival and strengthening of democratic tendencies among the Japanese people. As a result, a telegram stressing these points was to be sent to Tokyo on 30 July.

The following is a summary of a memorandum to Mr. Dulles from the Japanese group in contact with Per Jacobsson. Jacobsson transmitted this memo along with his own report summarized above.

The Japanese group emphasizes that it is hoping for some decision within a week unless "resistance is too great". The Allies should not take "too seriously" what was said over the Tokyo radio about the tripartite proclamation. This radio comment was merely "propaganda to maintain morale in Japan". The real reply will be given through some "official channel", possibly by Minister Kase or General Okamoto, if an official Government reply is not made over the Tokyo radio.

Mr. Dulles also has been informed, by a German authority on the Far East living in Switzerland who is one of his regular contacts, that Yosikazu Fujimura, a Japanese Navy representative in Bern, has sent seven long cables to his superiors in Tokyo during the past two months urging immediate cessation of hostilities. His superiors cabled in reply that the Japanese Navy no longer is able to "act alone", and instructed Fujimura not to take the initiative without orders from Tokyo, but to maintain his "most valuable contacts".

[Fujimura, a former Japanese Assistant Naval Attaché in Bern, reportedly has direct radio contact with the Navy Ministry and Navy

²¹ For proclamation calling for the surrender of Japan, approved by the Heads of Government of the United States, China, and the United Kingdom at Potsdam, July 26, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1474. For earlier documentation on unconditional surrender of Japan, see *ibid.*, vol. I, pp. 884 ff., and *ibid.*, vol. II, pp. 1248 ff.

Chief of Staff²² in Tokyo. To this same German source Fujimura previously had indicated an interest in the part which Mr. Dulles played in arranging for the German capitulation in North Italy and in ascertaining what terms short of unconditional surrender might have been granted these Germans. He suggested that Japanese naval circles in Tokyo would be willing to surrender provided they were given assurances (a) that the Emperor would be retained and (b) if possible, that they could save some face from the present wreckage. Fujimura's approaches were the subject of memoranda dated 2 and 4 June.]²³

The German source reports and Jacobsson confirms that Fujimura and Kitamura have established close contact with each other. The two men, Jacobsson confirms, are agreed that joint action by all Japanese services in Switzerland might make some impression on the Japanese Government, since Bern now "is probably next to Moscow the most important Japanese foreign post."

CHARLES S. CHESTON

740.00119 P.W./8-945

Memorandum by the Acting Director of the Office of Strategic Services (Magruder) to the Secretary of State

WASHINGTON, 9 August, 1945.

The following is the substance of a message dated 8 August from Mr. Allen Dulles, Chief of the OSS mission in Wiesbaden. The information contained in this message is a sequel to memoranda dated 13, 16, and 18 July, and 2 August, concerning a Japanese attempt to approach Allied authorities through OSS representatives.

Per Jacobsson, a Swedish national and economic adviser to the Bank for International Settlements, has transmitted the following information to Mr. Dulles through an intermediary:

Kojiro Kitamura, director of the Bank for International Settlements and former financial attaché in Berlin, has held a number of conversations on the significance of the tripartite ultimatum to Japan issued at Potsdam with the Japanese Minister in Bern, Shunichi Kase, and Brigadier General Kiyotomi Okamoto, believed to be the head of Japanese intelligence in Europe.

According to indications from the Tokyo Radio, the three men all feel that the declaration initially was badly received. They emphasize, however, the "brief and perfunctory" nature of the formal reply

²² Adm. Soemu Toyoda.

²³ Brackets appear in the original.

as given over the Tokyo Radio by Premier Suzuki. They attribute the terseness of the reply as evidence of the influence of a "peace party".

This group in Switzerland has been sending daily cables to Tokyo stating that the Potsdam declaration to Japan was merely a simple statement of Allied war aims and not a "take-it-or-leave-it ultimatum which Japan could not honorably accept, as was first believed." The group feels that these daily messages to Tokyo have served to bolster the efforts of the "peace party" in Tokyo. The group finds encouraging the fact that it has not been rebuked for such frank statements, and attaches considerable importance to a report in the Swiss press on 5 August that Foreign Minister Togo was received in private audience by the Emperor. The group considers that Togo belongs to "a new peace party".

The group requested Jacobsson to ask Mr. Dulles whether he would be willing to see an authorized representative of the Japanese Government. If so, one of the following would be selected as the representative: (1) Minister Kase, acting as Japanese Government delegate to the conversations, not as Minister to Switzerland; (2) Ambassador Sato in Moscow; or preferably (3) some Swiss civilian now in Tokyo who could be sent under the cover of a representative of the International Red Cross. The group prefers the third alternative because it feels that such a person would know the situation in Tokyo and "would evaluate the situation as envisaged in Europe".

Mr. Dulles comments that there is no direct evidence that these suggestions from the Japanese group in Switzerland are based on instructions from Tokyo. Mr. Dulles has again cautioned Jacobsson on this point and has emphasized to Jacobsson that the only question is whether the Japanese are ready to accept unconditional surrender as set forth in the Potsdam and other previous official declarations. Realizing the extreme delicacy of this matter, Mr. Dulles continues to handle it with the greatest caution.

JOHN MAGRUDER, *Brig. Gen.*

740.00119 PW/12-945

Representative Bertrand W. Gearhart, of California, to the Acting Secretary of State

WASHINGTON, December 9, 1945.

MY DEAR DEAN ACHESON: With further reference to our correspondence of September 23rd and October 1st, 1945, respectively, (JA 740.00119 PW/9-2345)²⁴ I am writing to inquire if your search

²⁴ Neither printed.

of the records of the Department of which you inform me has revealed anything that could be said to have thrown some light on the origin of the report of a Japanese peace offer prior to August 10th, 1945 of which I have heard rumors.

It may be that I narrowed my inquiry unnecessarily when I specified that the peace offer was transmitted by General MacArthur and was received just prior to the Yalta Conference. What I really want to ascertain is whether or not any peace offer or any statement looking toward peace was transmitted to the President by the Japanese prior to August 10th, 1945?

Did not President Truman carry something with him to Potsdam which might be regarded as a Japanese peace offer?

Because of the interesting relations that a peace offer or a statement looking toward peace present, oral or in writing, the hearings which are now being conducted by the Joint Committee on the Pearl Harbor attack are very important and I would appreciate it very much indeed if you would let me hear from you at the earliest possible moment in respect to anything related to the subject I am now discussing.

Trusting I am not imposing in addressing you in this intimate fashion and with kindest personal regards, believe me to be, my dear Dean Acheson,

Faithfully and sincerely,

BERTRAND W. GEARHART

740.00119 PW/12-945

The Acting Secretary of State to Representative Bertrand W. Gearhart, of California

WASHINGTON, December 18, 1945.

MY DEAR MR. GEARHART: I have your letter of December 9, 1945 in which, with reference to previous correspondence, you inquire if search of the Department's records has revealed anything that could be said to have thrown light on the origin of the report of a Japanese peace offer prior to August 10, 1945. You ask whether or not any peace offer or any statement looking toward peace was transmitted to the President by the Japanese prior to August 10, 1945 and whether President Truman carried something with him to Potsdam which might be regarded as a Japanese peace offer.

Since my letter of October 1, 1945²⁵ was addressed to you, a thorough search of the Department's records has been instituted and inquiries have been made in all directions. As the result of these investigations I feel fully satisfied that there is no evidence of any peace offer or of any statement looking toward peace transmitted to this Government prior to August 10, 1945 from official Japanese sources or

²⁵ Not printed.

from any person authorized to act as an agent for the Japanese Government. I narrow the definition only for the reason that we obviously cannot account for all the expressions of the desire for peace communicated to this Government or to individuals in this Government by unofficial Japanese persons. The statement in my previous letter to you that the Department received no official Japanese peace offer prior to August 10, 1945 still stands without qualification.

In view of the foregoing, I hardly need to add that President Truman did not carry with him to Potsdam anything which might be regarded as a Japanese peace offer.

Sincerely yours,

DEAN ACHESON

POSTWAR POLICY PLANNING IN REGARD TO JAPAN AND AREAS
UNDER JAPANESE CONTROL²⁶

740.00119 PW/12-2844

*Memorandum of Conversation, by the Under Secretary of State
(Grew)*

[WASHINGTON,] December 28, 1944.

Major General George V. Strong, United States Army, called on me today at his request and handed me a set of papers²⁷ covering the proposed Japanese surrender terms which had been drawn up by the Joint Post-War Committee of the Joint Chiefs of Staff. General Strong said that his Committee was not altogether satisfied with the German surrender terms,²⁸ which he felt had not been given sufficient study and mature consideration. He, therefore, felt that we should waste no time in determining the surrender terms to be offered Japan, and he would be glad to have our views on these papers before they are submitted to the Joint Chiefs of Staff. He recognized the fact that these terms were purely military and that the Department of State would wish to presents its views concerning the political and economic phases of the terms.

I said to General Strong that, as he knew, our people had been working for the better part of two years on post-war planning with reference to Japan, and that we were considering the procedure to be adopted for bringing our papers to the attention of the War and Navy Departments. I assumed that the problem before us would be to integrate the two sets of papers. General Strong said that his

²⁶ Continued from *Foreign Relations, 1944*, vol. v, pp. 1186-1289. For additional documentation relating to Japan, see *Foreign Relations, The Conferences at Malta and Yalta, 1945*, and *Foreign Relations, The Conference at Berlin (The Potsdam Conference), 1945*, vols. I and II. For documentation on Pacific islands under Japanese control, see *Foreign Relations, 1945*, vol. I, entries in Index under: Mandates.

²⁷ *Infra*.

²⁸ See report of the European Advisory Commission dated July 25, 1944, *Foreign Relations, The Conferences at Malta and Yalta, 1945*, pp. 110-118.

Committee would be happy to do whatever might be desired. I mentioned in this connection the Liaison Committee, to which our papers might be referred. I undertook to let General Strong know in due course the procedure which we might follow concerning our own papers.

JOSEPH C. GREW

740.00119 PW/12-2844

Memorandum by Major General George V. Strong, Joint Post-War Committee of the Joint Chiefs of Staff, to the Under Secretary of State (Grew)

WASHINGTON, 28 December, 1944.

Subject: Japanese Surrender Terms.

1. There is attached hereto two documents dealing with terms for unconditional surrender of Japan. The long form embraces in one instrument the principal requirements to be imposed upon the Japanese as the result of their military defeat. The short form which personally I prefer is implemented by a proclamation and three general orders to serve the same ends as the material in the long form.

2. These drafts have been prepared by the Joint Post War Committee on its own initiative. They have not as yet been presented to the Joint Chiefs of Staff and properly cannot be so presented until desired by the State Department. It is believed that this subject should be given mature consideration from all angles in order that when the time comes we may have available a document which represents the considered opinion of the interested agencies of this Government, and one which in the long run will serve our best interests in the Far East.

3. If this Committee can be of any further service in the premises we are at your disposal at any time.

GEO. V. STRONG

[Annex 1]

Draft Prepared by the Joint Post-War Committee, Joint Chiefs of Staff

Long Form

[WASHINGTON,] December 27, 1944.

UNCONDITIONAL SURRENDER OF JAPAN

The Government of Japan and the Japanese Imperial High Command recognize and acknowledge the complete defeat of the Japanese

armed forces and hereby surrender unconditionally to the Commander-in-Chief of the United Nations Armed Forces. The Government of Japan and the Japanese Imperial High Command undertake to cause all Japanese armed forces, wherever situated, to cease hostilities forthwith and agree to comply with all requirements herein and hereafter imposed by the Commander-in-Chief of the United Nations Armed Forces.

ARTICLE I

The Government of Japan and the Japanese Imperial High Command undertake:

(a) to disarm completely all armed forces of Japan or under Japanese control, wherever they may be situated, and to deliver intact and in good condition all weapons and equipment at such times and at such places as may be prescribed by the Commander-in-Chief of the United Nations Armed Forces.

(b) to retain in their present positions all forces referred to in paragraph (a) above, wherever they may be, pending instructions from the Commander-in-Chief of the United Nations Armed Forces.

(c) to evacuate all Japanese armed forces personnel and their civilian auxiliaries from

(1) Occupied areas in China (including Manchuria and the Kwantung Leased Territory)

(2) Karafuto (southern part of Sakhalin)

(3) Korea (Chosen)

(4) Kurile Islands (Chishima)

(5) Hokkaido

(6) Formosa (Taiwan) and Pescadores (Hoko or Boko)

(7) French Indo-China

(8) Thailand

(9) Burma

(10) British Malaya

(11) Netherlands East Indies

(12) Philippine Islands

(13) Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

(d) to initiate and carry out the evacuation of the Japanese armed forces in accordance with means, priorities and schedules prescribed by the Commander-in-Chief of the United Nations Armed Forces.

(e) to prohibit and prevent, in all territories listed in this Article:

(1) the evacuation of any non-Japanese inhabitant.

(2) the harming of the inhabitants or the damaging of their property.

(3) the removal of animals, stores of food, forage, fuel or other provisions or commodities.

(4) damage, pillaging, looting or destruction of any kind.

(*f*) to demobilize, upon their arrival within the territorial limits of Japan proper, all Japanese armed forces, within a time limit to be determined by the Commander-in-Chief of the United Nations Armed Forces. A police force, armed only with sabers and small arms, and of a prescribed strength will be exempt from demobilization.

(*g*) to evacuate Japanese civilians from such of the territories listed in paragraph (*c*) above as may be required by the Commander-in-Chief of the United Nations Armed Forces.

ARTICLE II

The Government of Japan and the Japanese Imperial High Command undertake that all Japanese aircraft, military, naval and civil will remain on the ground, on the water or aboard ships until notification of the disposition to be made of them. The Japanese Imperial High Command will within 48 hours after the signing of these terms furnish the Commander-in-Chief of the United Nations Armed Forces complete data as to the number, type, condition and location of such aircraft.

ARTICLE III

The Government of Japan and the Japanese Imperial High Command undertake:

(*a*) to prevent the movement of Japanese naval vessels of any type except at the direction or with the express approval of the Commander-in-Chief of the United Nations Armed Forces.

(*b*) to render harmless and to throw overboard within 48 hours after the signing of this Instrument all ammunition, war heads of torpedoes, bombs, depth charges, and other explosive material on board Japanese naval vessels at sea and in case of naval vessels not at sea to discharge all such material and to place it in safe storage ashore within the same time limit.

(*c*) to furnish the Commander-in-Chief of the United Nations Armed Forces, within 24 hours of the signing of this Instrument, precise information as to the position, condition and movement of all Japanese naval vessels, in or out of commission or building. To assure that all such vessels which are in commission will be prepared to put into specified ports or proceed to rendezvous according to schedules and in the manner prescribed by the Commander-in-Chief of the United Nations Armed Forces. To dispose of all naval vessels under construction or undergoing repairs in accordance with instructions to be issued later.

(*d*) to return safely, in good condition and to ports specified by the United Nations all naval vessels formerly belonging to any of the United Nations which are in Japanese hands.

(e) to furnish the Commander-in-Chief of the United Nations Armed Forces within 48 hours of the signing of this Instrument complete information as to the position, condition and movement of all Japanese-controlled merchant ships of over 100 gross tons, in or out of commission or building, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands. To assure that all such merchant ships will be prepared to proceed on the dates and to the ports specified by the Commander-in-Chief of the United Nations Armed Forces.

(f) to prevent damage to or destruction of the vessels and ships described in this Article or to port facilities and material.

(g) to abandon on the spot and intact all port material and material for inland waterways, including tugs and lighters, as the islands, territories and regions specified in Article I, are evacuated.

ARTICLE IV

(a) The Japanese Imperial High Command undertakes to remove all Japanese mines, minefields and other obstacles to movement by land, sea and air, wherever located, within fourteen (14) days from the signing of this Instrument. Pending their removal, all safety lanes will be kept open and clearly marked. All aids to navigation will be reestablished at once.

(b) Unarmed military and civilian personnel with the necessary equipment will be made available and utilized for the purposes stated in paragraph (a) of this Article.

ARTICLE V

The Government of Japan and the Japanese Imperial High Command undertake:

(a) to hold intact and in good condition, and subject to further instructions from the Commander-in-Chief of the United Nations Armed Forces:

(1) all arms, ammunition, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in Article III).

(2) all transportation and communications facilities and equipment, by land, water, or air.

(3) all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(4) all factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings, and inventions designed or intended to produce or to facilitate the production or use of the articles, materials, and facilities referred to in sub-

paragraphs (1), (2), and (3) above, or otherwise to further the conduct of war.

(*b*) to furnish the Commander-in-Chief of the United Nations Armed Forces, within fourteen (14) days from the signing of this Instrument, complete lists in duplicate of all the items specified in paragraph (*a*) of this Article indicating the numbers, type and location of each.

(*c*) to furnish at the demand of the Commander-in-Chief of the United Nations Armed Forces:

(1) the labor, services, and facilities required for the maintenance or operation of any of the categories mentioned in paragraph (*a*) of this Article; and

(2) any information or records that may be required in connection therewith.

(*d*) to cease forthwith the manufacture, import or export of arms, ammunition and implements of war.

(*e*) to maintain in good operating condition all roads, railroads, waterways, bridges, telephone and telegraph systems and all other communications under Japanese control. To this end all civil and military personnel now employed on these facilities will remain until further notice from the Commander-in-Chief of the United Nations Armed Forces.

(*f*) to dismantle and destroy, subject to such priorities and in accordance with instructions prescribed by the Commander-in-Chief, United Nations Armed Forces, such installations and establishments described in paragraph (*a*) (3) of this Article as may be designated by him.

ARTICLE VI

The Government of Japan and the Japanese Imperial High Command undertake:

(*a*) to release and, where appropriate, to repatriate all prisoners of war, internees, hostages and political prisoners, held by or under the control of Japan in accordance with a procedure to be established by the Commander-in-Chief of the United Nations Armed Forces.

(*b*) to repatriate, within a period to be specified, and in accordance with detailed conditions to be fixed by the Commander-in-Chief of the United Nations Armed Forces, all persons who are nationals of the United Nations or of the countries occupied by Japan, who are now in Japanese hands, and who have been involuntarily displaced.

(*c*) to furnish, to the extent required by the Commander-in-Chief of the United Nations Armed Forces, and within a period specified by him, complete lists of the persons described in paragraphs (*a*) and (*b*) of this Article indicating their present location.

(*d*) to protect, pending their release, the persons described in paragraphs (*a*) and (*b*) of this Article and their property, and to provide such persons with adequate food, clothing, shelter, medical attention and money in accordance with their rank or official position.

(*e*) to deliver, without prejudice to the foregoing provisions of this Article, control of the places of detention of such persons to those officers designated for the purpose by the Commander-in-Chief of the United Nations Armed Forces, transfer of control to be at such times and in such manner as may be prescribed.

ARTICLE VII

The Government of Japan and the Japanese Imperial High Command undertake:

(*a*) to aid and facilitate the occupation by United Nations forces of such places, areas, or regions or parts of the Japanese Empire as may be designated by the Commander-in-Chief of the United Nations Armed Forces.

(*b*) to deliver all arms in the possession of the civilian population in those areas occupied by the forces of the United Nations to designated Commanders of those forces.

(*c*) to defray all costs of occupation within the Japanese Empire, and such other expenditures as may arise in connection therewith.

ARTICLE VIII

The Government of Japan and the Japanese Imperial High Command undertake to prohibit and prevent, in the areas evacuated by the armed forces of Japan, the following transactions by, or on behalf of, or pursuant to the direction of, any national of Japan:

(*a*) all transfers of credit between any banking institutions within such areas; and all transfers of credit between any banking institution within such areas and any banking institution outside such areas;

(*b*) all payments by, or to any banking institution within such areas;

(*c*) all transactions in foreign exchange;

(*d*) the export, or withdrawal, or removal by any means whatsoever, of gold or silver bullion or coin, specie or currency;

(*e*) all transfers of, withdrawals or exportation or removal by any means whatsoever of, or dealings in, any evidences of indebtedness or evidences of the ownership of property;

(*f*) the acquisition, disposition, or transfer of, or other dealing in or with respect to, any stocks, bonds, securities, or evidences thereof, or interests therein;

(*g*) any transaction for the purpose, or which has the effect, of evading or avoiding the foregoing prohibitions.

ARTICLE IX

The Government of Japan and the Japanese Imperial High Command undertake to apprehend and to deliver at such places as may be specified, for investigation, trial or other disposition, such Japanese subjects or other persons under Japanese control as may be charged with offenses against the United Nations, their citizens or subjects.

ARTICLE X

The Government of Japan and the Japanese Imperial High Command undertake:

(*a*) to facilitate the exercise of censorship of the press and means of communication as directed by the Commander-in-Chief of the United Nations Armed Forces.

(*b*) to cause all electrical means of communication under Japanese control, wherever situated, to cease transmitting immediately upon the signing of this Instrument and to resume operation only by specific permission of and in accordance with the provisions of special regulations to be promulgated by the Commander-in-Chief of the United Nations Armed Forces, and to furnish such electrical communications facilities as may be deemed necessary by the forces of occupation.

(*c*) to furnish, forthwith, to the Commander-in-Chief of the United Nations Armed Forces copies of all military, naval, diplomatic and other codes, ciphers, and cryptographic systems and devices used by the Government of Japan and the Japanese armed forces.

(*d*) to issue in plain language all instructions required in carrying out the provisions of this Instrument and to furnish the Commander-in-Chief of the United Nations Armed Forces copies of each such instruction as soon as issued.

ARTICLE XI

The Government of Japan and the Japanese Imperial High Command undertake to prevent the destruction, removal, concealment or transfer of, or damage to, all records and archives of governmental and private entities, and to cause all such records and archives to be disposed of as directed by the Commander-in-Chief of the United Nations Armed Forces.

ARTICLE XII

The Government of Japan and the Japanese Imperial High Command undertake:

(*a*) to recall at once all Japanese diplomatic, consular and other officials, and members of the Japanese land, sea and air forces abroad.

(*b*) to render null and void all proclamations and decrees, and all conventions, agreements and treaties affecting the relationships be-

tween Japan and any conquered or occupied country or area promulgated or entered into since September 18, 1931.

ARTICLE XIII

The Government of Japan and the Japanese Imperial High Command recognize that the Commander-in-Chief of the United Nations Armed Forces will present additional political, administrative, economic, financial, military and other requirements and that representatives duly designated to act on his behalf will issue proclamations, orders, ordinances, and instructions for the purpose of laying down additional requirements and of giving effect to the provisions of the present Instrument. The Government of Japan and the Japanese Imperial High Command undertake to carry out unconditionally the requirements of the United Nations High Command and to comply with all such proclamations, orders, ordinances and instructions.

ARTICLE XIV

The Government of Japan and the Japanese Imperial High Command recognize that drastic penalties will be inflicted immediately in the event of:

(a) any delay or failure to comply with any provision of this Instrument;

(b) any delay or failure to carry out completely such additional requirements as the Commander-in-Chief of the United Nations Armed Forces may prescribe;

(c) any action, which in the opinion of the Commander-in-Chief of the United Nations Armed Forces, might be detrimental to the United Nations or any one of them.

ARTICLE XV

This Instrument is drawn up in the English, Chinese and Japanese languages. The English is the only authentic text. In case of any question as to the meaning of any of the provisions of this Instrument, the decision of the Commander-in-Chief of the United Nations Armed Forces will be final.

[Annex 2]

Draft Prepared by the Joint Post-War Committee, Joint Chiefs of Staff

Short Form

[WASHINGTON,] December 27, 1944.

UNCONDITIONAL SURRENDER OF JAPAN

The Government of Japan and the Japanese Imperial High Command recognize and acknowledge the complete defeat of the Japanese

armed forces and hereby surrender unconditionally to the Commander-in-Chief of the United Nations Armed Forces.

The Government of Japan and the Japanese Imperial High Command undertake to cause all Japanese armed forces, wherever situated, to cease hostilities forthwith and agree to comply with all requirements hereafter imposed by the Commander-in-Chief of the United Nations Armed Forces.

Signed, sealed, and delivered by the undersigned duly authorized representatives of the Government of Japan and of the Japanese Imperial High Command at on the day of . . . , 194 . . at hours.

(Name)	(Title)
<i>Representative of the Japanese Government.</i>	

(Name)	(Title)
<i>Representative of the Japanese Imperial High Command.</i>	

The foregoing Terms of
Unconditional Surrender
are accepted by :

Commander-in-Chief, United Nations Armed Forces.

[Subannex 1]

*Draft Prepared by the Joint Post-War Committee, Joint Chiefs
of Staff*

Final Draft

PROCLAMATION No. 1

TO THE PEOPLE OF JAPAN :

The Government of Japan and the Japanese Imperial High Command have acknowledged the complete defeat of all Japanese armed forces on land, at sea and in the air, and have surrendered unconditionally to the Commander-in-Chief of the United Nations Armed Forces.

Now therefore, I, the undersigned Commander-in-Chief of the United Nations Armed Forces, hereby proclaim as follows :

1. I hereby assume supreme legislative, judicial and executive authority and power over all of the Empire of Japan.
2. All Japanese authorities, all other Japanese and all persons resident in Japan shall comply with all Proclamations, Orders, and other instructions issued or to be issued by my authority.

3. All Japanese civil officials and employees of public utilities and services shall remain at their posts and continue to perform their regular duties unless otherwise directed by me. In particular, the Japanese civil police will continue their normal functions and will be held responsible by me for the maintenance of law and order. They will not, however, interfere in any way with the personnel of the occupying forces.

4. The Japanese people shall carry on their usual occupations and means of livelihood, subject to such control as may be necessary.

5. The Japanese authorities and people shall abstain from all acts detrimental to the interests of the United Nations, to the maintenance of public order and orderly administration or to the security and welfare of the forces and agencies of the United Nations.

6. Any organization or individual who fails to render full cooperation by word and deed with the United Nations Military Authorities, or who fails to comply completely with any Proclamations, Orders, or other instructions that may be issued as above provided, will be promptly and severely punished.

(Date) (Place)
. (Hour) Zone time

Signed by:

(Name) (Title)
(Commander-in-Chief, United Nations Armed Forces)

[Subannex 2]

Draft Prepared by the Joint Post-War Committee, Joint Chiefs of Staff

Final Draft

GENERAL ORDER NO. 1

MILITARY AND NAVAL

Pursuant to the Unconditional Surrender signed by the Government of Japan and the Japanese Imperial High Command, I, the Commander-in-Chief of the United Nations Armed Forces, do hereby order as follows:

I. The Japanese Imperial High Command shall disarm completely all armed forces of Japan or under Japanese control, wherever they may be situated, and shall deliver intact and in good condition all weapons and equipment at such times and at such places as may be prescribed by the Commander-in-Chief of the United Nations Armed Forces. The Japanese Imperial High Command shall retain all forces

in their present positions, wherever they may be, pending instructions from the Commander-in-Chief of the United Nations Armed Forces.

II. The Government of Japan and Japanese Imperial High Command shall, within 48 hours of the time of receipt of this order, furnish the Commander-in-Chief of the United Nations Armed Forces complete information as follows:

(a) Lists of all land, air and anti-aircraft units showing locations and strengths in officers and men.

(b) Lists of all aircraft, military, naval and civil giving complete information as to the number, type, location and condition of such aircraft.

(c) Lists of all Japanese and Japanese-controlled naval vessels, surface and submarine and auxiliary naval craft in or out of commission and under construction giving their position, condition and movement.

(d) Lists of all Japanese-controlled merchant ships of over 100 gross tons, in or out of commission and under construction, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, giving their position, condition and movement.

(e) Complete and detailed information, accompanied by maps, showing locations and layouts of all mines, minefields and other obstacles to movement by land, sea or air, and the safety lanes in connection therewith.

(f) Locations and descriptions of all military installations and establishments, including airfields, seaplane bases, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(g) Locations and descriptions of all factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions designed or intended to produce or to facilitate the production or use of all implements of war and other material and property used by or intended for use by any military or paramilitary organizations in connection with their operations.

III. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to evacuate all Japanese armed forces personnel and their civilian auxiliaries from

(1) Occupied areas in China (including Manchuria and the Kwantung Leased Territory)

(2) Karafuto (southern part of Sakhalin)

(3) Korea (Chosen)

(4) Kurile Islands (Chishima)

(5) Hokkaido

(6) Formosa (Taiwan) and Pescadores (Hoko or Boko)

(7) French Indo-China
 (8) Thailand
 (9) Burma
 (10) British Malaya
 (11) Netherlands East Indies
 (12) Philippine Islands
 (13) Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

(b) to initiate and carry out the evacuation of the Japanese armed forces in accordance with means, priorities and schedules prescribed by the Commander-in-Chief of the United Nations Armed Forces.

(c) to prohibit and prevent, in all territories listed in this Article:

(1) the evacuation of any non-Japanese inhabitant.

(2) the harming of the inhabitants or the damaging of their property.

(3) the removal of animals, stores of food, forage, fuel or other provisions or commodities.

(4) damage, pillaging, looting or destruction of any kind.

(d) to demobilize, upon their arrival within the territorial limits of Japan proper, all Japanese armed forces, within a time limit to be determined by the Commander-in-Chief of the United Nations Armed Forces. A police force, armed only with sabers and small arms, and of a prescribed strength will be exempt from demobilization.

(e) to evacuate Japanese civilians from such of the territories listed in paragraph (a) above as may be required by the Commander-in-Chief of the United Nations Armed Forces.

IV. The Government of Japan and the Japanese Imperial High Command shall direct at once that all Japanese aircraft, military, naval and civil remain on the ground, on the water or aboard ships and they shall be responsible that these aircraft so remain until notified of the disposition to be made of them.

V. The Government of Japan and the Japanese Imperial High Command shall undertake that:

(a) There will be no movement of Japanese naval vessels of any type except at the direction or with the express approval of the Commander-in-Chief of the United Nations Armed Forces.

(b) All ammunition, war heads of torpedoes, bombs, depth charges, and other explosive material on board Japanese naval vessels at sea will be rendered harmless and thrown overboard within 48 hours after the receipt of this order. In the case of naval vessels not at sea all such material will be discharged and placed in safe storage ashore within the same time limit.

(c) All Japanese naval vessels which are in commission will be prepared to put into specified ports or proceed to rendezvous according to schedules and in the manner prescribed by the Commander-in-

Chief of the United Nations Armed Forces. All naval vessels under construction or undergoing repairs will be disposed of in accordance with instructions to be issued later.

(*d*) All naval vessels formerly belonging to any of the United Nations which are in Japanese hands will be returned safely and in good condition to ports specified by the United Nations.

(*e*) All Japanese-controlled merchant ships of over 100 gross tons, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, will be prepared to proceed on the dates and to the ports specified by the Commander-in-Chief of the United Nations Armed Forces.

(*f*) No damage to or destruction of the vessels and ships described in this Section or to port facilities and material will be permitted.

(*g*) In evacuating the islands, territories and regions specified in section III of this order, Japanese authorities will abandon on the spot and intact all port material and material for inland waterways, including tugs and lighters.

VI. The Japanese Imperial High Command shall undertake to remove all Japanese mines, minefields and other obstacles to movement by land, sea and air, wherever located, within fourteen (14) days from the receipt of this order. Pending their removal, all safety lanes will be kept open and clearly marked. All aids to navigation will be reestablished at once. Unarmed military and civilian personnel with the necessary equipment will be made available and utilized for the purposes stated in this Section.

VII. The Government of Japan and the Japanese Imperial High Command shall undertake:

(*a*) to hold intact and in good condition, and subject to further instructions from the Commander-in-Chief of the United Nations Armed Forces:

(1) all arms, ammunition, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in Section V of this order).

(2) all transportation and communications facilities and equipment, by land, water, or air.

(3) all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(4) all factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings, and inventions designed or intended to produce or to facilitate the production or use of the articles, materials and facilities referred to in subparagraphs (1), (2), and (3) above, or otherwise to further the conduct of war.

(b) to furnish the Commander-in-Chief of the United Nations Armed Forces, within fourteen (14) days after the receipt of this order, complete lists in duplicate of all the items specified in paragraph (a) of this Section indicating the numbers, type and location of each.

(c) to furnish at the demand of the Commander-in-Chief of the United Nations Armed Forces:

(1) the labor, services, and facilities required for the maintenance or operation of any of the categories mentioned in paragraph (a) of this Section; and

(2) any information or records that may be required in connection therewith.

(d) to cease forthwith the manufacture, import or export of arms, ammunition and implements of war.

(e) to dismantle and destroy, subject to such priorities and in accordance with instructions prescribed by the Commander-in-Chief, United Nations Armed Forces, such installations and establishments described in paragraph (a) (3) of this Section as may be designated by him.

VIII. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to release and, where appropriate, to repatriate all prisoners of war, internees, hostages and political prisoners, held by or under the control of Japan in accordance with a procedure to be established by the Commander-in-Chief of the United Nations Armed Forces.

(b) to repatriate, within a period to be specified, and in accordance with detailed conditions to be fixed by the Commander-in-Chief of the United Nations Armed Forces, all persons who are nationals of the United Nations or of the countries occupied by Japan, who are now in Japanese hands, and who have been involuntarily displaced.

(c) to furnish, to the extent required by the Commander-in-Chief of the United Nations Armed Forces, and within a period specified by him, complete lists of the persons described in paragraphs (a) and (b) of this Section indicating their present location.

(d) to protect, pending their release, the persons described in paragraphs (a) and (b) of this Section and their property, and to provide such persons with adequate food, clothing, shelter, medical attention and money in accordance with their rank or official position.

(e) to deliver, without prejudice to the foregoing provisions of this Section, control of the places of detention of such persons to those officers designated for the purpose by the Commander-in-Chief of the United Nations Armed Forces, transfer of control to be at such times and in such manner as may be prescribed.

IX. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to aid and facilitate the occupation by United Nations forces of such places, areas, or regions or parts of the Japanese Empire as may be designated by the Commander-in-Chief of the United Nations Armed Forces.

(b) to deliver all arms in the possession of the civilian population in those areas occupied by the forces of the United Nations to designated Commanders of those forces.

X. The Government of Japan and the Japanese Imperial High Command recognize that drastic penalties will be inflicted immediately in the event of:

(a) any delay or failure to comply with any provision of this order;

(b) any delay or failure to carry out completely such additional requirements as the Commander-in-Chief of the United Nations Armed Forces may prescribe;

(c) any action, which in the opinion of the Commander-in-Chief of the United Nations Armed Forces, might be detrimental to the United Nations or any one of them.

Issued at hours, (. Zone Time), this day of 194 . . .

Commander-in-Chief, United Nations Armed Forces.

[Subannex 3]

Draft Prepared by the Joint Post-War Committee, Joint Chiefs of Staff

Final Draft

GENERAL ORDER NO. 2

POLITICAL

Pursuant to the Unconditional Surrender signed by the Government of Japan and the Japanese Imperial High Command, I, the Commander-in-Chief of the United Nations Armed Forces, do hereby order as follows:

I. The Government of Japan and the Japanese Imperial High Command shall undertake to apprehend and to deliver at such places as may be specified, for investigation, trial or other disposition, such Japanese subjects or other persons under Japanese control as may be charged with offenses against the United Nations, their citizens or subjects.

II. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to facilitate the exercise of censorship of the press and means of communication as directed by the Commander-in-Chief of the United Nations Armed Forces.

(b) to cause all electrical means of communication under Japanese control, wherever situated, to cease transmitting immediately upon receipt of this order and to resume operation only by specific permission of, and in accordance with the provisions of special regulations to be promulgated by, the Commander-in-Chief of the United Nations Armed Forces, and to furnish such electrical communications facilities as may be deemed necessary by the forces of occupation.

(c) to furnish, forthwith, to the Commander-in-Chief of the United Nations Armed Forces copies of all military, naval, diplomatic and other codes, ciphers, and cryptographic systems and devices used by the Government of Japan and the Japanese armed forces.

(d) to issue in plain language all instructions required in carrying out the provisions of this order and of all previous and subsequent orders and to furnish the Commander-in-Chief of the United Nations Armed Forces copies of each such instruction as soon as issued.

III. The Government of Japan and the Japanese Imperial High Command shall undertake to prevent the destruction, removal, concealment or transfer of, or damage to, all records and archives of governmental and private entities, and to cause all such records and archives to be disposed of as directed by the Commander-in-Chief of the United Nations Armed Forces.

IV. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to recall at once all Japanese diplomatic, consular and other officials, and members of the Japanese land, sea and air forces abroad.

(b) to render null and void all proclamations and decrees, and all conventions, agreements and treaties affecting the relationships between Japan and any conquered or occupied country or area promulgated or entered into since September 18, 1931.

(c) to refrain from assuming or entering into any foreign obligations, undertakings or commitments of any kind without the sanction of the United Nations High Command.

V. The Government of Japan and the Japanese Imperial High Command shall undertake:

(a) to prohibit immediately all residents of Japan from traveling within and between the four main islands of Japan (Hokkaido, Honshu, Shikoku and Kyushu) and from traveling to or from Japanese territory outside these four main islands except with the specific permission of the United Nations High Command.

(b) to prohibit Japanese nationals from leaving Japanese territory except as authorized or directed by the United Nations High Command.

VI. The Government of Japan shall take all steps necessary to ensure the safety, maintenance and welfare of persons not of Japanese nationality and of their property and the property of foreign states.

VII. The Government of Japan and the Japanese Imperial High Command shall recognize that the Commander-in-Chief of the United Nations Armed Forces will present additional political, administrative, economic, financial, military and other requirements and that representatives duly designated to act on his behalf will issue proclamations, orders, ordinances, and instructions for the purpose of laying down additional requirements and of giving effect to the Unconditional Surrender. The Government of Japan and the Japanese Imperial High Command shall undertake to carry out unconditionally the requirements of the United Nations High Command and to comply with all such proclamations, orders, ordinances and instructions.

Issued at hours, (. Zone Time), this day of 194

Commander-in-Chief, United Nations Armed Forces.

[Subannex 4]

Draft Prepared by the Joint Post-War Committee, Joint Chiefs of Staff

Final Draft

GENERAL ORDER NO. 3

ECONOMIC

Pursuant to the Unconditional Surrender signed by the Government of Japan and the Japanese Imperial High Command, I, the Commander-in-Chief of the United Nations Armed Forces, do hereby order as follows:

I. The Japanese Government shall place at the disposal of the Commander-in-Chief of the United Nations Armed Forces the whole of the Japanese transportation and communications systems. Roads, railroads, waterways, bridges, telephone and telegraph systems, radio stations and all other communications under Japanese control shall be maintained in good operating condition. To this end all civil and military personnel now employed on these facilities shall remain until further notice from the Commander-in-Chief of the United Nations Armed Forces.

II. The Government of Japan and the Japanese Imperial High Command undertake to prohibit and prevent, in the areas evacuated by the armed forces of Japan, the following transactions by, or on behalf of, or pursuant to the direction of, any national of Japan:

(a) all transfers of credit between any banking institutions within such areas; and all transfers of credit between any banking institution within such areas and any banking institution outside such areas;

(b) all payments by, or to any banking institution within such areas;

(c) all transactions in foreign exchange;

(d) the export, or withdrawal, or removal by any means whatsoever, of gold or silver bullion or coin, specie or currency;

(e) all transfers of, withdrawals or exportation or removal by any means whatsoever of, or dealings in, any evidences of indebtedness or evidences of the ownership of property;

(f) the acquisition, disposition, or transfer of, or other dealing in or with respect to, any stocks, bonds, securities, or evidences thereof, or interests therein;

(g) any transaction for the purpose, or which has the effect, of evading or avoiding the foregoing prohibitions.

III. (a) The Japanese Government shall defray the costs of the provisioning, maintenance, pay, accommodation, and transport of the forces and agencies of the United Nations within the Japanese Empire, the costs of any relief in whatever form it may be provided by the United Nations, and all other costs of occupation.

(b) The Japanese Government shall supply free of cost such Japanese currency as the United Nations High Command may require, and will withdraw and redeem in Japanese currency all holdings in Japanese territory of currencies issued by the United Nations High Command during military operations or occupancy, and will hand over the currencies so withdrawn free of cost to the United Nations High Command.

Issued at hours (. Zone Time), this day of 194

Commander-in-Chief, United Nations Armed Forces.

740.0011 PW/12-1644

Memorandum by the Under Secretary of State (Grew) to the Secretary of State

[WASHINGTON,] January 3, 1944[1945].

MR. SECRETARY: I discussed this matter²⁹ fully with Admiral Nimitz³⁰ as well as with his psychological warfare officers and we were

²⁹ Letter from Robert Sherrod, war correspondent in the Pacific, dated December 16, 1944, questioning "deluding ourselves with our spare-the-emperor appeasement".

³⁰ Fleet Adm. Chester W. Nimitz, Commander in Chief, U.S. Pacific Fleet and Pacific Ocean Areas.

in complete agreement that for the present we had better let the Emperor alone, as he might be found to be an important, if not an essential, asset, both in bringing Japan to unconditional surrender and in avoiding chaos and guerilla warfare after our eventual occupation of Tokyo. In other words, the presence of the Emperor may conceivably be the source of saving thousands of American lives. At least, the Emperor's voice is the only voice which the Japanese people, and probably the Japanese military forces, are likely to obey. This, of course, is as yet an imponderable factor in the situation, but the Admiral feels, as do I, that it would be stupid to deprive ourselves through blind prejudice of any conceivable asset in solving these future problems, difficult enough as they are.

Bob Sherrod's use of the word "appeasement" indicates that he may be more inclined to listen to uninformed public opinion than to the carefully studied views of our military and naval leaders.

JOSEPH C. GREW

740.00119 PW/1-1345

Memorandum of Telephone Conversation, by the Under Secretary of State (Grew)

[WASHINGTON,] January 13, 1945.

With reference to my talk on December 28 with Major General George V. Strong, U. S. Army, General Strong called me on the telephone today and asked whether we had made any progress in considering action on the papers covering the proposed Japanese surrender terms which had been drawn up by the Joint Post-War Committee of the Joint Chiefs of Staff. I told General Strong, after investigation, that these papers had been given careful study in our Department and that the delay in proceeding with the matter had been largely of an organizational character. In connection with the setting up of the Interdepartmental Committee and the subcommittee,³¹ on which Mr. Dooman³² would represent this Department, I said to the General that I thought the matter could be taken up without much further delay.

JOSEPH C. GREW

³¹ The State-War-Navy Coordinating Committee (SWNCC) and the SWNCC's Subcommittee for the Pacific and Far East.

³² Eugene H. Dooman, Special Assistant to the Assistant Secretary of State (Dunn), who was Chairman of SWNCC.

740.00119 PW/12-2844

Memorandum by Mr. Eugene H. Dooan, Special Assistant to the Assistant Secretary of State (Dunn) ³³

[WASHINGTON,] January 16, 1945.

Reference is made to the Under Secretary's memorandum of telephone conversation on January 13, 1945 with Major General George Strong concerning the proposed Japanese surrender terms.

Yesterday afternoon, Mr. Ballantine and I called on General Strong, who called in other members of the Joint Post-War Committee of the Joint Chiefs of Staffs. Mr. Ballantine said that a group in the Department had given intensive study to the proposed Japanese surrender terms and had been impressed by a basic difference between the recommendations put forth by the Department to the War and Navy Departments and certain assumptions reflected in the proposed surrender terms. Mr. Ballantine further pointed out that we were anxious to support the Army and Navy in securing compliance by the Japanese with all the terms that were considered to be necessary to achieve American military ends, but that we believed that the form in which the demands for compliance with surrender terms would be put forward could be modified in such a way as to consort with the political position as the Department saw it. General Strong and his colleagues said that they were not concerned particularly with the form in which the surrender terms were laid down so long as the substance of the terms was obtained.

It was agreed that Mr. Ballantine and I, along with other persons in this Department, would meet with General Strong and with the other members of his committee at the War Department on Friday, January 19, 1945 to reexamine the draft surrender terms.

The present draft is open to two objections from our point of view: First, it is open to the implication that the surrender will be of a contractual character, and, second, it contemplates the continuation of the Japanese Government after the surrender. It will be primarily our purpose to have the document recast in such manner as to meet the Department's position on these two points.

E[UGENE] H. D[OONAN]

³³ Addressed to the Under Secretary of State (Grew) and to Mr. Dunn and initialed by the Director of the Office of Far Eastern Affairs (Ballantine).

740.00119 PW/1-1945

Memorandum of Conversation, by Mr. Hugh Borton of the Office of Far Eastern Affairs

[WASHINGTON,] January 19, 1945—2 p. m.

Present: Major General George V. Strong
Rear Admiral Harold C. Train
Major General John B. Brooks
Brigadier General Frank S. Clark
Captain H. C. Pence, USN
Colonel E. F. C. Collier, USMC
Colonel B. M. Harloe
J. W. Ballantine
E. H. Dooman
G. H. Blakeslee
H. Borton

Place: New War Department Building

General Strong opened the meeting by presenting the criticisms of his group (presumably the Post-War Planning Committee of the Joint Chiefs of Staff) to PWC-284a—Japan: Terms of Surrender: Underlying Principles.³⁴

1. *Page one paragraph two.*—General Strong stated that they objected to the phrase “they will not oppose any measures” because it is too limiting and that it should be expressed in a positive way. He suggested for same “to assist in the execution of any measures which may be directed by the Commander-in-Chief of the Allied Forces”.

It was pointed out in answer to this criticism that we had suggested the inclusion in the proclamation to be made by the Emperor of a phrase to the effect that the Japanese officials should remain at their posts until specifically relieved by the allied authorities and should obey and enforce all orders of the supreme commander.

2. General Strong pointed out that in the paper the term “theater commander” had been used and that the term “supreme allied high command” or a term such as “supreme allied [United States] ^{34a} high command” should be substituted.

3. *Page four paragraph two.*—Captain Pence noted that the term “on behalf of the United Nations” had been used in contrast to the phrase “in the interest of the United Nations”, the latter having been used in the German document. It was pointed out that the former phrase had been used advisedly as it was felt the other United Nations should assume more responsibility than was inferred by the phrase “in the interest of”. Admiral Train suggested that the phrase “in

³⁴ November 13, 1944, *Foreign Relations*, 1944, vol. v, p. 1275.

^{34a} Brackets appear in the original.

the interest of" be inserted in the document in brackets to show that an alternative expression was under consideration.

4. *Far Eastern Allied Commission.*—In reference to the procedure and objectives to be used in determining the policies concerning Japan's surrender, as outlined on page five, paragraph two and page eleven, section nine, General Strong urged that a Far Eastern High Commission be set up with Great Britain, China and the United States as members, with provision for membership of the Soviet Union if it enters the war in the Pacific. He further stated that the establishment of such a commission had been approved by the Secretary of War³⁵ and the Secretary of the Navy³⁶ and such a suggestion had been submitted to the State Department. He expressed the views of his group when he stated that he hoped steps would be taken by the State Department to initiate the organization of such a commission. General Strong further suggested that the commission have its headquarters in Washington and that after it had reached agreement on topics, they be presented to the smaller United Nations for their consideration as is now being done in the European Advisory Commission.³⁷ It was assumed that such a commission consider problems such as the terms of surrender. It was pointed out that it would be much easier to reach agreement among a smaller group of powers through a commission than through the exchange of documents between each of the nations concerned. General Strong concluded by saying that such a commission might be set up regardless of whether or not a security council was established and that it might simply be called a Far Eastern Advisory Commission if that seemed preferable.

5. *Extent of Occupation.*—General Strong raised objection to including in the paper a quotation such as that from PWC-110a³⁸ which referred to questions which seemed to be operational in character and hence the responsibility of the theater commander.

It was pointed out that the Department had drafted PWC-110a in direct answer to the following questions from the Civil Affairs Divisions of the War and Navy Departments: "Will all of Japan be occupied?" "If so, what should be the manner of occupation?"³⁹

6. *Extent of Authority of Occupant.*—General Strong raised objection to the first sentence in the fourth paragraph on page eight, and believed that the thought therein was not clear. It was agreed that this sentence should be expanded to clarify the concept that unconditional surrender would give the occupant more power than that

³⁵ Henry L. Stimson.

³⁶ James V. Forrestal.

³⁷ For documentation on the European Advisory Commission, see vol. III, pp. 1 ff.

³⁸ Dated April 17, 1944, *Foreign Relations, 1944*, vol. v, p. 1230.

³⁹ See memorandum prepared in the War and Navy Departments, February 18, 1944, *ibid.*, p. 1190.

possessed by a military occupant under international law. The thought was also to be included that if there was no unconditional surrender then the supreme allied commander could by proclamation state that he was assuming supreme authority.

7. *Post-War Objectives*.—General Strong and Admiral Train raised objection to the latter part of the second paragraph on page nine and suggested that all that was needed in the paragraph was the first sentence and that items two and three be deleted. General Strong stated that he believed the basic objectives of the United Nations were *a*) to defeat and disarm Japan and *b*) so to restrict Japan and its activities that it would never again become a menace to world peace or act as an aggressor in the Far East. To clarify this paragraph, Mr. Ballantine read from PWC-108b⁴⁰ and emphasized that the points referred to should be considered in the light of our recommendation that Japan's post-war position should be considered for three different periods and that the last two items in the paragraph would refer only to the last period. It was suggested that a statement of post-war objectives was not applicable to the question of the formulation of a surrender instrument and consequently might be disregarded in the drafting of such an instrument.

Similar objection was raised by General Strong to the third paragraph on page nine and for the same reason this was to be disregarded for the moment.

8. *Value of German Experience*.—In connection with the first paragraph on page ten, General Strong questioned whether the German experience would be of any help. He suggested that emphasis be placed on the phrase "where conditions are similar" to avoid the danger of following, regardless of conditions, the same policy for Germany and Japan.

9. *Region Where Unconditional Surrender is Applicable*.—General Strong noted that the second paragraph on page ten might be interpreted in such a way that the unconditional surrender instrument would be applicable only to the Japanese homeland. He stated that from their point of view if it is required that all Japanese forces surrender unconditionally, and there are those forces either in isolated parts of Japan or overseas which did not comply, then those forces would automatically become outlaws and the Geneva provisions concerning outlaws⁴¹ would be applicable. As this suggestion was in no way contrary to the thought in the paper, it was suggested that the paragraph be revised accordingly and that a statement be made to the effect that if forces refused to capitulate, the allied supreme commander should proclaim them as outlaws.

⁴⁰ Dated May 4, 1944, *ibid.*, p. 1235; see also Department of State, *Postwar Foreign Policy Preparation, 1939-1945* (Washington, 1949), pp. 591-592.

⁴¹ It is not clear to what provisions General Strong referred.

10. *Propaganda Value of Statements by United Nations.*—General Strong stated that items under paragraph three on page ten concerned propaganda and were not applicable to a surrender instrument.

It was pointed out that this document contained many items such as this one which were not applicable in their entirety to a surrender instrument and should not be considered as such. It was agreed to emphasize that these items did not concern the surrender instrument specifically. Admiral Train requested that the word “vindictiveness” be omitted and that a statement be made that military government would be enforced in a stern and just manner.

11. *Recommendations.*—1) It was suggested that the phrase “to offer no opposition” be stated in the affirmative. Recommendation 3) The word “accept” should read “receive”. Recommendation 5) It was assumed that this recommendation would be consistent with the establishment of an Allied Advisory Commission. Recommendation 6) The word “assistance” was to be changed to “collaboration”. Recommendation 9) As previously stated items *b* and *c* were to be disregarded for the time being. Recommendation 10) The phrase “all Japanese forces” was to be inserted and reference was to be made to the fact that those who did not surrender would be outlaws.

SWNCC 21 Series

*Report by the State-War-Navy Coordinating Committee's
Subcommittee for the Pacific and Far East* ⁴²

SWNCC 21

[WASHINGTON,] 7 February, 1945.

UNCONDITIONAL SURRENDER OF JAPAN

THE PROBLEM

1. Determination of policy on terms of unconditional surrender of Japan.

FACTS BEARING ON THE PROBLEM

2. The Special Assistant ⁴³ to the Secretary of the Navy has submitted to SWNCC an outline of politico-military problems which he believes will confront the United States in the Pacific and which he believes should be considered by SWNCC (Enclosure to SWNCC 16 ⁴⁴).

3. The SWNCC has referred this outline to the Pacific and Far Eastern Sub-Committee (PFESC) for study and recommendation

⁴² Bracketed revisions based on Subcommittee action February 13.

⁴³ R. Keith Kane.

⁴⁴ Not printed.

(SWNCC 16/1/D⁴⁴). Item 4 of Appendix "A" (SWNCC 16) refers to surrender terms for Japan.

4. The PFESC has considered the military features of this subject and has drafted and adopted the following documents which set forth the military policy and its primary implementation:

- Appendix "A" ["B"] Unconditional Surrender of Japan
- Appendix "B" ["A"] Proclamation by the Emperor of Japan
- Appendix "C" Proclamation No. 1 (by the Commander-in-Chief, United Nations Armed Forces)
- Appendix "D" General Order No. 1—Military and Naval
- Appendix "E" General Order (unnumbered)

Appendices "B" ["A"], "C", "D" and "E" are in support of the very brief unconditional surrender document. In general, they include only those measures relating to military matters which require immediate post-surrender action by the Commander-in-Chief. The PFESC will in due course present drafts of general orders on political, economic, financial and military government matters in further implementation of the basic surrender document.

RECOMMENDATIONS

5. It is recommended that the SWNCC transmit the attached documents relating to the unconditional surrender of Japan to the War and Navy Departments for their comments or recommendations and for those of the Joint Chiefs of Staff.⁴⁵

[ANNEX 1]

APPENDIX "B" ["A"]

PROCLAMATION BY THE EMPEROR OF JAPAN

I hereby announce that I am surrendering unconditionally to the United Nations at war with Japan.

I command all Japanese armed forces wherever situated and the Japanese people to cease hostilities forthwith and to comply with all requirements hereafter imposed by the Commander-in-Chief, United Nations Armed Forces.

I command all civil and military officials to obey and enforce all orders and directives issued by the Commander-in-Chief, United Nations Armed Forces, and I direct them to remain at their posts and to continue to perform their duties until specifically relieved by him.

⁴⁴ Not printed.

⁴⁵ The Committee on February 9 referred this report back to the Subcommittee for coordination within the three Departments before submission to the Committee.

I am relinquishing all my powers and authority this day to the Commander-in-Chief, United Nations Armed Forces.

(Date) (SEAL)

Emperor of Japan

[Annex 2]

APPENDIX "A" ["B"]

UNCONDITIONAL SURRENDER OF JAPAN

The Emperor of Japan and the Japanese Imperial High Command recognize and acknowledge the total defeat of the Japanese armed forces and hereby surrender unconditionally to the Commander-in-Chief of the United Nations Armed Forces.

The Emperor of Japan and the Japanese Imperial High Command [have issued orders to and] undertake to cause all Japanese armed forces wherever situated and the Japanese people to cease hostilities forthwith and to comply with all requirements hereafter imposed by the Commander-in-Chief of the United Nations Armed Forces.

Signed, sealed, and delivered by the Emperor of Japan and the Japanese Imperial High Command at on the day of, 194 . . at hours.

(SEAL)

(Name) (Title)
The Emperor of Japan.

(SEAL)

(Name) (Title)
For the Japanese Imperial High Command.

[Annex 3]

APPENDIX "C"

PROCLAMATION No. 1

TO THE PEOPLE OF JAPAN :

The Emperor of Japan and the Japanese Imperial High Command have acknowledged the total defeat of all Japanese armed forces on land, at sea and in the air, and have surrendered unconditionally to the Commander-in-Chief of the United Nations Armed Forces.

Now therefore, I, the undersigned Commander-in-Chief of the United Nations Armed Forces, hereby proclaim as follows:

1. I hereby assume supreme legislative, judicial and executive power and authority over all the Empire of Japan.

2. I hereby direct all Japanese civil and military officials, until further notice, to remain at their posts and to perform under my authority their normal official functions, and I direct them to carry out the subsequent orders to be issued by me or under my authority.

3. All Japanese officials, all other Japanese and all other persons resident in Japan shall comply with all Proclamations, Orders, and other instructions issued or to be issued by my authority.

4. All Japanese civil police shall continue their normal functions and will be held responsible by me for the maintenance of law and order. They shall not, however, interfere in any way with the personnel of the occupying forces. All Japanese employees of public utilities and services shall remain at their posts and continue to perform their regular duties unless otherwise directed by me.

5. The Japanese people are directed to carry on their usual occupations and peaceful pursuits, subject to such control as may be necessary.

6. The Japanese authorities and people are directed to abstain from all acts detrimental to the interests of the United Nations, to the maintenance of public order and orderly administration and to the security and welfare of the forces and agencies of the United Nations.

7. Any organization or individual failing to render full cooperation with the United Nations Military Authorities, or failing to comply fully with any Proclamations, Orders, or other instructions that may be issued as above provided, will be promptly and severely punished.

(Date) (Place)
. (Hour) Zone Time

Signed by:

(Name) (Title)
(Commander-in-Chief, United Nations Armed Forces)

[Annex 4]

APPENDIX "D"

GENERAL ORDER No. 1

MILITARY AND NAVAL

I. The Japanese Imperial High Command shall retain all forces in their present positions, wherever they may be, pending instructions from the Commander-in-Chief of the United Nations Armed Forces.

The Japanese Imperial High Command shall disarm completely all armed forces of Japan or under Japanese control, wherever they may be situated, and shall deliver intact and in good condition all weapons and equipment at such times and at such places as may be prescribed by the Commander-in-Chief of the United Nations Armed Forces. Pending further instructions, the Japanese police force will be exempt from these provisions. They shall remain at their posts and shall be held responsible for the preservation of law and order. The strength and arms of such police force will be prescribed.

II. The Japanese Imperial High Command shall, within 48 hours of the time of receipt of this order, furnish the Commander-in-Chief of the United Nations Armed Forces complete information as follows:

(a) Lists of all land, air and anti-aircraft units showing locations and strengths in officers and men.

(b) Lists of all aircraft, military, naval and civil giving complete information as to the number, type, location and condition of such aircraft.

(c) Lists of all Japanese and Japanese-controlled naval vessels, surface and submarine and auxiliary naval craft in or out of commission and under construction giving their position, condition and movement.

(d) Lists of all Japanese and Japanese-controlled merchant ships of over 100 gross tons, in or out of commission and under construction, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, giving their position, condition and movement.

(e) Complete and detailed information, accompanied by maps, showing locations and layouts of all mines, minefields and other obstacles to movement by land, sea or air, and the safety lanes in connection therewith.

(f) Locations and descriptions of all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(g) Locations of all camps and other places of detention of United Nations prisoners of war.

III. The Japanese Imperial High Command shall direct at once that all Japanese aircraft, military, naval and civil remain on the ground, on the water or aboard ships and shall be responsible that these aircraft so remain until notified of the disposition to be made of them.

IV. The Japanese Imperial High Command shall be responsible that:

(a) There be no movement of Japanese naval vessels of any type except at the direction or with the express approval of the Commander-in-Chief of the United Nations Armed Forces.

(b) All ammunition, war heads of torpedoes, bombs, depth charges, and other explosive material on board Japanese naval vessels at sea be rendered harmless and thrown overboard within 48 hours after the receipt of this order. In the case of naval vessels not at sea all such material will be discharged and placed in safe storage ashore within the same time limit.

(c) All Japanese naval vessels which are in commission be prepared to put into specified ports or proceed to rendezvous according to schedules and in the manner prescribed by the Commander-in-Chief of the United Nations Armed Forces. All naval vessels under construction or undergoing repairs will be disposed of in accordance with instructions to be issued later.

(d) All naval vessels formerly belonging to any of the United Nations which are in Japanese hands be returned safely and in good condition to ports specified by the United Nations.

(e) All Japanese and Japanese-controlled merchant ships of over 100 gross tons, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, be prepared to proceed on the dates and to the ports specified by the Commander-in-Chief of the United Nations Armed Forces.

(f) No damage to or destruction of the vessels and ships described in this Section or to port facilities and material be permitted.

V. The Japanese Imperial High Command shall be responsible that:

(a) All Japanese mines, minefields and other obstacles to movement by land, sea and air, wherever located, be removed within fourteen (14) days from the receipt of this order.

(b) All aids to navigation be reestablished at once.

(c) All safety lanes be kept open and clearly marked pending accomplishment of (a) above.

VI. The Japanese Imperial High Command shall:

(a) Hold intact and in good condition, and subject to further instructions from the Commander-in-Chief of the United Nations Armed Forces:

(1) all arms, ammunition, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in Section IV of this order).

(2) all transportation and communication facilities and equipment, by land, water, or air.

(3) all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage

depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(4) all factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions designed or intended to produce or to facilitate the production or use of all implements of war and other material and property used by or intended for use by any military or para-military organizations in connection with their operations.

(b) Furnish the Commander-in-Chief of the United Nations Armed Forces, within fourteen (14) days after the receipt of this order, complete lists of all the items specified in paragraphs (a) (1), (2) and (4) of this Section, indicating the numbers, type and location of each.

(c) Furnish at the demand of the Commander-in-Chief of the United Nations Armed Forces:

(1) the labor, services, and facilities required for the maintenance or operation of any of the categories mentioned in paragraph (a) of this Section; and

(2) any information or records that may be required in connection therewith.

(d) Cease forthwith the manufacture, import or export of arms, ammunition and implements of war.

(e) Dismantle and destroy, subject to such priorities and in accordance with instructions prescribed by the Commander-in-Chief, United Nations Armed Forces, such installations and establishments described in paragraph (a) (3) of this Section as may be designated by him.

VII. The Japanese Imperial High Command and appropriate Japanese officials shall:

(a) Accept full responsibility for the safety and well-being of all United Nations prisoners of war, and maintain the essential administrative, supply and other services for all prisoners of war, including the provision of adequate food, shelter, clothing, and medical care, until otherwise directed by the Commander-in-Chief of the United Nations Armed Forces.

(b) Deliver each camp or other place of detention of United Nations prisoners of war, together with its equipment, stores, records, arms and ammunition, to the command of the local United Nations Camp Leader, senior officer or designated representative of the prisoners of war.

(c) Furnish, within fourteen (14) days of the receipt of this order, complete lists of all United Nations prisoners of war, indicating their present location.

VIII. The Japanese Imperial High Command and the appropriate Japanese officials shall:

(a) Aid and facilitate the occupation by United Nations forces of such places, areas, or regions or parts of the Japanese Empire as

may be designated by the Commander-in-Chief of the United Nations Armed Forces.

(b) Deliver all arms in the possession of the Japanese civilian population to designated Commanders of United Nations Armed Forces.

IX. The Japanese Imperial High Command and the appropriate Japanese officials are informed that, wherever in this order reference is made to all Japanese land, sea and air establishments, equipment and personnel, such reference shall include those which are Japanese or Japanese controlled, wherever they may be found.

X. The Japanese Imperial High Command and all Japanese officials are warned that drastic penalties will be inflicted immediately in the event of:

(a) Any delay or failure to comply with any provision of this order;

(b) Any delay or failure to carry out completely such additional requirements as the Commander-in-Chief of the United Nations Armed Forces may prescribe;

(c) Any action which, in the opinion of the Commander-in-Chief of the United Nations Armed Forces, might be detrimental to the United Nations or any one of them.

Issued at hours, (. Zone Time), this day of 194

Commander-in-Chief, United Nations Armed Forces.

[Annex 5]

APPENDIX "E"

GENERAL ORDER

I. The Japanese Imperial High Command and the appropriate Japanese officials shall:

(a) In accordance with the means, priorities and schedules prescribed by the Supreme Allied (United States) Command, evacuate all Japanese armed forces personnel and their civilian auxiliaries from:

(1) Occupied areas in China (including Manchuria, the Kwantung Leased Territory and Kwangchowan).

(2) Karafuto (southern part of Sakhalin).

(3) Korea (Chosen).

(4) Kurile Islands (Chishima).

(5) Hokkaido.

(6) Formosa (Taiwan) and Pescadores (Hoko or Boko).

(7) Hong Kong.

(8) French Indo-China.

(9) Thailand.

(10) Burma.

- (11) British Malaya.
- (12) Netherlands East Indies.
- (13) Philippine Islands.
- (14) Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

(b) Prohibit and prevent, in all territories listed in this Article:

- (1) the forced evacuation of any non-Japanese inhabitant.
- (2) the harming of the inhabitants or the damaging of their property.
- (3) the removal of animals, stores of food, forage, fuel or other provisions or commodities.
- (4) pillaging, looting or unauthorized damage of any kind.

(c) Demobilize, upon their arrival within the territorial limits of Japan proper, excluding those areas of Japan proper mentioned in I (a) above, all Japanese armed forces, within a time limit to be determined by the Commander-in-Chief of the United Nations Armed Forces.

(d) Abandon on the spot and intact, in evacuating the islands, territories and regions specified above, all port material and material for inland waterways, including tugs and lighters.

Issued at hours, (. Zone Time), this day of, 194

Commander-in-Chief, United Nations Armed Forces.

740.00119 FEAC/6-245

Report by the State-War-Navy Coordinating Subcommittee for the Far East ⁴⁶

SWNCC 65/2

[WASHINGTON, 30 April 1945.]

ESTABLISHMENT OF A FAR EASTERN ADVISORY COMMISSION

THE PROBLEM

1. To determine:

a. The United States' commitments to consultation with its Allies in the war in the Pacific on questions connected with the termination of hostilities and on conditions and situations which may constitute a threat to peace and security in Far Eastern areas.

b. The procedure to be followed in such consultation.

⁴⁶ Revised from SWNCC 65/1 after the 17th meeting of the full Committee and submitted to the latter for approval.

FACTS BEARING ON THE PROBLEM

2. The Declaration of the four nations at the Moscow Conference of 30 October 1943⁴⁷ states that the four Governments:

“ . . . recognizing the necessity of ensuring a rapid and orderly transition from war to peace and of establishing and maintaining international peace and security with the least diversion of the world's human and economic resources for armaments; jointly declare:

“1. That their united action, pledged for the prosecution of the war against their respective enemies, will be continued for the organization and maintenance of peace and security.

“2. That those of them at war with a common enemy will act together in all matters relating to the surrender and disarmament of that enemy.

“3. That they will take all measures deemed by them to be necessary to provide against any violation of the terms imposed upon the enemy.

“5. That for the purpose of maintaining international peace and security pending the re-establishment of law and order and the inauguration of a system of general security, they will consult with one another and as occasion requires with other members of the United Nations with a view to joint action on behalf of the community of nations. . . .”

3. The Cairo Declaration of 1 December 1943 issued by the President, the Prime Minister and the Generalissimo⁴⁸ states that “The Three Great Allies are fighting this war to restrain and punish the aggression of Japan.” Such a statement is clearly indicative of the intention of these three countries to cooperate among themselves on matters concerning Japan. The fact that the Soviet Union is not today at war with Japan nor a party to the Cairo Declaration does not detract from our present obligations thereunder in reference to consultation or united action. The Declaration further states certain objectives in reference to the treatment of Japan and concludes that: “With these objects in view the three Allies, in harmony with those of the United Nations at war with Japan, will continue to persevere in the serious and prolonged operations necessary to procure the unconditional surrender of Japan.”

4. The Teheran Declaration of 1 December 1943⁴⁹ by the President, the Prime Minister and Marshal Stalin further indicates the intention of this Government to consult with its Allies. It reads:

“We shall seek the cooperation and active participation of all nations, large and small, whose peoples in heart and mind are dedicated,

⁴⁷ *Foreign Relations*, 1943, vol. I, p. 755.

⁴⁸ President Roosevelt, Prime Minister Winston S. Churchill, and Generalissimo Chiang Kai-shek; for text of Declaration, see *Foreign Relations*, The Conferences at Cairo and Tehran, 1943, p. 448.

⁴⁹ *Ibid.*, p. 640.

as are our own people, to the elimination of tyranny and slavery, oppression and intolerance.”

5. None of the three Declarations referred to above specifies either the time or method of procedure of such consultation as far as the Far East is concerned.

6. Annex 2 of the Protocol signed at Moscow⁵⁰ established a European Advisory Commission to study and make joint recommendations to the three Governments upon European questions connected with the termination of hostilities which the three Governments considered appropriate to refer to it.

7. The Yalta Communiqué of February 12, 1945,⁵¹ states that permanent machinery should be set up for regular consultation between the Foreign Secretaries of the United States, the United Kingdom and the Soviet Union and that they “will, therefore, meet as often as may be necessary, probably about every three or four months.”

8. Up to the present time no international body of any sort has been provided to consider and recommend joint policies to be followed by the interested nations and their agencies on questions arising from the termination of hostilities and on conditions and situations which may constitute a threat to peace and security in the Far East.

9. The State-War-Navy Coordinating Committee, at its 17th meeting, considered SWNCC 65/1, reached certain decisions in respect thereof, and directed the Subcommittee for the Far East to revise SWNCC 65/1 in the light of the agreement reached at the meeting. The minutes of this meeting included a draft of the Terms of Reference of a Far Eastern Advisory Commission, prepared substantially in accordance with such decisions.

DISCUSSION

10. See Appendix “B”.

CONCLUSIONS

11. It is concluded that:

a. This Government is committed to consultation with certain of its Allies on matters relating to the surrender and disarmament of Japan, and generally for the purpose of maintaining international peace and security pending the re-establishment of law and order and the inauguration of a system of general security.

b. The best method of implementing some of the commitments of this Government to consultation with its Allies on problems of the Far East arising directly from the unconditional surrender or total

⁵⁰ *Foreign Relations*, 1943, vol. I, p. 756.

⁵¹ *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 968.

defeat of Japan is through the establishment of a Far Eastern Advisory Commission with Terms of Reference as stated in Appendix "A".

RECOMMENDATIONS

12. It is recommended that the State-War-Navy Coordinating Committee:

a. Forward this document to the Joint Chiefs of Staff for an expression of their views relative to the military implications therein.

b. Consider Appendix "A" in the light of the views expressed by the Joint Chiefs of Staff, with a view to its approval and use at the appropriate time in the establishment of a Far Eastern Advisory Commission.⁵²

[Enclosure 1]

APPENDIX "A"

THE FAR EASTERN ADVISORY COMMISSION TERMS OF REFERENCE

I. *Establishment*

The Governments of the hereby establish a Far Eastern Advisory Commission composed of representatives of the Participating Powers.

II. *Functions*

A. The Far Eastern Advisory Commission shall be responsible for making recommendations to the participating Governments:

1. On the instruments to carry out the terms imposed upon Japan as a result of its unconditional surrender or total defeat;

2. On the terms and provisions to be imposed on Japan, including the measures necessary to ensure the complete disarmament and subsequent effective control of Japan;

3. On the machinery required to ensure the fulfillment of these terms and provisions, including the form of post-defeat military government; and

4. On the measures needed for dealing with such related subjects, arising out of the implementation of the terms and provisions to be imposed on Japan, as United Nations nationals who have been prisoners of war, displaced persons and refugees, reparations and restitution, war criminals, conduct of Japan's foreign relations, and removal of Japanese officials and civilians from territory formerly under Japanese control.

⁵² For revised text of Appendix A as presented to the British, Chinese, and Soviet Governments, see telegram 7106, August 21, 8 p. m., to London, p. 683. For an account of the origin and organization of the Far Eastern Advisory Commission, see *The Far Eastern Commission, A Study in International Cooperation: 1945 to 1952*, by George H. Blakeslee, Department of State publication No. 5138, Far Eastern Series 60 (Washington, Government Printing Office, 1953), pp. 2-5.

B. The Commission shall have no authority with regard to the conduct of military operations in prosecution of the present war nor shall it make recommendations in regard to territorial adjustments.

C. The Commission shall perform such other duties as may be assigned to it by agreement of the participating Governments.

III. *Other Methods of Consultation*

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Governments.

IV. *Composition*

The Far Eastern Advisory Commission shall consist of one representative of each of the states party to this agreement. The membership of the Commission may be increased, as conditions warrant, by the addition of representatives of other United Nations in the Far East or having territories therein. Such United Nations not members of the Commission shall be invited to sit with the Commission when matters deemed by the Commission primarily to affect the interests of such nations are under consideration. In addition, the Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations in the Far East or having territories therein and not members of the Commission, in regard to matters before the Commission which are of particular concern to such nations. The chairmanship of the Commission shall be held in rotation by representatives of the permanently participating states.

V. *Location and Organization*

The Far Eastern Advisory Commission shall have its headquarters in Washington. It may meet at other places as the occasion requires.

Each representative of the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VI. *Termination*

The Far Eastern Advisory Commission shall cease to function upon notification by one of the constituent states of its desire to terminate the agreement creating the Commission. Prior thereto, the Commission shall cease to perform those functions which may be absorbed by or transferred to any interim or permanent security organization of which the participating Governments are members.

[Enclosure 2]

APPENDIX "B"

DISCUSSION

1. In view of the statements in the Moscow, Cairo and other declarations, to which this country is a party, this Government is committed to consultation with other interested Powers on matters concerning the unconditional surrender or total defeat of Japan and the varied problems arising in connection therewith. The increased tempo of operational and political developments in the Far Eastern area indicates the advisability of an early decision by this Government on the procedure of consultation with our Allies to be instituted at an appropriate time.

2. It is the considered position of the Department of State that:

a. It is to the best interests of the United States to share with its Allies the responsibility for matters pertaining to the unconditional surrender of Japan and the enforcement of the provisions following surrender.

b. After the unconditional surrender of Japan, there should be, as far as is practicable, Allied representation in the army of occupation and in military government by those countries which have actively participated in the war against Japan.

c. If the forces occupying Japan and the personnel of the military government are restricted to those of the United States, this Government would carry the sole burden for enforcement of the terms of surrender. Such a situation would force the United States alone to bear whatever cost, effort and responsibility were necessary for such control—a condition which the American people might support only grudgingly.

d. The Japanese must be forced to realize that the greater part of the world, both Occidental and Oriental, is against them. The use of Asiatic units in the Allied occupation forces and in the military government of Japan would be evidence of this fact and would prevent the Japanese from interpreting the war in the Pacific as a racial war and as one designed to spread "white imperialism" throughout Asia.

3. This Government is under moral obligation to give careful consideration to the opinions of its Allies who have suffered extensively as a result of the war in the Pacific. For example, the contributions by China in the war against Japan, extending over a period of eight years, entitle that country, in the eyes of all peace-loving peoples, to a voice in determining the policy to be applied to Japan.

4. It will be noted in Section II-B of the Terms of Reference (Appendix "A") that the Commission shall have no authority with regard to the conduct of military operations in prosecution of the present war nor shall it make recommendation in regard to territorial ad-

justments. It is to be noted, further, that the Terms of Reference (Appendix "A") limit the Commission to the consideration of problems arising directly out of the unconditional surrender or total defeat of Japan, unless other duties are specifically assigned it by agreement of the participating Governments as provided in Section II-C of the Terms of Reference. It is also specifically limited to the making of recommendations to the participating Governments. Furthermore, it is probable that matters will arise with respect to the Pacific and Far Eastern areas, even within the Japanese Empire, of such vital importance to the security of the United States that this Government will not wish to have them submitted to discussion within the Commission; the Terms of Reference are so limited as adequately to safeguard this consideration.

5. The establishment of a Far Eastern Advisory Commission at this time is complicated by the fact that as yet the U.S.S.R. is not at war with Japan, but this fact does not minimize the necessity for united action, in the application of joint policies by those members of the United Nations now at war with Japan, and for the continuation of joint action in the application of those policies in the post-hostilities era.

6. The Far Eastern Advisory Commission should be kept as small as possible. The primary parties in interest at present, from both a political and a military standpoint, are the United States, the United Kingdom and China. It would appear that, initially, the Far Eastern Advisory Commission should be composed of representatives of the United States, the United Kingdom, and China, and the Soviet Union, if it enters the war against Japan. When matters are being considered which affect the particular interests of one or more of the governments of Australia, New Zealand, the Netherlands, Canada, or France, representatives of these governments should be invited to sit with the Commission and collaborate in the determination of the particular question under consideration.

7. It has been stated that the Department of State has no intention of raising at present with our Allies the question of the establishment of a Far Eastern Advisory Commission. It desires, however, that an early decision be reached within this Government as to the procedure of consultation to be followed on problems resulting from the defeat of Japan if such consultation should be requested by one of our Allies actively participating in the war against Japan.

740.00119 PW/5-145

Memorandum by the Office of the Chief of Naval Operations

WASHINGTON, 1 May, 1945.

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

Subject: Summary of United States Initial Post-Defeat Policy Relating to Japan, April 19, 1945.⁵³

The following comments and suggestions are made by the Military Government Section of the Central Division, Office of the Chief of Naval Operations. These comments and suggestions concern the April 19th draft of the subject paper, except for part *C. Economic*, which is understood to have been revised by the Civil Affairs Division of the War Department and the State Department. With respect to *C. Economic*, the one suggestion that is made is applicable to Draft No. 12-A, dated 24 April.

1. *A.I.2.* Change to read as follows:

"2. The stripping from the Japanese Empire of all territory except the four main islands, Hokkaido, Honshu, Shikoku and Kyushu, and such minor off-lying islands north of 30 degrees North Latitude as may be agreed upon by the United Nations."

It is believed that this is a more concise and definite statement of U.S. policy. The disposition of territory taken from Japan is not and need not be covered here.

2. *A.II.* Change to read as follows:

"II. Unconditional Surrender or Total Defeat

As a consequence of unconditional surrender or total defeat the commander or commanders-in-chief of the occupying forces, acting in the interests of the United Nations at war with Japan, will acquire supreme authority over the domestic and foreign affairs of the Japanese Empire. Simultaneously the constitutional powers of the Emperor shall be suspended. All instrumentalities which participate in the formulation or consideration of national policies shall be suspended, and their functions shall be assumed by military government.[""]

There will probably be no "United Nations Armed Forces". Supreme power will vest, initially at least, in the Commander-in-Chief of the occupying forces—presumably an American. He will wield these powers in the interest of the United Nations. This is what is done in the case of Germany,—except that there is more than one Commander-in-Chief. "Commander or Commanders-in-Chief" is sug-

⁵³ For text circulated as SWNCC 150 by the Subcommittee on June 11, see p. 549.

gested to take care of a similar situation. For example, the Russians may occupy a part of the Empire and not be under the U.S. Commander-in-Chief. Supreme authority will not vest in the United Nations nor in any special number of them. It will vest in the responsible commander or commanders who actually take over. The commander or commanders will act on behalf of their own governments, and in the interest of the United Nations.

With respect to the suspension of "instrumentalities", it is suggested that we cannot tell at this time how long they are to be suspended.

3. *B. I.* Suggest that the last paragraph be omitted. It is largely repetitious of the preceding paragraphs. It is ambiguous because it seems to deal with the Japanese during the "three periods" and during the "occupation". In addition, it is questioned whether Japanese behavior is the only standard which ought to be used in determining what the treatment is to be.

4. *B. II.* Delete words "and inflexible" in the first paragraph. The use of the word "strict" seems sufficient. The time may well come when we will want "strict" but not "inflexible" enforcement of the terms imposed upon Japan.

5. *B. III. 1.* Suggest that the first clause be changed to read:

"Japan's military and naval forces are to be disarmed and disbanded in such a manner as permanently to prevent their revival or reorganization;"

The idea that something more than current or temporary disarmament and demobilization is emphasized.

6. *B. III. 2.* Change to read:

"2. *Character of Military Government*

The measures of military government should be stern, but just."

It is not necessary to say that they should be effective. Emphasis should be on "stern".

7. *B. III. 3.* Change the last sentence to read as follows:

"Military government should in no circumstances allow persons to hold public office, or any other position of responsibility or influence in public or private enterprise, who have been flagrant exponents of militant nationalism and aggression. The administration of affairs in Japan should be directed toward the development of local responsibility."

It is believed that the "flagrant exponents" should be barred from any position of significance in Japanese life, not only from public office. It is also believed that we should encourage the development of local responsibility. A somewhat de-centralized Japan will be less likely to cause trouble in the future.

8. *B. III. 4. (5)*. Change to read as follows:

"The Educational System

Control shall be established over the educational system for the purpose of eliminating Japanese militarism and ultranationalism, including para-military training, and making possible the development of democratic ideas."

The matter of whether schools are to be kept open for the purpose of maintaining peace and order is not a policy question. It should be left to those who prepare the military government directives and to the commander in the field.

9. *B. III. 4. (7)*. Change to read as follows:

"(7) Japanese Leaders, War Criminals, and Other Dangerous Persons.

War criminals, and all persons who have [authorized, or] participated in planning or carrying out enterprises involving or resulting in atrocities or war crimes shall be arrested, brought to trial and punished. Japanese leaders and other persons who have been flagrant exponents of militant nationalism and aggression and any other persons hostile to the objectives of military government shall be arrested and interned."

The sentence about war criminals is the same as the language in the short German paper⁵⁴ and in IPCOG 1, the post-defeat directive on Germany.⁵⁵ The second sentence is added because there is no provision in the present draft as to what should be done with the Japanese who are "flagrant exponents" but not necessarily war criminals. Certainly it should be U. S. policy not to permit these persons to remain at large, even if they go unpunished.

10. *B. III. 4. (8)*. It is not clear whether this paragraph refers to identifiable or unidentifiable property. The latter is mentioned in part *C. Economic*. If unidentifiable property is meant, is there not an overlapping with the provision in part *C. Economic* which deals with reparations?

11. *C. II*. It is suggested that the following paragraph be added at the end of this section:

"In the institution and maintenance of economic controls, Japanese authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the Japanese people that the responsibility for the administration of such controls and for any breakdowns in those controls will rest with themselves and their own authorities."

This provision from the German short paper expresses a principle which is just as applicable to Japan as it is to Germany. The principle is believed to be a good one.

⁵⁴ See section III, paragraph 5 of draft directive for the treatment of Germany, March 10, 1945, vol. III, p. 434.

⁵⁵ April 26, 1945, *ibid.*, p. 484.

Three additional copies of this memorandum are attached for possible use by members of the working group. Copies are also being furnished to Maj. Gen. Strong, Maj. Gen. Brooks and Lt. Col. Fahey.
L. S. SABIN

740.00119 P.W./5-1945

*Memorandum by the Acting Chairman of the State-War-Navy
Coordinating Committee (Matthews)*

WASHINGTON, 19 May, 1945.

MEMORANDUM FOR THE SECRETARY OF STATE :

Subject: Post-Surrender Military Government of the Japanese Empire: Statement of Policy on Disarmament, Demobilization and Disposition of Enemy Arms, Ammunition and Implements of War.

At its 18th meeting on 18 May 1945, the State-War-Navy Coordinating Committee approved the enclosed "Statement of Policy on Disarmament and Implements of War" in connection with the post-surrender military government of the Japanese empire. The Joint Chiefs of Staff have advised the Committee that they perceive no objection to the Statement of Policy from the military point of view.

The enclosure is transmitted herewith as approved politico-military policy on this subject for guidance and such implementation as is deemed appropriate. Copies of the Statement of Policy are being forwarded similarly to the Secretaries of War and the Navy and to the Joint Chiefs of Staff.

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS

[Annex]

SWNCC 58/5

[WASHINGTON, May 18, 1945.]

STATEMENT OF POLICY ON DISARMAMENT, DEMOBILIZATION, AND
DISPOSITION OF ENEMY ARMS, AMMUNITION AND IMPLEMENTS OF
WAR

- I. Definitions.
- II. Disarmament.
- III. Demobilization.
- IV. Disposition of enemy equipment.
 - A. General policies.
 - B. Special instructions pertaining to aircraft, aeronautical equipment and facilities.
 - C. Special instructions pertaining to naval craft, naval equipment and facilities.

I. *Definitions*

1. For the purposes of this paper, "Japanese armed forces" are defined to be all Japanese and Japanese-controlled land, sea and air forces, and military and para-military organizations, formations or units and their auxiliaries, wherever they may be found. The definition does not include the Japanese civil police force.

2. "Enemy equipment" is defined as:

a. All arms, ammunition, explosives, military equipment, stores and supplies and other implements of war of all kinds and any equipment or other property whatsoever belonging to, used by, or intended for use by Japanese armed forces or any members thereof in connection with their operations.

b. Naval combatant and auxiliary vessels and craft of all kinds, both surface and submarine, including those under repair, alteration or construction.

c. All aircraft, both military and civilian, aviation and anti-aircraft equipment and devices.

d. All military installations and establishments, including airfields, seaplane bases, naval bases, military research establishments, military storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

II. *Disarmament*

3. All Japanese armed forces will be completely disarmed immediately following Japan's collapse or unconditional surrender. All forces will be rendered incapable of further effective military resistance prior to the movement of any unit or organization incident to its demobilization. Military establishments of all kinds will be seized and disarmed.

4. The delivery of all arms, ammunition and implements of war in the possession of the Japanese civilian population to designated commanders will be required.

5. The development, manufacture, importation and exportation of arms, ammunition and implements of war will be prohibited.

III. *Demobilization*

6. All Japanese armed forces personnel and their civilian auxiliaries shall be evacuated from:

a. Occupied areas in China (including Manchuria, and Kwantung Leased Territory and Kwangchowan).

b. Karafuto (southern part of Sakhalin).

c. Korea (Chosen).

d. Kurile Islands (Chishima).

e. Formosa (Taiwan) and Pescadores (Hoko or Boko).

f. Hong Kong.

g. French Indo-China.

- h.* Thailand.
- i.* Burma.
- j.* British Malaya.
- k.* Netherlands East Indies.
- l.* Philippine Islands.
- m.* Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

7. In all territories listed in the preceding paragraph, the designated commander shall prohibit and prevent:

- a.* the forced evacuation of any non-Japanese inhabitant.
- b.* the harming of the inhabitants or the damaging of their property.
- c.* the removal of animals, stores of food, forage, fuel or other provisions or commodities.
- d.* pillaging, looting or unauthorized damage of any kind.

8. Within a time limit to be determined by the designated commander, all Japanese armed forces shall be returned to the territorial limits of Japan proper, excluding those areas of Japan proper mentioned in paragraph 6 above, and there demobilized.

9. The Japanese military supply services will be required to continue to function in order to provide the minimum supply requirements of the surrendered Japanese forces pending the total demobilization of such forces and for other prescribed military purposes.

10. The Japanese Imperial High Command shall be abolished at the earliest practicable date as a means of preventing the reestablishment of Japanese military power. However, in order to facilitate the rapid demilitarization and disposal of the Japanese armed forces, the designated commander is authorized to operate through this agency and to retain temporarily such parts thereof as are considered essential to the effective control and administration of the Japanese armed forces during the period of demobilization.

11. Such elements of the Japanese armed forces as the designated commander may elect may be retained as prisoners of war and retained in any areas including those listed in paragraph 6 above for such purposes as he may direct, including among others, the following:

- a.* Destruction of fortifications, military installations, and enemy equipment;
- b.* Reconstruction and rehabilitation within areas which have been overrun or damaged as a result of war;
- c.* Safe-guarding and maintenance of Japanese armament and equipment pending its final disposition;
- d.* Manning and maintenance of naval and merchant craft and equipment;
- e.* Explanation and demonstration of research and development projects and new or unique items of equipment;

- f. Repair, operation and maintenance of military transportation and communication facilities;
- g. Removal of mines, minefields and other obstacles to movement by land, sea and air.

12. The Japanese people are to be impressed with the fact of the complete defeat of their armed forces. To this end, the personnel of such forces will in no case be permitted to return to their homes in military formations, with bands playing, or with a display of flags, banners or emblems of distinction. They will be permitted to take with them nothing but approved personal effects and such equipment, supplies and currency as are essential for the journey.

13. Those members of the Japanese armed forces who are charged with war crimes will be held in custody and will not be demobilized.

IV. *Disposition of Enemy Equipment*

A. *General Policies*

14. Enemy equipment which is essentially or exclusively for use in war or warlike exercises and which is not suitable for peacetime civilian uses will be promptly destroyed or scrapped. The following specific exemptions to this general policy of destruction will be made in the cases of :

- a. Unique and new development items desired for examination or research.
- b. Enemy equipment which may be required by the designated commander for his operational needs.

15. Enemy equipment, which is not essentially or exclusively for use in war or warlike exercises and which is suitable for peacetime civilian uses will be retained. This equipment may be drawn upon for :

- a. The maintenance and subsistence of the occupational forces, prisoners of war, and displaced persons of the United Nations;
- b. The relief of the local civil population to the extent necessary to prevent or alleviate epidemic or serious disease and serious unrest or disorder which would endanger the occupying forces and the objectives of occupation.

16. Unless otherwise specifically directed, the designated commander will make no distribution of enemy equipment to any of the United Nations.

17. The designated commander will maintain a record of the location, type, quantity, condition and disposition of all enemy equipment.

- a. Seized and retained, and
- b. Seized and destroyed.

B. *Special Instructions Pertaining to Aircraft, Aeronautical Equipment and Facilities*

18. All practicable measures will be taken to prevent the use of aircraft as a means of escape of individuals or evacuation of property.

19. All military and civil aircraft, and aircraft replacement parts, components and equipment including armament, bombs and missiles will be destroyed except those which the designated commander believes merit special examination and which he orders secured and held for such examination.

20. Control will be taken of all Japanese and Japanese-controlled aircraft communications; signal, warning and detection systems; radar and radio direction and range finding systems; and, in general, any other systems relating or accessory to the operation of aircraft. These systems and their equipment will be destroyed except those which the designated commander orders secured and held for special examination or for use by the forces of occupation.

C. Special Instructions Pertaining to Naval Craft, Naval Equipment and Facilities

21. All former United Nations naval craft, equipment and facilities found in Japanese possession will be safeguarded pending further instructions.

22. All Japanese mine-sweepers will be disarmed. The Japanese Imperial High Command will be required to maintain such complements and equipment as may be necessary for sweeping navigational channels and such other waters as may be prescribed. Other naval craft and equipment considered particularly useful for removing, rendering safe, or clearly marking other obstacles to safe navigation and for reinstating aids to navigation may be retained if directed by the designated commander.

SWNCC 21 Series

*Memorandum by the Joint Chiefs of Staff*⁵⁶

SM-1841

WASHINGTON, 22 May, 1945.

MEMORANDUM FOR THE STATE-WAR-NAVY COORDINATING COMMITTEE:
Subject: Unconditional surrender of Japan.

The Joint Chiefs of Staff recommend that the Secretary of State be informed as follows:

“The Joint Chiefs of Staff have considered the military implications in the report of the State-War-Navy Coordinating Subcommittee for the Far East relating to the ‘Unconditional Surrender of Japan’ (SWNCC 21⁵⁷) and they submit the following comments.

“Throughout the documents, the title ‘Commander-in-Chief, United Nations Armed Forces’ has been used on the assumption that such a

⁵⁶ Circulated as SWNCC 21/2, May 23.

⁵⁷ February 7, p. 521.

designated commander will have been named by the time of the unconditional surrender, that this commander will receive the surrender and that he will, at least initially, be in full charge of enforcing the terms imposed upon Japan through the medium of military government. Since at this time no officer with the title 'Commander-in-Chief, United Nations Armed Forces' exists, it is preferable that the assumptions on which the documents have been drawn be met by the use of the expression 'designated commander' in place of the title 'Commander-in-Chief, United Nations Armed Forces' and the words 'Supreme Allied (United States) Command' wherever used in the documents. Should future events require the amendments of the conception of such a commander, appropriate changes must be made in the documents to make them conform to the command situation actually existing at the time of surrender.

"The documents relating to the surrender or total defeat of Japan contemplate that the designated commander, if appointed, shall be an officer of the United States armed forces. The Joint Chiefs of Staff are of the opinion that the predominant role being played by United States forces in the war in the Pacific fully warrant the assumption that, if such a commander is designated, he will be an officer of this country's armed forces.

"The Joint Chiefs of Staff also believe that 'Hokkaido' (Appendix "E", page 13, line 12, SWNCC 21) should be deleted.

"Further but minor changes considered desirable are the insertion of the word 'non-combatant' before the word 'duties' in the fourth line of the third paragraph of the Proclamation by the Emperor of Japan and also before the word 'official' in line 3 of the paragraph numbered 2 of Proclamation No. 1.

"The Joint Chiefs of Staff are aware that the instruments of unconditional surrender executed with respect to Germany⁵⁸ and the proclamations issued or to be issued subsequent thereto have given rise to some discussion, not yet completed, as to their form. They believe that these discussions may result in determinations which might properly lead to changes in the form of the appendices to SWNCC 21. Accordingly, they suggest that these appendices be re-examined by the State-War-Navy Coordinating Committee and its appropriate subcommittees with a view to determining (a) whether the current discussions as to Germany should lead to changes in these appendices, and (b) whether these appendices go as far as is practicable to give to the designated occupying commander sufficient powers to facilitate achievement of the objectives of the occupation, particularly in respect

⁵⁸ For Acts of Military Surrender of Germany, May 7 and 8, 1945, see Department of State Executive Agreement Series No. 502, or 59 Stat. (pt. 2) 1857; for documentation on negotiations leading to the surrender of Germany, see vol. III, pp. 717 ff.

to freeing the occupation from the restrictions contained in various international conventions.

“Subject to the foregoing comments, the Joint Chiefs of Staff perceive no objection from the military point of view to the five appendices to SWNCC 21.”

For the Joint Chiefs of Staff:
 A. J. McFARLAND
Brigadier General, U.S.A.
Secretary

740.00119 PW/5-2845

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 28, 1945.

After a conference this morning with Judge Rosenman⁵⁹ I went with the Judge to see the President and set forth the purpose of our visit as follows:

In waging our war against Japan it is an elementary and fundamental concept that nothing must be sacrificed, now or in future, to the attainment and maintenance of our main objective, namely, to render it impossible for Japan again to threaten world peace. This will mean the destruction of Japan's tools for war and of the capacity of the Japanese again to make those tools. Their military machine must be totally destroyed and, so far as possible, their cult of militarism must be blotted out.

With the foregoing fundamental concepts as a premise it should be our aim to accomplish our purpose with the least possible loss of American lives. We should, therefore, give most careful consideration to any step which, without sacrificing in any degree our principles or objectives, might render it easier for the Japanese to surrender unconditionally now.

While I have never undertaken to predict with certainty anything that the Japanese may do, we must remember that the Japanese are a fanatical people and are capable, if not likely, of fighting to the last ditch and the last man. If they do this, the cost in American lives will be unpredictable.

The greatest obstacle to unconditional surrender by the Japanese is their belief that this would entail the destruction or permanent removal of the Emperor and the institution of the Throne. If some indication can now be given the Japanese that they themselves, when once thoroughly defeated and rendered impotent to wage war in future, will be permitted to determine their own future political structure,

⁵⁹ Samuel I. Rosenman, Special Counsel to President Truman.

they will be afforded a method of saving face without which surrender will be highly unlikely.

It is believed that such a statement would have maximum effect if issued immediately following the great devastation of Tokyo which occurred two days ago. The psychological impact of such a statement at this particular moment would be very great.

In a public message to his troops sometime ago Chiang Kai-shek, whose country has suffered more from the Japanese than any other country, said that in his opinion a defeated and penitent Japan should be permitted to determine its own future political structure.

The idea of depriving the Japanese of their Emperor and emperorship is unsound for the reason that the moment our backs are turned (and we cannot afford to occupy Japan permanently) the Japanese would undoubtedly put the Emperor and emperorship back again. From the long range point of view the best that we can hope for in Japan is the development of a constitutional monarchy, experience having shown that democracy in Japan would never work.

Those who hold that the Emperor and the institution of the Throne in Japan are the roots of their aggressive militarism can hardly be familiar with the facts of history. For approximately 800 years the Japanese Emperors were deprived of their throne in practice and were obliged to eke out a precarious existence in Kyoto while the Shoguns who had ejected them ruled in Tokyo and it was the Shogun Hideoshi who in the sixteenth century waged war against China and Korea and boasted that he would conquer the world.

The Emperor Meiji who brought about the restoration of the throne in 1868 was a strong man who overcame the militaristic Shoguns and started Japan on a moderate and peaceful course. The Emperors who followed Meiji were not strong men and it became relatively easy for the military extremists to take control and to exert their influence on the Emperors. If Hirohito had refused to support the military and approve the declaration of war in 1941 he would in all probability have suffered the fate of his predecessors. In any case whether he was or was not war-minded he would have been powerless to stem the tidal wave of military ambition.

The foregoing facts indicate clearly that Japan does not need an Emperor to be militaristic nor are the Japanese militaristic because they have an Emperor. In other words, their militarism springs from the military clique and cult in the country which succeeded in gaining control even of the Emperor himself and rendered powerless the Emperor's advisers, who in the years before Pearl Harbor were doing their best to restrain the hotheads. The assassinations in February 1936⁶⁰ were undertaken by the military extremists for the specific pur-

⁶⁰ See telegram 36, February 26, 1936, 10 a. m., from Tokyo, and later correspondence, *Foreign Relations*, 1936, vol. iv, pp. 719 ff.

pose of purging the peace-minded advisers around the throne. General Tojo ⁶¹ and his group who perpetrated the attack on Pearl Harbor were just as much military dictators as were the Shoguns in the old days and the Emperor was utterly powerless to restrain them regardless of his own volition.

The foregoing facts do not in any way clear Hirohito from responsibility for the war for, having signed the declaration of war, the responsibility was squarely on his shoulders. The point at issue is that the extremist group would have had their way whether the Emperor signed or not. Once the military extremists have been discredited through defeat the Emperor, purely a symbol, can and possibly will be used by new leaders who will be expected to emerge once the Japanese people are convinced that their military leaders have let them down. The institution of the throne can, therefore, become a cornerstone for building a peaceful future for the country once the militarists have learned in the hard way that they have nothing to hope for in the future.

I then submitted to the President a rough draft of a statement which he might wish to consider including in his proposed address on May 31. The President said that he was interested in what I said because his own thoughts had been following the same line. He thereupon asked me to arrange for a meeting to discuss this question in the first instance with the Secretaries of War and Navy, General Marshall ⁶² and Admiral King ⁶³ and that after we had exchanged views he would like to have the same group come to the White House for a conference with him. I said that I would arrange such a meeting at once for tomorrow morning and I asked Judge Rosenman to join us, which he said he would do. (The meeting was arranged in Mr. Stimson's office in the Pentagon Building for 11:00 a. m. tomorrow.)

Judge Rosenman thought that our draft statement could be somewhat tightened up and suggested three or four points which we shall endeavor to include in the statement.

JOSEPH C. GREW

⁶¹ Hideki Tojo, Japanese Prime Minister, October 18, 1941–July 18, 1944.

⁶² General of the Army George C. Marshall, Chief of Staff, United States Army.

⁶³ Fleet Adm. Ernest J. King, Commander in Chief, United States Fleet, and Chief of Naval Operations.

740.00119 PW/5-2945

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 29, 1945.

Participants: Secretary of War Stimson, Secretary of the Navy Forrestal, General Marshall, Mr. Elmer Davis,⁶⁴ Judge Samuel I. Rosenman, Mr. Eugene H. Dooman: Acting Secretary, Mr. Grew

At the President's request I called a meeting in Mr. Stimson's office at the Pentagon Building of the Secretaries of War and Navy and General Marshall. Admiral King was absent but I brought with me Mr. Elmer Davis, Judge Rosenman, and Mr. Dooman.

The purpose of the meeting was to discuss the question as to whether the President, in his forthcoming speech about our war with Japan, should indicate that we have no intention of determining Japan's future political structure, which should be left to the Japanese themselves, in the thought that such a statement, which had already been made by Mr. Hull⁶⁵ and by Chiang Kai-shek,⁶⁶ might render it easier for the Japanese to surrender unconditionally instead of fighting fanatically for their Emperor. The meeting lasted for an hour and in the course of the discussion it became clear that Mr. Stimson, Mr. Forrestal, and General Marshall were all in accord with the principle but for certain military reasons, not divulged, it was considered inadvisable for the President to make such a statement just now. The question of timing was the nub of the whole matter according to the views presented. I undertook to inform the President of the consensus of the meeting.

JOSEPH C. GREW

740.00119 PW/5-2945

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 29, 1945.

In my talk with the President this afternoon I told him of the consensus at the meeting in Secretary Stimson's office this morning to the effect that, while Mr. Stimson, Mr. Forrestal and General Marshall concurred in the desirability of letting the Japanese know that they themselves will be permitted, at the termination of the military government of occupation, to choose their own future political structure, it was not considered wise, owing to certain military considerations, to

⁶⁴ Director of the Office of War Information (OWI).

⁶⁵ Cordell Hull, Secretary of State from March 4, 1933, to November 27, 1944; for statements on March 21 and April 9, 1944, see Department of State *Bulletin*, March 25, 1944, p. 275, and April 15, 1944, p. 335.

⁶⁶ Generalissimo Chiang Kai-shek made a radio broadcast on January 1, 1944.

make such a statement just now. It was therefore felt that the matter should remain temporarily in abeyance. I reported this to the President, who accepted the consensus of the meeting.⁶⁷

JOSEPH C. GREW

740.00119 FEAC/6-245

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, June 2, 1945.

Subject: Establishment of a Far Eastern Advisory Commission

The State-War-Navy Coordinating Committee has approved and is presenting to you, for your approval, a paper entitled "Establishment of a Far Eastern Advisory Commission",⁶⁸ which represents the views of the Departments of State, War, and the Navy with regard to the method by which consultation should be carried out with the Allied countries on problems of the Far East arising directly from the unconditional surrender or defeat of Japan.

The Joint Chiefs of Staff have informed the three Departments that, from a military point of view, they see no objection to the proposals contained in the paper.

If you approve this paper, it will be held in reserve for use in discussions when any of the Allied Governments participating in the war against Japan request consultation with this Government on these problems. The State, War, and Navy Departments will consult each other, through the State-War-Navy Coordinating Committee, prior to its use in any such discussions.

JOSEPH C. GREW

SWNCC 150 Series

*Report by the State-War-Navy Coordinating Subcommittee for the Far East*⁶⁹

SWNCC 150

[WASHINGTON,] 11 June 1945.

POLITICO-MILITARY PROBLEMS IN THE FAR EAST:

UNITED STATES INITIAL POST-DEFEAT POLICY RELATING TO JAPAN

THE PROBLEM

1. To determine the initial post-defeat policy of the United States relating to Japan.

⁶⁷ See President Truman's message to Congress on June 1, Department of State *Bulletin*, June 3, 1945, p. 999.

⁶⁸ SWNCC 65/2, April 30, p. 529.

⁶⁹ Circulated for consideration by SWNCC and the Joint Chiefs of Staff.

FACTS BEARING ON THE PROBLEM

2. The Civil Affairs Division of the War Department requested on 6 April 1945 "that the Department of State furnish the Civil Affairs Division with a short policy statement with respect to the treatment of Japan, which statement should have the Presidential approval to the end that civil affairs planning for Japan may proceed." "We have in mind a statement for Japan similar to the statement as approved by the President with respect to the treatment of Germany."

3. SWNCC 54 requests the Department of State to prepare a paper on the subject "Basic Policies and Objectives of the United States in the Pacific and the Far East", which appears as Item I in SWNCC 16/4.⁷⁰

4. In accordance with these requests, the Department of State expressed its views on the above subject. The State Department paper has been considered and used by the Subcommittee for the Far East in the preparation of this report.

CONCLUSIONS

5. It is concluded that the Appendix should be accepted as a statement of the United States initial post-defeat policy relating to Japan.

RECOMMENDATIONS

6. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff, with a request for an expression of their views from the military point of view;

b. The statements of policy contained in the Appendix be approved by the State-War-Navy Coordinating Committee and the report be transmitted to the Joint Chiefs of Staff, and to the State, War and Navy Departments for their guidance.

[Annex]

SUMMARY OF UNITED STATES INITIAL POST-DEFEAT POLICY
RELATING TO JAPAN

A. GENERAL PROVISIONS

I. *Objectives*

The general objectives of the United States in regard to Japan are:

1. The unconditional surrender or total defeat of Japan;
2. The stripping from the Japanese Empire of territories, including the Mandated Islands, in harmony with the Cairo Declaration and

⁷⁰ Neither printed.

such other pertinent agreements as may be reached by the United Nations, and to which the United States is a party;

3. The creation of conditions which will insure that Japan will not again become a menace to the peace and security of the world;

4. The eventual emergence of a government in Japan which will respect the rights of other states and Japan's international obligations; and

5. The eventual participation of Japan in a world economic system on a reasonable basis.

II. *Unconditional Surrender or Total Defeat*

Immediately upon the unconditional surrender or total defeat of Japan, the supreme allied commander will exercise supreme authority over the domestic and foreign affairs of the Japanese Empire. Simultaneously, the constitutional powers of the Emperor shall be suspended. All instrumentalities which participate in the formulation or consideration of national policies shall be suspended, pending the achievement of the objectives of military government, and their functions shall be assumed by military government.

B. POLITICAL

I. *Successive Periods in the Treatment of Japan*

In order to achieve these general objectives the policies of the United States should be considered separately for three successive periods of Japan's post-war development.

The first of these periods will be that during which the terms to be imposed on Japan as a result of its surrender or its total defeat will be enforced by military occupation. In this period the Japanese will undergo stern discipline, as they cannot escape responsibility for what they have brought upon themselves.

The second period will be one of close surveillance; restrictions will be progressively relaxed as Japan demonstrates its willingness and ability to live at peace with other nations. Military government might be replaced by some other supervisory agency.

The third period will be one which will look toward the ultimate aim of the United States, namely, a Japan properly discharging its responsibilities in the family of peaceful nations.

The duration of the occupation and the treatment of the Japanese throughout the three periods will depend in large measure on the behaviour of the Japanese.

II. *The Political Objectives of Military Government*

The immediate objective of military government in Japan shall be the strict enforcement of the terms imposed upon Japan. Within

such frame work, the general political objectives of the military government are:

1. The abolition of militarism;
2. The strengthening of democratic tendencies and processes [;]
3. The encouragement of liberal political elements and the creation of conditions in Japan which will facilitate the emergence of a government with which the United Nations can deal.

III. *Military Government and Military Occupation*

1. *Security*

Japan's ground, air and naval forces are to be disarmed and disbanded; military and naval matériel, vessels and installations are to be surrendered or destroyed; industries primarily military in character are to be eliminated. All measures taken in this connection shall be designed to accomplish to the extent possible the permanent disarmament and demilitarization of Japan.

2. *Character of Military Government*

The measures of military government should be stern but just.

3. *Administrative Functions and Machinery*

Military government should utilize the Japanese administrative machinery and, so far as practicable, Japanese public officials, making these officials responsible for the carrying out of the policies and directives of the military government. Military government should in no circumstances allow persons to hold public office or any other position of responsibility or influence in public or private enterprise, who have been flagrant exponents of militant nationalism and aggression. The administration of affairs in Japan should be directed toward the development of local responsibility.

4. *Some of the Initial Tasks of Military Government*

Among the important tasks to be early undertaken by military government are:

(1) *Nullification of Obnoxious Laws*

Laws, ordinances and regulations which conflict with the purposes and policies of the military government shall be suspended or repealed. Agencies charged specifically with the execution of such laws, ordinances and regulations shall be abolished or appropriately modified.

(2) *Political Parties or Agencies*

Existing political parties, including totalitarian, political and quasi-political organizations and ultra-nationalistic societies, shall be dissolved.

(3) *Freedom of Worship*

Freedom of religious worship shall be proclaimed promptly on occupation.

(4) *Media of Public Information*

The military government will aim to terminate the dissemination of ideas subversive of the purposes of the United Nations, and to substitute therefor information and knowledge of the ideals and concepts in which the United Nations believe.

(5) *The Educational System*

Control shall be established over the educational system for the purpose of eliminating Japanese militarism and ultranationalism, including para-military training, and making possible the development of democratic ideas.

(6) *The Administration of Justice*

The military government shall supervise the administration of justice, and, so far as practicable, the civil courts will continue to function as an instrumentality of military government. All persons unjustly or illegally held in custody shall be released.

(7) *War Criminals and Other Dangerous Persons*

War Criminals shall be arrested, brought to trial and punished. Japanese leaders and other persons who have been flagrant exponents of militant nationalism and aggression and any other persons manifesting open hostility to the objectives of military government shall be arrested and interned.

C. ECONOMIC

I. *Demilitarization*

Military government shall enforce a program to demilitarize industry with the aim of preventing Japan from again developing an economic war potential. There shall be developed and established a system of controls that can be continued after occupation has ceased and which will assure the continued economic disarmament of Japan over a longer period. Japan shall be permitted to retain no specialized facilities for the production or repair of implements of war or aircraft of any type and shall be deprived of the heavy industry capacity in excess of normal peacetime requirements and those key industries upon which an extensive war industry could be redeveloped. Pending decision on disposition either by transfer abroad, use in Japan or scrapping, there should be no destruction of facilities readily convertible to civilian production except in emergency situations.

II. *Control of Japanese Economy*

In order to meet the needs of the occupation forces and to prevent starvation and such disease and civil unrest as would interfere with the operations of military government, military government shall take such steps as may be necessary with respect to (a) essential national public services; (b) finance and banking; (c) production and distribution of essential commodities; and (d) exports and imports. No steps shall be taken by the military government which would raise the standard of living of the Japanese people to a standard out of line with that of neighboring peoples.

III. *Reparations, Restitution and Relief*

In accordance with decisions by the appropriate authorities, military government shall arrange for relief to the United Nations and

to liberated areas, for restitution of identifiable looted property and for reparations. The first charge on the proceeds of all approved exports, for reparations or otherwise, shall be a sum necessary to pay for approved imports. Reparations or relief for liberated areas shall not constitute a ground for the restoration or development of Japanese industries which might contribute to the rearmament of Japan or whose expansion might promote dependence by other countries on Japan for strategic products.

IV. *Promotion of Democratic Forces*

Military government shall encourage the development of democratic organizations in labor, industry, and agriculture, and shall favor a wider distribution of ownership, management and control of the Japanese economic system.

V. *Control of Foreign Assets and Credit*

No credit shall be extended Japan or any Japanese person by foreign persons or governments, except with approval of military government. Military government shall hold for subsequent disposition title to all foreign assets of the Japanese government, of Japanese citizens and of Japanese corporations domiciled in the main islands. No Japanese person shall be permitted to acquire foreign assets except by specific approval of the military government.

[For additional documentation on postwar planning policy for Japan and territories under Japanese control, see *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945*, volumes I and II.]

Staff Committee Papers

*Mr. Eugene H. Dooman, Special Assistant to the Assistant Secretary of State (Dunn), to Mr. Harry M. Benninghoff, Secretary of the Staff Committee*⁷¹

[WASHINGTON,] June 23, 1945.

I transmit herewith copy #26 of a paper "United States Initial Post-Defeat Policy Relating to Japan" (SWNCC 150).⁷²

⁷¹ Notation by Mr. Dooman: "Has been cleared informally by FEA [Foreign Economic Administration]. Treasury has been consulted but has not commented." The Secretary's Staff Committee was instituted after the Department's reorganization of December 1944, and was charged with assisting the Secretary "in determining current and long-range foreign policy". The Committee consisted of the Secretary (Chairman), Under Secretary, Assistant Secretaries, Legal Adviser, and Special Assistant to the Secretary for International Organization and Security Affairs.

⁷² June 11, p. 549.

It is understood that the Staff Committee desires to review this paper preparatory to its adoption as policy by the Department. It should be made clear to the Staff Committee that Sections A and B of the Appendix fall entirely within the framework of PWC papers already approved by the Secretary of State, and that Section C, relating to economic matters, has been approved by Mr. Clayton, Assistant Secretary of State.

E[UGENE] H. D[OOMAN]

Staff Committee Papers

*Summary of United States Post-Defeat Policy Relating to Japan*⁷³

SC-138a

[WASHINGTON,] June 27, 1945.

The Problem

The problem is to determine the Department's attitude toward a report (Annex I) on the above subject prepared by the State-War-Navy Coordinating subcommittee for the Far East.

Background

This report was prepared in reply to a request from the Civil Affairs Division of the War Department "that the Department of State furnish the Civil Affairs Division with a short policy statement with respect to the treatment of Japan, which statement should have the Presidential approval to the end that civil affairs planning for Japan may proceed." "We have in mind a statement for Japan similar to the statement as approved by the President with respect to the treatment of Germany."

[Annex I]

SUMMARY OF UNITED STATES INITIAL POST-DEFEAT POLICY RELATING TO JAPAN

[Here follows text as printed in annex to SWNCC 150, June 11, page 549, except for revision of paragraph II as follows:]

II. *Unconditional Surrender or Total Defeat*

Immediately upon the unconditional surrender or total defeat of Japan, the supreme allied commander will exercise supreme authority over the domestic and foreign affairs of the Japanese Empire. Simultaneously, the powers of the Emperor and the powers and functions of all instrumentalities which participate in the formulation or consideration of national policies shall be assumed by the military government.

⁷³ As approved by Staff Committee meeting on June 26.

740.00119 P.W./6-2845

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, June 28, 1945.

MY DEAR MR. SECRETARY: You will recall that at one of our regular meetings early in May you asked me for an estimate of conditions in the Far East at the close of the war as well as a statement of the objectives and policies of the United States. The attached paper has been prepared in response to your request. It has taken a great deal of time and thought to collect the views of all concerned in this area. As it stands now, the paper is a policy paper representing the considered views of the Department of State as a whole. It is in three parts:

Part I Introduction.

Part II Chapters on Japan; Korea; China; French Indochina; Thailand; Malaya and British Borneo; Netherlands East Indies; the United Kingdom, Australia and New Zealand in the South Pacific.

The chapter on India and Burma has not been submitted in final form pending the outcome of the presently scheduled discussions on the Viceroy's program for a change in the status of India. As these discussions will have an important bearing on our policy it was thought preferable to reserve this chapter for later submission.⁷⁴

Part III Conclusion. This section contains an estimate of conditions at the end of the war, United States' policies, the difficulties and problems.

Sincerely yours,

JOSEPH C. GREW

[Enclosure]

Policy Paper Prepared in the Department of State

[WASHINGTON,] June 22, 1945.

AN ESTIMATE OF CONDITIONS IN ASIA AND THE PACIFIC AT THE CLOSE OF THE WAR IN THE FAR EAST AND THE OBJECTIVES AND POLICIES OF THE UNITED STATES

I. INTRODUCTION

When V day comes in the Far East and the Pacific it will be the result in largest measure of the military might and the sacrifices of the United States. In return the American people ask for a reasonable assurance of peace and security in this great area and economic welfare. Peace and security, and economic welfare, however, depend on a number of conditions.

One of these conditions is the right of all peoples to choose the form of Government under which they will live. The United States,

⁷⁴ For documentation on India, see pp. 249 ff.

therefore, has a definite interest that there should be a progressive enlargement of the political responsibilities, both as individuals and as groups of all the peoples of this region in order that they may be prepared and able to assume the responsibilities of natural freedom as well as to enjoy its rights. To this end we would wish to see in China and in other independent countries governments established on a broader basis of the population, and the elimination, so far as international security conditions and arrangements permit, of those conditions favoring foreign nationals which impair the sovereign rights of those countries; and in the dependent areas in this region we would wish to see the peoples given the opportunity to achieve a progressively larger measure of self-government.

During the past four hundred years the Western Powers—and more recently Japan—by war, threat of war, and exploitation of ignorance on the part of Oriental Governments, extended Western sovereignty, economic and political control, or exceptional semi-sovereign rights over great areas of Asia and the Pacific—areas which produce a substantial part of the world's supply of many critically important primary commodities and contain more than half of the human race.

In the past half century, however, the rising nationalism in Asia has led to a demand for freedom from this political and economic subjection, and the demand has increased in strength and in insistence, and has been intensified by Japanese propaganda during the present war. The fact that each Far Eastern people was suffering under disabilities maintained by the Western Powers provided the Far Eastern nations with a bond of kinship over and beyond common membership among the peoples of Asia.

Aside from the traditional American belief in the right of all peoples to independence, the largest possible measure of political freedom for the countries of Asia consistent with their ability to assume the responsibility thereof is probably necessary in order to achieve the chief objective of the United States in the Far East and the Pacific: continuing peace and security.

Another condition on which peace and security depend is cooperation among the peace-minded states of the world. One of the foremost policies of the United States is to maintain the unity of purpose and action of all the United Nations, especially of the leading powers. Two of these leading powers are Great Britain and France, each of which has dependencies in the Far East in which there is an insistent demand for a greater measure of self-government than the parent states have yet been willing to grant.

A problem for the United States is to harmonize, so far as possible, its policies in regard to the two objectives: increased political freedom for the Far East and the maintenance of the unity of the leading

United Nations in meeting this problem. The United States Government may properly continue to state the political principle which it has frequently announced, that dependent peoples should be given the opportunity, if necessary after an adequate period of preparation, to achieve an increased measure of self-government, but it should avoid any course of action which would seriously impair the unity of the major United Nations.

The United States, also, may utilize either the force of its example or its influence or both. Its treatment of the Philippines has earned a rich reward for this country in the attitude and conduct of both the Filipinos and the nationals of other Far Eastern states. The American Government influenced the British Government to take parallel action with it in the renunciation of extraterritoriality and other exceptional rights in China.⁷⁵

The solution which would best harmonize these two policies of the United States would be a Far East progressively developing into a group of self-governing states—-independent or with Dominion status—which would cooperate with each other and with the Western powers on a basis of mutual self-respect and friendship. The interests of the United States and of its European Allies require that the Far East be removed as a source of colonial rivalry and conflict, not only between the Great Powers, but between the Great Powers and the peoples of Asia.

II. JAPAN

A. *Estimate of Conditions at the End of the War*

The following conditions will apply whether or not Soviet Russia has entered the war against Japan. The entry of Russia into the war would of course affect the time period before the defeat of Japan but would not materially affect the conditions to be found in Japan at the end of the war.

1. *Political and Military*

The Japanese people will be faced with a situation without precedence in their experience. They will be faced with surrender or total defeat, which they have been taught is impossible, because of their divine invincibility. They will see the dissolution of their empire, in accordance with the Cairo Declaration, and probably a great increase in the power and influence of the Soviet Union in the Far East. As a result, there will be bitter disillusionment and great mental and emotional confusion among the people. They will consider

⁷⁵ See treaties signed on January 11, 1943, Department of State Treaty Series No. 984, or 57 Stat. (pt. 2) 767, and *British and Foreign State Papers*, vol. cxlv, p. 129. With regard to negotiations leading to the signing of the treaties, see *Foreign Relations*, 1942, China, pp. 268 ff.

that the Allies have won an unjust victory solely by means of superior material power and that the Japanese cause of "Asia for the Asiatics" still is a just one. Amenable to direction and inherently obedient, they will probably obey instructions from their accustomed superiors, but will be sullen, resentful and very likely non-cooperative toward the invaders. This resentment may cause frequent attempts upon the lives of members of the Allied Military Government and of the occupying forces.

Assuming that there will be no general revolution in Japan which would eliminate the relics of feudalism, including the institution of the emperor, it can be expected that the present emperor, or a successor, will be able to command the respect and obedience of the people, although he will have lost some of his prestige and influence because of the failure of his "august virtues" to prevent the defeat of Japanese arms. It is provided in the draft of the proclamation to be issued to the Japanese people by which the emperor announces the transference of his powers and authority to the supreme allied commander, that he instructs the administrative officials to remain in office and to continue their duties under the direction of the Allied Military Government, and it is expected that most of the officials will obey. However, the Japanese administrative officials will probably be found to be inefficient and confused because of the disruption of the normal command channels and in many cases may be unwilling to cooperate fully with the Military Government because of the factors previously mentioned as affecting the Japanese people in general. It is not believed that any Japanese Government which may be in existence at the time of unconditional surrender or total defeat will have sufficient prestige and power greatly to influence the general situation, but this fact is unimportant, as the Allied Military Government will supplant the Japanese Government as soon as possible after the surrender or defeat.

Even after the unconditional surrender of Japan or the occupation of the country after collapse of organized resistance, some army units may continue sporadic and isolated resistance, probably in the mountainous interior. Some of these army units may escape to the Asiatic mainland to continue resistance with Japanese armies there, where it is probable that a considerable body of troops may refuse to cease resistance.

2. *Economics*

Large areas of the principal cities will have been almost completely destroyed, public utilities in many cases will have ceased to function and communications will have been seriously damaged or destroyed due to the long-sustained bombing from the air and the fighting within the home islands, which it is expected will be necessary to bring

Japan to unconditional surrender or to collapse of resistance and passive acceptance of defeat without formal surrender. There will probably be an acute shortage of foodstuffs because of the destruction of accumulated stores, insufficient internal transportation and the effective blockade, which it is expected will have been established after the Japanese navy has been destroyed or rendered impotent and which will prevent importation from abroad. Many millions of persons will have been displaced by forced evacuations, by destruction of their homes and businesses, and by the failure of food supplies. Many industries supplying consumer goods will have ceased to function, but it can be expected that the peasants will continue to till their fields (except where combat operations have interfered) and the fishermen will continue to set their nets.

B. International Relations

As most countries of the world have either declared war on or have broken diplomatic relations with Japan, the close of the war in the Pacific will find Japan maintaining relations only with the Japanese puppet regimes of Asia, the neutral states of Europe, and the Vatican, Afghanistan and possibly Soviet Russia. Immediately after the defeat of Japan the Allied Military Government will take charge of Japan's international relations.

C. United States Policies

1. By the instrument of unconditional surrender the emperor of Japan renounces his power and authority and the supreme allied commander acquires supreme legislative, judicial and executive authority over domestic and foreign affairs of the Japanese empire. If there should be no emperor in Japan to acknowledge the unconditional surrender, or if he should refuse to sign, the supreme allied commander announces his assumption of authority by proclamation. All instrumentalities of state which participate in the formulation or consideration of national policies will be suspended, pending the achievement of the objectives of occupation, and their functions will be assumed by the Allied Military Government, which, although predominantly American in composition, will contain representatives of all countries which have actively participated in the war against Japan. The emperor will be taken into protective custody and placed in seclusion at a detached palace. The Military Government will utilize, so far as practicable, the Japanese administrative machinery, at the same time purging the machinery of exponents of militant nationalism.

2. The general political objectives of the Allied Military Government in Japan will be :

- a) the abolition of militarism.
- b) the strengthening of democratic tendencies and processes.

c) the encouragement of liberal political elements and the creation of conditions which will facilitate the emergence of a government with which the United Nations can deal.

3. After a relatively short period of complete occupation, during which stern but just measures will be taken to achieve the above objectives, the Allied Military Government might be replaced by another supervisory agency to usher in a period (of indefinite length) during which the emergence of a Japan properly discharging its responsibilities in the family of nations would be encouraged.

III. KOREA ⁷⁶

A. *Estimate of Conditions at the End of the War*

1. *Political*

There will undoubtedly be considerable confusion and chaos in the political, economic and social affairs of Korea when Japanese rule ends. During the Japanese control of Korea for the past thirty-five years the Koreans have been given virtually no measure of self-government, while Japanese interests have controlled the economy of the country.

The Japanese population in Korea, more than half of which is engaged in government service or employed in Japanese monopolies, will, no doubt, be subject to attack by Korean revolutionists and rioters when Japanese authority is relaxed. The majority of the farmers are tenants who have been subject to extortionate treatment by Japanese and Korean landlords. Between a third and a half of the farming land in Korea is owned or controlled by Japanese landlords. With the liberation of Korea the tenant farmers will undoubtedly expect sweeping agrarian reforms and may take definite steps to destroy the control of the landlords, both Japanese and Korean, with resulting chaotic social conditions. Disorder may become general, for the police force is over two-thirds Japanese.

In accordance with the Cairo Declaration to which China, Great Britain and the United States, but not Soviet Russia, are signatories, Korea is to become free and independent in due course, but there is no Korean regime now in existence or likely to emerge before the termination of hostilities which might be considered really representative of the Korean people or qualified to undertake the duties and obligations of an independent government. The Koreans who have had experience in government service are limited in number and have mainly been employed in minor positions.

2. *Economic*

The chaos resulting from the collapse of Japanese political control in Korea will simultaneously affect economic conditions in the country.

⁷⁶ For documentation on Korea, see pp. 1018 ff.

Korean agriculture which occupied over two-thirds of the population will probably not be seriously disturbed prior to or at the time of the termination of hostilities.

In regard to transportation the situation in Korea will depend primarily on the extent of damage caused in the course of military operations. The railroads of Korea with their alternate main lines, have been constructed and used, to a large extent, for military purposes and for transporting the economic resources of the continent to Japan. The partial destruction therefore of the railway network will not greatly affect the internal economy of Korea, although complete disruption of rail service might result in serious temporary problems. In view of the fact that a large proportion of the technical personnel employed in the railway system is Japanese, it may be necessary to employ western experts or temporarily to retain the services of suitable Japanese technicians in order to maintain even the basic needs in transportation.

Modern industry and mining in Korea have been developed mainly since 1937 for war purposes under Japanese monopoly control. Much of the industrial plant will probably suffer from military operations and the surviving portion will be shut down pending conversion to peacetime production. The maintenance of certain key industries, such as the manufacture of synthetic fertilizer, will possibly require technical personnel not available among the Korean population.

There will undoubtedly be a mass unemployment problem involving half a million Koreans previously engaged in war industry, who, with their families constitute a population of some two million persons. Unemployment will be aggravated by the probable early return to Korea from Japan of well over one million Korean laborers and their families. These unemployed Koreans will probably include more than 10 percent of the population.

B. International Relations

In as much as Korea is under Japanese sovereignty, it has at present no international relations. Military occupation, however, will necessarily entail the establishment of a fully integrated and well-staffed military government in Korea. Occupation and military government may be under a single power, or under two or more powers acting jointly, or it may be zonal in character with responsibility for military operations and civil administration partitioned among several allied powers. If military operations and occupation are jointly undertaken, nations participating will probably include China, Great Britain, the United States and Soviet Russia. As soon as practicable, military government will probably be replaced by an international interim authority composed of representation from the same four powers.

The Soviet Union will probably enter the war in the Far East and

Soviet forces will probably occupy all or part of Korea. Such military activity may or may not be carried out jointly with other United Nations. The Soviet Government will, no doubt, establish military government in the portion of Korea under its control and may subsequently wish to establish a Korean regime friendly to the Soviet Union composed at least partially of Korean leaders groomed in the Soviet Union. Some 300,000 Koreans, including those of Soviet citizenship born in Russia, are known to be residing in Siberia, and 20,000 to 30,000 Russian citizens of Korean ancestry are reportedly in the Soviet Army.

The economic and political situation in Korea would be conducive to the adoption of communist ideology and although the average Korean is not favorably disposed toward Soviet Russia, the policy and activities of a Russian-sponsored socialist regime in Korea might easily receive popular support.

C. *United States Policy*

The declared objective of this government is embodied in the Cairo Declaration and has been reiterated on a number of occasions, namely, that "in due course Korea shall become free and independent". The relinquishment of Japanese sovereignty over Korea, involves the transfer to Korea of Japanese public and semi-public property and possibly the expropriation of a large proportion of Japanese private property in Korea, the continued retention of which might endanger Korean security or be considered an impediment to the indigenous development of Korean economy.

The United States Government seeks to obtain prior agreement and joint action through consultation among the major powers concerned, i.e. China, Great Britain and Russia, in matters concerning the political future of Korea. It is the policy of this Government that the United States should participate in both the military government and the interim administration of Korea.

Furthermore, it is the intention of this Government to assist the Korean people in the early establishment of a strong, democratic, independent nation.

IV. CHINA ⁷⁷

A. *Estimate of Conditions at the End of the War*

1. *Political*

The close of the war in the Far East will probably find China politically and militarily disunited. The Kuomintang-controlled National Government will be found exercising control over western China and portions of northwestern, central, eastern and southeastern China, but the existence therein of certain local, semi-independent military

⁷⁷ Documentation regarding relations of the United States with China is schedule for publication in *Foreign Relations*, 1945, vol. VII.

elements will circumscribe the degree of control exercised by the National Government. The National Government's control of Sinkiang (Chinese Turkestan) will probably be impaired and may be completely lost.

The Chinese Communists will probably be exercising control over substantial areas of northern, northeastern, central and eastern China. Their control of areas lying north and east of the Yellow River to the vicinity of the Great Wall and in that portion of Kiangsu Province lying north of the Yangtze River is likely to be relatively secure. The Communists will also be found occupying enclaves of varying strength in portions of Anhwei, Honan, Hupeh, south Kiangsu, Chekiang and Kwangtung. On the relaxation of Japanese control the Chinese Communists will occupy Manchuria and then may also seek control of Inner Mongolia and Sinkiang.

Failure of the Kuomintang and the Chinese Communists to unite will in all probability lead to the formal establishment of two distinct political and military entities in China, with the Kuomintang controlling one and the Communists the other. The result of this division of China into two separate spheres of power is likely to be internal strife—probably after the defeat of Japan. Since neither of the two contending groups appears to enjoy preponderant military supremacy, a long, devastating and perhaps indecisive struggle is likely to develop.

2. *Economic*

China will probably be economically sapped and financially prostrate. It will be enmeshed in the throes of virulent inflation and possessed of a worthless currency. China's nascent industry and communications and her trade will be utterly dislocated and largely destroyed. However, in her primitive agricultural economy which has suffered immensely, though not irreparably, from the ravages of war, China will possess the firm basis on which her economy can be rehabilitated and developed. Substantial external assistance and guidance will be required if China's agriculture, industry, communications, trade, and monetary system are to be rehabilitated and modernized. Political and military instability will of course seriously hinder, if not render impossible, the economic rehabilitation of China and can lead only to the further disintegration and dislocation of China's economy with disastrous results to the Chinese people.

B. *International Relations*

The elimination of the Japanese threat will alter but not basically affect China's security. China's problems of attaining external and internal security are closely intertwined. To achieve these objectives China must put her own house in order, establish a stable, unified, effective government, rehabilitate and develop her economy and create a modern and effective military organization. But a prerequisite to

the attainment of these objectives is a long period of peace and an understanding on the part of other powers having vital interests in the Far East not only to respect China's independence and territorial integrity and to refrain from intervention in her internal affairs, but to give actual assistance. China may be expected to seek security through the instrument of an effective international security organization or, alternatively, through a regional security organization. Should either of these means fail, China will probably seek security by way of an agreement with the United States, Great Britain and the Soviet Union and, failing that, by agreement with one or more of the above-mentioned powers. China will also seek implementation of the terms of the Cairo Agreement, participation in the post-war administration of Japan and Korea, and modification of discriminations applied against overseas Chinese.

As in the past, the National Government of China will doubtless look primarily to the United States for support of China's position as a major world power and for assistance in the maintenance of China's security and in carrying out internal reconstruction.

To a lesser extent, the National Government of China is likely to look to Great Britain. When deemed expedient China may be expected to press for the restoration of Hong Kong and for the relaxation of restrictions on overseas Chinese in British colonial areas. Great Britain, for its part, will probably see fit to link its over-all policy toward China to that of the United States, but it will probably move slowly if at all toward retroceding Hong Kong. Great Britain will strive to restore her prestige, influence and trade in China.

The National Government of China will seek to clarify and cultivate amicable relations with the Soviet Union with a view to obtaining Soviet commitments to respect China's independence and territorial integrity and to accept and observe the terms of the Cairo Declaration. As a specific item of policy, the National Government will doubtless seek a pledge from the Soviet Union to refrain from supporting the Chinese Communists and from propagating Communism in China. It is also likely to seek an understanding with the Soviet Union in regard to the scope of Soviet interests in Manchuria and the status of Outer Mongolia and Sinkiang.

Recent Soviet policy toward the National Government of China, while formally correct, is essentially one of growing criticism. While there is no definite evidence that the Soviet Government has in recent years granted material assistance to the Chinese Communists, it has recently, through the instrument of the Russian press, afforded the Chinese Communists moral encouragement. There are various indications that the Soviet Government will seek an appropriate opportunity to participate in the Far Eastern war in order to safeguard its interests and share in the post-war settlement. In the probable event

of Russian involvement, Soviet forces will invade Manchuria and perhaps occupy Inner Mongolia and north China and thus forge a direct link with the Chinese Communists. The Soviet Union may be expected in such contingency to accord material assistance to the Chinese Communists, assist the latter in the establishment of a "friendly" government in north China and Manchuria, and support the Chinese Communists in their endeavors to obtain political and military control of the whole of China.

A China rent with internal strife obviously cannot take its place as one of the major stabilizing powers of the world. On the contrary, internal instability in China will invite external intervention which will in turn threaten the peace of the world. It seems clear that a decision on the part of the Soviet Union to assist and support the Chinese Communists while the United States and Great Britain are assisting and supporting the National Government will lead to a situation pregnant with explosive possibilities.

C. United States Policy

United States short-term policy is directed to the effective joint prosecution of the war against Japan, while long-term policy is directed toward the development of a strong, independent, united, peaceful China with a government enjoying the support of the people and able effectively to discharge its internal and external responsibilities. In pursuance of these policies, the United States continues to support the existing National Government, headed by Chiang Kai-shek, as the central authority offering the best hope for unification, reconstruction and avoidance of chaos. At the same time, the United States is urging upon the National Government the imperative need of instituting thorough-going reforms to increase its administrative and military efficiency and broaden its base. A major purpose of United States policy is to promote internal unity, including reconciliation of Kuomintang-Communist differences. However, in view of the weakness of the National Government and its possible disintegration, United States policy aims at maintenance of a degree of flexibility to permit cooperation with any other Chinese leadership which may give greater promise of achieving United States policy toward China.

In pursuance of its policy toward China, the United States seeks the active aid, understanding and cooperation of other interested nations, particularly the Soviet Union and Great Britain. In view of the gravity of the problems likely to arise between the Soviet Union and China, the United States proposes at an early date to seek an opportunity to explore these problems with the Soviet Government and, if possible, to reach an understanding with and enlist the cooperation of that Government in the implementation of a common policy toward China along the lines espoused by the United States. Such an

approach would of course be made with the knowledge and approval of China and Great Britain.

V. FRENCH INDOCHINA ⁷⁸

A. *Estimate of Conditions at the End of the War*

1. *Political*

At the end of the war, political conditions in Indochina, and especially in the north, will probably be particularly unstable. The Indo-chinese independence groups, which may have been working against the Japanese, will quite possibly oppose the restoration of French control. Independence sentiment in the area is believed to be increasingly strong. The Indochinese Independence League, representing some ten different native political groups, is thought to carry substantial influence with between one-quarter and one-half million persons. The serious 1930 insurrection, in which over 100,000 peasants actively participated, and similar insurrections which took place in the fall of 1940 indicate that the supporters of independence are neither apathetic nor supine and are willing to fight. It is believed that the French will encounter serious difficulty in overcoming this opposition and in reestablishing French control. What effect the Japanese declarations of independence for Annam, Cambodia, and Luang Prabang will have in the period immediately following the war cannot be estimated at this time, but clearly these declarations will make the French problem more difficult.

The French government recognizes that it will have very serious difficulties in reestablishing and maintaining its control in Indochina, and its several statements regarding the future of that country show an increasing trend toward autonomy for the French administration. Even the latest statement, however, shows little intention to give the Indochinese self-government. An increased measure of self-government would seem essential if the Indochinese are to be reconciled to continued French control.

2. *Economic*

Economically, Indochina has so far suffered least of all the countries involved in the war in the Far East. Bombing and fighting before the close of the war will probably, however, have resulted in the destruction of some of its railway system, key bridges, harbor installations, and the more important industrial and power plants. This will probably intensify already existing food shortages in the north and lack of consumer goods throughout the area.

Pre-war French policies involved economic exploitation of the colony for France. Indochina had to buy dear in the high, protected market of France and sell cheap in the unprotected markets of other

⁷⁸ For documentation on French Indochina, see pp. 293 ff.

nations. The French realize that this economic policy, which was very detrimental to Indochina, must be changed. They have pledged tariff autonomy and equality of tariff rates for other countries. There is no indication, however, that the French intend to pursue an open-door economic policy.

B. *International Relations*

French policy toward Indochina will be dominated by the desire to reestablish control in order to reassert her prestige in the world as a great power. This purpose will be augmented by the potent influence of the Banque de l'Indochine and other economic interests. Many French appear to recognize that it may be necessary for them to make further concessions to Indochinese self-government and autonomy primarily to assure native support but also to avoid unfriendly United States opinion. Chief French reliance, however, will continue to be placed upon the United Kingdom, which is almost as anxious as the French to see that no pre-war colonial power suffers diminution of power or prestige. Friction between France and China over Indochina will probably continue. The Chinese government, at least tacitly, is supporting the Independence League and is thought by the French, despite the Generalissimo's disclaimer of territorial ambitions, to desire to dominate, if not annex, northern Indochina. French economic policies interfered with all nations trading with China through its access to the sea at Haiphong. China particularly will look for a complete reversal of French policy in this respect.

The Thai consider the territory acquired from Indochina in 1941 as theirs by legal and historic right,⁷⁹ but they have indicated they will accept any border determined by an Anglo-American commission. The French consider the territory theirs and there will doubtless be border conflict unless a fair settlement is reached which eliminates causes for serious discontent.

C. *United States Policy*

The United States recognizes French sovereignty over Indochina. It is, however, the general policy of the United States to favor a policy which would allow colonial peoples an opportunity to prepare themselves for increased participation in their own government with eventual self-government as the goal.

VI. THAILAND⁸⁰

A. *Estimate of Conditions at the End of the War*

1. *Political*

At the end of the war the government in Thailand will probably be made up from the personnel of the People's Party and be guided in

⁷⁹ See *Foreign Relations, 1941*, vol. v, pp. 1 ff., *passim*.

⁸⁰ For documentation on Thailand (Siam), see pp. 1240 ff.

policy by the civilian element, led by the Regent, Luang Pradist. In the postwar period, the military group in the Party may be led by the Chief of Police, Adul Adul Detcharat, who has agreed, at least for the time being, to cooperate with the Regent. Politically, the Thai people are in transition from a state of feudalism. The process of modernization has gone on since the turn of the century, has been greatly accelerated since 1932, and will continue at a rapid rate.

2. *Economic*

Thailand will probably be found again in the post-war period within the British economic sphere of influence with its currency tied to the pound and its chief trade with British markets.

There has not been extensive military destruction within Thailand. The chief bombing objectives have been railroad machine shops, two or three bridges, the oil refinery, the cement works, and the electric power station near Bangkok. To offset the destruction of rail communications, an extensive network of highways has been developed which more than makes up for any loss of transportation facilities. As the war front approaches Thailand, many of the dams and locks in the agricultural canals are being destroyed from the air. This may result in there being very little rice available for export. A shortage of food for local consumption is not expected, however. The chief shortages in consumer's goods will be in clothing and medicine.

Reports have indicated that 50,000 teak logs will be available in Bangkok and that considerable stores of rubber and tin have been purchased by the Thai Government and will be ready for sale. The production of rubber can attain its pre-war capacity within a year because the trees are standing ready to be tapped. The resumption of tin production may require more time because most of the tin was dredged and the dredges are in disrepair. The teak industry cannot be revived for three or four years.

B. *International Relations*

Thailand is afraid of British ambitions inasmuch as Great Britain has made no statement of policy toward Thailand, continues to regard Thailand technically as an enemy, and has indicated interest in the Kra Isthmus for security reasons. The Thai authorities have stated that the territories unilaterally transferred to Thailand by the Japanese in 1943 from the Malay and Shan states will be returned to the British.

The Thai do not fear the French in Indochina because they seem to feel that their future security rests with Great Britain and the United States rather than with Great Britain and France, as in the past. Thai leaders have indicated their intention to pursue a good neighbor policy toward Indochina. The territory gained by the Thai in 1941 from Indochina is considered by the Thai to be a natural part of their

nation. However, Thai authorities have indicated that in the postwar period they will request that an international commission be established to study and render a decision on the Thailand-Indochina border, and that they will accept such a decision.

The Thai are fearful of Chinese intentions and interests. They recognize that after the war formal relations will be established with China, that a Chinese Legation or Embassy will be established at Bangkok, and that the Chinese within Thailand might become a dangerous element if unfriendly relations exist between them and the Thai. The Thai authorities are relaxing their program of discrimination against the Chinese who are permitted to engage in some thirty professions which had previously been denied to them and to live in certain parts of Thailand from which they had been excluded. The Thai will almost certainly endeavor for their own security to maintain friendly relations with China.

The Thai authorities regard the United States as their refuge in a turbulent postwar world and will look to the United States to protect them from undue extension of British and Chinese influence over Thailand.

B [C]. *United States Policy*

It is the policy of this Government to favor reestablishment of a free, independent and sovereign Thailand in the postwar period with the same boundaries which existed in 1940 subject to adjustments or changes effected by peaceful means. It is to our interest to foster friendly relations with Thailand, as the only independent nation among the 150,000,000 peoples in Southeast Asia among whom there is an increasing demand for self-government. Adoption in these areas of an ideology contrary to our own or development of a pan-Asiatic movement against the Western powers would seriously affect our future security and interests.

In the economic field, it is United States policy to favor the "open door" in Thailand, as in other areas, and equality of treatment by Thailand of all nations and their nationals.

VII. MALAYA AND BRITISH BORNEO

A. *Estimate of Conditions at the End of the War*

1. *Political*

At the end of the war, if they have not been able to bring in adequate food and other necessities, the British will probably face considerable unrest in Malaya. Even if economic conditions are improved, this unrest—after a possible quiescent period—will probably develop because of the British (and white) exodus before the Japanese, and because of the differing interests of the oriental ethnic

groups whose pre-war relationships have been shattered under Japanese control.

The British will have relatively little difficulty in dealing with either the Malays or the Indians.

The Chinese, however, will not willingly accept their pre-war subordinate position in Malaya, but will seek a larger role in its politics and will actively resent any British attempts to favor Malaya at their expense. A million of them or more regard themselves as permanent residents of Malaya. The Chinese generally have suffered most at the hands of the Japanese. Whether of Kuomintang or "Communist" sympathies, of merchant or laboring class, they have kept organized, have given the Japanese more trouble than any other group, and have provided the backbone of guerilla activities so that some of them will end the war with arms and a semi-military organization. It will be the Chinese who will make most difficult the British attempt either to control the heterogeneous population of Malaya or to institute a form of government more representative of the population's interests.

British plans for Malaya have not been announced, but there will obviously be substantial changes in government structure. While the British will probably continue to recognize the sultanates and work through them in local matters, they will doubtless institute a more centralized federal structure for the various political units, including the anomalous administrations of Sarawak, Brunei and British North Borneo which will probably be incorporated into the government of Malaya. The administration of Malaya will require major reconstruction, since most government social services—education, information, health, welfare, public works and utilities, police, and the judiciary—are already badly disorganized or Nipponized.

2. *Economic*

The economy of Malaya, largely dependent upon export-import trade, will be badly disrupted. The production of rubber and tin has been practically at a standstill. Plans are under way for prompt production of native-grown rubber with government aid, and plantation rubber, more dependent on foreign private enterprise, should soon follow. Rehabilitation of the tin industry will be slower because of the greater destruction or deterioration of equipment, especially dredges. Large stockpiles of smelted tin and some usable rubber may be left by the Japanese.

The production of rice, iron, bauxite, some steel and other manufactured goods, formerly of little importance but encouraged by the Japanese to make Malaya more self-sufficient, will probably be continued.

The importation and distribution of consumers' goods have broken down, but the Chinese middleman commercial organization will still be almost intact when imports can be brought in. British business interests may be expected to exert pressure on government to support their own early reestablishment in priority to other nationals and Chinese and Indian subjects seeking business advantage in the area.

The Japanese have been unable to maintain either the quantity or quality of railway and shipping communications which existed before the war; much of the trackage of the east coast railroad has been ripped up. Road communications, however, have apparently been kept in good repair.

Labor conditions in general will be deplorable. The Japanese have subjected workers to a forced draft, reduced standards of living, forced migration, and inhuman conditions of work. Important movements of population have occurred, particularly from estates, mines and urban centers to agricultural regions. These were largely forced and there will probably be a demand for relocation after the war. Malnutrition and other health problems may well be more serious in Malaya than anywhere else in Southeast Asia.

B. International Relations

The chief international problem confronting the British in Malaya will be with China. Many of the Chinese in Malaya will look to the Kuomintang and the Chinese Government for support in any conflict they may have with British interests. Not even the possibility of allowing the Chinese a choice of either Malayan or Chinese citizenship can offer more than a partial solution of this problem.

Sumatra was incorporated into Malaya by the Japanese and administered from Singapore. The problem of undoing this arrangement as well as of repatriating laborers imported from the East Indies into Malaya will presumably be amicably settled.

Thai authorities have expressed their willingness to return to British control the Unfederated Malay States which were incorporated into Thailand, but the British will probably endeavor to extend their influence in fact—if not in form—up the Malay Peninsula.

C. United States Policy

The United States is following a policy of noninterference in any British possession but we favor a policy which would allow colonial peoples an opportunity to prepare themselves for increased participation in their own government with eventual self-government as the goal. The United States favors a policy of equal economic and commercial opportunity for all nations.

VIII. NETHERLANDS EAST INDIES⁸¹A. *Estimate of Conditions at the end of the War*1. *Political*

At the conclusion of the war there will probably be a generally quiescent period in the relations between the Dutch and the native population of the Netherlands East Indies. Although admired for not fleeing before the Japanese, the Dutch have lost some prestige because of their defeat and because the liberation of the Indies will be accomplished primarily by Australian and British forces. However, the great mass of the natives will welcome the expulsion of the Japanese and the return of the Dutch to control. Only in some areas, as in sections of Sumatra, will the Dutch face a difficult problem because of anti-Dutch sentiment and the shortage of Dutch manpower.

The Netherlands Indies Dutch are fully conscious that the old days cannot be restored and that greatly increased native participation in government is a foregone conclusion. A major political struggle will be between the Netherlands Indies Dutch who desire substantial autonomy and the home government which may wish to limit it. There will also be a struggle for control between the island Dutch and the native populations. These struggles will probably not arise until the imperial constitutional convention which has been pledged and from which it is anticipated that Indonesia will emerge with substantially a dominion status in the Dutch Commonwealth. In the relations between the native population and the island Dutch, it is anticipated that the Dutch will make substantial concessions to native desires but that in fact they will continue to control the Indonesian government only slowly losing ground as the native population becomes more politically sophisticated.

2. *Economic*

The self-sufficient native economy can probably be revived in full volume very shortly after the cessation of hostilities. Recovery of the export economy, however, will take longer. Not only will there have been substantial destruction of the equipment necessary for the production of oil and tin, but also many of the plantations of rubber, sugar, coffee, quinine, kapok, tobacco and other agricultural products have deteriorated or have been abandoned under the Japanese policy of developing only products which they required. Plans, however, have been developed and equipment purchased for the prompt rehabilitation of rubber, and oil experts will be ready to repair the oil wells within a short period of the recapture of the islands. Even at the expense of domestic markets and rates of consumption, satisfactory to the natives, the Dutch will probably try to keep wages of native workers low in order to subsidize the islands' export trade.

⁸¹ For documentation on the Netherlands East Indies, see pp. 1158 ff.

Inter-island communication will be seriously interrupted through the destruction of ships, and rail communications may also have been seriously injured in the fighting.

B. *International Relations*

The Dutch will almost certainly collaborate in international security arrangements for the Pacific, constructing and maintaining necessary bases in their own territory but resisting any attempt by other powers to secure any foothold in the Indies.

Dutch relations will probably continue friendly with Britain, France, and the United States. Friction may develop, however, with the Australians whose "northern defense arc" embraces part of the Netherlands Indies and who are anxious to secure Portuguese Timor and possibly the entire island of Timor as a military and political base.

Also, there will probably be some friction between Indonesia and China over the Indonesian immigration laws, the status of Chinese in Indonesia, and the Chinese desire to extend their influence among the overseas Chinese.

In the economic field, although the Dutch will for a period resort to Government control of imports and exports, it seems probable that, when the necessity for this procedure is over, they will revert to the "open door" policy which existed prior to 1935.

C. *United States Policy*

The United States policy is one of non-intervention in the Indies but favors, in principle, the granting to colonial peoples of an opportunity to prepare themselves for progressively greater participation in their own government, with eventual self-government as the goal. Traditional Dutch policy is in agreement with the view of the United States which favors equal economic opportunity for all nations and their nationals.

IX. INDIA AND BURMA

Note:—This section will be presented at a later date.

X. THE UNITED KINGDOM, AUSTRALIA, AND NEW ZEALAND IN THE SOUTH PACIFIC

A. *Estimate of Conditions at the End of the War*

1. *Political*

The United Kingdom will continue to maintain through its Colonial Office its strong interest in the security and welfare of British island possessions in the South Pacific.

In both Australia and New Zealand, there is no prospect of significant change in political conditions. Both will remain small, young, vigorous parliamentary democracies, intensely proud of their sepa-

rate membership in the international community and in the British Commonwealth. Both will continue to pursue their policies of excluding non-white immigrants. Both will assert their right to be consulted about every major Pacific problem. In both, Labor Governments are likely to be in power at the close of the war. Both will pursue similar foreign policies based on (1) strong support of the world organization, (2) an endeavor to develop a joint system of regional security appropriately linked to the world system, (3) further development of defense industries, (4) closer cooperation with the United States, and (5) continued but somewhat less intimate cooperation with the United Kingdom.

2. *Economic*

The war has very gravely dislocated the economy of the South Pacific region. Recovery for Australia, New Zealand, and the islands will be long and hard. Australia considers herself the Dominion most hurt by the economic consequences of both phases of the war. Despite an inevitable increase in their economic contacts with the United States, the two Dominions will remain linked to the United Kingdom in currency and trade matters, and the tendency will be for their former close economic relationship with the mother country to re-establish itself. It would not be safe to predict that the defeat of Japan will quickly usher in a period of prosperity or economic stability for either Dominion.

B. *International Relations.*

Under the assertive leadership of Dr. H. V. Evatt,⁸² Australia is determined to play as large a part as she can in the Pacific settlement and is to a large degree carrying New Zealand along with her. In the Australia–New Zealand Agreement of January 1944,⁸³ both governments asserted, among other things, a right to full participation in all armistice and post-war arrangements in the Pacific, demanded that no territorial changes be made without their concurrence, favored the establishment, within a general system of world security, of a regional zone of defense “stretching through the arc of islands north and northeast of Australia to Western Samoa and the Cook Islands”, and proposed the formation of a regional commission to deal with the welfare of native peoples in the South Seas. During the past year the misgivings to which the abrupt conclusion of this Anzac agreement gave rise in London and Washington have been somewhat allayed, largely through the efforts of New Zealand statesmen to pour oil on the troubled waters. Nevertheless, British officials remain disturbed by Dr. Evatt’s intention of pressing at a suitable opportunity

⁸² Australian Minister for External Affairs since 1941.

⁸³ Signed at Canberra, January 21, 1944; see telegram 12, January 22, 1944, from Canberra, *Foreign Relations, 1944*, vol. III, p. 169.

his plans for transferring British colonial territories adjacent to Australia from British to Australian administration. They are also disturbed at the wholehearted endorsement which the Australian and New Zealand governments gave at their second conference in November 1944 to the principle of a strengthened mandates system and the extension of international supervision to "colonies proper" as distinct from mandates. British statesmanship is, therefore, likely to assert itself strongly in the South Pacific after the war and will by no means leave the field free to the framers of the Anzac Agreement.

C. *United States Policy*

In its policy toward Australia and New Zealand in general, the United States is guided by a desire to deal with them as two separate nations—members of the British Commonwealth—with each of which the United States has the closest ties of friendship and common interest in the Pacific. The United States will endeavor to persuade both Dominions to follow a broadly balanced post-war economic policy which would include a liberal non-discriminatory trade policy and would discourage the development of uneconomic industries in either Dominion.

In its policy toward territorial problems in the South Pacific, the United States desires chiefly to prevent the somewhat expansionist tendencies which have their roots mainly in Australia rather than in New Zealand from unduly complicating the relations of the United States with the United Kingdom, France, and the Netherlands.

The United States expects through negotiation to determine the status of several small Pacific islands claimed by both the United Kingdom and the United States. The question of transfer to Australia (or New Zealand) of islands governed by the United Kingdom primarily concerns the relations *inter se* of His Majesty's governments in the United Kingdom, in Australia, and in New Zealand. The United States would regard it as unfortunate if any impression were to be created anywhere, and especially in Australia, that such a project of transfer would receive American support. The United States would not favor the assignment to other powers of the "C" mandates south of the equator at present administered by Australia and New Zealand, and would, therefore, presumably not object to any arrangement whereby the anomaly of the "British Empire" mandate for Nauru were done away with and the island assigned as a "mandate" or "trustee" territory to Australia which administered it prior to Japanese occupation. The United States is giving serious consideration to taking part in an advisory regional commission of the type suggested by the Australian and New Zealand governments to further the social and economic welfare of dependent peoples in this region.

XI. CONCLUSION

A. *Estimate of Conditions at the End of the War*

After the unconditional surrender or total defeat of Japan, the military power which has for many years disturbed the Far East will cease to threaten the security or the interests of the United States. Conditions and problems in Eastern Asia, however, will cause concern to the American Government. China will probably be disunited. The Soviet Union, after entering the war against Japan, may be in military occupation of Manchuria, and, possibly, of Korea and parts of north China. Soviet ideology will be a rising force throughout the entire Far East. The Korean nationalists will be insisting on immediate independence. The great dependencies, especially India and Burma, will be demanding a greater measure of self-government, and will be receiving the moral support of the United States, China, and probably the Soviet Union, while the colonial powers will be attempting to satisfy these demands by such minimum concessions as will not threaten the loss of these imperial possessions.

The entire area, which has a dense population and a low standard of living, will be suffering from the results of the war. A shortage of consumer goods will exist throughout the entire Far East. A strong demand will be made for relief and assistance, and in several countries, especially in China, for industrial and communications equipment and loans from the United States.

B. *United States Policies*

In this great area, as elsewhere, the basic objectives of the United States foreign policy are enduring peace, security and economic welfare. The aims of the United States in the Far East and the Pacific include the territorial and administrative integrity of all Far Eastern countries, the opportunity for dependent communities to achieve an increasing measure of self-government, the strengthening of the fundamental principles of democracies, the equality of commercial opportunity and of access to raw materials, and the creation of an era of constantly expanding production and consumption, and of rising standards of living.

In the realization of these aims which the United States considers as requisite for the maintenance of peace and for its own security, the United States is convinced that they can only be achieved through the establishment of an adequate international machinery capable of insuring not only respect for the rights of others, but cooperation with other powers having a common interest in the progressive solution of their problem.

The United States is prepared to do its utmost to bring about the adoption of forward-looking programs and to see that they are not

merely hollow promises but are calculated to bring results. This Government should continue to exert its influence to make the western powers realize that their own larger security interests and influence, including that of the United States, will lie in close relationship with, rather than political domination over, the peoples of the Orient. Care, however, must be exercised in the formulation of the policies of this Government to make certain that they are pertinent to this objective; that their long range consequences can be gauged; and that they will not undermine the influence of the West. If such care is not taken, the consequences of such policies could be destructive to the peace and security of the area and might result in American withdrawal to a policy of isolation with its disastrous effect on our own interests and on the future peace of the world.

To implement its general policies in the Far East and to assure its own security, the United States aims to obtain such military and naval bases as it may need in the Pacific, especially in the Japanese mandated islands, and to maintain such control over these bases as may be necessary for security purposes. In Japan the United States desires the creation of conditions which will insure that Japan will not again become a menace to the peace and security of the world. In regard to China, the foremost objective of the United States is the development of a strong, independent, united, peaceful and friendly nation. Thailand should be restored as a free and sovereign state, and Korea should be independent "in due course". India, Burma, Indo-China and other dependencies should be given an increased measure of self-government. A trusteeship system should be established for the supervision and protection of peoples which are not yet able to stand by themselves. In its policy toward Australia and New Zealand, the United States is guided by a desire to cooperate with them as independent nations; it does not favor Australia's expansionist tendencies, nor does it intend to regard the south Pacific as an exclusive Anzac sphere.

C. Difficulties and Problems

In its effort to achieve its objectives in the Far East and the Pacific the United States faces difficulties and problems due in part to the policies of other powers.

The Soviet Union offers the most perplexing problem. It is not certain to what extent, if at all, United States and Soviet objectives in the Far East are in conflict. The future Soviet course of action can only be surmised. From 1924 to the close of 1927 the Soviet Union took an active part in China's affairs and gave military and other support to the Chinese Nationalist Government which during those years included the Chinese Communists. From 1928 to the present there is no evidence that the Soviet Union has given mate-

rial assistance to the Chinese Communists, although the Russian press has recently given moral encouragement to them. If the Soviet Union enters the war against Japan, it may cooperate with the Chinese Communists in setting up governments in Manchuria, north China and possibly Korea, under the influence if not complete control of the Soviet Union. Such a unilateral course would be in line with present Russian procedure in Europe, and would violate one of the most strongly held traditional policies of the United States: the maintenance of the territorial and administrative integrity of China.

In view of this possibility the most hopeful course for the United States Government would be to attempt to reach an agreement with the Soviets by which the Soviet Union would promise *inter alia* to respect the integrity and independence of China and to refrain from any intervention in China's internal affairs. The attitude of the Soviets and the action which they take in regard to China may depend in large measure on the character and conduct of the Chinese National Government. If it should become genuinely representative of the Chinese people and should adopt liberal policies, especially in economic matters, the chief cause—or excuse—for possible Soviet interference would no longer exist. In the meantime, the United States should continue its efforts to induce the Chinese National Government to adopt essential reforms, in order to remove any occasion for Soviet intervention, and to make possible some agreement between Chungking and the Chinese Communists which would eventuate in the unity of China.

British policy in the Far East is in harmony with United States policies in many respects, but in certain other respects it is at variance. In regard to China and Japan, the British Government will in general probably go along with the United States, although the emphasis of their policy will be different. British sentiment against Japan is neither so unanimous nor so strong as is American opinion. The British Government, although anxious to avoid friction with the Soviet Union, supports the Chinese National Government and opposes the Chinese Communists more unreservedly than does the United States. The apparent unwillingness of the British Government to grant to its dependencies as early and as adequate an increase of self-government as is favored by American opinion presents the major issue with the United States. Great Britain will not support Australia and New Zealand in all of their ambitions as expressed in the Anzac Pact. As to a number of small islands in the central Pacific, British and American claims conflict. Above all, the chief problems for the British Empire and the United States, in view of their global entente, especially for the maintenance of mutual security and world peace, is to reach some understanding in regard to the issue of dependencies in the Far East.

French policy in the Far East presents a similar problem to the United States: to harmonize support of France in Europe with support of a greater measure of self-government in Indo-China. Australia and New Zealand will seek to play a major role in the settlement of general Pacific questions. Canada, while always desirous of exerting a moderating influence in any conflict of policy between the United States and the United Kingdom, is likely in the last analysis to accept the American view of any major issue because of its dependence on the United States for security.

As to bases, no state appears likely to oppose the essential claims of the United States, although some difference of opinion may develop as to the exact legal title by which the bases may be held.

740.00119 PW/7-1745

*The Acting Secretary of State to the Secretary of the Navy
(Forrestal)*

WASHINGTON, July 17, 1945.

DEAR MR. SECRETARY: In reply to your telephone inquiry today, I am glad to send you the following facts concerning the status of studies for military government in Japan:

1. On February 18, 1944, General Hilldring and Captain Pence asked the State Department for the recommendation and advice of the Department in connection with future planning for military government and the administration of civil affairs in Japan and other areas in the Far East, and submitted a list of specific questions.⁸⁴

2. On May 15, 1944, the Department transmitted to General Hilldring and Captain Pence sets of twenty-one documents approved by the Department which answered these specific questions.⁸⁵

3. On March 27, 1944, General Hilldring and Captain Pence prepared a further list of questions relating especially to the military government in Formosa.⁸⁶

4. In response, sets of fourteen documents, approved by the Department, were submitted to General Hilldring and Captain Pence.⁸⁶

5. On August 16, 1944, General Hilldring and Captain Sabin submitted an additional list of questions on which they requested the advice and recommendations of the State Department.⁸⁷ In response sixteen additional documents, approved by the Department, were submitted to General Hilldring and Captain Sabin.

⁸⁴ *Foreign Relations*, 1944, vol. v, p. 1190.

⁸⁵ *Ibid.*, p. 1262.

⁸⁶ Not printed.

⁸⁷ See letter of July 21, 1944, *Foreign Relations*, 1944, vol. v, p. 1271.

6. Since the organization of the State-War-Navy Sub-Committee on the Far East the State Department has submitted since April 30, 1945, over ten policy documents mainly on military government and the administration of civil affairs, including the basic document on initial post-defeat policy on Japan⁸⁸ which has been approved by the Department.

7. The State-War-Navy Sub-Committee on the Far East is organized and is constantly adding further documents to this list. The Sub-Committee is now working on some twenty-five additional documents which will be presented to the State-War-Navy Coordinating Committee in the near future. All of these are submitted by State Department representatives.

We feel that as far as the State Department's contribution is concerned our preparations are very well along as most of the basic policy questions have been covered.

JOSEPH C. GREW

740.00119 PW/8-245

*The British Chargé (Balfour) to the Acting Secretary of State*⁸⁹

Notes by Sir George Sansom on a document regarding the future of Japan shown to him on May 29th, 1945, at the instance of Mr. Grew.⁹⁰

[I.] The American objectives are:

- 1) The unconditional surrender or total defeat of Japan.
- 2) The execution of the territorial provisions of the Cairo Declaration.
- 3) The prevention of future aggression.
- 4) The development of a Japanese Government which can be trusted in international relations.
- 5) The eventual participation of Japan in the world economic system on terms consistent with 3) and 4).

II. The methods contemplated for the realisation of those objectives include:

- 1) The exercise by the Supreme Allied Commander of complete authority over all domestic and foreign affairs, the suspension of the constitutional powers of the Emperor and of all organs for the consideration and formulation of policy (e.g. Diet), their functions to be assumed by the Military Government.
- 2) Military Government to be stern but just. It will

⁸⁸ See SWNCC 150, June 11, p. 549, and SC-138a, June 27, p. 555.

⁸⁹ Left with Mr. Grew on August 2 by Mr. Balfour on an entirely informal basis.

⁹⁰ See SWNCC 150 as circulated on June 11, p. 549.

- a) repeal obnoxious laws
- b) dissolve all political parties, societies, etc.
- c) proclaim freedom of worship,
- d) institute a new system of public information and expunge existing systems,
- e) control education.

3) Civil courts of justice will continue to function under control of Military Government.

4) There will be three periods:

- a) severe military government,
 - b) close surveillance, during which some restrictions may be relaxed and some civil functions allowed to be performed by Japanese.
 - c) Looking forward to re-entry of Japan into family of nations.
- Duration of each period will depend upon behaviour of Japan.

III. The general political aims of the United States are the abolition of militarism, the emergency and encouragement of liberal political elements and the development of a political system consistent with the principles of the United Nations.

IV. Reparations are envisaged though not until productive machinery has to some extent been restored. The destruction of all industries directly relating to war is provided for, and emphasis is laid upon light industries in the process of restoration of normal economy. It is laid down that the programme of industrial rehabilitation shall not aim at a standard of living "out of line" with standards in other parts of Asia. It is the general intention to encourage local self-government and provide for a more extended ownership of the means of production, financial organs, etc., the intention of this clause probably being to cover the breakdown of the monopolies of the great corporations (Zaibatsu) and perhaps also agrarian reforms.

WASHINGTON, August 1, 1945.

740.00119 PW/8-245

*The British Chargé (Balfour) to the Acting Secretary of State*⁹¹

Observations by the Foreign Office on notes by Sir George Sansom⁹² regarding United States policy in respect of Japan.

(*Note:* These notes represent the preliminary departmental reactions of the Foreign Office only and are entirely without prejudice not only to the views of the governments of the British Commonwealth

⁹¹ Left with Mr. Grew on August 2 by Mr. Balfour on an entirely informal basis.

⁹² See *supra*.

other than the United Kingdom, but also to the final conclusions of His Majesty's Government in the United Kingdom themselves.)

The objectives described in paragraph I of the notes are unexceptionable. The question for discussion is whether the methods contemplated for their realisation are those most likely to achieve this aim.

2) It may be assumed that some form of military occupation of Japan will be a necessary sequel of the military operations required for her defeat, if only for the purpose of implementing the purely military requirements of the Allies. But more than one view is possible regarding the scale and duration. Total and protracted military occupation, combined with the assumption of all the functions of government, is likely to be a strain on both manpower and physical resources. Faced with a proud and stubborn race likely to resort freely to assassination, a foreign military government may require the backing of an army much larger in proportion to the population than that required in Germany. This burden may have to be shouldered if it is the only way to render Japan permanently harmless. But is there no other way?

3) Upon defeat, Japan will be deprived of her overseas territories and will be in a position analogous to 1868. She will be militarily impotent and financially weak. A large part of her industrial equipment will have been destroyed and she will be unable to borrow capital. She will be dependent for her very existence on the resumption of international trade and it should be possible for the Allies, especially in the period immediately following her defeat, to decide and control the nature and extent of her exports and imports. The Allies will also be able to defer making new treaties with Japan. Granted agreement between the major powers including Russia, should it not be possible for them by exercising the positive power of controlling trade and the negative power of withholding treaties, to induce Japan herself to introduce such reforms in her constitution and the working thereof as will justify confidence in her future good behaviour?

4) It is desirable also to consider what place in world economy is to be taken by Japan after defeat; to what extent, if any, Japan's productive capacity is to be used to supply the needs of, for example, South East Asia for essential consumption goods; and what are likely to be the economic and political consequences, and more particularly the reactions on projects for the political re-education of the Japanese people and on the prospects of the liberalisation of Japanese politics, if a large proportion of the urban population of Japan (more than 50 per cent of a total 76,000,000) is unemployed and inadequately fed.

5) It seems possible that the enforcement of the necessary economic controls might be achieved by the military occupation not of the entire country but of certain easily held key points; by the presence of Allied

war vessels at ports; and by occasional demonstration flights of massed aircraft.

6) Might it not be preferable also for the Allies, instead of assuming all the functions of government in Japan, to work through a Japanese administration, using economic sanctions to secure compliance with such requirements as the repeal of obnoxious laws, the dissolution of political societies, and the reform of education, freedom of speech and worship, etc?

WASHINGTON, August 1, 1945.

740.00119 PW/8-445

Memorandum of Telephone Conversation, by the Acting Secretary of State

[WASHINGTON,] August 4, 1945.

Secretary Stimson telephoned this morning to say that he had been thinking over the situation of the management of Japan in case of a speedy surrender, and that he had received a day or two ago a paper on this subject⁹³ with which he was very much impressed. Mr. Stimson said that the paper had come from outside channels, but seemed to him very sensible. Secretary Stimson said that he was asking his Civil Affairs Division, which had brought the paper to his attention, to send it to me. Mr. Stimson said the document contained a suggestion which he thought might be very useful in persuading the Japanese to "come around". He said that the reason he called about this matter was that he did not want the paper to be buried or rejected by the Department. Secretary Stimson stated that the military situation in regard to Japan was very different from that of Germany and that we can always control Japan much more easily, to which I agreed. According to Mr. Stimson, he did not think that this fact was being considered by those who are now working on this problem.

Mr. Stimson asked if I would look over the paper, which he said Colonel Chandler of his staff would get to me, and then discuss the matter with him. Secretary Stimson, who was calling from out of town, said he would be back in Washington the early part of next week.

JOSEPH C. GREW

⁹³ Printed as annex to this memorandum.

[Annex]

Memorandum Submitted to the War Department⁹⁴

Subject: Observations on Post Hostilities Policy Toward Japan

1. To be realistic, post hostilities policy toward Japan must be based upon:

a. Recognition of the probable reaction of the American public *over a period of time*. A policy which does not win the continuing support of the American public is doomed to failure.

b. Recognition of the lessons taught by history with respect to relations between the conqueror and the conquered.

2. The most important points to be noted in connection with *a* and *b* above would appear to be the following:

a. The American public will unquestionably become restive under a prolonged occupation of Japan by American Forces. It will not wish to assume the burdens of *governing* Japan over an extended period. Demands for withdrawal are likely to begin within 6 months after the surrender of Japan and thereafter to build up increasing political pressure to that end.

b. Even under the most just and equitable administration, resentment against a conquering nation exercising direct political and military control over a vanquished nation inevitably tends to increase over a period of time. Difficulties arise which present the ruling nation with the alternative of either extending and tightening control or withdrawing without accomplishing the desired objective.

c. The conquering nation *cannot* impose its form of government, ideals, or way of life upon a conquered nation except by permanent military occupation and immigration.

3. The formulation of our policies toward post hostilities Japan, therefore, requires the highest degree of statesmanship. We must look *forward* as well as *backward*. We must:

a. Avoid to the maximum extent possible policies dictated by current war hysteria which subsequently the American public will repudiate or which will involve commitments which the American public will be unwilling to fulfill.

b. Attempt to accomplish the maximum degree of progress towards the regeneration of Japan in the minimum amount of time. Our degree of success in accomplishing this objective will depend upon the intelligence with which we approach the problem of the relations between the victor and the vanquished.

4. It would appear desirable in the light of the above:

a. To retain the Emperor and the civil administration. As part of the terms of surrender the Emperor would be forced to dismiss the

⁹⁴ Notation at top of memorandum: "The Secretary of War after reading the following memo commented, 'this is a remarkably good paper' and directed that it be circulated."

present cabinet and call a liberal cabinet excluding representatives of the military and naval forces. It would also be part of the surrender terms that the Imperial House would be retained only so long as it cooperated fully with the Allied Control Council.

b. To set up a Supreme Allied Council which would in fact be the supreme authority in the country but which would function and issue its directives through the regularly constituted government.

c. To give every encouragement to the Japanese to undertake under their own leadership the development of democratic institutions and the elimination of the spirit of military conquest.

5. The following arguments are advanced in support of such a program as compared with the establishment of Allied Military Government in place of the Emperor :

a. The retention of the Emperor will probably insure the immediate surrender of all Japanese Forces outside the home islands. It is assumed that the surrender terms would require the Emperor to order all Japanese Armed Forces wherever located to cease resistance and to prepare to return to the home islands.

b. Allied Military Government is bound to be bungling, undiplomatic, and inefficient. We must give full recognition to the fact that we do not have sufficient personnel with the proper vision, training, and ability to carry out the task effectively.

c. There would appear to be a strong probability that the Japanese will be ripe, if permitted to direct it themselves, for a genuine democratic movement :

- (1) The Japanese are essentially an imitative people.
- (2) Like all Orientals, they have great respect for power.
- (3) Having seen what we as a democracy have accomplished, they are quite likely, as in 1867, to attempt to imitate us.
- (4) Whether or not we invade Japan before her surrender the Japanese military will have lost "face" and been completely discredited.
- (5) Prior to 1931 the democratic elements in Japan were increasing in strength and, with the military discredited, could probably be revised [*revived?*].

d. The Emperor, like the British King, can summon a cabinet of any political complexion. If the Emperor after the alienation of the militarists, summons a liberal cabinet and openly supports a democratic program, the people are likely to accept it and support it wholeheartedly. If Allied Military Government attempts to impose a democratic program, democracy will be associated with the rule of the conqueror and will be discredited with the people.

e. The continuation of the Imperial rule with the Allied Control Commission remaining in the background should reduce the possibilities of friction and disturbance to the minimum and permit the earliest withdrawal of Allied Occupation Forces, and of the Allied Military Council. The Allied Military Government, particularly with the quality of personnel available, would almost inevitably create situations that would require a more protracted military occupation than the American public will accept.

f. The United Nations machinery, backed by the Armed Forces at its disposal, promises to be the most effective instrumentality for exercising continuing supervision over the Japanese Government. It should be our objective to turn the problem over to this instrumentality at the earliest possible date. This method of policing Japan will be far more acceptable to the American public than direct occupation and control. It will be less expensive and have a greater chance of success.

740.00119 PW/8-645

*Memorandum by the Director of the Office of Far Eastern Affairs (Ballantine) to the Under Secretary of State (Grew)*⁹⁵

[WASHINGTON,] August 6, 1945.

Subject: Comments on memorandum forwarded by Secretary of War Henry L. Stimson on "Observations on Post-Hostilities Policy Toward Japan"

(1) The memorandum forwarded by Secretary of War Stimson raises the basic question as to whether the Japanese are to have the major responsibility for running their own country immediately following hostilities with the Allies remaining in the background and exerting a minimum of control, or whether the Allies are to assume supreme authority over Japan in line with a strict interpretation of the term "unconditional surrender" and hence assume the responsibility for all matters in Japan following surrender. The Department of State has in its planning for the post-hostilities treatment of Japan been influenced by the basic fact that until recently this Government has insisted on a rigid interpretation of "unconditional surrender" for Japan and that this policy has been reiterated on several occasions by both President Roosevelt and President Truman. Consequently there was worked out, in conjunction with the War and Navy Departments, basic policy documents and terms of surrender for Japan predicated on the assumption that we would obtain supreme authority over Japan upon its "unconditional surrender" or total defeat.

(2) With the issuance at Potsdam on July 26, 1945 of the statement by the Heads of the Governments of the United States, United Kingdom and the Republic of China on terms for Japan⁹⁶ which would be acceptable to us at the present time, the possibility of a fundamentally different policy program has been raised and the necessity arises for considering a policy from a different point of view.

⁹⁵ Drafted by George H. Blakeslee and Hugh Borton of the Office of Far Eastern Affairs.

⁹⁶ *Foreign Relations, The Conference of Berlin (The Potsdam Conference)*, 1945, vol. II, p. 1474.

(3) The Department has been fully aware of the necessity, as clearly set forth in the memorandum forwarded by Secretary Stimson, of advocating policies (a) which would be particularly applicable to Japan as distinct from Germany; (b) which would be politically acceptable to the American people; (c) which would require a minimum period of control over Japan consistent with the fulfillment of our basic objectives; and (d) which would be compatible with our basic war aims. Consequently, it has been recognized in the Department that any policy for Japan to be successful (1) must rely on the Japanese themselves for the development of democratic institutions; (2) must not interfere with the institution of the emperor so long as the Japanese people demand its retention; and (3) must permit the emergence of Japan as a peace-loving nation and its eventual participation in world trade. The Department attempted to reconcile these basic concepts with our declared intention of the unconditional surrender of Japan in document SC-138a entitled "Initial Post-Defeat Policy for Japan",⁹⁷ approved by the Staff Committee on June 26, 1945.

(4) In reference to the memorandum forwarded by Secretary Stimson, it should be noted that the views expressed therein are closer to those of the British Foreign Office, as communicated in a memorandum delivered by Mr. Balfour,⁹⁸ and are more in line with the Potsdam announcement of July 26, 1945 than are the policies advocated in "Initial Post-Defeat Policy for Japan". There are obvious disadvantages to both a plan which envisages complete control over Japan by the Allies and to one in which the role of the Allies is largely supervisory. The memorandum forwarded by Secretary Stimson points out many of the weaknesses in the former plan. On the other hand, it must be realized that if a United States policy program is based entirely on the assumption that the Japanese will develop, largely on their own initiative, "a genuine democratic movement" and such a movement does *not* develop, the Allies will be faced with the choice of either stepping in and taking over more control or leaving the Japanese to develop internally as they see fit. It is doubted, moreover, if the philosophy of militarism can be completely and permanently discredited in the minds of the Japanese people unless the extent of their defeat is brought home to them by the occupation, even if only for a brief period, of a substantial part of their territory. Furthermore, recent public opinion surveys in this country show that a third of those questioned advocate the execution of the Emperor after the war, a fifth voted for his imprisonment or exile, a sixth wanted a court to decide his fate, while

⁹⁷ June 27, p. 555.

⁹⁸ August 1, p. 582.

only three percent supported his use by the Allies. It is questionable, therefore, whether or not it would be politically practicable for the Allies to use the Emperor to the extent suggested in the memorandum. However, if Japan accepts in the near future the terms as defined at Potsdam on July 29 [26th], 1945, many of the suggestions made in the memorandum forwarded by Secretary Stimson would be more appropriate.

(5) On the other hand, if Japan does not accept the Potsdam terms and the Allies are forced to fight their way into the main Japanese islands and to defeat the Japanese Army in the homeland, it may be that no central Japanese authority will be in existence and that the Allies may be forced to assume the supreme authority of Japan and to exercise that authority for a limited period.

(6) If Japan capitulates before an invasion of the homeland or the defeat of her armed forces in the field, however, a compromise plan might be preferable which contained parts of the old concepts of supreme authority and the new concept of a surrender based on specific terms and with the Allies exercising only partial control.

(7) Such a partial compromise is in fact under consideration by the State, War, Navy Coordinating Sub-Committee for the Far East. Tentative plans for the control of Japan envisage three main periods. The first of these, which would probably not exceed 18 months, would be one in which the Supreme Allied Commander for Japan would assume authority over Japan and would enforce disarmament and demobilization. These military aspects of Japanese surrender might be carried out either through partial or complete occupation of the home islands. The Japanese administrative structure would be used to the fullest possible extent but all policies would be decided by the supreme commander. The Emperor and his immediate family would be placed in protective custody so that the Institution of the Emperor would, in reality, be continued. The second period, as at present envisaged, would be characterized by the transfer of authority in Japan from the supreme commander to an Allied Supervisory Commission, composed of civilian representatives from the major Allies at war with Japan. The policies of the Commission would be implemented by the Japanese themselves. The Commission would support such measures as would facilitate development by the Japanese of democratic institutions. Limited Allied military, naval and air forces would be stationed at points from which the policies of the Supervisory Commission could be enforced when necessary. As the Japanese developed a willingness to follow the suggestions of the Supervisory Commission and increasingly cooperated with the Allies, authority would be turned over to the Japanese. This second period should likewise be limited in duration and such controls as were necessary for a more extended

period could be exerted through the control of exports and imports. It is envisaged further that basic differences in policies between ourselves and our Allies could be settled in the proposed Far East Advisory Commission.

(8) If circumstances warranted it, a more complete compromise might be preferable under which the Allies would exercise supreme authority over Japan during a short initial period with only partial occupation. At the beginning of the second period of control, however, authority in Japan might be transferred from the supreme commander to Japanese governmental authorities and any Allied Supervisory Commission which might be formed to continue control over Japan would have only limited authority. It is believed that such a compromise plan would meet many of the points raised in the above-mentioned memorandum, would be closer to the ideas expressed by the British Foreign Office, would be workable from a practical point of view and would, at the same time, give us reasonable assurance that our basic objectives towards Japan could be achieved.

In summary:

(1) The United States early announced that it would demand the unconditional surrender of Japan;

(2) The Potsdam Proclamation, July 26, 1945, announced terms of surrender, which might bring about an early capitulation of Japan;

(3) The memorandum presented by Secretary Stimson presents a plan which is along the line and in amplification of the Potsdam Proclamation and in harmony with the present views of the British Foreign Office.

(4) If the Japanese Government should in the near future offer to surrender, the terms of the Potsdam Proclamation, possibly amplified along the lines of the submitted memorandum, would be applicable;

(5) If, however, it is necessary to invade and conquer Japan, it is possible that, as in the case of Germany, no Japanese Government will be in existence. In such a case the early plans of the Department would naturally come into operation;

(6) If Japan should surrender at some time before the complete conquest of the main islands, the terms of surrender to be enforced on Japan would depend upon the conditions, political, military and economic, existing at the time.

J[OSEPH] W. B[ALLANTINE]

740.00119 PW/7-2845

*The Director of the Office of Far Eastern Affairs (Ballantine) to the
Assistant Secretary of State (MacLeish)*

[WASHINGTON,] August 8, 1945.

In reply to your memorandum of August 8⁹⁹ in regard to suggestions for guidance to OWI, we offer comments as follows:

(1) As it is conceivable that the offer made in the Potsdam Proclamation may be withdrawn before it is accepted the answers to your questions may depend somewhat upon whether the Proclamation is accepted by Japan. This would apply with special force to the question propounded to you orally, that is: Do we propose to deal with the Japanese Government or to take over power and control in Japan as we have done in Germany? We would say that paragraphs 7 and 12 of the Proclamation leave open the question whether Allied military forces will supervise the Japanese Government or govern Japan directly.

With regard to the interpretation of the second sentence in paragraph 10 which reads: "The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people", it is not clear from the wording whether this refers to a Japanese Government with which we now propose to deal or to a Japanese Government which we shall recognize in conformity to the provisions of paragraph 12.

(2) The term "self-willed militaristic advisers" appears to us to be synonymous with "militarists". We take this term to include military leaders and other flagrant exponents of ultra-nationalism.

(3) The wording in the ultimatum does not indicate to us that we should no longer imply or state that the Emperor has been deceived and misled.

(4) "Points in Japanese territory to be designated by the Allies shall be occupied" does not necessarily imply a token rather than complete occupation. As indicated in paragraph 1 above, paragraphs 7 and 12 of the Proclamation leave open the question whether Allied military forces will supervise the Japanese Government or govern Japan directly.

(5) The policy of this Government regarding Japanese war criminals has not been determined.¹ It is envisaged, however, that Japanese charged with violations of the laws and customs of war will be apprehended and tried as war criminals. It is further anticipated that the Jackson program will be applied in the Far East with such

⁹⁹ Not printed.

¹ For documentation, see pp. 898 ff.

deviations as special circumstances and conditions in that area may require.²

(6) It is not clear what is meant by the question propounded in paragraph 5 of Mr. Vinacke's memorandum to you.³ We would say that there is nothing in the Proclamation to exclude the taking by the Allies themselves of steps to revive and strengthen "democratic tendencies among Japanese people".

SWNCC 21 Series

*Note by the Secretariat of the State-War-Navy Coordinating
Committee*

SWNCC 21/3

[WASHINGTON,] 10 August, 1945.

LEGAL IMPLICATIONS OF UNCONDITIONAL SURRENDER

References: a. SWNCC 21.⁴
b. SWNCC 21/2⁵

1. The enclosure, a report by the SWNCC *ad hoc* Committee on Legal Implications of Unconditional Surrender, is circulated for consideration by the Committee as a matter of urgency.

2. A copy of this paper has been forwarded to the Joint Chiefs of Staff for comment from a military point of view, as a matter of urgency. The comments of the Joint Chiefs of Staff will be circulated for consideration by the Committee upon receipt thereof from the Secretary, Joint Chiefs of Staff.

CHARLES W. MCCARTHY
ALVIN F. RICHARDSON
RAYMOND E. COX
Secretariat

[Annex]

*Report of the SWNCC "ad hoc" Committee on the Legal Implications
of Unconditional Surrender*

THE PROBLEM

1. To consider the legal aspects of the draft documents implementing the unconditional surrender of Japan and to make recommendations to the State-War-Navy Coordinating Committee (SWNCC).

² Justice Robert H. Jackson, of the U.S. Supreme Court, was U.S. Chief Counsel for the Prosecution of Axis War Criminals and signed the Four-Power Agreement in regard thereto at London, August 8; Department of State *Bulletin*, August 12, 1945, p. 222. For his report to President Truman, see White House press release of June 7, *ibid.*, June 10, 1945, p. 1071.

³ Not printed; Harold M. Vinacke was Japan specialist of the Office of War Information.

⁴ February 7, p. 521.

⁵ See footnote 56, p. 543.

FACTS BEARING ON THE PROBLEM

2. On 5 June 1945 SWNCC referred to the *ad hoc* committee the documents contained in SWNCC 21, SWNCC 21/1⁶ and SWNCC 21/2 which concern the unconditional surrender of Japan and include proclamations for issuance in the absence of an unconditional surrender. This report does not consider the proclamations for issuance in the absence of an unconditional surrender (SWNCC 21/1). A separate report will consider them.

3. The Enclosure to SWNCC 21/2 is a memorandum from the Joint Chiefs of Staff (JCS) recommending certain changes in the documents appended to the Enclosure to SWNCC 21. The JCS further recommended that SWNCC consider whether any further changes should be made to conform to current discussions as to Germany and to free the designated occupying commander from the restrictions in various international conventions.

4. The *ad hoc* committee has given full consideration to the Instrument of German Surrender⁷ (CCS Memo for Info No. 272) and the Declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the Four Powers⁸ (SWNCC Memo for Info No. 8) and where appropriate the documents in SWNCC 21, as amended by SWNCC 21/1 and SWNCC 21/2, have been modified to conform to the legal principles and language employed with reference to Germany.

5. The Proclamation by the Emperor of Japan (Appendix "A") has been modified to delete all reference to a surrender by the Emperor himself. This conforms with the Potsdam Ultimatum under which the surrender is to be on the military level. The royal "we" has been substituted for the "I" in order to conform with Japanese custom in drafting imperial rescripts. In the translation of the Proclamation it may be necessary to further accord to Japanese formal language but the substance of the Proclamation should remain the same.

6. In addition to using the language of the German surrender, the Document of Unconditional Surrender (Appendix "B") has been modified by deleting all reference to surrender by the Emperor for the reason referred to in paragraph 5 above.

7. The first ten lines of Proclamation No. 1 (Appendix "C") have been completely rewritten in order to conform so far as possible to the language used in the assumption of power with respect to Germany (SWNCC Memo for Info No. 8) upon which the rights and powers of the Control Council for Germany are based. The assump-

⁶ Latter not printed.

⁷ May 8, 1945, Department of State Executive Agreement Series No. 502, or 59 Stat. (pt. 2) 1860; for negotiations leading to the surrender of Germany, see vol. III, pp. 717 ff.

⁸ June 5, 1945, Department of State *Bulletin*, June 10, 1945, pp. 1051-1055.

tion of power in Germany by the Four Governments was also based upon the non-existence of a German Government. This is not true as to Japan. The language in the proposed new second unnumbered paragraph has been substituted in order to establish a basis for the legal rights of the victorious powers under existing circumstances. It is the opinion of the *ad hoc* committee that the legal rights of the victorious powers on the occupation of Japan, after the appended documents are executed, will be identical with those of the Control Council for Germany.

8. It is not known by the *ad hoc* committee what authority or which Governments will actually accept the surrender. For that reason appropriate blanks have been left in the draft proclamations.

9. Subparagraph VI (c) and (e) have been deleted from General Order No. 1. It is considered that they might furnish [a?] basis for a Japanese contention that they are used in a restrictive and exclusive sense. In addition, they serve to forewarn the Japanese without actually ordering them to do anything.

CONCLUSIONS

10. The documents, as modified (Appendices "A"—"E"), are considered to be legally sufficient to accomplish the unconditional surrender of Japan and to give to the designated occupying commander sufficient powers to facilitate the achievement of the objectives of the occupation, without limitation by international conferences.

RECOMMENDATIONS

11. It is recommended that the appended documents be approved, as amended, and forwarded to the appropriate authorities for proper execution.

APPENDIX "A"

PROCLAMATION BY THE EMPEROR OF JAPAN

I We, Emperor of Japan, hereby announce that I am surrendering the Japanese Imperial High Command and the Japanese armed forces have surrendered unconditionally to the United Nations at war with Japan (designated commander).

I We command all Japanese armed forces and all forces under their control wherever situated and the Japanese people to cease hostilities forthwith and to comply with all requirements hereafter imposed by the Commander in Chief, United Nations Armed Forces (designated commander).

I We command all civil and military officials to obey and enforce all

proclamations, orders and directives issued (by us or) by the Commander in Chief, United Nations Armed Forces (designated commander), and I we direct them to remain at their posts and to continue to perform their non-combatant duties until specifically relieved (by us or) by him.

I am relinquishing all my powers and authority this day to the Commander in Chief, United Nations Armed Forces.

(Date) _____ (SEAL) _____
Emperor of Japan

APPENDIX "B"

UNCONDITIONAL SURRENDER OF JAPAN

1. The Emperor of Japan and We, the undersigned, acting by authority of the Japanese Imperial High Command, recognize and acknowledge the total defeat of the Japanese armed forces and, hereby surrender unconditionally to the Commander in Chief of the United Nations Armed Forces (Designated commander) all forces on land, sea, and in the air who are at this date under Japanese control.

2. The Emperor of Japan and the Japanese Imperial High Command undertake to cause will at once issue orders to all Japanese armed military, naval and air authorities and to all forces wherever situated and the Japanese people under Japanese control to cease hostilities operations forthwith and to comply with all requirements hereafter imposed by the Commander in Chief of the United Nations Armed Forces remain in the positions occupied.

3. The Japanese Imperial High Command will at once issue to the appropriate commanders and insure the carrying out of any further orders issued by (designated commander).

4. In the event of the Japanese Imperial High Command or any of the forces under their control failing to act in accordance with this Act of Surrender, (designated commander) will take such punitive or other action as he deems appropriate.

Signed, sealed, and delivered by the Emperor of Japan and the Japanese Imperial High Command at _____
 on the _____ day of _____, 194____
 at _____ hours.

(Seal) _____
 (Name) _____ (Title)
The Emperor of Japan.

(Seal) _____
 (Name) _____ (Title)
For the Japanese Imperial High Command.

Signed at _____ at _____ on the
 _____ day of _____, 1945.

On behalf of the Japanese Imperial High Command :

In the Presence of

On behalf of (designated commander)

APPENDIX "C"

PROCLAMATION No. 1

TO THE PEOPLE OF JAPAN :

The Emperor of Japan and the Japanese Imperial High Command have acknowledged the total defeat of all Japanese armed forces on land, at sea and in the air, and have surrendered unconditionally to the Commander in Chief of the United Nations Armed Forces.

Now therefore, I, the undersigned Commander in Chief of the United Nations Armed Forces, hereby proclaim as follows:

The Emperor of Japan has announced the unconditional surrender of the Japanese Imperial High Command and of all Japanese armed forces, and Japan, which bears responsibility for the war, is no longer capable of resisting the will of the victorious powers. The unconditional surrender of Japan has thereby been effected, and Japan has become subject to such requirements as may now or hereafter be imposed upon her.

Although in these circumstances the victorious powers have both the legal right and power to take whatever steps regarding Japan they may deem appropriate, including the termination of Japan's existence as an independent State, it is not their intention that the Japanese people shall be enslaved or that Japan shall be destroyed as a nation. But it is their purpose to assume such powers and impose such requirements upon Japan and the Japanese people as may be necessary for the accomplishment of the declared aims and purposes of the victorious powers.

Now therefore, I (we), (designated commander), acting by authority of _____ and in the interests of the United Nations, make the following declaration:

The Governments of _____

_____ hereby assume supreme authority with respect to Japan, including all the powers possessed by the Emperor of Japan, Japanese Government, the Japanese Imperial High Command, and any regional, prefectural, municipal or local government or authority. The as-

sumption, for the purposes stated above, of the said authority and powers does not effect the annexation of Japan (, or the Institution of the Emperor).

The Governments of _____

will hereafter determine the boundaries of Japan or any part thereof and the status of Japan or of any area at present part, or claimed to be part, of Japanese territory.

In virtue of the supreme authority and power thus assumed by the _____ Governments, I (we) (designated commander), hereby proclaim as follows:

¶ 1. I (We) hereby direct all Japanese civil and military officials, until further notice, to remain at their posts and to perform under my (our) authority their normal non-combatant official functions, and I (we) direct them to carry out the subsequent orders to be issued by me (us) or under my (our) authority.

¶ 2. All Japanese officials, all other Japanese and all other persons resident in Japan shall comply with all Proclamations, Orders, and other instructions issued or to be issued by my (our) authority.

¶ 3. All Japanese civil police shall continue their normal functions and will be held responsible by me (us) for the maintenance of law and order. They shall not, however, interfere in any way with the personnel of the occupying forces. All Japanese employees of public utilities and services shall remain at their posts and continue to perform their regular duties unless otherwise directed by me (us).

¶ 4. The Japanese people are directed to carry on their usual non-combatant occupations and peaceful pursuits, subject to such control as may be necessary.

¶ 5. The Japanese authorities and people are directed to abstain from all acts detrimental to the interests of the United Nations, to the maintenance of public order and orderly administration and to the security and welfare of the forces and agencies of the United Nations.

¶ 6. Any organization or individual failing to render full cooperation with the United Nations Military Authorities, or failing to comply fully with any Proclamations, Orders, or other instructions that may be issued as above provided, will be promptly and severely punished.

(Date) _____ (Place) _____

(Hour) _____ Zone Time

Signed by:

(Name) (Title)
(Commander in Chief, United Nations
Armed Forces)

(Designated Commander or Commanders)

APPENDIX "D"

GENERAL ORDER No. 1

MILITARY AND NAVAL

I. The Japanese Imperial High Command shall retain all forces in their present positions, wherever they may be, pending instructions from ~~the Commander in Chief of the United Nations Armed Forces~~. (designated commander). The Japanese Imperial High Command shall disarm completely all armed forces of Japan or under Japanese control, wherever they may be situated, and shall deliver intact and in good condition all weapons and equipment at such times and at such places as may be prescribed by ~~the Commander in Chief of the United Nations Armed Forces~~. (designated commander). Pending further instructions, the Japanese police force will be exempt from these provisions. They shall remain at their posts and shall be held responsible for the preservation of law and order. The strength and arms of such police force will be prescribed.

II. The Japanese Imperial High Command shall, within 48 hours of the time of receipt of this order, furnish ~~the Commander in Chief of the United Nations Armed Forces~~ (designated commander) complete information as follows:

(a) Lists of all land, air and anti-aircraft units showing locations and strengths in officers and men.

(b) Lists of all aircraft, military, naval and civil giving complete information as to the number, type, location and condition of such aircraft.

(c) Lists of all Japanese and Japanese-controlled naval vessels, surface and submarine and auxiliary naval craft in or out of commission and under construction giving their position, condition and movement.

(d) Lists of all Japanese and Japanese-controlled merchant ships of over 100 gross tons, in or out of commission and under construction, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, giving their position, condition and movement.

(e) Complete and detailed information, accompanied by maps, showing locations and layouts of all mines, minefields and other obstacles to movement by land, sea or air, and the safety lanes in connection therewith.

(f) Locations and descriptions of all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas,

together with plans and drawings of all such fortifications, installations and establishments.

(g) Locations of all camps and other places of detention of United Nations prisoners of war.

III. The Japanese Imperial High Command shall direct at once that all Japanese aircraft, military, naval and civil remain on the ground, on the water or aboard ships and shall be responsible that these aircraft so remain until notified of the disposition to be made of them.

IV. The Japanese Imperial High Command shall be responsible that:

(a) There be no movement of Japanese naval vessels of any type except at the direction or with the express approval of ~~the Commander in Chief of the United Nations Armed Forces.~~ (designated commander).

(b) All ammunition, war heads of torpedoes, bombs, depth charges, and other explosive material on board Japanese naval vessels at sea be rendered harmless and thrown overboard within 48 hours after the receipt of this order. In the case of naval vessels not at sea all such material will be discharged and placed in safe storage ashore within the same time limit.

(c) All Japanese naval vessels which are in commission be prepared to put into specified ports or proceed to rendezvous according to schedules and in the manner prescribed by ~~the Commander in Chief of the United Nations Armed Forces.~~ (designated commander). All naval vessels under construction or undergoing repairs will be disposed of in accordance with instructions to be issued later.

(d) All naval vessels formerly belonging to any of the United Nations which are in Japanese hands be returned safely and in good condition to ports specified by the United Nations.

(e) All Japanese and Japanese-controlled merchant ships of over 100 gross tons, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, be prepared to proceed on the dates and to the ports specified by ~~the Commander in Chief of the United Nations Armed Forces.~~ (designated commander).

(f) No damage to or destruction of the vessels and ships described in this Section or to port facilities and material be permitted.

V. The Japanese Imperial High Command shall be responsible that:

(a) All Japanese mines, minefields and other obstacles to movement by land, sea and air, wherever located, be removed within fourteen (14) days from the receipt of this order.

(b) All aids to navigation be reestablished at once.

(c) All safety lanes be kept open and clearly marked pending accomplishment of (a) above.

VI. The Japanese Imperial High Command shall:

(a) Hold intact and in good condition, and subject to further instructions from the ~~Commander in Chief of the United Nations Armed Forces~~, (designated commander):

(1) All arms, ammunition, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in Section IV of this order).

(2) All transportation and communication facilities and equipment, by land, water, or air.

(3) All military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

(4) All factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions designed or intended to produce or to facilitate the production or use of all implements of war and other material and property used by or intended for use by any military or para-military organizations in connection with their operations.

(b) ~~Furnish the Commander in Chief of the United Nations Armed Forces~~, (designated commander), within fourteen (14) days after the receipt of this order, complete lists of all the items specified in paragraphs (a) (1), (2) and (4) of this Section, indicating the numbers, type and location of each.

(c) ~~Furnish at the demand of the Commander in Chief of the United Nations Armed Forces:~~

~~(1) the labor, services, and facilities required for the maintenance or operation of any of the categories mentioned in paragraph (a) of this Section, and~~

~~(2) any information or records that may be required in connection therewith.~~

~~(c) Cease forthwith the manufacture, import or export of arms, ammunition and implements of war.~~

~~(e) Dismantle and destroy, subject to such priorities and in accordance with instructions prescribed by the Commander in Chief, United Nations Armed Forces, such installations and establishments described in paragraph (a)(3) of this Section as may be designated by him.~~

VII. The Japanese Imperial High Command and appropriate Japanese officials shall:

(a) Accept full responsibility for the safety and well-being of all United Nations prisoners of war, and maintain the essential administrative, supply and other services for all prisoners of war, including the provision of adequate food, shelter, clothing, and medical care, until otherwise directed by the Commander in Chief of the United Nations Armed Forces. (designated commander).

(b) Deliver each camp or other place of detention of United Nations prisoners of war, together with its equipment, stores, records, arms and ammunition, to the command of the local United Nations Camp Leader, senior officer or designated representative of the prisoners of war.

(c) Furnish, within fourteen (14) days of the receipt of this order, complete lists of all United Nations prisoners of war, indicating their present location.

VIII. The Japanese Imperial High Command and the appropriate Japanese officials shall:

(a) Aid and facilitate the occupation by United Nations forces of such places, areas, or regions or parts of the Japanese Empire as may be designated by the Commander in Chief of the United Nations forces. (designated commander).

(b) Deliver all arms in the possession of the Japanese civilian population to designated Commanders of United Nations Armed Forces. (designated commanders).

IX. The Japanese Imperial High Command and the appropriate Japanese officials are informed that, wherever in this order reference is made to all Japanese land, sea and air establishments, equipment and personnel, such reference shall include those which are Japanese or Japanese controlled, wherever they may be found.

X. The Japanese Imperial High Command and all Japanese officials are warned that drastic penalties will be inflicted immediately in the event of:

(a) Any delay or failure to comply with any provision of this order;

(b) Any delay or failure to carry out completely such additional requirements as the Commander in Chief of the United Nations Armed Forces (designated commander) may prescribe;

(c) Any action which, in the opinion of the Commander in Chief of the United Nations Armed Forces (designated commander), might be detrimental to the United Nations or any one of them.

Issued at _____ hours, (_____ Zone Time), this ____ day of _____ 194__.

Commander in Chief, United Nations
Armed Forces.

(designated commander)

APPENDIX "E"

GENERAL ORDER No.

I. The Japanese Imperial High Command and the appropriate Japanese officials shall:

(a) In accordance with the means, priorities and schedules prescribed by the Supreme Allied (United States) Command (designated commander), evacuate all Japanese armed forces personnel and their civilian auxiliaries from:

(1) Occupied areas in China (including Manchuria, the Kwantung Leased Territory and Kwangchowan).

(2) Karafuto (southern part of Sakhalin).

(3) Korea (Chosen).

(4) Kurile Islands (Chishima).

~~(5) Hokkaido.~~

~~(6 5)~~ Formosa (Taiwan) and Pescadores (Hoko or Boko)

~~(7 6)~~ Hong Kong.

~~(8 7)~~ French Indo-China.

~~(9 8)~~ Thailand.

~~(10 9)~~ Burma.

~~(11 10)~~ British Malaya.

~~(12 11)~~ Netherlands East Indies.

~~(13 12)~~ Philippine Islands.

~~(14 13)~~ Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

(b) Prohibit and prevent, in all territories listed in this Article:

(1) the forced evacuation of any non-Japanese inhabitant.

(2) the harming of the inhabitants or the damaging of their property.

(3) the removal of animals, stores of food, forage, fuel or other provisions or commodities.

(4) pillaging, looting or unauthorized damage of any kind.

(c) Demobilize, upon their arrival within the territorial limits of Japan proper, excluding those areas of Japan proper mentioned in I (a) above, all Japanese armed forces, within a time limit to be determined by the Commander in Chief of the United Nations Armed Forces (designated commander).

(d) Abandon on the spot and intact, in evacuating the islands, territories and regions specified above, all port material and material for inland waterways, including tugs and lighters.

Issued at _____ hours, (_____ Zone Time), this _____ day of _____, 194 _____.

Commander in Chief, United Nations Armed Forces.
(designated commander)

740.00119 Control (Japan)/8-1845

*Report by the State-War-Navy Coordinating Subcommittee for the Far East*⁹

NATIONAL COMPOSITION OF FORCES TO OCCUPY JAPAN PROPER IN THE POST-DEFEAT PERIOD

THE PROBLEM

1. To determine the responsibility of the major Allies and possibly other United Nations at war with Japan, and the apportionment of such responsibility, for occupation and for the military government of Japan Proper in the post-defeat period.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. See Appendix "B".

CONCLUSIONS

4. It is concluded that:

a. This Government is committed to consultation with those of its Allies at war with Japan.

b. This Government is also committed to the principle of united action for the prosecution of the war and acting together in all matters relating to the surrender and disarmament of Japan.

c. The United Kingdom, China, and, if she enters the war, the Soviet Union, have a responsibility to participate with the United States in the occupation and military government of Japan and the obligation to assume a share in the burden thereof.

d. While the establishment of policies for the control of Japan is a matter to be entered into by the major Allies in harmony with the United Nations, the United States should insist on the control of the implementation of those policies. The United States should exercise the controlling voice in the occupation authority in Japan Proper, should make available its share of occupational forces, should designate the commander of all occupational forces (The Military Governor) and principal subordinate commanders, and should keep strategically placed those forces necessary to implement its policies. Furthermore, the occupation authority in Japan should be organized on the principle of centralized administration, avoiding the division of the country into national zones of independent responsibility administered separately.

⁹ Approved August 11 by the State-War-Navy Coordinating Committee as SWNCC 70/5, and by President Truman on August 18.

e. The major Allies should be called upon to make substantial contributions to the occupational forces in conformity with their obligations to share in the burden of controlling Japan.

f. Participation in the occupation authority in Japan and in furnishing the forces of occupation may be extended as desired to include those countries, other than the major Allies, which will have made timely request to share in such responsibilities and which have actively and substantially participated in the war against Japan.

g. The interests of the United States would be served by the participation of Orientals in the occupation forces and in the occupation authority in Japan.

RECOMMENDATIONS

5. It is recommended that:

a. This report be referred to the Joint Chiefs of Staff with a request for their comments and recommendations.

b. The conclusions, when approved by the SWNCC, be transmitted to the Joint Chiefs of Staff and to the War and Navy Departments as the policy of the United States with regard to the responsibility of the major Allies and possibly other United Nations at war with Japan, and the apportionment of such responsibility, for occupation and for the military government of Japan Proper in the post-defeat period.

[Enclosure 1]

APPENDIX "A"

FACTS BEARING ON THE PROBLEM

1. In accordance with the request contained in SWNCC 70, the Department of State has presented a paper (SWNCC 70/1/D)¹⁰ to the SWNC Subcommittee for the Far East. This paper has been used and considered by the Subcommittee for the Far East in the preparation of this report.

2. The problem discussed herein appears as Item IV-2 on the "List of Politico-Military Problems in the Far East" (SWNCC 16/4).¹¹

3. The term "Japan Proper" as used in this report is defined to include only the four main islands of Japan, including about 1,000 offshore islands and the Tsushima Islands.

4. In the Declaration by United Nations signed at Washington 1 January 1942,¹² the signatories declared:

a. "Each Government pledges itself to employ its full resources, military or economic, against those members of the Tripartite Pact and its adherents with which such government is at war".

¹⁰ Neither printed.

¹¹ Not printed.

¹² *Foreign Relations, 1942*, vol. I, p. 25.

b. "Each Government pledges itself to cooperate with the Governments signatory hereto and not to make a separate armistice or peace with the enemies".

5. The Declaration of the four nations ¹³ at the Moscow Conference of 30 October 1943 states that :

"The Governments of the United States of America, the United Kingdom, the Soviet Union and China . . . jointly declare :

1. That their united action, pledged for the prosecution of the war against their respective enemies, will be continued for the organization and maintenance of peace and security.

2. That those of them at war with a common enemy will act together in all matters relating to the surrender and disarmament of that enemy.

3. That they will take all measures deemed by them to be necessary to provide against any violation of the terms imposed upon the enemy.

5. That for the purpose of maintaining international peace and security pending the re-establishment of law and order and the inauguration of a system of general security, they will consult with one another and as occasion requires with other members of the United Nations with a view to joint action on behalf of the community of nations.

6. That after the termination of hostilities they will not employ their military forces within the territories of other states except for the purposes envisaged in this declaration and after joint consultation . . ."

6. The Cairo Declaration of 1 December 1943 ¹⁴ issued by President Roosevelt, Prime Minister Churchill and Generalissimo Chiang Kai-shek states in part that :

"The Three Great Allies are fighting this war to restrain and punish the aggression of Japan. . . .

. . . The three Allies, in harmony with those of the United Nations at war with Japan, will continue to persevere in the serious and prolonged operations necessary to procure the unconditional surrender of Japan."

7. The Teheran Declaration of 1 December 1943 ¹⁵ by President Roosevelt, Prime Minister Churchill and Marshal Stalin reads :

"We express our determination that our nations shall work together in war and in the peace that will follow . . .

We shall seek the cooperation and active participation of all nations, large and small, whose peoples in heart and mind are dedicated, as are our own peoples, to the elimination of tyranny and slavery, oppression and intolerance."

¹³ *Ibid.*, 1943, vol. I, p. 755.

¹⁴ *Foreign Relations*, The Conferences at Cairo and Tehran, 1943, p. 448.

¹⁵ *Ibid.*, p. 640.

8. The Secretary of State, on 9 April 1944, said: ¹⁶

"We have found no difference of opinion among our Allies that the organization and purposes of the Nazi state and its Japanese counterpart, and the military system in all of its ramifications upon which they rest, are, and by their very nature must be, directed toward conquest. There was no disagreement that even after the defeat of the enemy there will be no security unless and until our victory is used to destroy these systems to their very foundation. The action which must be taken to achieve these ends must be, as I have said, agreed action. We are working with our Allies now upon these courses."

9. On 24 March 1942, the President approved the designation of the Pacific Theater, which includes Japan Proper as an area of United States strategic responsibility.

10. The "Three Great Allies", United States, Great Britain and China, have all participated actively and substantially, although not equally, in the prosecution of the war against Japan. Among the other United Nations who have made a contribution to the war against Japan are Australia, Canada, France, India, the Netherlands, New Zealand, and the Philippines.

11. Several prominent Chinese have supported multilateral rather than unilateral control of Japan. For example, H. H. Kung, as Vice President of the Executive Yuan, declared in June 1944, "We must insist that Japan be placed under the occupation and control of the Allies".

12. The Joint Chiefs of Staff instructions to General Stilwell, enclosed in a letter from the Joint Chiefs of Staff to the Secretary of State, 5 [15] September 1944, read:

"The Joint Chiefs of Staff and the State Department have agreed to the following (J.C.S. 999/3): ¹⁷

. . . The Chinese Government might be informed that if any long term military administration of Japan proper is found necessary, it is hoped that participation in such an administration will be on a broad practical basis and that the administration will include personnel of powers which have actively engaged in the war against Japan, including, of course, China."

13. The Combined Chiefs of Staff at their 190th Meeting on 13 April 1945 took note (item 5) that the British Chiefs of Staff would like to know as soon as possible the views of the Joint Chiefs of Staff concerning British participation in the military government and occupation of Japan.

14. On 5 June 1945, the President approved SWNCC 65/2, ¹⁸ "Estab-

¹⁶ For text of address, see Department of State *Bulletin*, April 15, 1944, p. 335.

¹⁷ Omissions indicated in the original appendix.

¹⁸ April 30, p. 529.

lishment of a Far Eastern Advisory Commission", subject to the following:

That it be held in reserve for use in discussions when any of the Allied Governments participating in the war against Japan requests consultation with this Government on problems of the Far East arising directly from the unconditional surrender or defeat of Japan, and that the State, War, and Navy Departments consult each other through the State-War-Navy Coordinating Committee prior to its use in any such discussions.

Thus, the principle of consultation with other United Nations on the problems above indicated has been adopted by the United States Government.

[Enclosure 2]

APPENDIX "B"

DISCUSSION

1. In signing the "Declaration by United Nations", the United States committed itself to cooperation with all other signatories in the prosecution of the war against Japan and undertook not to make a separate armistice or peace. By adherence to the Moscow, Cairo and Teheran Declarations the United States, United Kingdom and China are committed to joint consultation, united action for the prosecution of the war against Japan and to acting together in all matters relating to the surrender and disarmament of Japan. The Soviet Union is a signatory of the Moscow and Teheran Declarations, and if she enters the war against Japan will be bound by their provisions and be entitled to the same standing as the other "Three Great Allies".

2. It is apparent that a distinction has been drawn between our commitments to the major Allies (United Kingdom, China and later, possibly the Soviet Union), and those to the other United Nations. In regard to the former we are obliged to adhere to the principle of acting together with regard to the surrender and disarmament of the enemy, and to consultation with a view to joint action on behalf of the community of nations for the purpose of maintaining peace and security pending the reestablishment of law and order. Our obligations to the other United Nations require that we make no separate peace, that we work in "harmony" with them and consult with them as occasion requires.

3. The occupation and military government of Japan are directly related to the surrender and disarmament of Japan and to the preservation of peace and security pending the reestablishment of law and order. Therefore, the United Kingdom and China, (and, if she

enters the war, the Soviet Union) have a responsibility to participate with the United States in such occupation and military government, and the obligation to assume a share in the burden thereof. Other United Nations must be consulted if occasion requires, but their responsibility and obligations in respect to surrender, disarmament and the preservation of peace and security appear to have been assumed by the major Allies since the latter are pledged to "joint action on behalf of the community of nations".

4. The major share of the effort in the war against Japan has been, and will continue to be made by the United States. Upon the surrender or collapse of Japan the great bulk of the forces in occupation and control of Japan Proper and the surrounding waters will be American. Our paramount interest in and responsibility for the peace and security of the Pacific areas is generally recognized by all of the United Nations. For these reasons, we should insist on United States control of the implementation of such policies in respect to the control of Japan as may be established by the Allies. The United States should exercise the controlling voice in military government in Japan Proper, and designate the commander of all occupational forces and the principal subordinate commanders. In order to further insure United States control of the implementation of the agreed policies of the major Allies, the military government of Japan should be organized on the principle of centralized administration avoiding the division of the country into national zones of independent responsibility administered separately. With respect to the proportion of U.S. occupational forces necessary to effect these ends, the United States should be prepared to make the show of force necessary to control the implementation of agreed policies. However, this show of force need not be accomplished by furnishing the preponderance of occupational troops. It might well be accomplished by supplementing the necessary ground forces of occupation with air force contingents located in perimeter areas and with fleets in adjacent waters. Thus the size of the U.S. occupational force could be reduced and the U.S. could economize in its use of armed forces in the post-war era.

5. Because the burden of maintaining an occupation force in Japan should not be the sole responsibility of the American people, we should call upon the other major Allies to make substantial contributions to such forces in conformity with their obligation to share in the burden of controlling Japan.

6. Although the major Allies have assumed the right to act in behalf of the community of nations, the military government of Japan and the forces in occupation may later be expanded to include those countries which will have made timely request to share in such responsibilities and which have actively and substantially participated in the

war against Japan. The major Allies can employ this method to limit participation to those nations vitally concerned with matters relating to the surrender and disarmament of Japan.

7. The interests of the United States would be served by the participation of Orientals as well as Occidentals in the occupation forces and in the military government of Japan. This use of Asiatic units would force the Japanese to realize that the greater part of the world, both Occidental and Oriental, is against them and would afford them no basis for interpreting the war in the Pacific as a racial war and as one designed to spread "white imperialism" throughout Asia.

SWNCC 150 Series

*Draft by the State-War-Navy Coordinating Committee*¹⁹

SWNCC 150/2

[WASHINGTON,] 12 August, 1945.

UNITED STATES INITIAL POST-DEFEAT POLICY RELATING TO JAPAN

A. GENERAL PROVISIONS

I. *Objectives*

The general objectives of the United States in regard to Japan are:

1. The stripping from the Japanese Empire of territories, including the Mandated Islands, in harmony with the Cairo Declaration and such other pertinent agreements as have been or may be reached by the United Nations, and to which the United States is a party;

2. The creation of conditions which will insure that Japan will not again become a menace to the peace and security of the world;

3. The establishment, in accordance with the freely-expressed will of the Japanese people, of a peacefully inclined and responsible government which will respect the rights of other states and Japan's international obligations, and which will be compatible with the ideals and principles set forth in the Charter of the United Nations Organization;²⁰ and the development in Japan of respect for fundamental human rights and of principles of liberal and representative government.

II. *Allied Authority*

From the moment of surrender the authority of the Emperor and the Japanese Government to rule the State shall be subject to the Supreme Commander for the Allied Powers who will take such steps as he deems proper to effectuate the surrender terms. The Emperor shall authorize and insure the signature by the Government of Japan

¹⁹ Revision at meeting on August 12.

²⁰ Signed at San Francisco, June 26; Department of State Treaty Series No. 993, or 59 Stat. (pt. 2) 1031.

and the Japanese Imperial General Headquarters of the surrender terms necessary to carry out the provisions of the Potsdam Declaration and shall issue his commands to all Japanese military, Naval and Air Authorities and to all forces under their control wherever located to cease active operations and to surrender their arms, and to issue such other orders to the people of Japan or such authorities as the Supreme Commander may require to give effect to the surrender terms. To the extent that the accomplishment of the objectives herein enumerated will permit, and subject always to the right of the Supreme Commander to act directly in the event of the unwillingness or incapacity of the Emperor or [other Japanese] Supreme Authority, the authority of the Supreme Commander will be exercised in the interests of the United Nations through the Emperor or any authorized Japanese governmental administration.

B. POLITICAL

I. *The Political Objectives of Military Occupation*

The immediate objective of the military occupation in Japan shall be the strict enforcement of the obligations assumed by Japan under the instrument of surrender. Within such framework, the general political objectives of the military occupation are:

1. The abolition of militarism and militant nationalism.
2. The encouragement, subject to the necessity for maintaining military security, of liberal tendencies and processes, such as freedom of religion, freedom of the press, freedom of speech, freedom of assembly, and representative government; and
3. The encouragement of democratic political development and the creation of conditions in Japan, with special emphasis on the development of local responsibility, which will facilitate the establishment of a peacefully-inclined and responsible government.

II. *Military Occupation*

1. *Security.* Japan's ground, air and naval forces are to be totally disarmed and disbanded, including the dissolution of the Japanese Imperial General Headquarters and General Staff; military and naval matériel, vessels and installations are to be surrendered or destroyed; industries primarily military in character are to be eliminated. All measures taken in this connection shall be designed to accomplish the permanent and complete disarmament and demilitarization of Japan.

2. *Some of the Initial Tasks of Military Occupation*

Among the important tasks to be undertaken early by the occupational authority, under the provisions of A, II, above, are:

a. Removal of undesirable persons.

The removal or exclusion from public office or from any other position of public or important private responsibility or influence of those persons who have been exponents of militant nationalism and aggression.

b. Nullification of obnoxious laws.

Suspension or repeal of laws, ordinances and regulations which conflict with the purpose and policies outlined in this document. The abolition or appropriate modification of agencies charged specifically with the execution of such laws, ordinances and regulations. The abrogation of all laws, decrees and regulations which establish discriminations on grounds of race, nationality, creed or political opinions.

c. Political parties or agencies.

Encouragement of democratic political parties with rights of assembly and of public discussion, subject to the necessity for maintaining military security.

d. Media of public information.

Facilitation of the dissemination of democratic and liberal ideals and principles and, in general, the ideals and principles expressed in the Charter of the United Nations.

e. The educational system.

Elimination from the educational system of Japanese militarism and ultra-nationalism including paramilitary training, making possible the development of democratic ideas, and the inclusion in educational instruction of the principles and ideals expressed in subparagraph *d.* immediately above.

f. The Administration of Justice.

The reform of the judicial, legal and police systems to the extent necessary to conform to the objectives stated in paragraph I, 3 of Section A. The release of persons unjustly held for political reasons.

g. War Criminals.

Delivery into Allied custody of all persons sought for prosecution as war criminals, including those who have visited cruelties upon Allied prisoners.

C. ECONOMIC

I. *Economic Demilitarization:*

A program to demilitarize industry with the aim of preventing Japan from again developing an economic war potential shall be enforced. There shall be developed and established a system of controls that can be continued after military occupation has ceased and that will assure the continued economic disarmament of Japan. Japan shall be permitted to retain no specialized facilities for the production or repair of implements of war, naval vessels or aircraft of any type and shall be deprived of its heavy industry capacity in excess of normal peacetime requirements and of designated key industries of high military importance. Pending decision on disposition either by transfer abroad, use in Japan, or scrapping, there should be no destructior:

of facilities readily convertible to civilian production except in emergency situations.

II. *Control of Japanese Economy:*

Such controls will be imposed with respect to Japanese economic activities, including essential national public services, finance, banking, exports, imports, and production and distribution of essential commodities, as may be necessary for any of the following purposes:

1. To meet the needs of the occupation forces;
2. To prevent starvation and such disease and civil unrest as would interfere with the objectives of the military occupation;
3. To furnish reparations as agreed by the Allied Governments;
4. To prepare the way for an ultimate restoration of Japanese economy to the extent that the reasonable peacetime requirements of the population will be met.

Imperial Household property shall not be exempted from any action necessary to carry out the objectives outlined in this document.

III. *Reparations, Restitution and Relief:*

In accordance with decisions by the appropriate authorities, the occupying authority shall arrange for relief to the United Nations and to liberated areas, for restitution of identifiable looted property and for reparations in kind. The first charge on all approved exports, for reparations or otherwise, shall be a sum necessary to pay for approved imports. Reparation or relief for liberated areas shall neither require nor constitute a ground for the restoration or development of Japanese industries which might contribute to the rearmament of Japan or whose expansion might promote dependence by other countries on Japan for strategic products.

IV. *Promotion of Democratic Forces:*

The development of democratic organizations in labor, industry, and agriculture shall be encouraged, and a wider distribution of ownership, management and control of the Japanese economic system shall be favored.

V. *Control of International Economic and Financial Transactions:*

All international economic and financial transactions shall be controlled, but the Japanese shall be permitted under these controls access to, as distinguished from control over, necessary raw materials and eventual participation in world trade relations. No credit shall be extended Japan or any Japanese person in Japan by foreign persons or governments, except with approval of the occupational authority. Neither the Japanese Government nor any Japanese person in Japan shall be permitted to acquire foreign assets except by specific approval of the occupational authority.

740.00119 Control (Japan)/8-1845

*Memorandum by the Secretary of State to President Truman*²¹

WASHINGTON, August 13, 1945.

Subject: National Composition of Forces to Occupy Japan Proper in the Post-Defeat Period.

The State-War-Navy Coordinating Committee and the Joint Chiefs of Staff have agreed that the following is the policy of the United States with regard to the responsibility of the major Allies and possibly other United Nations at war with Japan, and the apportionment of such responsibility, for occupation and for the military government of Japan Proper in the post-defeat period:

a. This Government is committed to consultation with those of its Allies at war with Japan.

b. This Government is also committed to the principle of united action for the prosecution of the war and acting together in all matters relating to the surrender and disarmament of Japan.

c. The United Kingdom, China and the Soviet Union have a responsibility to participate with the United States in the occupation and military control of Japan and the obligation to assume a share in the burden thereof.

d. While the establishment of policies for the control of Japan is a matter to be entered into by the major Allies in harmony with the United Nations, the United States should insist on the control of the implementation of those policies. The United States should exercise the controlling voice in the occupation authority in Japan Proper, should make available its share of occupational forces, should designate the commander of all occupational forces and principal subordinate commanders, and should keep strategically placed those forces necessary to implement its policies. Furthermore, the occupation authority in Japan should be organized on the principle of centralized administration, avoiding the division of the country into national zones of independent responsibility administered separately.

e. The major Allies should be called upon to make substantial contributions to the occupational force in conformity with their obligations to share in the burden of controlling Japan.

f. Participation in the occupation authority in Japan and in furnishing the forces of occupation may be extended as desired to include those countries, other than the major Allies, which will have made timely request to share in such responsibilities and which have actively and substantially participated in the war against Japan.

g. The interests of the United States would be served by the participation of Orientals in the occupation forces and in the occupation authority in Japan.

²¹ Approved by President Truman on August 18. Notations by Harold W. Moseley, Special Assistant to the Director of the Office of European Affairs and member of the SWNCC Secretariat read: "Mr. Dunn has notified the Secretary of this approval by the President" and "This memorandum was written to obtain Presidential approval to SWNCC 70/5 which had been approved by the State-War-Navy Coordinating Committee Aug 11 and also by the Joint Chiefs of Staff."

It is requested that you indicate whether you approve the policy stated above.

JAMES F. BYRNES

740.00119 P.W./9-545

Memorandum by the Acting Chairman of the State-War-Navy Coordinating Committee (Matthews) to the Secretary of State

WASHINGTON, 5 September, 1945.

Subject: Disarmament, Demobilization and Disposition of Enemy Arms, Ammunition and Implements of War. (Japan)

References: *a.* SWNCC 58/5.²²
b. SWNCC 58/7.
c. SWNCC 58/8.
d. SWNCC 58/9.²³

Reference is made to SWNCC memorandum dated 19 May 1945 which forwarded a statement of policy on the above subject.

By informal action on 4 September 1945, the State-War-Navy Coordinating Committee approved the attached statement of policy on "Disarmament, Demobilization and Disposition of Enemy Arms, Ammunition and Implements of War", which supersedes the policy of 19 [18] May 1945 (SWNCC 58/5).

The enclosure is transmitted herewith as approved politico-military policy on the subject for guidance and such implementation as is deemed appropriate. Copies of this policy are being forwarded similarly to the Secretaries of War, the Navy and Joint Chiefs of Staff.

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS

[Annex]

STATEMENT OF POLICY ON DISARMAMENT, DEMOBILIZATION, AND DISPOSITION OF ENEMY ARMS, AMMUNITION AND IMPLEMENTS OF WAR

[SWNCC 58/9]

[WASHINGTON, September 4, 1945.]

- I. Definitions.
- II. Disarmament.
- III. Demobilization.
- IV. Disposition of enemy equipment.
 - A. General policies.
 - B. Special instructions pertaining to aircraft, aeronautical equipment and facilities.
 - C. Special instructions pertaining to naval craft, naval equipment and facilities.

²² *Ante*, p. 539.

²³ Printed as annex to this memorandum.

I. *Definitions*

1. For the purpose of this paper, "Japanese armed forces" are defined to be all Japanese land, sea and air forces; Japanese military and para-military organizations, formations and units; and their organized Japanese auxiliaries (not including Japanese civilians having only a tenuous military relationship). Japanese-controlled forces of other than Japanese nationality, and the Japanese civil police force, are not defined as Japanese armed forces for the purpose of this paper.

2. "Enemy equipment" is defined as:

a. All arms, ammunition, explosives, military equipment, stores and supplies and other implements of war of all kinds and any equipment or other property whatsoever belonging to, used by, or intended for use by Japanese armed forces and Japanese-controlled armed forces or any members thereof in connection with their operations.

b. Naval combatant and auxiliary vessels and craft of all kinds, both surface and submarine, including those under repair, alteration or construction.

c. All aircraft, both military and civilian, aviation and anti-aircraft equipment and devices.

d. All military installations and establishments, including airfields, seaplane bases, naval bases, military research establishments, military storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

II. *Disarmament*

3. All Japanese armed forces and Japanese-controlled armed forces will be completely disarmed immediately following Japan's collapse or unconditional surrender. All forces will be rendered incapable of further effective military resistance prior to the movement of any unit or organization incident to its demobilization. Military establishments of all kinds will be seized and disarmed.

4. The delivery of all arms, ammunition and implements of war in the possession of the Japanese civilian population to designated commanders will be required.

5. The development, manufacture, importation and exportation of arms, ammunition and implements of war will be prohibited.

III. *Demobilization*

6. All Japanese armed forces personnel will be returned as promptly as shipping priorities will permit, to Japan Proper from the following areas:

a. Occupied areas in China (including Manchuria, and Kwantung Leased Territory and Kwangchowan).

b. Karafuto (southern part of Sakhalin).

c. Korea (Chosen).

d. Kurile Islands (Chishima).

e. Formosa (Taiwan) and Pescadores (Hoko or Boko).

f. Hong Kong.

- g.* French Indo-China.
- h.* Thailand.
- i.* Burma.
- j.* British Malaya.
- k.* Netherlands East Indies.
- l.* Philippine Islands.
- m.* Marianas, Marshalls, and Caroline Islands and all other land and water areas not mentioned above, south of the thirtieth degree of north latitude.

7. In all territories listed in the preceding paragraph, the designated commander shall prohibit and prevent:

- a.* the forced evacuation of any non-Japanese inhabitant.
- b.* the harming of the inhabitants or the damaging of their property.
- c.* the removal of animals, stores of food, forage, fuel or other provisions or commodities.
- d.* pillaging, looting or unauthorized damage of any kind.

8. *a.* Japanese armed forces in Japan will be demobilized as soon after surrender as is practicable.

b. Repatriated Japanese armed forces will be demobilized as soon as practicable after their arrival in Japan. However, shipping problems may prevent the accomplishment of the repatriation of substantial numbers of Japanese prisoners to Japan until a considerable time after the cessation of hostilities. Any Japanese prisoners in United States custody still awaiting repatriation from territories reverting to Chinese sovereignty shall be turned over to the Chinese at the same time as the United States relinquishes control of the military government of such territory.

c. Demobilization of Japanese-controlled puppet forces shall be responsibility of the local military government.

d. Agreements must be reached with the Allied governments concerned before any natives of Korea, Formosa, Karafuto or the Kurile Islands, taken as Japanese prisoners outside their own homelands, are returned to their homelands. Natives of these places taken prisoners in their own homelands should not be removed to Japan if only for demobilization and subsequent reshipment to their homelands.

9. The Japanese military supply services will be required to continue to function in order to provide the minimum supply requirements of the surrendered Japanese forces pending the total demobilization of such forces and for other prescribed military purposes.

10. The Japanese Imperial High Command shall be abolished at the earliest practicable date as a means of preventing the reestablishment of Japanese military power. However, in order to facilitate the rapid demilitarization and disposal of the Japanese armed forces and Japanese-controlled armed forces, the designated commander is authorized to operate through this agency and to retain temporarily such parts thereof as are considered essential to the effective control

and administration of the Japanese armed forces during the period of demobilization.

11. Pending return to Japan, such elements of the Japanese armed forces and Japanese-controlled armed forces as the designated commander may elect may be retained in any areas including those listed in paragraph 6 above for such purposes as he may direct, including among others, the following:

- a. Destruction of fortifications, military installations, and enemy equipment;
- b. Reconstruction and rehabilitation within areas which have been overrun or damaged as a result of war;
- c. Safe-guarding and maintenance of Japanese armament and equipment pending its final disposition;
- d. Manning and maintenance of naval and merchant craft and equipment;
- e. Explanation and demonstration of research and development projects and new or unique items of equipment;
- f. Repair, operation and maintenance of military transportation and communication facilities;
- g. Removal of mines, minefields and other obstacles to movement by land, sea and air.

12. The Japanese people are to be impressed with the fact of the complete defeat of their armed forces. To this end, the personnel of such forces will in no case be permitted to return to their homes in military formations, with bands playing, or with a display of flags, banners or emblems of distinction. They will be permitted to take with them nothing but approved personal effects and such equipment, supplies and currency as are essential for the journey.

13. Those members of the Japanese armed forces and Japanese-controlled armed forces who are charged with war crimes will be held in custody and will not be demobilized.

IV. *Disposition of Enemy Equipment*

A. *General Policies*

14. Enemy equipment which is essentially or exclusively for use in war or warlike exercises and which is not suitable for peacetime civilian uses will be promptly destroyed or scrapped. The following specific exemptions to this general policy of destruction will be made in the cases of:

- a. Unique and new development items desired for examination or research.
- b. Enemy equipment which may be required by the designated commander for his operational needs.

15. Enemy equipment, which is not essentially or exclusively for use in war or warlike exercises and which is suitable for peacetime

civilian uses will be retained. This equipment may be drawn upon for:

a. The maintenance and subsistence of the occupational forces, prisoners of war, and displaced persons of the United Nations;

b. The relief of the local civil population to the extent necessary to prevent or alleviate epidemic or serious disease and serious unrest or disorder which would endanger the occupying forces and the objectives of occupation.

16. Unless otherwise specifically directed, the designated commander will make no distribution of enemy equipment to any of the United Nations.

17. The designated commander will maintain a record of the location, type, quantity, condition and disposition of all enemy equipment.

a. Seized and retained, and

b. Seized and destroyed.

B. Special Instructions Pertaining to Aircraft, Aeronautical Equipment and Facilities

18. All practicable measures will be taken to prevent the use of aircraft as a means of escape of individuals or evacuation of property.

19. All military and civil aircraft, and aircraft replacement parts, components and equipment including armament, bombs and missiles will be destroyed except those which the designated commander believes merit special examination and which he orders secured and held for such examination.

20. Control will be taken of all Japanese and Japanese-controlled aircraft communications; signal, warning and detection systems; radar and radio direction and range finding systems; and, in general, any other systems relating or accessory to the operation of aircraft. These systems and their equipment will be destroyed except those which the designated commander orders secured and held for special examination or for use by the forces of occupation.

C. Special Instructions Pertaining to Naval Craft, Naval Equipment and Facilities

21. All former United Nations naval craft, equipment and facilities found in Japanese possession will be safeguarded pending further instructions.

22. All Japanese mine-sweepers will be disarmed. The Japanese Imperial High Command will be required to maintain such complements and equipment as may be necessary for sweeping navigational channels and such other waters as may be prescribed. Other naval craft and equipment considered particularly useful for removing, rendering safe, or clearly marking other obstacles to safe navigation and for reinstating aids to navigation may be retained if directed by the designated commander.

740.00119 PW/9-645

Memorandum by the Secretary of State to President Truman

WASHINGTON, [undated].

I am presenting for your approval a statement of United States Initial Post-Defeat Policy Relating to Japan (SWNCC 150/4) which has been prepared by the State-War-Navy Coordinating Committee.²⁴ The statement sets forth principles for the treatment of Japan and is intended to serve a similar purpose as regards Japan as the memorandum approved by President Roosevelt on 23 March did with regard to Germany.²⁵

The statement has been reviewed by the Joint Chiefs of Staff who perceive no objections thereto from a military point of view. It has the approval of Secretary Stimson and Secretary Forrestal.

I recommend your approval.²⁶

JAMES F. BYRNES

740.00119 PW/9-545

Memorandum by President Truman's Naval Aide (Pinney)

WASHINGTON, 5 September, 1945.

MR. CONNELLY: ²⁷ The President now has on his desk a paper delivered to him by the Secretary of State, entitled "A Post-Defeat Policy for Japan". This paper contains a directive for General MacArthur, and its approval is of great interest to the State, War and Navy Departments. Admiral Leahy ²⁸ spoke to the President about it this morning and was assured that it would be approved shortly.

Would it be possible for you to call the Admiral's office and let us know when the President has formally approved it? ²⁹

Respectfully,

F. L. PINNEY, JR.
Commander, U.S.N.

²⁴ Adopted August 31, not printed. For slightly revised text adopted September 21, see Department of State *Bulletin*, September 23, 1945, p. 423. The second sentence of paragraph 4, (b), Part IV—Economic, was a revision of the following in the earlier text: "Deliveries from existing stock or from continued production of goods urgently needed by United Nations who are victims of Japanese aggression and by liberated areas may be made prior to and without prejudice to determination by appropriate Allied authorities whether such deliveries shall be considered as reparations or as exports for which payments are to be made. In making such determination, the policy will be followed that payment should be made for such deliveries to the extent needed to enable Japan to defray the cost of approved Japanese imports."

²⁵ Vol. III, p. 471.

²⁶ Notation by President Truman: "Approved 9/6/45. Harry S. Truman".

²⁷ Matthew J. Connelly, President Truman's secretary.

²⁸ Fleet Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy.

²⁹ Notation by President Truman: "Approved 9/6/45. Harry S. Truman".

740.00119 PW/9-1845

*The Department of State to the State-War-Navy Coordinating
Committee*

WASHINGTON, September 18, 1945.

DISPOSITION OF EQUIPMENT SURRENDERED TO ALLIED FORCES

I. *The Problem*

What disposition should be made of surrendered military equipment with respect to the claims on that equipment of the territorial sovereign.

II. *Facts Bearing on the Problem*

A. On September 8 the Supreme Allied Commander of the South-east Asia Command stated that he would temporarily allocate surrendered equipment for use by occupying forces or for use where movement from one area to another was involved and requested further guidance from the British Chiefs of Staff on the question of the use of surrendered equipment, inquiring if it might be used for the equipping of any Allied forces placed under his command for reoccupation duties, or for the rehabilitation of Allied countries; and in final disposition whether such equipment handed over in the territory of an Ally is to be regarded as the property of the Government of that Ally. A copy of the request was transmitted to the United States Joint Chiefs of Staff for possible comment.

B. Current practice in Europe and United States policy in the Far East as indicated in SWNCC 58/5,³⁰ which was revised to become 58/9,³¹ is to destroy surrendered equipment. It is understood, however, that the theatre commander is empowered to make surrendered material available to any local police force which he desires to use to maintain order. In no instance, however, may such equipment be used to equip and arm forces which might become a postwar army in any area nor is such equipment handed over in the territory of an Ally regarded as the property of the Government of that Ally.

III. *Discussion*

Equipment surrendered in Europe has in general been destroyed and it is United States policy in the Far East likewise to destroy surrendered equipment. There would be no objection, however, to the theatre commander using surrendered material in equipping a police force to maintain order, but accepted practice would permit objection to be raised to the arming of forces which might become a postwar army in any given area or to the handing over of such equipment taken

³⁰ *Ante*, p. 539.

³¹ *Ante*, p. 614.

in the territory of an Ally to become the property of that Ally. In view of the fact that the United States does not oppose the reestablishment of French, British or Dutch control over their former colonies but does not propose to be an active agent in supporting the reestablishment of their control by force, it seems desirable to extend the current policy to the Southeast Asia Command.

IV. *Conclusions*

It is concluded that equipment surrendered in the Southeast Asia Command should in general be destroyed or, in a limited degree, at the discretion of the theatre commander, be used to equip a police force to maintain local order. It would be undesirable to establish a precedent that an Ally should turn over to any territorial sovereign equipment seized in the territory of that sovereign.

V. *Recommendation*

It is recommended that the Joint Chiefs of Staff inform the Combined Chiefs of Staff of the above conclusion with the suggestion that a directive be issued to the Supreme Allied Commander of the Southeast Asia Command to that effect.

SURRENDER OF JAPAN, OCCUPATION AND CONTROL, WAR CRIMES, AND WAR CLAIMS AND REPARATIONS

I. The surrender of Japan: ³² Japanese acceptance, August 14, of the Potsdam Declaration of July 26; ³³ preparations for signature of surrender instrument on September 2

740.00116 PW/8-645

Statement by President Truman ³⁴

Sixteen hours ago an American airplane dropped one bomb on Hiroshima, an important Japanese Army base. That bomb had more power than 20,000 tons of T.N.T. It had more than two thousand times the blast power of the British "Grand Slam" which is the largest bomb ever yet used in the history of warfare.

The Japanese began the war from the air at Pearl Harbor. They have been repaid many fold. And the end is not yet. With this bomb we have now added a new and revolutionary increase in destruction to supplement the growing power of our armed forces. In their

³² Documentation regarding China on questions involving Japanese surrender arrangements is scheduled for publication in volume VII.

³³ Issued by the Heads of Government of the United States, China, and the United Kingdom, *Foreign Relations, The Conference of Berlin (The Potsdam Conference)*, 1945, vol. II, p. 1474. The Head of Government of the Soviet Union adhered to the proclamation on August 8.

³⁴ Issued by the White House August 6 as press release No. 180.

present form these bombs are now in production and even more powerful forms are in development.

It is an atomic bomb. It is a harnessing of the basic power of the universe. The force from which the sun draws its power has been loosed against those who brought war to the Far East.

Before 1939, it was the accepted belief of scientists that it was theoretically possible to release atomic energy. But no one knew any practical method of doing it. By 1942, however, we knew that the Germans were working feverishly to find a way to add atomic energy to the other engines of war with which they hoped to enslave the world. But they failed. We may be grateful to Providence that the Germans got the V-1's and the V-2's late and in limited quantities and even more grateful that they did not get the atomic bomb at all.

The battle of the laboratories held fateful risks for us as well as the battles of the air, land and sea, and we have now won the battle of the laboratories as we have won the other battles.

Beginning in 1940, before Pearl Harbor, scientific knowledge useful in war was pooled between the United States and Great Britain, and many priceless helps to our victories have come from that arrangement. Under that general policy the research on the atomic bomb was begun. With American and British scientists working together we entered the race of discovery against the Germans.

The United States had available the large number of scientists of distinction in the many needed areas of knowledge. It had the tremendous industrial and financial resources necessary for the project and they could be devoted to it without undue impairment of other vital war work. In the United States the laboratory work and the production plants, on which a substantial start had already been made, would be out of reach of enemy bombing, while at that time Britain was exposed to constant air attack and was still threatened with the possibility of invasion. For these reasons Prime Minister Churchill ³⁵ and President Roosevelt agreed that it was wise to carry on the project here. We now have two great plants and many lesser works devoted to the production of atomic power. Employment during the peak construction numbered 125,000 and over 65,000 individuals are even now engaged in operating the plants. Many have worked there for two and a half years. Few know what they have been producing. They see great quantities of material going in and they see nothing coming out of these plants, for the physical size of the explosive charge is exceedingly small. We have spent two billion dollars on the greatest scientific gamble in history—and won.

But the greatest marvel is not the size of the enterprise, its secrecy, nor its cost, but the achievement of scientific brains in putting together

³⁵ Winston S. Churchill, then British Prime Minister.

infinitely complex pieces of knowledge held by many men in different fields of science into a workable plan. And hardly less marvelous had been the capacity of industry to design, and of labor to operate, the machines and methods to do things never done before so that the brain child of many minds came forth in physical shape and performed as it was supposed to do. Both science and industry worked under the direction of the United States Army, which achieved a unique success in managing so diverse a problem in the advancement of knowledge in an amazingly short time. It is doubtful if such another combination could be got together in the world. What has been done is the greatest achievement of organized science in history. It was done under high pressure and without failure.

We are now prepared to obliterate more rapidly and completely every productive enterprise the Japanese have above ground in any city. We shall destroy their docks, their factories, and their communications. Let there be no mistake; we shall completely destroy Japan's power to make war.

It was to spare the Japanese people from utter destruction that the ultimatum of July 26 was issued at Potsdam. Their leaders promptly rejected that ultimatum.³⁶ If they do not now accept our terms they may expect a rain of ruin from the air, the like of which has never been seen on this earth. Behind this air attack will follow sea and land forces in such numbers and power as they have not yet seen and with the fighting skill of which they are already aware.

The Secretary of War,³⁷ who has kept in personal touch with all phases of the project, will immediately make public a statement giving further details.

His statement will give facts concerning the sites at Oak Ridge near Knoxville, Tennessee, and at Richland near Pasco, Washington, and an installation near Santa Fe, New Mexico. Although the workers at the sites have been making materials to be used in producing the greatest destructive force in history they have not themselves been in danger beyond that of many other occupations, for the utmost care has been taken of their safety.

The fact that we can release atomic energy ushers in a new era in man's understanding of nature's forces. Atomic energy may in the future supplement the power that now comes from coal, oil, and falling water, but at present it cannot be produced on a basis to compete with them commercially. Before that comes there must be a long period of intensive research.

It has never been the habit of the scientists of this country or the policy of this Government to withhold from the world scientific knowl-

³⁶ The Japanese Armed Service chiefs opposed acceptance, but no formal reply was made by the Japanese Government, although Adm. Kantaro Suzuki, Prime Minister, on July 30 was quoted as saying Japan would ignore the proclamation.

³⁷ Henry L. Stimson.

edge. Normally, therefore, everything about the work with atomic energy would be made public.

But under present circumstances it is not intended to divulge the technical processes of production or all the military applications, pending further examination of possible methods of protecting us and the rest of the world from the danger of sudden destruction.

I shall recommend that the Congress of the United States consider promptly the establishment of an appropriate commission to control the production and use of atomic power within the United States. I shall give further consideration and make further recommendations to the Congress as to how atomic power can become a powerful and forceful influence towards the maintenance of world peace.

840.404/8-845

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] August 8, 1945.

Mr. Novikov³⁸ then told me informally and not as an official communication that in ten minutes from now, at three p. m. Washington time, 10 p. m., Moscow time, Mr. Molotov³⁹ would make a declaration stating that Soviet Russia is in a state of war with Japan.⁴⁰ I asked Mr. Novikov when the state of war would take effect and he said "tomorrow". I said, "That will evidently give the Japanese two hours to get ready."

JOSEPH C. GREW

740.00119 P.W./8-1045 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, August 10, 1945—1 p. m.

[Received August 10—11:45 a. m.]

2742. For the President and the Secretary of State. The British Minister^{40a} has just called to inform me that he and the Soviet Minister^{40b} had been requested this morning to see Foreign Minister Uden with great urgency. Mr. Uden communicated to them a request from

³⁸ Nikolay Vassilyevich Novikov, Soviet Chargé.

³⁹ Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

⁴⁰ For statement handed by Commissar Molotov to the Japanese Ambassador in the Soviet Union, Naotake Sato, on August 8, see footnote 1, document 1382, *Conference of Berlin (Potsdam)*, vol. II, p. 1474.

^{40a} Cecil Bertrand Jerram.

^{40b} Ilya Lemenovich Chernyshev.

the Japanese Govt that the British and Soviet Ministers in Stockholm be informed of the Japanese Govt's acceptance of the declaration made at Potsdam regarding Japanese surrender. It was stipulated that Japanese Govt understood that declaration to mean that the sovereignty of the Emperor of Japan would not be touched. Subject to the Japanese Govt's understanding of this point, the unconditional surrender terms at Potsdam are accepted.

Foreign Minister Uden informed the British Minister that Japanese Minister ⁴¹ in transmitting the foregoing had stated that the Japanese Minister at Bern ⁴² had instructions to request the Swiss Govt to transmit the same offer of unconditional surrender to the US and China through their respective Ministers at Bern, and that he understood that this action was being taken simultaneously with the action at Stockholm.

The British and Soviet Ministers asked Mr. Uden's permission to inform me and the Chinese Minister unofficially of the foregoing, to which the Foreign Minister agreed. The Soviet Minister is informing the Chinese.

Mr. Uden requested the British and Soviet Ministers to regard this communication as of the highest order of secrecy.

JOHNSON

740.00119 PW/8-1045

Memorandum by Mr. Benjamin V. Cohen, Special Assistant to the Secretary of State ⁴³

[WASHINGTON,] August 10, 1945—12:20 p. m.

The British Government has discussed peace message of the Japanese Government. It has sent cables to its embassies in Washington, Moscow and Chungking to make formal inquiry as to the views of its allies on the message.

Foreign Secretary Bevin came out of the Cabinet meeting to advise Winant that no other communication was contemplated by the Cabinet until they had heard from us. The Cabinet wished to be currently informed of our position as it was their desire to keep their policy in line with ours. While they desired to support our position, they were inclined to accept the continuation of the Emperor although they were troubled about the language of the reservation of the Emperor's prerogations [*prerogatives?*]. They thought a more precise definition of the reservation was necessary in light of the Potsdam Declaration.

⁴¹ Suemasa Okamoto.

⁴² Shunichi Kase.

⁴³ This memorandum is a summary of a trans-Atlantic conversation between Mr. Cohen and the Ambassador in the United Kingdom (Winant).

The Ambassador also indicated that we might find it helpful at some stage to use Ambassador Sato at Moscow.

740.00119 P.W./8-1045 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*⁴⁴

WASHINGTON, August 10, 1945—3: 45 p. m.

[White House No. 319.] Please deliver at once to the Secretary of State for Foreign Affairs the following message. Please impress upon the Secretary of State for Foreign Affairs the urgency of a reply to this message and telegraph at once his reply.

"1. This Government proposes that a reply as quoted in paragraph 3 be made to the Japanese Government's acceptance of the Potsdam proclamation.⁴⁵

"2. In order that hostilities may be terminated and further loss of life be prevented this Government hopes that the British Government will associate itself with this Government in making an early reply as quoted in paragraph 3.

"3. With regard to the Japanese Government's message accepting the terms of the Potsdam proclamation but containing the statement 'with the understanding that the said declaration does not comprise any demand which prejudices the prerogatives of His Majesty as a sovereign ruler', our position is as follows:

'From the moment of surrender the authority of the Emperor and the Japanese Government to rule the state shall be subject to the Supreme Commander of the Allied powers who will take such steps as he deems proper to effectuate the surrender terms.

'The Emperor and the Japanese High Command will be required to sign the surrender terms necessary to carry out the provisions of the Potsdam Declaration, to issue orders to all the armed forces of Japan to cease hostilities and to surrender their arms, and to issue such other orders as the Supreme Commander may require to give effect to the surrender terms.

'Immediately upon the surrender the Japanese Government shall transport prisoners of war and civilian internees to places of safety, as directed, where they can quickly be placed aboard Allied transports.

'The ultimate form of government of Japan shall, in accordance with the Potsdam declaration, be established by the freely expressed will of the Japanese people.

'The armed forces of the Allied Powers will remain in Japan until the purposes set forth in the Potsdam declaration are achieved.'"

[BYRNES]

⁴⁴ Similar telegrams sent to Moscow on the same date as White House No. 320, to Chungking on August 11 as White House No. 321.

⁴⁵ For Japanese reply, see *infra*; it had been broadcast over the Tokyo radio and received earlier in this way.

740.00119 PW/8-1045

The Swiss Chargé (Grässli) to the Secretary of State

WASHINGTON, August 10, 1945.

SIR: I have the honor to inform you that the Japanese Minister to Switzerland, upon instructions received from his Government, has requested the Swiss Political Department to advise the Government of the United States of America of the following:

"In obedience to the gracious command of his Majesty the Emperor who, ever anxious to enhance the cause of world peace, desires earnestly to bring about a speedy termination of hostilities with a view to saving mankind from the calamities to be imposed upon them by further continuation of the war, the Japanese Government several weeks ago asked the Soviet Government, with which neutral relations then prevailed, to render good offices in restoring peace vis-à-vis the enemy powers. Unfortunately, these efforts in the interest of peace having failed, the Japanese Government in conformity with the august wish of His Majesty to restore the general peace and desiring to put an end to the untold sufferings entailed by war as quickly as possible, have decided upon the following.

"The Japanese Government are ready to accept the terms enumerated in the joint declaration which was issued at Potsdam on July 26th, 1945, by the heads of the Governments of the United States, Great Britain, and China, and later subscribed by the Soviet Government, with the understanding that the said declaration does not comprise any demand which prejudices the prerogatives of His Majesty as a Sovereign Ruler.

"The Japanese Government sincerely hope that this understanding is warranted and desire keenly that an explicit indication to that effect will be speedily forthcoming."

In transmitting the above message the Japanese Minister added that his Government begs the Government of the United States to forward its answer through the intermediary of Switzerland. Similar requests are being transmitted to the Governments of Great Britain and the Union of Soviet Socialist Republics through the intermediary of Sweden, as well as to the Government of China through the intermediary of Switzerland. The Chinese Minister at Berne has already been informed of the foregoing through the channel of the Swiss Political Department.

Please be assured that I am at your disposal at any time to accept for and forward to my Government the reply of the Government of the United States.

Accept [etc.]

GRÄSSLI

740.00119 P.W./8-1045 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 10, 1945—8 p. m.
[Received August 10—5:29 p. m.]

3864. Following is text of communication handed to Minister Stucki ⁴⁶ 6 p. m. this afternoon by Japanese Minister.

[Here follows text as quoted in note from the Swiss Chargé of August 10, printed *supra*.]

Jap Minister told Stucki that same was being transmitted through Swedish Govt to British and Soviet Govts.

Jap Minister also stated that English is sole official text.

Stucki told me text already cabled Swiss Leg, Wash, for delivery at once to you. He is giving text to Chinese Minister here for transmission to Chungking.

HARRISON

740.00119 P.W./8-1145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 11, 1945.
[Received August 10—10:30 p. m.]

2261. Reur White House Number 319.⁴⁷ Immediately after receiving your message I met with Mister Attlee ⁴⁸ and Mister Bevin ⁴⁹ at 10 Downing Street. They asked me to forward you the following message.

“We have examined your draft. While agreeing in principle we desire to make certain amendments on the ground we doubt if it is wise to ask the Emperor personally to sign the surrender terms and therefore we would suggest the following:—

The Emperor shall authorize and ensure the signature by the Government of Japan and the Japanese General Headquarters of the surrender terms necessary to carry out the provisions of the Potsdam Declaration, and shall issue his commands to all the Japanese military, naval and air authorities and to all the forces under their control wherever located to cease active operations and to surrender their arms etc., as in your draft.

This is in keeping with clause 13 of the Potsdam Declaration. This we believe also will secure the immediate surrender of Japanese in all outlying areas and thereby save American, British and Allied lives.

⁴⁶ Walter Stucki, Chief of the Foreign Affairs Division of the Swiss Federal Political Department.

⁴⁷ See telegram of August 10, 3:45 p. m., p. 626.

⁴⁸ Clement R. Attlee, British Prime Minister.

⁴⁹ Ernest Bevin, British Foreign Secretary.

We presume that if we are in accord on these terms we should get the agreement of Generalissimo Stalin and Generalissimo Chiang Kai-Shek."

The Prime Minister and the Foreign Secretary are standing by all night for your answer. Mr. Churchill telephoned me tonight. I feel you would be interested to know that this message is in line with his views. He believes that using the Mikado will save lives in outlying areas.

WINANT

740.00119 P.W./8-1145: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

(Moscow, August 11, 1945.

[Received August 10—10:30 p. m.]

M 25259. The British Ambassador ^{49a} and I were with Molotov when your message White House 320 ⁵⁰ was delivered to me. Molotov was in process of inquiring what the attitude of our respective governments were to the Japanese Government's proposal. He informed us that the Soviet attitude towards it was "sceptical" since the Soviets did not consider it unconditional surrender, and that the Soviet forces, therefore, were continuing their advance into Manchuria. As this was shortly after midnight, he emphasized that it was the third day of the Soviet campaign which would continue.⁵¹ He gave me the definite impression that he was quite willing to have the war continue.

Your message then arrived and it was translated to him. His reaction was noncommittal and suggested that he would give me an answer tomorrow. I told him that this would not be satisfactory and that we wished it tonight. He thereupon agreed to take it up with his Government and attempt to give me an answer tonight. If I do not hear from him in a reasonable time, I will telephone him and keep you informed of the developments.

HARRIMAN

^{49a} Sir Archibald J. K. Clark Kerr.

⁵⁰ See footnote 44, p. 626.

⁵¹ The campaign began August 9.

740.00119 P.W./8-1145: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 11, 1945.

[Received August 10—11:40 p. m.]

M 25260. Molotov asked the British Ambassador and me to call again. He handed us the following statement.

"The Soviet Government agrees to the draft reply of the Allied Powers proposed by the United States Government to the statement of the Japanese Government concerning surrender.

"The Soviet Government considers that the above mentioned reply should be presented in the name of the principal powers waging war with Japan.

"The Soviet Government also considers that, in case of an affirmative reply from the Japanese Government, the Allied Powers should reach an agreement on the candidacy or candidacies for representation of the Allied High Command to which the Japanese Emperor and the Japanese Government are to be subordinated.

"On the authority of the Government of the U.S.S.R. signed: V. Molotov."

I took a firm exception to the last paragraph and said in my opinion that my Government would never agree to it. I pointed out this was a qualification of the Soviet Government's acceptance of our proposal and that it gave the Soviet Government veto power on the selection of the Allied High Command. In answer to my inquiry as to his meaning he finally suggested that the High Command might consist of two persons, both an American and a Soviet General, specifying Marshal Vasilevsky⁵² by name. I stated that it was unthinkable that the Supreme Commander could be other than American.

After a most heated discussion he insisted that I send his communication to my Government. I maintained, however, that in my opinion it would be unacceptable.

When I reached my office, I found Pavlov,^{52a} Molotov's secretary, on the telephone, advising me that Molotov had consulted Stalin. He said that there had been a misunderstanding and that only consultation had been intended and not the necessity of reaching an agreement. I pointed out to the secretary that I believed the words "or candidacies" would also be unacceptable and asked him to convey this message to Molotov. Within a few minutes he called back stating that Stalin had agreed to the deletion of these words. He agreed to confirm this in writing.

⁵² Marshal Alexander Mikhailovich Vasilevsky, Commander in Chief of Soviet Forces in the Far East.

^{52a} Vladimir Nikolayevich Pavlov.

The last paragraph will therefore read: "The Soviet Government also considers that, in case of an affirmative reply from the Japanese Government, the Allied Powers should consult on the candidacy for representation of the Allied High Command to which the Japanese Emperor and the Japanese Government are to be subordinated."

I would appreciate advice as to whether the Soviet reply as now amended is acceptable.

[HARRIMAN]

740.00119 P. W./8-1145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 11, 1945.

[Received August 11—9:50 a. m.]

M-25264. For the President and the Secretary of State. This morning I received confirmation in writing from Molotov of the changes given me by telephone last night in his reply to our proposed statement to the Japanese Government on surrender as reported to you in my cable number M-25260. I realize that the last paragraph is clumsy language in English but it is a literal translation of the Russian. Pavlov in his early oral translation and subsequently by telephone used the word "candidate" instead of "candidacy". I thought it better, however, to stick to the literal translation. My conversation with Molotov as reported in my M-25259 appears to clarify the meaning of the sentence.

HARRIMAN

740.00119 PW/8-1045

The Secretary of State to the Swiss Chargé (Grässli)

WASHINGTON, August 11, 1945.

SIR: I have the honor to acknowledge receipt of your note of August 10, and in reply to inform you that the President of the United States has directed me to send to you for transmission by your Government to the Japanese Government the following message on behalf of the Governments of the United States, the United Kingdom, the Union of Soviet Socialist Republics, and China:

"With regard to the Japanese Government's message accepting the terms of the Potsdam proclamation but containing the statement, 'with the understanding that the said declaration does not comprise any demand which prejudices the prerogatives of His Majesty as a sovereign ruler,' our position is as follows:

"From the moment of surrender the authority of the Emperor and the Japanese Government to rule the state shall be subject to the

Supreme Commander of the Allied powers who will take such steps as he deems proper to effectuate the surrender terms.

"The Emperor will be required to authorize and ensure the signature by the Government of Japan and the Japanese Imperial General Headquarters of the surrender terms necessary to carry out the provisions of the Potsdam Declaration, and shall issue his commands to all the Japanese military, naval and air authorities and to all the forces under their control wherever located to cease active operations and to surrender their arms, and to issue such other orders as the Supreme Commander may require to give effect to the surrender terms.

"Immediately upon the surrender the Japanese Government shall transport prisoners of war and civilian internees to places of safety, as directed, where they can quickly be placed aboard Allied transports.

"The ultimate form of government of Japan shall, in accordance with the Potsdam declaration, be established by the freely expressed will of the Japanese people.

"The armed forces of the Allied Powers will remain in Japan until the purposes set forth in the Potsdam declaration are achieved."

Accept [etc.]

[JAMES F. BYRNES]

740.00119 PW/8-1145

Memorandum of Telephone Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] August 11, 1945.

Under the Secretary's instructions (conveyed to me by Mr. Dunn⁵³) I telephoned Mr. Grässli, the Swiss Chargé d'Affaires, at 10:46 this morning. I referred to the communication just left with him by Mr. Wallner⁵⁴ containing the reply to the Japanese peace move and asked him to request the Swiss Government to convey to the Japanese Government that this Government expects a prompt answer to the message communicated on behalf of the Governments of the United States, the United Kingdom, the Union of Soviet Socialist Republics, and China.

H. F[REEMAN] M[ATTHEWS]

740.00119 PW/8-1145: Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 11, 1945—noon.

2510. Dept received last night through Swiss Legation here text of Japanese surrender terms contained urtel 3864 August 10, 8 p. m.

⁵³ James Clement Dunn, Assistant Secretary of State for European, Far Eastern, Near Eastern, and African Affairs.

⁵⁴ Woodruff Wallner, Division of Western European Affairs.

Our reply on behalf of the four governments was delivered to the Swiss Chargé d'Affaires at 10:30 a. m. today and text has been made public.

BYRNES

740.00119 P.W./8-1145: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 11, 1945.

[Received August 11—3:15 p. m.]

2263. I have been asked to forward to you the following message:

“His Majesty’s Government have received your communication to the Swiss Government for the Japanese Government, and agree.”

The acceptance of the British suggestions in the final text was deeply appreciated here.

WINANT

740.0011 PW/8-1145

The Secretary of State to the Secretary of War (Stimson)

WASHINGTON, August 11, 1945.

DEAR MR. SECRETARY: It is, as I am sure you will agree, of the first importance that the Japanese people should be informed of the surrender offer of their Government and the reply communicated by our Government on behalf of ourselves, the United Kingdom, the Union of Soviet Socialist Republics, and China.

According to the best available information, the Japanese Government has not informed the Japanese people of the offer. The Office of War Information has been broadcasting since noon today the substance of the note of August 10 from the Swiss Government communicating the Japanese offer and my reply of August 11. Short wave broadcasting, however, is an inadequate means of reaching the masses of the Japanese people. Only an extensive leaflet raid would seem capable of attaining the desired result.

I am therefore writing to request that a leaflet raid upon the Japanese home islands be carried out at the earliest possible moment. It will be deeply appreciated if the War Department finds it possible to comply with this request.⁵⁵

Sincerely yours,

[JAMES F. BYRNES]

⁵⁵ In answer to this letter, Acting Secretary of War Patterson wrote on August 21 that the suggested leaflet raids over Japanese cities were carried out on August 13 and 14 (740.00119 FEAC/8-2145).

SWNCC 21 Series

*Extract From Minutes of Twentieth Meeting of State-War-Navy
Coordinating Committee, August 11, 1945*

1. COMMUNICATIONS TO UNITED KINGDOM, USSR AND CHINA
CONCERNING SUPREME COMMANDER

Mr. McCLOY⁵⁶ circulated separate draft communications⁵⁷ to the United Kingdom, Soviet and Chinese Governments with respect to the designation of General MacArthur as Supreme Commander of the Allied Powers to accept, coordinate and carry into effect the Japanese surrender, and the designation of representatives of each to be present with him. These documents, he explained, were prepared at the request of Secretary of State Byrnes. He pointed out that each communication set forth in general terms the Japanese forces which are to surrender to its designated commander, these provisions to be made specific later in General Order No. 1. He also pointed out that each of the communications included a statement that it was assumed that this procedure would be acceptable and that preliminary instructions were being issued to General MacArthur. He stated also that the War Department, with the approval of Mr. Byrnes, was communicating this information to General MacArthur.

In response to a question by Mr. GATES,⁵⁸ Mr. McCLOY stated that he was informed that the selection of General MacArthur as Supreme Commander had been directed by President Truman.

THE COMMITTEE approved these three draft communications, on behalf of their respective departments, and agreed that they be delivered to the Secretary of State.

2. INSTRUMENT OF SURRENDER, DIRECTIVE TO SUPREME COMMANDER
AND GENERAL ORDER NO. 1

Mr. McCLOY stated that it had been determined this morning not to have the Emperor sign the surrender instrument and that the note sent to the Japanese had been revised accordingly. This, he stated, required revision of the instrument of surrender. He presented re-drafts of (1) the Instrument of Surrender, (2) the Directive to the Supreme Commander for the Allied Powers to be signed by President Truman, and (3) General Order No. 1 to be issued by the Japanese Imperial General Headquarters at the direction of the Supreme Commander for the Allied Powers.⁵⁹ He stated that these documents had been approved by the War Department and requested their prompt consideration by the State and Navy Departments.

⁵⁶ John J. McCloy, Assistant Secretary of War.

⁵⁷ Not printed here. (740.00119 Control (Japan)/6-646)

⁵⁸ Artemus L. Gates, Under Secretary of the Navy.

⁵⁹ For General Order No. 1, see *infra*.

He explained that the term "Imperial General Headquarters" had been substituted for "High Command" in all documents as a result of research by the War and Navy members of the Joint Staff Planners. He also stated that the draft General Order No. 1 was intended to be forwarded to General MacArthur with instructions to use it as a guide rather than as a document to be literally adhered to, thus giving him the authority to alter it to meet circumstances as they exist at the time of issuance.

THE COMMITTEE agreed that these three documents be processed by the Secretariat as a paper in the SWNCC 21 series for consideration by the Committee.

3. FURTHER COMMUNICATION TO THE JAPANESE

MR. McCLOY presented a draft of a further communication to the Japanese Government to be transmitted after receipt of agreement by the Japanese to the note transmitted to it this morning and after agreement by the three Allies to the proposals contained in the communications to be addressed to them (Item 1). This communication sets forth the steps to be taken at once by the Japanese Government. It will not be cleared with our Allies but copies will be sent them after transmission.

THE COMMITTEE approved this draft communication to the Japanese Government.

SWNCC 21 Series

Revision of General Order No. 1

SWNCC 21/5

[WASHINGTON, August 11, 1945.]

MILITARY AND NAVAL

I. The Imperial General Headquarters by direction of the Emperor, and pursuant to the surrender to the Supreme Commander for the Allied Powers of all Japanese armed forces by the Emperor, hereby orders all of its commanders in Japan and abroad to cause the Japanese armed forces and Japanese-controlled forces under their command to cease hostilities at once, to lay down their arms, to remain in their present locations and to surrender unconditionally to commanders acting on behalf of the United States, the Republic of China, the United Kingdom and the British Empire, and the Union of Soviet Socialist Republics, as indicated hereafter. Immediate contact will be made with the indicated commanders, or their designated representatives, and their instructions will be completely and immediately carried out.

a. The senior Japanese commanders and all ground, sea, air and auxiliary forces within China, excluding Manchuria, Formosa and French Indo-China north of 16° north latitude shall surrender to the Generalissimo Chiang Kai-shek.

b. The senior Japanese commanders and all ground, sea, air and auxiliary forces within Manchuria, Korea north of 38° north latitude and Karafuto shall surrender to the Commander-in-Chief of Soviet Forces in the Far East.

c. The senior Japanese commanders and all ground, sea, air and auxiliary forces within Thailand, Burma, Malaya, French Indo-China south of 16° north latitude, Sumatra, Java, Andamans, Nicobars, Borneo and the Lesser Sundas shall surrender to the Supreme Allied Commander, Southeast Asia Command.

d. The senior Japanese commanders and all ground, sea, air and auxiliary forces in the Celebes, Halmahera, New Guinea, the Banda Sea areas, Bismarcks and Solomons shall surrender to the Commander-in-Chief, Australian Imperial Forces.

e. The senior Japanese commanders and all ground, sea, air and auxiliary forces in the Japanese Mandated Islands, Bonins and other Pacific Islands shall surrender to the Commander-in-Chief, U.S. Pacific Fleet.

f. The senior Japanese commanders and all ground, sea, air and auxiliary forces in Korea south of 38° north latitude shall surrender to the Commanding General, U.S. Expeditionary Forces in Korea.

g. The Imperial General Headquarters, its senior commanders, and all ground, sea, air and auxiliary forces in the main islands of Japan, minor islands adjacent thereto, the Ryukyus, and the Philippines shall surrender to the Commander-in-Chief, U.S. Army Forces in the Pacific.

The Japanese Imperial General Headquarters further orders its commanders in Japan and abroad to disarm completely all forces of Japan or under Japanese control, wherever they may be situated, and to deliver intact and in safe and good condition all weapons and equipment at such time and at such places as may be prescribed by the Allied Commanders indicated above. (Pending further instructions, the Japanese police force in the main islands of Japan will be exempt from this disarmament provision. The police force will remain at their posts and shall be held responsible for the preservation of law and order. The strength and arms of such a police force will be prescribed.)

II. The Japanese Imperial General Headquarters shall furnish to the Supreme Commander for the Allied Powers, within (time limit) of receipt of this order, complete information with respect to Japan and all areas under Japanese control, as follows:

a. Lists of all land, air and anti-aircraft units showing locations and strengths in officers and men.

b. Lists of all aircraft, military, naval and civil, giving complete information as to the number, type, location and condition of such aircraft.

c. Lists of all Japanese and Japanese-controlled naval vessels, surface and submarine and auxiliary naval craft in or out of commission and under construction giving their position, condition and movement.

d. Lists of all Japanese and Japanese-controlled merchant ships of over 100 gross tons, in or out of commission and under construction, including merchant ships formerly belonging to any of the United Nations which are now in Japanese hands, giving their position, condition and movement.

e. Complete and detailed information, accompanied by maps, showing locations and layouts of all mines, minefields and other obstacles to movement by land, sea or air and the safety lanes in connection therewith.

f. Locations and descriptions of all military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas.

g. Locations of all camps and other places of detention of United Nations prisoners of war and civilian internees.

III. Japanese armed forces and civil aviation authorities will insure that all Japanese military, naval and civil aircraft remain on the ground, on the water, or aboard ship, until further notification of the disposition to be made of them.

IV. Japanese or Japanese-controlled naval or merchant vessels of all types will be maintained without damage and will undertake no movement pending instructions from the Supreme Commander for the Allied Powers. Vessels at sea will immediately render harmless and throw overboard explosives of all types. Vessels not at sea will immediately remove explosives of all types to safe storage ashore.

V. Responsible Japanese or Japanese-controlled military and civil authorities will insure that:

a. All Japanese mines, minefields and other obstacles to movement by land, sea and air, wherever located, be removed according to instructions of the Supreme Commander for the Allied Powers.

b. All aids to navigation be reestablished at once.

c. All safety lanes be kept open and clearly marked pending accomplishment of *a* above.

VI. Responsible Japanese and Japanese-controlled military and civil authorities will hold intact and in good condition pending further instructions from the Supreme Commander for the Allied Powers the following:

a. All arms, ammunition, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in Section IV of this order).

b. All land, water and air transportation and communication facilities and equipment.

c. All military installations and establishments, including airfields, seaplane bases, anti-aircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments.

d. All factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions designed or intended to produce or to facilitate the production or use of all implements of war and other material and property used by or intended for use by any military or para-military organization in connection with its operations.

VII. The Japanese Imperial General Headquarters shall furnish to the Supreme Commander for the Allied Powers, within (time limit) or receipt of this order, complete lists of all the items specified in paragraphs *a*, *b*, and *d* of Section VI, above, indicating the numbers, types and locations of each.

VIII. The manufacture and distribution of all arms, ammunition and implements of war will cease forthwith.

IX. With respect to United Nations prisoners of war and civilian internees in the hands of Japanese or Japanese-controlled authorities:

a. The safety and well-being of all United Nations prisoners of war and civilian internees will be scrupulously preserved, to include the administrative and supply services essential to provide adequate food, shelter, clothing, and medical care until such responsibility is undertaken by the Supreme Commander for the Allied Powers;

b. Each camp or other place of detention of United Nations prisoners of war and civilian internees together with its equipment, stores, records, arms, and ammunition will be delivered immediately to the command of the senior officer or designated representative of the prisoners of war and civilian internees;

c. As directed by the Supreme Commander for the Allied Powers, prisoners of war and civilian internees will be transported to places of safety where they can be accepted by allied authorities;

d. The Japanese Imperial General Headquarters will furnish to the Supreme Commander for the Allied Powers, within (time limit) of the receipt of this order, complete lists of all United Nations prisoners of war and civilian internees, indicating their location.

X. All Japanese and Japanese-controlled military and civil authorities shall aid and assist the occupation of Japan and Japanese-controlled areas by forces of the Allied Powers.

XI. The Japanese Imperial General Headquarters and appropriate Japanese officials shall be prepared, on instructions from Allied occupation commanders, to collect and deliver all arms in the possession of the Japanese civilian population.

XII. This and all subsequent instructions issued by the Supreme Commander for the Allied Forces or other allied military authorities

will be scrupulously and promptly obeyed by Japanese and Japanese-controlled military and civil officials and private persons. Any delay or failure to comply with the provisions of this or subsequent orders, and any action which the Supreme Commander for the Allied Powers determines to be detrimental to the Allied Powers, will incur drastic and summary punishment at the hands of allied military authorities and the Japanese Government.

740.00119 PW/8-1145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, August 11, 1945—4 p. m.

[Received 7:53 p. m.]

4870. Foreign Office asked this morning that the Secretary be informed that instructions were being given Bonnet⁶⁰ to inform the Department that France would like to associate herself in current consultations relative to surrender of Japan and desired to join with other great powers in establishing terms of peace in Far East basing this claim on her interests in Indochina and her participation in war against Japan since December 8, 1944.

Dejean⁶¹ who delivered this message orally to the Counselor said that French Government was, of course, in accord with terms of ultimatum of Potsdam.

CAFFERY

740.00119 P.W./8-1145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 11, 1945.

[Received August 11—11:10 p. m.]

2264. White House Nbr 325 from the Secretary of State requesting delivery of a message from the President to the Prime Minister⁶² was telephoned to the Prime Minister, who is at Chequers, within five minutes of its receipt at the Embassy.

The Prime Minister asked me to forward the following message to the President:

“In reply to your message in regard to your proposals for the acceptance of the Japanese surrender I am in accord with the general

⁶⁰ Henri Bonnet, French Ambassador in the United States.

⁶¹ Maurice Dejean, Director General of Political Affairs, French Foreign Office.

⁶² See first paragraph of Extract of Minutes, p. 634.

procedure you propose and I designate Admiral Sir Bruce Austin Fraser^{62a} our representative.”

WINANT

740.00119 PW/8-1145

The Assistant Secretary of War (McCloy) to the Assistant Secretary of State (Dunn)

WASHINGTON, 11 August, 1945.

DEAR JIMMY: I have talked with representatives of the Staff about the French requests to be allowed to be present at the Chinese acceptance of Japanese surrender in the northern part of Indo-China and at the British acceptance of Japanese surrender in the southern part of Indo-China. We have no objection to the granting of these requests, but our view is that we cannot appropriately support them through military channels. In the China Theater, for example, General Wedemeyer⁶³ is merely Chief of Staff under command of the Generalissimo and is therefore not in a position to make recommendations to the Generalissimo on political matters.

Our suggestion is that, if you believe the request should be supported on political grounds, you advise the French that the matter should be taken up by them directly with the Generalissimo and the British Government, and you might add that our Ambassadors in Chungking^{63a} and London are being instructed to support the requests so made.

With regard to the Dutch request to be allowed to be present at the British acceptance of Japanese surrender in the Netherlands East Indies, we have just received a proposal by the British Chiefs of Staff that, from the date of the cease fire, the entire Netherlands East Indies area be included in Lord Louis Mountbatten's Command.⁶⁴ This proposal is viewed favorably by the Army and Navy planners. If, as seems probable, the proposal is accepted by the Joint Chiefs of Staff, we suggest that the Dutch also should be advised to present their request to the British Government, and, if you consider it appropriate, that our Ambassador will be instructed to support the request.

Sincerely,

JOHN J. McCLOY

^{62a} Commander in Chief of the British Pacific Fleet.

⁶³ Lt. Gen. Albert C. Wedemeyer, Commanding General, U.S. Forces in China Theater, and concurrently Chief of Staff of China Theater.

^{63a} Maj. Gen. Patrick J. Hurley.

⁶⁴ Supreme Allied Commander, Southeast Asia.

740.00119 P.W./8-1245: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 12, 1945.

[Received August 12—7:38 a. m.]

M 25277. Reference White House message 324, August 11.⁶⁵ Molotov has informed me that the Soviet Government agrees to the changes made in the reply to the Japanese Government.

[HARRIMAN]

740.00119 PW/8-1245

Memorandum by the Director of the Office of Far Eastern Affairs (Ballantine) to Mr. Eugene H. Dooman, Special Assistant to the Assistant Secretary of State (Dunn)

[WASHINGTON,] 12 August, 1945.

Mr. Balfour,⁶⁶ of the British Embassy, called and left with me the attached text of a telegram from Mr. Bevin to Mr. Balfour containing a draft of surrender terms.⁶⁷

Mr. Balfour said that this draft was tentative as it had not yet cleared with the Chiefs of Staff and with the Dominion Governments but represented in general the views of the British Government. He said that the British Government attached great importance to having the text and procedure settled and desire an opportunity to clear with the Dominion Governments before action and publication.

I told him that I would see that the document reached our military authorities promptly.

He read me also a telegram from the Foreign Office quoting the text (somewhat garbled) of a telegram sent by the Prime Minister to the President in which it was stated that the Prime Minister was in general accord with the procedure which the President proposed and designated Admiral Sir Bruce Austin Fraser as the British representative.

JOSEPH W. BALLANTINE

⁶⁵ Not found in Department files; for British reply to similar message, see telegram 2263, August 11, from London, p. 633.

⁶⁶ John Balfour, British Minister.

⁶⁷ *Infra*.

740.00119 PW/8-1245

The British Embassy to the Department of State

TEXT OF TELEGRAM FROM MR. BEVIN TO MR. BALFOUR DATED
12TH AUGUST

Following is draft act of surrender referred to in my immediately preceding telegram. *Begins.*

1. We, the undersigned representing the Imperial Japanese Government and Japanese Imperial General Headquarters, and duly authorised by His Majesty the Emperor of Japan hereby surrender unconditionally to the (Allied High Command) all Japanese armed forces and forces under Japanese control on land, at sea and in the air wherever they are located.

2. The Imperial Japanese Government and Japanese Imperial General Headquarters will at once issue Imperial Commands to all Japanese military, naval and air authorities and to all forces under their control to cease active operations at (time and date), to remain in the positions occupied at that time and to disarm completely, handing over their weapons and equipment to an Allied Commander duly authorised by an Allied Supreme Command. No ship, vessel, or aircraft is to be scuttled or any damage done to its hull, machinery or equipment nor to machines of any kind, armament, apparatus, means of production, buildings, stores of food or any other commodities or materials.

3. The Imperial Japanese Government and Japanese Imperial General Headquarters will at once issue orders for the liberation of all Allied prisoners of war and all Allied civilians in Japanese custody, for their protection, care and maintenance and for handing them over safely at the earliest possible moment to an Allied Commander duly authorised by an Allied Supreme Command.

4. The Imperial Japanese Government and Japanese Imperial General Headquarters will immediately comply with any orders or instructions for the carrying out of this act of surrender.

5. The Imperial Japanese Government and Japanese Imperial General Headquarters undertake to fulfil without question any other terms of whatever kind which the Allies may decide to impose upon Japan.

6. In the event of the Imperial Japanese Government or Japanese Imperial General Headquarters or any forces under their control failing to act in accordance with this act of surrender, the (Allied High Command) will take such punitive or other action as they deem appropriate.

7. This act is drawn up in the English (Chinese, Russian, Japanese) languages. English is the only authentic text.

Ends.

740.00119 Control (Japan) /8-3045

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman

[Translation] ^{67a}

I have received your message of August 12 ⁶⁸ regarding the appointment of Army General Douglas MacArthur as Supreme Commander of the Allied armies for the acceptance, coordination and conduct of the general capitulation of the Japanese armed forces.

The Soviet Government agrees to your proposal.

It also agrees to the proposed by you procedure, which provides that General MacArthur will give the Imperial Staff Quarters orders about the unconditional surrender of the Japanese troops also to the Soviet Supreme Commander in the Far East. Lieutenant General Derevianko ⁶⁹ has been appointed as representative of the Soviet Military Supreme Command and has been given all necessary instructions.

[Moscow,] August 12, 1945.

SWNCC 21 Series

Draft Report by the Chairman of the State-War-Navy Coordinating Committee (Dunn)

Report by Mr. Dunn at approximately 6 : 30 p. m. respecting his and Mr. McCloy's interview with Mr. Byrnes, 12 August 1945 :

MR. DUNN stated that Mr. Forrestal ⁷⁰ and Mr. Byrnes had had a discussion previous to Mr. McCloy's and Mr. Dunn's arrival in Mr. Byrnes' office and that Mr. Byrnes was going to talk to the President in regard to the matter. Mr. Dunn and Mr. McCloy discussed the various alternatives with Mr. Byrnes, and the matter was argued back and forth. Mr. Dunn stated that those at the meeting would be advised later during the evening of the decision respecting the role Admiral Nimitz ⁷¹ would play in the acceptance of the surrender.

MR. DUNN also stated that Mr. Byrnes has approved the operational line in the Kuriles for use by Admiral Nimitz as a surrender line (this

^{67a} This translation appears to have been received from the Embassy of the Soviet Union in Washington. A smoother translation has subsequently been published in the Ministry of Foreign Affairs of the U.S.S.R., *Correspondence Between the Chairman of the Council of Ministers of the U.S.S.R. and the Presidents of the U.S.A. and the Prime Ministers of Great Britain During the Great Patriotic War of 1941-1945*, vol. II (Moscow, Foreign Languages Publishing House, 1957), Doc. No. 360, p. 260.

⁶⁸ August 11; see first paragraph of Extract of Minutes, p. 634.

⁶⁹ Lt. Gen. Kuzma Nikolayevich Derevyanko.

⁷⁰ James V. Forrestal, Secretary of the Navy.

⁷¹ Fleet Adm. Chester W. Nimitz, Commander in Chief, Pacific Fleet and Pacific Ocean Areas.

line runs through Onnekotan Sts. which is just S of Paramushiru). Mr. Dunn stated, however, that he would check up with Mr. Harriman respecting whether any agreements on an airbase had been made by him and also that he would request Mr. Byrnes to check with Mr. Hopkins⁷² in regard to the matter. Mr. Dunn requested that Admiral Nimitz be directed to pick up the operational line in the surrender, and Mr. McCloy requested that Admiral Gardner⁷³ be told to get out preliminary orders to Admiral Nimitz respecting this matter as well as the island that we want for an airbase.

SWNCC 21 Series

Minutes of Twenty-First Meeting of the State-War-Navy Coordinating Committee, August 12, 1945

[Extracts]

1. PROCLAMATION BY THE EMPEROR OF JAPAN

Mr. McCLOY stated that, after the 20th SWNCC meeting yesterday at which it was considered that no proclamation by the Emperor would be required, it had been agreed in a meeting with the Secretary of State that the Emperor of Japan, although not required to sign the instrument of surrender, should issue a proclamation authorizing representatives to sign the instrument of surrender on his behalf for delivery by them to the Supreme Commander and for publication to the people of Japan. He presented a draft proclamation. Certain revisions were discussed and agreed to.

THE COMMITTEE approved the draft Proclamation by the Emperor, with amendments. (The Proclamation, as approved, appears as Enclosure "D" of SWNCC 21/6.⁷⁴)

THE COMMITTEE approved the Instrument of Surrender, after providing space for signature by the representatives of the four powers and amending it (a) to include the two provisions taken from the British draft⁷⁵ and (b) to be consistent with the issuance of a proclamation by the Emperor. (The approved Instrument of Surrender appears as Enclosure "A" of SWNCC 21/6.⁷⁶)

2. INSTRUMENT OF SURRENDER (SWNCC 21/5, ENCLOSURE "A"⁷⁷)

The Committee reviewed this document. Mr. GATES referred to a letter from Secretary Forrestal to the Secretary of State recommending that acceptance of the instrument be countersigned by the United

⁷² Harry L. Hopkins, Special Assistant to President Truman.

⁷³ Rear Adm. M. B. Gardner, Headquarters of the Commander in Chief, United States Fleet.

⁷⁴ August 12; see enclosure 1 to directive to General MacArthur, p. 648.

⁷⁵ *Ante*, p. 642.

⁷⁶ See enclosure 2 to directive to General MacArthur, p. 649.

⁷⁷ August 11, not printed.

States, Chinese, United Kingdom and Soviet representatives. ADMIRAL GARDNER stated, in support of this recommendation, that signature by representatives of all four powers would serve to impress upon the Japanese from the beginning the unity of the powers. MR. McCLOY and MR. DOOMAN felt that this is a political matter and that, if counter signatures were provided, this might form the basis for insistence by the other powers not only that they pass on the surrender documents but also that every subsequent decision of the Supreme Commander be concurred in by them in advance, thus prejudicing his freedom of action. This question was discussed at length throughout the meeting and was not resolved until after the meeting when provision of spaces for signature by representatives of the four powers, who will be present with the Supreme Commander at the time and place of surrender, was directed by the President.

MR. DUNN read a draft of surrender terms proposed by the British. It was agreed that this draft contained desirable provisions not contained in our draft with respect to (a) the preservation and saving from damage of ships, aircraft and other military and civil property and (b) the liberation, protection, care and maintenance of allied prisoners of war and civilian internees. Similar provisions were incorporated in the United States draft instrument of surrender.

The Committee further revised the instrument of surrender to make it consistent with the signing of a proclamation by the Emperor.

3. GENERAL ORDER No. 1 (SWNCC 21/5, ENCLOSURE "B"⁷⁸)

ADMIRAL GARDNER recommended that further study be given to the division of areas for the purposes of surrender to various allied commanders as provided in paragraph I. The Kuriles, Ryukyus, the Admiralties and Korea, among others, were specifically discussed in this connection.

MR. DUNN stated that the provisions of the General Order as drafted were acceptable to the State Department, subject to further study of the allocation of areas contained in paragraph I.

THE COMMITTEE agreed to defer consideration of General Order No. 1 until it has been reviewed and revised as deemed necessary by representatives of the Joint Chiefs of Staff. It was agreed that Mr. Dunn would obtain further data as to commitments made as to the Kuriles prior to further consideration of the matter by the Committee.

4. DIRECTIVE TO SUPREME COMMANDER OF THE ALLIED POWERS (SWNCC 21/5, ENCLOSURE "C"⁷⁹)

THE COMMITTEE approved the directive after revising it: (a) to cover the requirement that the Emperor sign a proclamation; (b) to

⁷⁸ August 11, p. 635.

⁷⁹ August 11, not printed.

conform more closely to the language contained in the communications addressed to our three allies on 11 August wherein it was proposed that the Supreme Commander accept, coordinate and carry out surrender terms; (c) to permit signing of the acceptance by the representatives of the four powers and to provide for the presence of Fleet Admiral Nimitz as U.S. representative; (d) to provide for the issuance of general orders; and (e) to clarify the directive in certain other respects. (The directive, as approved, appears as Enclosure "C", SWNCC 21/6.⁸⁰)

740.00119 P.W./8-1345: Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 13, 1945—9 a. m.

2520. The Swiss Legation in Washington early this morning inquired whether the Swiss Government should send in code or in clear any reply that may be received from the Japanese Government to our proposal of August 11 for Japan's unconditional surrender. Please immediately inform the Political Department that if the reply should be a simple unconditional acceptance of our proposal it may be sent in clear. If on the other hand the Japanese reply should involve conditions it should be sent in code. I desire you to request the Swiss Government to show you the message immediately upon its receipt and to let you determine on the basis of foregoing considerations whether the reply need be coded or not.

BYRNES

740.00119 PW/8-1345: Telegram

The Minister in New Zealand (Patton) to the Secretary of State

WELLINGTON, August 13, 1945—2 p. m.

[Received August 13—6:12 a. m.]

401. 1. Legation informed by officer of Deputy of External Affairs that viewpoint of Department on surrender terms imposed on Japan is that commitments should not be made which would perpetuate Emperor in power but that whole structure of feudalism of which throne is capstone should be eradicated.

2. This official declared that British interest in Pacific extended primarily to recovery of prewar colonies with no desire to assume heavy military commitments in postwar control of Japan. Consequently British approve retention of Emperor as easy solution.

3. Secretary of External Affairs, while expressing appreciation of

⁸⁰ For text as signed by President Truman, see p. 647.

his Department's views as stated in paragraph 1, said that he personally unconvinced that elimination of Emperor will provide proper solution.

4. Other contacts seem to confirm that general attitude in New Zealand is opposition to retention of Emperor.

PATTON

740.00119 PW/8-1345

The Swiss Legation to the Department of State

MEMORANDUM

With regard to the inquiry which Mr. Joseph Grew, Under Secretary of State, made by telephone with Mr. Max Graessli, Chargé d'Affaires ad interim of Switzerland, on the morning of August 13 in respect to a Domei News Agency dispatch according to which the American reply to the Japanese offer of surrender was received in Tokyo only on Monday morning, August 13, 1945, Japanese time, the Legation has received the following details from the Political Department in Berne:

It is stated in a cable from the Political Department that the Domei News Agency report is false in two respects; *first*, the American answer was not relayed to the Japanese Government through the intermediary of the Swiss Legation in Tokyo, but was sent by way of the Japanese Legation in Berne, and *second*, the time schedule given by Domei Agency is incorrect.

The cable from the Swiss Legation in Washington containing the American reply was received at the Political Department in Berne on August 11 at 21.00 Swiss time. It was communicated to the Japanese Minister at 21.30 Swiss time, and the Japanese Minister's cable to Tokyo was dispatched on the same day at 23.24 Swiss time. The station Osaka on the morning of August 12, at 08.00 Swiss time, requested a repetition of the cable and at 09.35 Swiss time confirmed that the cable had been duly received.

[WASHINGTON,] August 13, 1945.

740.00119 Control(Japan)/8-1445

*President Truman to General of the Army Douglas MacArthur*⁸¹

DIRECTIVE TO THE SUPREME COMMANDER FOR THE ALLIED POWERS

In accordance with the agreement among the Governments of the United States, Chinese Republic, United Kingdom, and Union of

⁸¹ Photostatic copy transmitted to the Department by the Acting Secretary of the State-War-Navy Coordinating Committee on August 14, 1945. Circulated as SWNCC 21/6, August 13, after President Truman's approval on August 12.

Soviet Socialist Republics to designate a Supreme Commander for the Allied Powers for the purpose of enforcing the surrender of Japan, you are hereby designated as the Supreme Commander for the Allied Powers.

You will require the issuance of a proclamation signed by the Emperor authorizing his representatives to sign the instrument of surrender. The proclamation to be signed should be substantially in the form appended hereto. You will take the necessary steps to require and receive from the duly authorized representatives of the Japanese Emperor, the Japanese Government, and the Japanese Imperial General Headquarters the signed instrument of surrender. The text of the instrument of surrender is appended hereto. You will accept the surrender for the four Governments concerned and in the interests of the other United Nations at war with Japan.

I have asked the heads of state of China, Great Britain and the Union of Soviet Socialist Republics each to designate a representative who may be present with you at the time and place of surrender. I have designated Fleet Admiral Chester W. Nimitz to be present as the United States representative for this purpose. As soon as I have received the other designations you will be advised. You will make the appropriate arrangements.

Having accepted the general surrender of Japanese armed forces, you will require the Japanese Imperial General Headquarters to issue general orders which will instruct Japanese commanders wherever situated as to the mechanics of surrender and other details effectuating the surrender. You will effect any necessary coordination of arrangements with the Japanese Imperial General Headquarters with regard to the surrenders to the Allied Commanders concerned of Japanese armed forces abroad.

From the moment of surrender, the authority of the Emperor and Japanese Government to rule the state will be subject to you and you will take such steps as you deem proper to effectuate the surrender terms.

You will exercise supreme command over all land, sea and air forces which may be allocated for enforcement in Japan of the surrender terms by the Allied Powers concerned.

Your appointment as Supreme Commander for the Allied Powers is effective upon receipt of this directive.

HARRY S. TRUMAN

[Enclosure 1]

PROCLAMATION BY THE EMPEROR OF JAPAN

Accepting the terms set forth in the Declaration issued by the heads of the Governments of the United States, Great Britain and China

on July 26, 1945, at Potsdam and subsequently adhered to by the Union of Soviet Socialist Republics, I have commanded the Japanese Imperial Government and the Japanese Imperial General Headquarters to sign on my behalf the instrument of surrender presented by the Supreme Commander for the Allied Powers and to issue General Orders to the Military and Naval forces in accordance with the direction of the Supreme Commander for the Allied Powers. I command all my people forthwith to cease hostilities, to lay down their arms and faithfully to carry out all the provisions of the instrument of surrender and the General Orders issued by the Japanese Imperial General Headquarters thereunder.

[Enclosure 2]

INSTRUMENT OF SURRENDER

We, acting by command of and in behalf of the Emperor of Japan, the Japanese Government and the Japanese Imperial General Headquarters, hereby accept the provisions set forth in the declaration issued by the heads of the Governments of the United States, China and Great Britain on 26 July 1945 at Potsdam, and subsequently adhered to by the Union of Soviet Socialist Republics, which four powers are hereafter referred to as the Allied Powers.

We hereby proclaim the unconditional surrender to the Allied Powers of the Japanese Imperial General Headquarters and of all Japanese armed forces and all armed forces under Japanese control wherever situated.

We hereby command all Japanese forces wherever situated and the Japanese people to cease hostilities forthwith, to preserve and save from damage all ships, aircraft, and military and civil property and to comply with all requirements which may be imposed by the Supreme Commander for the Allied Powers or by agencies of the Japanese Government at his direction.

We hereby command the Japanese Imperial General Headquarters to issue at once orders to the Commanders of all Japanese forces and all forces under Japanese control wherever situated to surrender unconditionally themselves and all forces under their control.

We hereby command all civil, military and naval officials to obey and enforce all proclamations, orders and directives deemed by the Supreme Commander for the Allied Powers to be proper to effectuate this surrender and issued by him or under his authority and we direct all such officials to remain at their posts and continue to perform their non-combatant duties unless specifically relieved by him or under his authority.

We hereby undertake for the Emperor, the Japanese Government and their successors to carry out the provisions of the Potsdam Declaration in good faith, and to issue whatever orders and take whatever action may be required by the Supreme Commander for the Allied Powers or by any other designated representative of the Allied Powers for the purpose of giving effect to that Declaration.

We hereby command the Japanese Imperial Government and the Japanese Imperial General Headquarters at once to liberate all allied prisoners of war and civilian internees now under Japanese control and to provide for their protection, care, maintenance and immediate transportation to places as directed.

The authority of the Emperor and the Japanese Government to rule the state shall be subject to the Supreme Commander for Allied Powers who will take such steps as he deems proper to effectuate these terms of surrender.

Signed at at on the day of, 1945.

*By Command and in behalf of the Emperor of
Japan and the Japanese Government.*

*By Command and in behalf of the Japanese
Imperial General Headquarters.*

Accepted at at on the day of, 1945, for the United States, Republic of China, United Kingdom and the Union of Soviet Socialist Republics, and in the interests of the other United Nations at war with Japan.

Supreme Commander for the Allied Powers.

United States Representative

Republic of China Representative

United Kingdom Representative

*Union of Soviet Socialist Republics
Representative*

740.00119 Control(Japan)/8-1345

*The Australian Legation to the Department of State*⁸²

⁸² Notation by Mr. Dunn on August 14: "This was sent to me by the Secretary. I have read it but I do not see anything to be done about it." Notation by the Chief of the Division of Japanese Affairs (Dickover): "Concur." (740.00119-P.W./8-1345) Notation on copy transmitted October 19 to Mr. Dickover: "Copy left with Secretary of State at 3 p. m. on 13 Aug. 45." (740.00119 Control-(Japan)/10-1945)

FUTURE OF JAPAN

VIEWS OF THE GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA

1. *Participation of Australia in discussions and decisions:*

In view of the part played by Australia in the war against the Axis Powers and in particular against Japan, and in view also of her geographical position in the Pacific, she should participate fully at all stages in Allied consultations and decisions on the future of Japan. Australia should take a direct part, preferably by way of personal, round-table consultation, in the formulation of Allied policies, the drafting of Armistice terms and signature of Armistice conditions, the definition of methods of control and the establishment and working of control machinery. The Australian Government finds it difficult to understand why it has not been recognised in the negotiations which have taken place so far with Japan, and as Australia is vitally affected by the terms of peace with Japan it feels bound to express its views and the following may be taken as its interpretation and amplification of the documents which have passed. The terms of these documents are somewhat general and the Australian Government hopes this interpretation will guide the application of the terms.

2. *The Emperor of Japan:*

As Head of the State and Commander-in-Chief of the Armed Forces, he should be held responsible for Japan's acts of aggression and war crimes. The future of the Imperial Throne should be decided by the Japanese people in due course and before such a decision is taken political movements aiming at the abolition of the institution of the Throne or acceptance of the Emperor as a constitutional head of the State should be given full freedom of organization and propaganda. The Emperor should be personally identified with the acceptance of surrender terms, thus helping to destroy any legend that the Emperor is outside or above responsibility for the conduct of the war and its ultimate disaster for Japan. It should be made clear that from the moment of the signing of the surrender terms all the powers and prerogatives of the Emperor lapse indefinitely and that all authority in relation to the Japanese Empire will be vested exclusively in the Allied Command and remain so vested until the final peace settlement. No exception should be permitted to the general rule that every person to whom war crimes can justly be imputed is liable to punishment. The evidence of Japanese war crimes and atrocities revealed in the report to the Australian Government made by Chief Justice Webb⁸⁸ and now before the War Crimes Commission dis-

⁸⁸ Sir William Flood Webb, Chief Justice of the Supreme Court of Queensland, Australia.

closes a deliberate system of terrorism and atrocity which must have been known to the Supreme Authorities in Japan. It would be a very difficult matter to justify discrimination in this respect as between Hitler and his associates on the one hand and the Supreme Authorities in Japan on the other. While, therefore, the Emperor should be retained at the moment in order that he can be expressly associated with the surrender terms, it should be made clear to Japan that this involves no commitment by the Allies as to the future, and that the person of the Emperor is to be regarded as at the disposal of the Allied Governments in the same way as each and every other person of the surrendering enemy state.

3. *Economic, social and political conditions in Japan:*

Elimination of Japanese militarism and its constant threat to Pacific security involves radical changes in Japan's social, political and economic pattern. Mere superficial changes in governmental machinery and external trade during a relatively short period of foreign control will not suffice. The roots of Japanese militarism are embedded in the totalitarian social, political and economic system built up over the past 70 years. The depressed conditions of the agricultural population and industrial workers, with consequent low consumption standards and limited domestic demand was largely responsible for the intense pressure for exports characteristic of Japanese industry. Agricultural poverty meant that large supplies of cheap industrial labour were available with considerable productive power but low standards of living. These conditions resulted in the drive to secure markets which was an important element in Japan's territorial ambitions. Agricultural poverty also meant large supplies of military manpower. This in turn contributed to an over-emphasis on heavy industries as a war potential. In order to correct this distortion of the Japanese economy, every effort should be made to improve the economic and social position of the agricultural population and to foster trade union and other movements aiming at raising standards of living.

It is realised that such a policy implies radical and direct intervention by the Allied countries in domestic Japanese affairs. Such intervention would be ineffective unless undertaken with determination and sustained until a democratic and popular regime is fully established. This involves a considerable period of occupation and there is a danger that the occupying Powers may weary of the task. This danger, however, should be weighed against the very real danger of a revival of Japanese chauvinism and aggression if the main features of Japan's social, political and economic life are left substantially unchanged. If the Allied Nations demonstrate their will and deter-

mination to take all steps necessary to prevent future Japanese aggression, it may well be found that a firm policy vigorously applied in the early stages may produce promising conditions in a relatively short period. Moreover, the Japanese should be made to realise that controls would be modified and withdrawn as soon as there is reasonable prospect of successful conduct of affairs in accordance with the above-mentioned principles by the Japanese themselves. Such encouragement of Japanese activities is important, because the success of Allied controls will in large measure depend on the extent to which Japanese participation is secured.

Subject to the general policy outlined above, immediate control of Japanese industry should be along the following lines:

- (a) Economic disarmament, covering all industry;
- (b) Allied control of industry (including shipbuilding) with emphasis on restoration of light industries;
- (c) Allied control of Japanese import and export trade, with a view to fostering growth of essential consumer goods industries and giving effect to Allied reparations policy, having in mind also Japan's losses of overseas territory and the need to fit Japanese export trade into the postwar network of International economic relations;
- (d) Reparations to be paid in kind as the Allies may determine.

Although on the one hand Japan should not be allowed unrestricted economic expansion while the Allies carry the heavy burden of security, this policy should not be allowed to prejudice the promotion of reforms by permitting the existence of mass unemployment and economic instability. It is necessary however to break the power of the Zaibatsu in their monopoly control of industry.

4. *Political conditions:*

Popular influence on government in Japan should be encouraged. The task is to replace the Militarists, Zaibatsu and Bureaucracy by a system of Government responsible to popular needs. Although in the long run this is a task for the Japanese people themselves, it will be difficult for genuinely democratic forces in Japan to assert themselves. They should therefore receive every help and encouragement from the Allied Powers.

In the initial stages the Supreme Allied Commander should assume complete authority, the powers of the Diet and all Japanese policy-making bodies being suspended. Gradually, however, restrictions on the exercise of civil functions by Japanese should be relaxed until, finally, they can be removed. Existing political parties should be dissolved, but new parties with aims compatible with the purposes of the United Nations should be countenanced. Local Government activity should be encouraged. Civil liberties would require legislative definition and protection by the Military Government. Obnox-

ious features of the judicial and police system should be abolished. Freedom of worship raises the difficult question of State Shinto with its Emperor-worship and its militaristic associations. In this connection reference is made to paragraph 2 above, in which consideration is given to the treatment of the Emperor.

5. *Other matters:*

(a) Japanese who have been prominent in any militaristic or Fascistic movements or activities should under no circumstances be used in any capacity by the Allied Military Government.

(b) Surrender terms should be signed by the Emperor, the Military and Naval Chiefs, and the principal Cabinet Ministers.

(c) The Japanese Navy should be completely destroyed or transferred to Allied hands; the Japanese Air Force and Military installations and material should also be destroyed or, where appropriate transferred; the Merchant Navy should be surrendered to the Allied Nations, a proper share being assigned to Australia.

(d) Service personnel should be demobilised, conscription abolished, the Kempeitai (*Gendarmerie*), Tokkoka (Secret Police) Patriotic and Secret Societies and Ex-Servicemen's Associations dissolved and manufacture and carrying of weapons prohibited.

(e) There should be provisions safeguarding Allied prisoners of war, and also provisions concerning Japanese prisoners of war.

(f) There should be provisions regarding war criminals (including the Emperor).

(g) It should be clearly understood that the Armistice is conditional on the surrender of all Japanese troops on the mainland and in the outlying parts and islands, and that the authority of the Emperor and of the Japanese Command is used to remove them and return them to Japan.

740.00119 P.W./8-1345: Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, August 13, 1945—7 p. m.

[Received August 13—5:43 p. m.]

2764. Legation's 2384, July 6, 6 p. m.⁸⁵ Prince Carl Bernadotte⁸⁶ who was vacationing in Southern Sweden was called Saturday Aug 11 at request of Major General Onodera, Jap Military Attaché, to come to Stockholm immediately in order to meet Onodera. Prince Carl arrived Sunday night Aug 12 and immediately contacted Onodera. Following conversation he attempted to contact officer of Legation but

⁸⁵ *Ante*, p. 487.

⁸⁶ Nephew of King Gustav V.

was followed for 3 hours and consequently contact with him was not made until today.

Onodera advised Prince Carl that he was still involved in peace negotiations since he represented Supreme Military Command directly under Emperor and he inferred, according to Prince Carl, conflict between Jap military and Foreign Office on this question. Onodera stated that no reply had yet been received and that he would receive reply simultaneously with Jap Minister to Sweden. Onodera stated that Japs could not accept any terms whereby position of Emperor would be jeopardized and that accordingly first condition of Allies with respect to Emperor being subject to Supreme Commander of Allied Powers would be objectionable. Prince Carl could not obtain information whether this statement was Onodera's opinion or was based directly on information received from Japan since time transmission of message on behalf four Allied Govts. Onodera stated reply would come here today or August 14. He said he would immediately advise Prince Carl of reply for purposes of Prince Carl advising his father and presumably through him Swedish King.

Press report today to effect that Prince Carl and his father have been involved in negotiations is being denied by Prince Carl to head of Foreign Office Press Section in statement wherein Prince Carl advises that from reports in press, negotiations have been handled through diplomatic channels and obviously could therefore not concern him and further that Prince Carl was in Southern Sweden at time of Jap approach to Swiss and Swedish Govts.

JOHNSON

740.00119 Control(Japan)/8-1345

The Acting Secretary of War (McCloy) to the Secretary of State

WASHINGTON, August 13, 1945.

DEAR MR. SECRETARY: The rapid progress of military operations against Japan makes essential the immediate assignment of a political advisor to the Commander-in-Chief, Army Forces, Pacific Area Command. As in the European Theater of Operations, he will advise concerning the formulation of detailed plans for the Military Government of Japan, with particular reference to political policies. After the surrender of Japan he should also be available, if requested, to advise the U.S. Commander-in-Chief who will be charged with the duty of enforcing the surrender terms, regarding political matters.

I am sure you will agree it is vitally important that a man of unusual vision, integrity, diplomatic experience, knowledge of the peculiarly complex political problems in the Far East, and of State

Department policies, be nominated for this position. An appreciation of basic military strategy and requirements will assist him greatly in obtaining and maintaining the essential cordial confidence of the Commanding General to whom he will be directly responsible. I believe he should also be known to the public as a person in whose judgment great trust can be placed.

I know you are desirous, as I am, to assure the utmost degree of coordination between State and War Department policies in the war against Japan. Since the political advisor to the Commander-in-Chief, Army Forces, Pacific Area Command, will be a key individual in this relationship, I anticipate your nominations with great interest.

Sincerely yours,

JOHN J. McCLOY

740.00119 P.W./8-1445 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 14, 1945—11 a. m.

[Received August 14—7:34 a. m.]

3883. Your 2520. Minister Stucki telephones me Swiss radio station Geneva has just received code message for Japanese Legation here. Message is now on its way to Japanese Legation. Stucki therefore does not expect receipt before this afternoon. He will advise me immediately.

HARRISON

740.00119 P.W./8-1445 : Telegram

The Chargé in Australia (Minter) to the Secretary of State

CANBERRA, August 14, 1945—1 p. m.

[Received August 14—12:57 a. m.]

123. Evatt⁸⁷ sent for me and expressed very strongly his feeling that Australia should participate in the simultaneous official surrender announcement. He views it as "unthinkable that Australia, which barring the United States has contributed proportionately more with bases, works, supplies and fighting men to bring about the present happy development than any of the Big Four" should be deprived of that honor.

I recommend that if the time lag allows they be notified of the hour of official release and the language thereof.

He has made the same representations to London.

MINTER

⁸⁷ Herbert V. Evatt, Australian Minister for External Affairs.

SWNCC 21 Series

*Memorandum by the Joint Chiefs of Staff*⁸⁸

SM-2866

WASHINGTON, 14 August, 1945.

MEMORANDUM FOR THE STATE-WAR-NAVY COORDINATING COMMITTEE:

Subject: Instruments for the surrender of Japan.

The Joint Chiefs of Staff have reviewed the proposed General Order No. 1 (contained in Enclosure "B" of SWNCC 21/5⁸⁹) and their suggested changes are indicated in Enclosure "A".⁹⁰ The reasons for such changes as are not immediately apparent are as follows:

a. The provision for surrender of certain Japanese forces to the Commander in Chief of the Australian Imperial Forces has been deleted and the forces in that area included under Admiral Mountbatten's responsibility in view of the fact that the British Chiefs of Staff have just stated their willingness to assume responsibility for parts of the Southwest Pacific area south of the Philippines immediately upon Japanese surrender.

b. The paragraph pertaining to surrender in Korea has been deleted and U.S. responsibilities for Korea have been assigned to the Commander in Chief, U.S. Army Forces, Pacific, since the occupation responsibilities for Korea have already been assigned to the Commander in Chief, U.S. Army Forces, Pacific, by the Joint Chiefs of Staff. Recognizing that provisions needed to be made for acceptance of local surrenders by U.S. commanders who might not be under the commander in chief assigned the responsibility for the area for which the local surrender is offered, the Joint Chiefs of Staff have already issued instructions to provide for this contingency.

Preliminary arrangements have been directed for the entry of U.S. forces into Keijo⁹¹ and Dairen in case they arrive before the Russians occupy these points. This and the matter of U.S. forces seizing key points along the north China Coast present operational problems concerning the surrender which will in all probability have to be handled on an operational basis with detailed directions on the spot from the Supreme Commander to the Japanese Imperial General Headquarters. There is also the problem of avoiding any misunderstanding with the Russians both on areas around the Yellow Sea and on the Kuriles. It is believed that a way to handle this problem would be for the President to inform the Allied Powers concerned of our intentions.

For your information there is enclosed (Enclosure "B") a message which the Joint Chiefs of Staff will present to the President at an appropriate time.

⁸⁸ Circulated as SWNCC 21/7, August 14; General Order No. 1, as amended, was thereupon approved by President Truman and circulated as SWNCC 21/8, August 17.

⁸⁹ August 11, p. 635.

⁹⁰ Printed as annex 1 to this memorandum.

⁹¹ Seoul.

On the matter of the Kuriles, the United States and Russian Chiefs of Staff have agreed to a boundary line between areas of operations which passes through Onnekotan Strait. On the basis of the situation as it appears at present, the Joint Chiefs of Staff propose to instruct Admiral Nimitz to plan on receiving the surrender of the Kurile Islands south of this line. They propose at an appropriate time to inform the Russians of this procedure and that unless the Russians request assistance, the Joint Chiefs of Staff expect the Soviets to receive the surrender and disarm the Japanese in the islands of Paramushiro and Shumushu.

The parallel 38° north has been selected in Korea since this gives to U.S. forces the port and communications area of Keijo and a sufficient portion of Korea so that parts of it might be apportioned to the Chinese and the British in case some sort of quadripartite administration eventuates. The Joint Chiefs of Staff do not know of any detailed arrangements for the administration and government of Korea after the Japanese surrender and urge that the appropriate governmental authorities take steps at once in order that guidance may be made available to the U.S. commander charged with the occupation responsibilities in Korea.

There are many unknown factors concerning the Japanese capitulation which cannot be accurately estimated at this time. The situation is liable to be changing daily during the period when General MacArthur is completing the arrangements with the Emperor and the Imperial General Headquarters. It is therefore believed that General Order No. 1 should be sent to the Supreme Commander with a provision that it is subject to change as a result of further instructions through the Joint Chiefs of Staff and also that the Supreme Commander is empowered to make changes in matters of detail which are indicated by the operational situation as known to him.

For the Joint Chiefs of Staff:
A. J. McFARLAND
Brigadier General, U.S.A.
Secretary

[Annex 1]

ENCLOSURE "A"

GENERAL ORDER No. 1

MILITARY AND NAVAL

1. The Imperial General Headquarters by direction of the Emperor, and pursuant to the surrender to the Supreme Commander for the Allied Powers of all Japanese armed forces by the Emperor, hereby

orders all of its commanders in Japan and abroad to cause the Japanese armed forces and Japanese-controlled forces under their command to cease hostilities at once, to lay down their arms, to remain in their present locations and to surrender unconditionally to commanders acting on behalf of the United States, the Republic of China, the United Kingdom and the British Empire, and the Union of Soviet Socialist Republics, as indicated hereafter or as may be further directed by the Supreme Commander for the Allied Powers. Immediate contact will be made with the indicated commanders, or their designated representatives, subject to any changes in detail prescribed by the Supreme Commander for the Allied Powers, and their instructions will be completely and immediately carried out.

a. The senior Japanese commanders and all ground, sea, air and auxiliary forces within China (excluding Manchuria), Formosa and French Indo-China north of 16° north latitude shall surrender to Generalissimo Chiang Kai-shek.

b. The senior Japanese commanders and all ground, sea, air and auxiliary forces within Manchuria, Korea north of 38° north latitude and Karafuto shall surrender to the Commander in Chief of Soviet Forces in the Far East.

c. The senior Japanese commanders and all ground, sea, air and auxiliary forces within the Andamans, Nicobars, Burma, Thailand, French Indo-China south of 16° north latitude, Malaya, Borneo, Netherlands Indies, New Guinea, Bismarcks, and the Solomons, shall surrender to the Supreme Allied Commander, Southeast Asia Command.

d. The senior Japanese commanders and all ground, sea, air and auxiliary forces in the Japanese Mandated Islands, Ryukyus, Bonins, and other Pacific Islands shall surrender to the Commander in Chief, U.S. Pacific Fleet.

e. The Imperial General Headquarters, its senior commanders, and all ground, sea, air and auxiliary forces in the main islands of Japan, minor islands adjacent thereto, Korea south of 38° north latitude, and the Philippines shall surrender to the Commander in Chief, U.S. Army Forces in the Pacific.

The Japanese Imperial General Headquarters further orders its commanders in Japan and abroad to disarm completely all forces of Japan or under Japanese control, wherever they may be situated, and to deliver intact and in safe and good condition all weapons and equipment at such time and at such places as may be prescribed by the Allied Commanders indicated above. (Pending further instructions, the Japanese police force in the main islands of Japan will be exempt from this disarmament provision. The police force will remain at their posts and shall be held responsible for the preservation of law and order. The strength and arms of such a police force will be prescribed.)

(The remainder of the General Order No. 1 requires no change and should stand as written in SWNCC 21/5.)

[Annex 2]

ENCLOSURE "B"

DRAFT MESSAGE FROM THE PRESIDENT TO PRIME MINISTER, GENERALISSIMO STALIN AND GENERALISSIMO CHIANG KAI-SHEK

While giving first priority to securing the Japanese homeland, the United States proposes to use its naval and air power to expedite the surrender of Japanese forces in the coastal areas of the Asiatic mainland in order to discourage continuation of local hostilities and to prevent malicious destruction and sabotage of harbor facilities. I have directed U.S. naval forces immediately to take control of the Yellow Sea and waters adjacent to Japan in the event of Japanese capitulation and have also directed U.S. forces to secure key ports now held by the Japanese on the Asiatic mainland. I am sending this message for the purpose of making clear that these operations are in order to exploit U.S. military capabilities to expedite the surrender, are for military purposes only, and will not prejudice the final peace settlement.

 SWNCC 21 Series

Memorandum by the State-War-Navy Coordinating Committee

WASHINGTON, 14 August, 1945.

MEMORANDUM FOR THE SECRETARY, JOINT CHIEFS OF STAFF:

Subject: Instruments for the surrender of Japan.

1. Reference is made to your memorandum on the above subject dated 14 August 1945. (SM-2866)

2. The Army member of the SWNCC proposes to amend the General Order attached thereto, as proposed by the Joint Chiefs of Staff, by inserting the following sentence after paragraph 1 e.:

"The above indicated commanders are the only representatives of the Allied Powers empowered to accept surrender, and all surrenders of Japanese Forces shall be made only to them or to their designated representatives.["]

3. It is requested that this matter be brought to the attention of the Joint Chiefs of Staff as a matter of urgency and that their comments, when obtained, be forwarded to the State-War-Navy Coordinating Committee.

For the State-War-Navy Coordinating Committee:

ALVIN F. RICHARDSON
Acting Secretary, SWNCC

740.00119 PW/8-1445

The Australian Minister (Eggleston) to the Secretary of State

WASHINGTON, 14 August, 1945.

DEAR MR. SECRETARY: Further to our conversation yesterday during which I left with you a memorandum setting out the views of the Australian Government on the subject of the future treatment of Japan, I enclose herewith certain specific comments, which I have just received from my Government, on the terms of a communication from London to Australia, setting out what is described as the "draft act of surrender". Presumably the "draft act of surrender" is identical with the reply sent by President Truman on 11th August 1945 to the Japanese surrender offer.^{91a}

I have also been instructed by my Government to request that in the event of an armistice being declared arrangements should be made to synchronize the announcement in Australia and the capitals of other countries concerned. I have been requested to advise Australia urgently whether the United States Government agrees to this proposal.

Yours sincerely,

F. W. EGGLESTON

[Enclosure]

The Australian Minister (Eggleston) to the Secretary of State

[WASHINGTON,] 14 August, 1945.

COMMENTS OF AUSTRALIAN GOVERNMENT ON DRAFT ACT OF SURRENDER
COMMUNICATED TO AUSTRALIA FROM LONDON

Paragraph 3. The Australian Government feels that this responsibility should be exacted under pain of punishment. It is essential that specific provision should be made for the medical care and feeding of prisoners and that first priority in the use of enemy transport should be given to the movement of prisoners. Full lists of all Allied prisoners and civilians taken into custody since December 1941 should be required, and these lists should indicate the place of their detention. All documents relating to the treatment of prisoners or their decease should be surrendered.

Paragraph 4. Having in mind points 1 and 2 of the Allied reply to the Japanese note of 10th of August, the Australian Government feels that the overriding authority of the Allied Supreme Commander should be made explicit and that the Emperor should be named along with the Government and General Headquarters. Similarly with paragraph 5. It should be made clear that subsequently there will be

^{91a} See note from the Secretary of State to the Swiss Chargé, August 11, p. 631.

a more comprehensive instrument implementing in detail the Allied policy towards Japan, including the terms of the Potsdam Declaration. The Australian Government would, therefore, propose the addition to paragraph 5 of a sentence along the following lines—"This act of military surrender is without prejudice to and will be superseded by any subsequent general instrument of surrender imposed by or on behalf of the United Nations at war with Japan and applicable to the Japanese Empire and armed forces as a whole."

In addition, there should be a specific requirement for the handing over of war criminals without dispute. Ships, aircraft, industrial equipment, commodity stocks, etc., should be put specifically at the disposal of the Allied Powers. The complete safety and well-being of prisoners of war and internees in Japanese hands should be ensured. In this connection it is also essential to make specific provision for the full responsibility not only of the Japanese Government and Imperial Headquarters but of individual Japanese Commanders.

740.00119 PW/8-1445

The Swiss Chargé (Grässli) to the Secretary of State

WASHINGTON, August 14, 1945.

SIR: I have the honor to refer to your note of August 11, in which you requested me to transmit to my Government the reply of the Governments of the United States, the United Kingdom, the Union of Soviet Socialist Republics, and China to the message from the Japanese Government which was communicated in my note of August 10.

At 20.10 today (Swiss Time) the Japanese Minister to Switzerland conveyed the following written statement to the Swiss Government for transmission to the four Allied governments:⁹²

"Communication of the Japanese Government of August 14, 1945, addressed to the Governments of the United States, Great Britain, the Soviet Union, and China:

"With reference to the Japanese Government's note of August 10 regarding their acceptance of the provisions of the Potsdam declaration and the reply of the Governments of the United States, Great Britain, the Soviet Union, and China sent by American Secretary of State Byrnes under the date of August 11, the Japanese Government have the honor to communicate to the Governments of the four powers as follows:

"1. His Majesty the Emperor has issued an Imperial rescript regarding Japan's acceptance of the provisions of the Potsdam declaration.⁹³

⁹² Text was reported also by the Minister in Switzerland in his telegram 3891, August 14 (740.00119 P.W./8-1445).

⁹³ For text of rescript broadcast at noon, August 15 (Japan time), see the *New York Times*, August 15, 1945.

"2. His Majesty the Emperor is prepared to authorize and ensure the signature by his Government and the Imperial General Headquarters of the necessary terms for carrying out the provisions of the Potsdam declaration. His Majesty is also prepared to issue his commands to all the military, naval, and air authorities of Japan and all the forces under their control wherever located to cease active operations, to surrender arms and to issue such other orders as may be required by the Supreme Commander of the Allied Forces for the execution of the above-mentioned terms."

Accept [etc.]

GRÄSSLI

740.00119 PW/8-1445

The Secretary of State to the Swiss Chargé (Grässli)

WASHINGTON, August 14, 1945.

SIR: With reference to your communication of today's date, transmitting the reply of the Japanese Government to the communication which I sent through you to the Japanese Government on August 11, on behalf of the Governments of the United States, China, the United Kingdom, and the Union of Soviet Socialist Republics, which I regard as full acceptance of the Potsdam Declaration and of my statement of August 11, 1945, I have the honor to inform you that the President of the United States has directed that the following message be sent to you for transmission to the Japanese Government:

"You are to proceed as follows:

"(1) Direct prompt cessation of hostilities by Japanese forces, informing the Supreme Commander for the Allied Powers of the effective date and hour of such cessation.

"(2) Send emissaries at once to the Supreme Commander for the Allied Powers with information of the disposition of the Japanese forces and commanders, and fully empowered to make any arrangements directed by the Supreme Commander for the Allied Powers to enable him and his accompanying forces to arrive at the place designated by him to receive the formal surrender.

"(3) For the purpose of receiving such surrender and carrying it into effect, General of the Army Douglas MacArthur has been designated as the Supreme Commander for the Allied Powers, and he will notify the Japanese Government of the time, place and other details of the formal surrender."

Accept [etc.]

[JAMES F. BYRNES]

701.9400/8-1445: Circular telegram

The Secretary of State to All Diplomatic Missions

WASHINGTON, August 14, 1945—8 p. m.

Immediately upon announcement of Japanese surrender you should, on behalf of United States, Great Britain, Soviet Union and China,

request of FonOff and protecting power in belligerent countries custody of Japanese archives and property before they can be destroyed. You should request your British, Russian and Chinese colleagues where present to associate themselves with this request.

Department is communicating with British, Russian and Chinese Governments⁹⁴ requesting them to issue appropriate instructions to their diplomatic representatives.

Upon surrender the Japanese Government will be instructed to order its missions in neutral countries to relinquish diplomatic and consular property and archives to custody of Allied powers. Japanese Government will be instructed also to authorize governments protecting its interests to relinquish property and archives in belligerent countries.

BYRNES

701.9454/8-1445 : Telegram

*The Secretary of State to the Minister in Switzerland (Harrison)*⁹⁵

WASHINGTON, August 14, 1945—8 p. m.

2535. See Dept's cirtel concerning Japanese archives.⁹⁶ Request Swiss to communicate following to the Japanese Govt:

"The Japanese Govt will immediately instruct its diplomatic and consular offices in neutral countries to surrender custody of all property and archives to representatives of Allied powers.

The Japanese Govt will likewise authorize the appropriate government protecting its interests to relinquish diplomatic and consular property and archives to the custody of Allied powers in belligerent countries."

BYRNES

740.00119 PW/8-1445 : Telegram

The Secretary of State to the Chargé in Australia (Minter)

WASHINGTON, August 15, 1945—2 p. m.

81. You should inform the Dominion Government that under the plan of surrender which has been arranged, the Japanese troops in Burma, Thailand, Malaya, Borneo, Netherlands Indies, New Guinea, the Bismarcks, and Solomons are to surrender to the Supreme Commander, Southeast Asia Command, or to the Australian Command, and suggest that it may wish to consult with Lord Mountbatten with a view to arrangements as to the specific areas where the Australian Command will accept the surrender.

BYRNES

⁹⁴ Telegrams 6910, 1835, and 1258, August 14, 8 p. m., respectively, none printed.

⁹⁵ Repeated to Chungking, Moscow, and London as telegrams 1259, 1836, and 6912, respectively.

⁹⁶ *Supra*.

740.00119 P.W./8-1545 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*⁹⁷

WASHINGTON, August 15, 1945—4 p. m.

6926. The President has issued to General MacArthur the directive hereafter quoted with its two annexes. Please convey the text of this directive and annexes to the Government to which you are accredited for its information as top secret documents.

[Here follow texts of three documents of August 13, printed on pages 647, 648, and 649.]

BYRNES

740.00119 P.W./8-1545 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, 15 August, 1945.

M25313. Molotov requested me to call this evening. He read to me the following statement:

"In the declaration of the Japanese Government to the Governments of the United States of America, the Soviet Union, Great Britain and China dated August 14, it is stated that in connection with the issuance of a rescript by the Japanese Emperor concerning the acceptance by Japan of the conditions of the Potsdam Declaration Japan was prepared to issue orders to all military, naval and air authorities of Japan and to all the armed forces under their jurisdiction, wherever they might be, to cease military operations and to surrender their arms.

The rescript of the Japanese Emperor published at noon August 15⁹⁸ contains no order, as mentioned in the Declaration of the Japanese Government of August 15.⁹⁹ This rescript is only a declaration of a general character.

The Soviet Government considers it necessary to take urgent measures for the immediate issuance of a rescript by the Japanese Emperor which will contain an order to all the Japanese armed forces, wherever they might be, to cease hostilities, to capitulate to the Allied forces, including the Soviet forces, and to surrender their arms.

The Soviet Government awaits the receipt from the Government of the United States of America of information as to when the above-mentioned order concerning the capitulation of the Japanese forces will be issued and as to the date on which the act of capitulation of Japan will be signed."

I informed Molotov that we had received a summary of the reply which we had made through the Swiss Government to the Japanese acceptance of the surrender terms and advised him of the contents of

⁹⁷ Identical telegrams were sent to Chungking and Moscow as Nos. 1262 and 1838, respectively.

⁹⁸ Japan time; this was the evening of August 14, Washington time.

⁹⁹ See reply quoted by the Swiss Chargé in his note of August 14, p. 662.

Army cable Number 1409 plain text message Marshall to MacArthur, August 14.¹ I stated that as in the case of the Japanese acceptance some time might elapse before this reply was received by the Japanese. I also explained that General Deane² had requested General Antonov³ in writing to assist in relaying the message from General MacArthur to Tokyo contained in Army cable Number (MacArthur's number 0500) August 15¹ and gave him the gist of this message.

Molotov asked me whether there had been any actual surrenders up to the present time, to which I replied that I had thus far received no information.

I hope I may be urgently informed this day (via Army channels) of all developments in order to pass them on to Molotov.

[HARRIMAN]

740.00119 P.W./8-1545 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, August 15, 1945—7 p. m.

1840. Your No. M25313 via War Department, August 15, 1945. Documents sent in my telegram of today's date,⁴ namely, Directive to General MacArthur with its annexes (1) Proclamation by the Emperor of Japan and (2) Instrument of Surrender, fully cover, I believe, the points raised by Mr. Molotov in his statement to you.

No surrenders have occurred to our knowledge nor have we any report that emissaries have as yet arrived. These matters are being dealt with from now on by General MacArthur.

BYRNES

740.00119 PW/8-1645 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 16, 1945—noon.

[Received 1:13 p. m.]

3905. In furnishing me with a copy of your note August 14 to Swiss Chargé, Mr. Stucki informed me that he had handed as requested the text of the message in quotations to Japanese Minister at 3:30 a. m. Swiss time August 15. At same time he gave Japanese Minister informally text of first part of your note calling particular attention to reference therein to your statement of August 11.

¹ Not found in Department files.

² Maj. Gen. John R. Deane, head of American military mission in the Soviet Union.

³ Army Gen. Alexey Innokentyevich Antonov, Chief of Soviet Army General Staff.

⁴ See footnote 97, p. 665.

Mr. Stucki also told me that receipt of Japanese Minister's telegram transmitting your message had been confirmed by Japan at 6:40 a. m. Swiss time August 15.

In view of personal interest taken by Mr. Stucki to insure speediest communication and delivery both in Washington and to the Japanese Minister here, would you care to send him a word of appreciation?

HARRISON

740.00119 PW/8-1645 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 16, 1945—6 p. m.

2539. Please convey to Mr. Stucki, of the Swiss Foreign Office, the appreciation of this Government for the efficient manner in which the Swiss Government has acted in transmitting the correspondence between the Japanese Government and the Government of the United States in connection with the Japanese surrender. I would like you to add also that we wish to have the Swiss Legation in Washington included in the expression of the appreciation for the Swiss Government's prompt and helpful good offices in the transmission of these messages with respect to the surrender.⁵

BYRNES

740.00119 PW/8-1645

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman

[Translation]^{5a}

[Moscow,] 16 August, 1945.

I have received your message⁶ with the "General Order No. 1". Principally I have no objection against the contents of the order keep-

⁵ On August 23 the Secretary of State wrote the Swiss Chargé personally to thank him and his staff for their efficiency and devotion to duty (740.00119 EW/8-1645). On the same day an official Swiss communiqué stated that the American Minister in Bern had been directed to transmit an expression of appreciation for the speedy and efficient manner in which the Swiss Government and its Legation in Washington had transmitted messages on the occasion of the capitulation of Japan (740.00119 PW/9-545).

^{5a} This translation appears to have been received from the Embassy of the Soviet Union in Washington. A smoother translation has subsequently been published in Ministry of Foreign Affairs of the U.S.S.R., *Stalin's Correspondence*, vol. II, Doc. No. 363, p. 266.

⁶ In White House telegram 332, August 15, to Moscow, President Truman transmitted to Generalissimo Stalin the text of General Order No. 1, sent to General MacArthur, and added: "This order is approved by me with the understanding that it is subject to change, both by further instructions issued through the Joint Chiefs of Staff and by changes in matters of detail made by the Supreme Commander for the Allied Powers in light of the operational situation as known by him. The action on portions of the Order in parentheses is a matter for the Supreme Commander for the Allied Powers." (Department of Defense files) The same message was sent also to Prime Minister Attlee and to Generalissimo Chiang Kai-shek.

ing in view that the Liaotung Peninsula is a composite part of Manchuria. However, I suggest to introduce the following corrections into the "General Order No. 1":

1. To include in the region of surrender of Japanese armed forces to Soviet troops all the Kuril Islands which, in accordance with the decisions of the three powers in the Crimea,⁷ have to come into possession of the Soviet Union.

2. To include in the region of surrender of the Japanese armed forces to Soviet troops the Northern part of the Island Hokkaido which adjoins in the North to the La Pérouse Strait which is between Karafuto and Hokkaido. The demarkation line between the Northern and Southern half of the Hokkaido Island should be on the line leading from the city Kushiro on the Eastern coast of the Island to the city Rumoe on the Western coast of the Island including the named cities into the Northern half of the Island.

This latter proposal has a special meaning for the Russian public opinion. As it is known, the Japanese in 1919-1921 held under occupation of their troops the whole Soviet Far East. The Russian public opinion would be seriously offended if the Russian troops would not have an occupation region in some part of the Japanese proper territory.

I greatly wish that my modest suggestions as stated above would not meet any objections.

740.00119 PW/8-1645

The Swiss Chargé (Grässli) to the Secretary of State

WASHINGTON, August 16, 1945.

SIR: I have the honor to inform you that the Japanese Minister in Berne at 18.15 Swiss Time today requested my Government to transmit to you the following communication destined for the United States Government and the Governments of the three other Allied powers:

"The Japanese Government would like to be permitted to state to the Governments of America, Great Britain, China, and the Soviet Union what they most earnestly desire with reference to the execution of certain provisions of the Potsdam Proclamation. This may be done possibly at the time of the signature, but fearing that they may not be able to find an appropriate opportunity they take the liberty of addressing to the Governments of the Four Powers through the good offices of the Government of Switzerland.

"Primo—In view of the fact that the purpose of occupation as mentioned in the Potsdam Proclamation is solely to secure the achievement of the basic objectives set forth in the said Proclamation, the Japanese

⁷ See point 3 of agreement signed February 11, 1945, *Foreign Relations, The Conferences at Malta and Yalta, 1945*, p. 984.

Government sincerely desire that the Four Powers, relying upon the good faith of the Japanese Government, will facilitate discharge by the Japanese Government of their obligations so as to forestall any unnecessary complications. It is earnestly solicited that:

In case of the entry of Allied fleets or troops in Japan proper the Japanese Government be notified in advance so that arrangements can be made for reception.

The number of the points in Japanese territory to be designated by the Allies for occupation be limited to minimum number, selection of the points be made in such a manner as to leave such a city as Tokyo unoccupied, and the forces to be stationed at each point be made as small as possible.

“Secundo—Disarming of the Japanese forces being a most delicate task as it involves over three millions of officers and men overseas and having direct bearing on their honour, the Japanese Government will, of course, take utmost pains. But it is suggested that the best and the most effective method would be that under the command of His Majesty the Emperor, the Japanese forces are allowed to disarm themselves and surrender arms of their own accord. Disarming of the Japanese forces on the continent be carried out beginning on the front line and in successive stages.

In connection with the disarming it is hoped that Article 35 of the Hague Convention⁸ will be applied and the honour of the soldier will be respected, permitting them, for instance, to wear swords. Further, the Japanese Government be given to understand the Allies have no intention to employ disarmed Japanese soldiers for compulsory labour. It is sincerely hoped that shipment and transportation facilities necessary for the evacuation of the soldiers to their homeland will be speedily provided.

“Tertio—Since some forces are located in remote places difficult to communicate the imperial order, it is desired that a reasonable time be allowed before the cessation of hostilities.

“Quarto—The Allies will be good enough quickly to take necessary steps or extend us facilities for the shipment of indispensable food stuffs and medical supplies to Japanese forces in distant islands and for the transport of wounded soldiers from those islands.”

To this note the Japanese Minister added verbally that his Government expresses the most urgent hope that their wishes be respected, as this would be also in the interest of the Allies. He emphasized most particularly that this message and its contents should be treated under all circumstances as strictly confidential and that in no way should it be allowed to be published, because the effect on the Japanese people would otherwise be catastrophic.

Accept [etc.]

GRÄSSLI

⁸ Convention respecting the laws and customs of war on land, signed October 18, 1907, *Foreign Relations*, 1907, pt. 2, pp. 1204, 1213.

740.00119 PW/8-1745

*President Truman to the Chairman of the Council of People's
Commissars of the Soviet Union (Stalin)*

[WASHINGTON,] 17 August, 1945.

Replying to your message of August 16, I agree to your request to modify General Order No. 1 to include all the Kurile Islands to the area to be surrendered to the Commander in Chief of the Soviet Forces in the Far East. However I should like it to be understood that the United States Government desires air base rights for land and sea aircraft on some one of the Kurile Islands, preferably in the central group, for military purposes and for commercial use. I should be glad if you would advise me that you will agree to such an arrangement; the location and other details to be worked out through the appointment of special representatives of our two governments for this purpose.

Regarding your suggestion as to the surrender of Japanese forces on the Island Hokkaido to Soviet forces, it is my intention and arrangements have been made for the surrender of Japanese forces on all the islands of Japan proper, Hokkaido, Honshu, Shekoku, and Kyushu, to General MacArthur.

General MacArthur will employ Allied token forces, which, of course, includes Soviet forces, in so much of a temporary occupation of Japan proper as he considers it necessary to occupy in order to accomplish our Allied surrender terms.

740.00119 PW/8-1745

*Memorandum by Brigadier General George A. Lincoln of the War
Department to the Assistant Secretary of State (Dunn)*

WASHINGTON, 17 August, 1945.

General Hull⁹ has discussed the matter of a suitable reply to the Japanese on their latest message with the Chief of Staff¹⁰ and also with the Navy. They are in agreement that a suitable reply is substantially as that in the attached draft,¹¹ which is the same as the one discussed yesterday in General Hull's office. As discussed yesterday, the War and Navy Departments are agreed that requests of the kind in this Japanese message should hereafter be addressed to the Supreme Commander.

⁹ Lt. Gen. John E. Hull, Assistant Chief of Staff, Operations Division (OPD).

¹⁰ General of the Army George C. Marshall.

¹¹ This draft was the same as the reply to the Japanese Government quoted in note of August 17 to the Swiss Chargé, p. 671.

For your information, there is enclosed a copy of General MacArthur's message on the subject. You will note the extremely high classification of his message.

G. A. LINCOLN

[Annex]

*General of the Army Douglas MacArthur to the Chief of Staff
(Marshall)*

[MANILA,] 17 August, 1945.

The Secret terms proposed by the Japanese are fundamentally violative of the provisions of the Potsdam Declaration and would completely traverse the previous attitude not only of the Allied Nations but of Japan herself in her initial successes and conquests of this war. The incidents of Bataan and Singapore are still fresh in the minds of the World. The enemy suggestion goes even to the point of preferential repatriative treatment of Japanese soldiers. The suggested ameliorations would relieve Japan of much of the physical and psychological burdens of defeat. I believe that public opinion throughout the Allied world would not support favorable consideration of these stipulations. In my opinion the Potsdam provisions should be put into effect as drawn and the suggestions made by the Japanese Government should be rejected. In China I believe the stipulations made by the Generalissimo as to the details of the surrender should be supported by the Allies.

740.00119 PW/8-1645

The Secretary of State to the Swiss Chargé (Grässli)

WASHINGTON, August 17, 1945.

SIR: In response to your note to me of August 16 transmitting certain observations and requests of the Japanese Government with respect to the carrying out of the Japanese surrender, I have the honor to request that you transmit to the Japanese Government the following reply:

"Such information as the Japanese Government requires to carry out the surrender arrangements will be communicated by the Supreme Commander at appropriate times determined by him. The four Allied Powers have subscribed to the Potsdam Declaration which assures the return to the homeland to peaceful occupations of all Japanese armed forces who surrender to United States commanders, Generalissimo Chiang Kai-shek, Admiral the Lord Louis Mountbatten, and Soviet commanders as directed by the Supreme Commander for

the Allied Powers. This return will be arranged through the Supreme Commander and will take place after the Japanese armed forces have been disarmed by the Allied commanders to whom they surrender and when Japanese and other transportation can be made available."

Accept [etc.]

[JAMES F. BYRNES]

740.00119 PW/8-1145

The Department of State to the State-War-Navy Coordinating Committee

[WASHINGTON,] August 17, 1945.

AMERICAN PARTICIPATION IN SEAC¹² AFTER CESSATION OF
JAPANESE RESISTANCE

I. *The Problem*

Whether there should continue to be American participation in SEAC after the cessation of Japanese resistance.

II. *Facts Bearing on the Problem*

The question is raised in Colombo's telegram No. 179, August 11,¹³ whether, from the Department's point of view, it would be desirable for American participation in SEAC to continue after cessation of Japanese resistance.

The SEAC theatre has been extended to include all of Thailand, the southern part of Indochina up to the 16th latitude, and the Netherlands East Indies. Japanese forces in these areas are expected to surrender to SACSEA¹⁴ or his deputy.

It is expected that a brief period of time will elapse in Thailand during which this Government will prepare to reestablish formal relations with a legal Thai Government and during which British and Thai officials will negotiate to bring to an end their mutual state of war. It is probable that no United States Foreign Service officers will be regularly established in Thailand during this interim and the only possible source of information of political importance from American observers will be through officials attached in some capacity to SEAC, perhaps OSS officials.

It is expected that a considerable period of time will elapse in the other areas before arrangements will be completed for the reestablishment of normal administration. During that period it is probable that the only sources of information of political importance from American observers will be through officials attached in some capacity to SEAC, perhaps OSS officials.

¹² Southeast Asia Command.

¹³ Not printed.

¹⁴ Supreme Allied Commander, Southeast Asia.

III. Recommendation

That there should continue to be American participation in SEAC after the cessation of Japanese resistance lasting at least until United States Foreign Service officers are established at regular posts in Thailand and other areas.

740.00119 PW/8-1745 : Telegram

*The Secretary of Commission at New Delhi (Bishop) to the Secretary of State*¹⁵

KANDY, CEYLON, 17 August, 1945.

TST 233. I have just been informed by Dening¹⁶ that the British Foreign Office will assign Diplomatic and Consular Officer to different Force Commanders in SEA to act as political advisers during the interim period. This is prior to the reestablishment of regular Diplomatic and Consular Offices in the non-British sections of this Theater. The function of these advisers will be to report the economic and political conditions in the areas formerly held by the Japs.

Dening's personal attention (he stated) will be given to the problem of protecting Allied interests in the reoccupied areas and he, therefore, requested that any questions concerning American interests in the reoccupied areas be channeled through him until such time as the normal channels are restored and American Consular Offices are reopened.

Parties are being sent by OSS to the NEI, Thailand, Malaya, and probably Borneo. Lists of American properties in these areas are requested for these people so that the present condition of such properties can be expeditiously reported.

[BISHOP]

740.00119 P.W./8-1745 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, August 17, 1945—5 p. m.

[Received 6:17 p. m.]

1749. Mathias¹⁷ just called Crocker¹⁸ to FonOff and told him that he received the Jap Minister last night on behalf of Dr. Salazar.¹⁹ The Jap told him that Tokyo had just informed him that the

¹⁵ Paraphrase received through military channels on August 17.

¹⁶ Maberly E. Dening, British Political Adviser to the Supreme Allied Commander, Southeast Asia Command.

¹⁷ Marcello Mathias, Director General of Political Affairs, Portuguese Foreign Office.

¹⁸ Edward S. Crocker, 2d, Counselor of Embassy in Portugal.

¹⁹ Antonio de Oliveira Salazar, Portuguese Prime Minister and Minister for Foreign Affairs.

Jap Military Commander at Timor was being instructed to restore the Portuguese Governor in Timor to complete authority, to hoist the Portuguese flag and to place himself and troops under the Governor's orders for the purpose of maintaining order until such time as the troops could be withdrawn.

Mathias replied to him and is cabling Bianchi²⁰ substantially as follows:

The information was interesting but under the circumstances now existing was meaningless, pointing out that the Portuguese had no confirmation that (a) the orders had been given, (b) that they had been received and (c) or if received that they had been executed. Mathias further told Bianchi to inform the Dept that under the circumstances the Portuguese hoped that the Combined Chiefs of Staff would be willing to consider the departure of a Portuguese sloop with a small contingent of troops from Lourenço Marques yesterday as the first Portuguese step in fulfillment of the direct contribution toward the liberation of Timor envisaged in the Timor agreement.²¹

It is clear that Dr. Salazar's present serious concern is to establish a juridical and moral basis upon which Portugal can seek invitation to participate in eventual Far Eastern settlement. This point of view was discussed at some length in an exposition made by Mathias to the British Chargé and Crocker late yesterday afternoon. Both the British Chargé and Crocker reserved comment and suggested that the presentation of this point of view be made through Palmela²² and Bianchi respectively.

The essence of the Portuguese position appears to be that Dr. Salazar wishes to make the point that Portugal has done and is doing everything possible to fulfill its undertaking under the Timor agreement and that it is through no fault of her own that the departure of Portuguese troops to the Far East has not taken place before this.²³

BARUCH

²⁰ João Antonio de Bianchi, Portuguese Ambassador in the United States.

²¹ For the Santa Maria agreements signed at Lisbon, November 28, 1944, see Department of State, *Treaties and Other International Agreements Series No. 2338*, or *United States Treaties and Other International Agreements*, vol. 2 (pt. 2), p. 2124; for negotiations regarding the Azores and Timor, see *Foreign Relations*, 1944, vol. iv, pp. 1 ff.

²² Duke of Palmella, Portuguese Ambassador in the United Kingdom.

²³ For documentation on Portuguese Timor, see vol. v, pp. 452 ff.

740.00119 P.W./8-1845 : Telegram

*The Secretary of State to the Ambassador in France (Caffery)*²⁴

WASHINGTON, August 18, 1945—1 p. m.

3882. In connection with the arrangements for the acceptance by the Supreme Commander for the Allied Powers of the Japanese surrender you should inform the Government to which you are accredited that they are invited to appoint a representative of their armed forces to be present with the Supreme Commander at the time of the surrender.

Communication should be made not only to this Government of the representative appointed but an effort should be made also to communicate directly if possible with General MacArthur.

General MacArthur is being directed to make the necessary arrangements for the representative of the Government to which you are accredited.

Please inform us as soon as possible of the name of such representative.²⁵

BYRNES

740.00119 PW/8-1845

The Secretary of State to the Netherlands Ambassador (Loudon)

WASHINGTON, August 18, 1945.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of today's date in which you request, under instructions from your Government the inclusion of certain specific terms in the Japanese surrender act.^{25a}

In reply, I am pleased to inform you that your note has been brought to the attention of the appropriate military authorities. I might add that General MacArthur, the Supreme Allied Commander, will have full authority to assure that the matters referred to are properly and effectively arranged.

Accept [etc.]

JAMES F. BYRNES

²⁴ Repeated to Missions in London for the Netherlands as Neter 107, Wellington as 303, Canberra as 83, and Ottawa as 75.

²⁵ Related correspondence not printed.

^{25a} Not printed. In this note No. 5561, the Ambassador conveyed the request for the inclusion of four terms relative to the maintenance of public order and safety, and the release, the proper care, and return of prisoners of war and refugees as part of the responsibility of Japanese military authorities. (740.00119 PW/8-1845)

740.00119 PW/8-1845 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, August 18, 1945—2 p. m.

[Received August 18—11:26 a. m.]

2810. Legation's 2764, August 13. Member my staff was told by Prince Carl Bernadotte today that General Onodera advised him of instructions received from Military Command Tokyo presumably being issued to Military Staff other neutrals. Instructions request Onodera to make every effort through Swedish channels to bring pressure on Allies to maintain Royal family intact in Japan and not to take any action which would affect their position. General Onodera asked for opportunity to meet with Prince Carl's father, brother of King, and has renewed his request again late this morning. Prince Carl states his father will not meet with Onodera.

Legation has made no comment to Prince Carl, Junior, concerning this information.

JOHNSON

740.00119 PW/8-1845 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 18, 1945.

[Received August 18—2 p. m.]

2948. Press August 18 published Tass statement which follows: *New York Herald Tribune* published statement of London correspondent Columbia Broadcasting System Murrow ^{25b} to effect that Molotov and Harriman exchanged very sharp words regarding appointment of MacArthur as Supreme Commander of Allied Occupation Troops. Soviet official circles considered that Supreme Commander in Chief must be representative of Red Army. In conformity with instructions received from Washington, Harriman refused not only to compromise but even to consider the Soviet demand. Two hours after conclusion of prolonged and hot arguments, USSR withdrew its demand and agreed to accept American Supreme Commander in Japan.

According to precise information at disposal of Tass, above cited *Herald Tribune* story does not correspond to facts. In reality following took place:

US Govt through its Ambassador on August 11 presented for consideration of Soviet Govt a draft reply to statement of Jap Govt regarding capitulation. In Soviet Govt's answer transmitted by V. M. Molotov agreement of USSR with this draft was expressed. At same

^{25b} Edward R. Murrow.

time it was proposed in this reply that Allied powers should agree among themselves regarding candidature or candidatures of those persons who would be commissioned on behalf of Allied Supreme Command to prescribe to Japan terms of surrender. After exchange of opinions between Molotov and Harriman, condition was made that consultation must take place between the Soviet and US Govts regarding appointment of above representative of Allied Supreme Command. On part of Soviet Govt there were no objections to candidature of MacArthur. Appointment of MacArthur took place after consultation with Soviet Govt.

Thus *Herald Tribune* story to effect that Soviet official circles considered Supreme Commander must be representative of Red army and that allegedly such a demand was presented by Soviet Govt to US Govt is fabricated.

[HARRIMAN]

701.9454/8-1945 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, August 19, 1945—noon.

[Received 12:36 p. m.]

3929. In note dated August 17, 1945 Federal Political Department informs Legation that Japanese Government has replied as follows through Japanese Legation, Bern, to request contained Department's 2535, August 14 and forwarded to Japanese Government by Swiss.

"The Government of Japan regrets that it is unable to comply with the demands that the Government of the United States of America has addressed to it on August 15 last by the intermediary of the Government of Switzerland concerning property and archives, since they do not correspond to any provision of the declaration of Potsdam accepted by the Government of Japan."

Repeated London, Moscow, Chungking.

HARRISON

740.00119 PW/8-2045 : Telegram

President Truman to King George VI

WASHINGTON, August 20, 1945.

Your congratulatory message²⁶ on the success of our armed forces

²⁶ Congratulatory messages, not printed, were received by President Truman from Chiefs of State of Argentina, Belgium, Bolivia, Brazil, Chile, Colombia, Cuba, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Egypt, Ethiopia, Greece, Guatemala, Haiti, Honduras, Iceland, Iran, Iraq, Italy, Lebanon, Luxembourg, Mexico, Muscat and Oman, the Netherlands, Nicaragua, Norway, Panama, Paraguay, Peru, Portugal, Saudi Arabia, Spain, Turkey, Venezuela, and Yugoslavia.

in the Far East is deeply appreciated. We can all properly take pride in our combined efforts which have made military victory possible. Faith in democracy has been justified.

It now remains for us to win the peace. I too am convinced that this end will only be achieved through the continued close cooperation of our peoples in the same spirit of mutual understanding which has grown between us during the years of trial. The American people are fully resolved to do all in their power to maintain with the peoples of the United Nations the peace we have won at such cost.

HARRY S. TRUMAN

740.00119 Control(Japan)/8-2045

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government have been considering the question of the machinery which should be set up for the control of metropolitan Japan and of the role which the United Kingdom should play. An outline of their views is contained in the attached document.

The proposals relate only to the four main islands of Japan and are without prejudice to any further proposals for the control of the administration of other areas now in Japanese hands. The Supreme Allied Commander will of course remain free to take all decisions in the military sphere but the intention is to assist him in the exercise of his responsibilities by setting up an Allied Control Council to guide him more particularly in political, economic, and financial matters.

These proposals are put forward on a tentative basis for discussion only and His Majesty's Government in the United Kingdom may wish to modify them in the light of any comments which may be made by His Majesty's Dominion Governments. His Majesty's Government are not consulting the Soviet and Chinese Governments as it is their wish to reach an understanding first with the United States Government.

The Australian Government have on many occasions indicated that they expect to participate fully at all stages in Allied consultations affecting the future of Japan. It is unlikely that they would be content with a place on the proposed Advisory Committee. The proposal of His Majesty's Government in the United Kingdom that Australia should be represented on the Control Council is in their view fully justified by the part which Australia has played in the war against Japan.

WASHINGTON, August 20, 1945.

[Annex]

The British Embassy to the Department of State

PARAPHRASE OF TELEGRAM RECEIVED FROM FOREIGN OFFICE, DATED
AUGUST 18, 1945

The following tentative proposals regarding machinery for the control of Japan are based upon the following assumptions:

(a) that there will be some form of central Japanese governing authority functioning under the direction of the Allied Supreme Commander;

(b) that the seat of this Japanese governing authority will be Tokyo;

(c) that inter-Allied control will be expressed through some form of Allied Control Commission; and

(d) that neither Tokyo nor metropolitan Japan will be divided into zones under autonomous commanders.

2. In Japan, unlike Germany, the Allied powers will not be represented by co-equal Commanders-in-Chief. There will be only one Supreme Allied Commander, General MacArthur. Since he is to exercise his authority on behalf of the Allied powers it is suggested that without prejudice to his military responsibility he should be the President of the Allied Control Council.

3. There is, however, no cogent reason why the Control Council should be entirely military in character and membership. Each government should decide whether to have a civilian or military representative. The Control Council would be responsible for the formulation of policy towards Japan. The execution of this policy would be the responsibility of the Supreme Allied Commander who would exercise his control through the Japanese authorities.

4. Each of the members of the Control Council would receive his instructions from and would report directly to his own Government. Any decisions which could not be arrived at locally would be referred to Governments for settlement through such channels as they might decide. Each member of the Control Council would be assisted by a personal staff of such technical advisers as he required. In the case of military and economic disarmament, reparations and other matters requiring the direct supervision of the occupying powers, it would seem advisable for representatives of each member of the Council to be included in or attached to those executive departments under the Supreme Allied Commander which were responsible for giving effect to the policy of the Control Council.

5. To provide for the association in the control of Japan of powers other than those principally and most directly concerned, it seems desirable to establish an Advisory Committee of representatives of

all powers who have engaged activity [*actively?*] in the war against Japan including the powers represented on the Control Council.

6. In the light of the foregoing, His Majesty's Government suggest the setting up of machinery on the following lines:

(a) an Allied Control Council of five powers should be established under the Presidency of the Supreme Allied Commander. The members should be civilian or Military representatives of the Governments of the United Kingdom, United States, Soviet Union, China and Australia.

(b) There should also be established an Allied Advisory Committee for Japan composed of the representatives of the five powers who are members of the Control Council together with the representatives of Canada, New Zealand, South Africa, India, France, Netherlands and the Philippines. The President of the Control Council should be Chairman of the Advisory Committee. The functions of the Advisory Committee should be to consider matters referred to them by the Control Council and to make recommendations to the Control Council. The Advisory Committee would be kept fully informed of policy matters under consideration by the Control Council.

(c) A British force comprising all the services should take part in the occupation of Japan and in purely military matters the Commander of the British forces should have direct access to the Supreme Commander and should not be responsible to the British member of the Control Council.

(d) The prefecture of Tokyo should be garrisoned jointly by United States, Russian, Chinese and British forces as directed by the Supreme Commander, but the area should not be zoned on the Berlin model. Civil administration should be an American responsibility.

(e) All occupation duties in Japan elsewhere than in Tokyo should be undertaken by United States Forces who would also be responsible for making available the necessary local supplies for the whole area of Tokyo (including all the garrison forces). A suitable location should however be allotted for the British air contingent and a port should be allotted for the Headquarters of the British naval forces in Japanese waters.

740.00119 PW/8-1445

The Assistant Secretary of State (Dunn) to the Australian Minister (Eggleston)

WASHINGTON, August 21, 1945.

MY DEAR MR. MINISTER: I have received your note of August 14, 1945 in which you refer to a memorandum which you left with me on the previous date and enclose certain specific comments by your Government on the "Draft Act of Surrender". These comments and views of the Australian Government have been most helpful and I appreciate your making them available to us.

With reference to the second paragraph of your note, it is sincerely regretted that there was not sufficient time between the receipt of the Japanese reply and its release by the President to the press to inform the Australian Government of its contents.

Sincerely yours,

JAMES C. DUNN

740.00119 PW/8-2145

*Memorandum by Mr. Edward G. Miller, Jr., Special Assistant to the Under Secretary of State (Acheson), to Mr. Benjamin V. Cohen, Special Assistant to the Secretary of State*²⁷

[WASHINGTON,] August 21, 1945.

On examining the documents in connection with the surrender of Japan, I do not find any qualification or reservation of such a nature as to prevent the proposed action in taking over Japanese legations in neutral countries.

The Potsdam Proclamation to Japan, in paragraph 13, calls upon "the government of Japan to proclaim now the unconditional surrender of all Japanese armed forces". This is the only paragraph which in any way approximates a legal characterization of the action required on the part of Japan or the rights of the victorious powers in pursuance thereof.

Paragraph 5 begins by stating that "Following are our terms". There are outlined in paragraphs 6 to 12 inclusive various provisions to be carried out by Japan subsequent to the surrender. These for the most part are by way of definition of the consequences of the surrender, such as the occupation of points in Japanese territory (paragraph 7); the limitation of Japanese sovereignty to the home islands (paragraph 8); and the extension of certain civil liberties within Japan (paragraph 10—last two sentences). The other provisions of this paragraph might be construed to impose obligations upon the Allies to Japan or to qualify in certain particulars the rights of the Allies consequent upon the surrender of Japan. These provisions include the permission of Japanese military forces to return to their homes and lead peaceful lives (paragraph 9); the statement of intention that the Japanese shall not be enslaved as a race or destroyed as a nation (paragraph 10); the permission that the Japanese shall be permitted to maintain certain industries and to participate eventually in world trade (paragraph 11); and the statement that the Allied forces will eventually be withdrawn from Japan (paragraph 12). These provisions do not appear to constitute conditions of such a

²⁷ Notation by Mr. Cohen: "This has been discussed with Mr. Hackworth who generally agrees. B.V.C." Green H. Hackworth was Legal Adviser, Department of State.

nature as to result in altering the fundamental character of the action of surrender by Japan. In addition paragraph 7 provides that "points in Japanese territory to be designated by the Allies shall be occupied to secure the achievement of the basic objectives" of the Proclamation. This would seem to be consistent only with an unconditional surrender even though the statement contains the implication that a selective process will be followed in connection with any occupation territory.

It seems to me therefore that the Potsdam Declaration is a definition in broadest terms of proposed surrender terms and not an invitation to a negotiated peace. The only possible difficulty with this theory in my opinion—so far as concerns the original declaration—is the provision in paragraph 13 that the Allies call upon the *government* of Japan to proclaim the surrender of Japanese *armed forces*. This might mean that we will receive the surrender only of the armed forces—and not of the government—of Japan and therefore that the rights of the government remain unimpaired. Consequently any action of the type we wish to take with respect to Japanese property in neutral territory could be taken only with the authorization of the Japanese government. I am not sufficiently familiar with international or military law to appraise the significance of this wording.

However, it seems to me that this particular point of construction of the Potsdam Declaration is rendered immaterial by the subsequent exchange of notes between the governments. On August 10 the Japanese government stated that they were ready to "accept the terms enumerated" in the Potsdam Declaration "with the understanding that said declaration does not comprise any demand which prejudices the prerogatives of His Majesty as a Sovereign Ruler". This interpretation was in effect rejected by the reply of the four powers of August 11 which stated that "from the moment of surrender the authority of the Emperor and the Japanese government to rule the state shall be subject to the Supreme Commander of the Allied powers. . . ." This means in effect that the Supreme Commander has at any time the right to dissolve or take such other action as he may wish with respect to the present Japanese government. It means not only that the Supreme Commander can require the Japanese government to issue orders pursuant to his direction, but it expressly places the authority of the Japanese government to remain in power subject to the control of the Supreme Commander. This is exactly the situation that would prevail in the event of an unconditional surrender since there would be no more complete condition of defeat or surrender than this. Therefore all of the consequences of unconditional surrender would appear to follow (including our right to take Japanese government property in neutral territory without going

through the formality of getting an order from the Japanese government); subject at the very most to the understanding that we would comply with the specifications and general provisions of the Potsdam Declaration such as permitting Japanese soldiers to return to their homes, etc.

It is true that the Japanese note of August 14 does not expressly accept the terms of our reply of August 11, but this seems to me unimportant, particularly in view of the explicit reference to the August 11 note in the Japanese reply.

I attach for your information full sets of these papers.

740.00119 FEAC/8-2145: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*²⁸

WASHINGTON, August 21, 1945—8 p. m.

7106. 1. Please deliver personally to the Government to which you are accredited a note, the substantive portion of which should read as follows:

“The Government of the United States proposes that there be established as soon as practicable an advisory body to be known as the Far Eastern Advisory Commission, the Commission to be composed of the Four Major Allies adhering to the Moscow Declaration of October 30, 1943,²⁹ along with such other of the United Nations in the Far East or having territories therein as the major allies might agree upon.

“A draft of the terms of reference of the proposed Far Eastern Advisory Commission is enclosed. It will be noted that the proposed Commission would be responsible for making recommendations to the participating governments

‘1. On the formulation of policies, principles and standards by which the fulfillment by Japan of its obligations under the instrument of surrender may be determined;

‘2. On the steps necessary and on the machinery required to ensure the strict compliance by Japan with the provisions of the instrument of surrender.’

“The establishment of the proposed Commission would not preclude consultation among the powers through normal diplomatic channels or by other methods on any Far Eastern issue.

“In proposing the establishment of the Far Eastern Advisory Commission, the Government of the United States proposes the additional participation of the Governments of: France, Philippine Islands, Australia, Canada, New Zealand, and the Netherlands.

“Communication in similar terms is being made to the Governments of the Union of Soviet Socialist Republics and of the Republic of China.”

²⁸ Similar telegrams sent to Chungking and Moscow as Nos. 1296 and 1881, respectively.

²⁹ *Foreign Relations*, 1943, vol. I, p. 755.

2. The text of the draft terms of reference of the proposed Far Eastern Advisory Commission is as follows:

“THE FAR EASTERN ADVISORY COMMISSION TERMS OF REFERENCE

“I. *Establishment*

“The Governments of the hereby establish a Far Eastern Advisory Commission composed of representatives of the Participating Powers.

“II. *Functions*

A. The Far Eastern Advisory Commission shall be responsible for making recommendations to the participating Governments:

1. On the formulation of policies, principles and standards by which the fulfillment by Japan of its obligations under the instrument of surrender may be determined;
2. On the steps necessary and on the machinery required to ensure the strict compliance by Japan with the provisions of the instrument of surrender.
3. On such other matters as may be assigned to it by agreement of the participating governments.

“B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

“III. *Other Methods of Consultation*

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Governments.

“IV. *Composition*

The Far Eastern Advisory Commission shall consist of one representative of each of the states party to this agreement. The membership of the Commission may be increased, as conditions warrant, by the addition of representatives of other United Nations in the Far East or having territories therein. Such United Nations *as are* not members of the Commission shall be invited to sit with the Commission when matters deemed by the Commission primarily to affect the interests of such nations are under consideration. In addition, the Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission, in regard to matters before the Commission which are of particular concern to such nations.

“V. *Location and Organization*

The Far Eastern Advisory Commission shall have its headquarters in Washington. It may meet at other places as the occasion requires.

Each representative of the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

“VI. *Termination*

The Far Eastern Advisory Commission shall cease to function upon notification by one of the Four Allied Powers, the United States, the United Kingdom, China and the Soviet Union, of its desire to terminate the agreement creating the Commission. Prior to such termination the Commission shall transfer to any interim or permanent security organization of which the participating Governments are members those functions which may appropriately be transferred.”

3. Please report telegraphically when you have communicated the note.

BYRNES

740.00119 P.W./8-2145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 21, 1945.

[Received August 21—10:30 p. m.]

2985. Press, August 21, announced appointment of Lt. Gen. Derevyanko^{29a} as representative of Soviet Forces to General MacArthur. Sent Dept, repeated American Embassy, Chungking, 100.

[HARRIMAN]

740.00119 P.W./8-2245 : Telegram

The Chargé in Australia (Minter) to the Secretary of State

CANBERRA, August 22, 1945—10 a. m.

[Received 10:30 a. m.]

127. Deptels Nos. 82, August 17³⁰ and 83, August 18.³¹ I gave Evatt orally the substance of No. 82 and when he asked for it in writing could not decline. The next day I delivered a note with the bare invitation conveyed in No. 83.

Evatt summoned me to Sydney last night and I returned early today with this:

“I have the honour to acknowledge the receipt of your notes of the 18th and 19th August advising me, first, that because of the outstanding part played by Australia in the war against Japan the US Govt was giving every consideration to the wish of the Australian Govt to

^{29a} Lt. Gen. Kuzma Nikolayevich Derevyanko, field observer in the Pacific theater in 1945.

³⁰ Not printed.

³¹ See footnote 24, p. 675.

participate in the formal act of surrender of Japan, and, second, that the presence of a representative of the Australian Armed Forces on the occasion of the surrender would be welcomed. I now formally advise you that General Sir Thomas Blamey has been appointed as the representative of the Australian Armed Forces.

Events have moved and are moving so rapidly that I feel it essential in the interests of the cooperation of our two Govts to take this opportunity of setting out the attitude of the Australian Govt in these and related matters. For this purpose I am inclosing a memo which I ask you to be good enough to transmit without delay to your Govt."

The memo has nearly 2,000 words and because of expense and delay in secret ciphering I venture to summarize below instead of cabling in full.

It reviews Australia's war effort in detail including billion dollars reciprocal aid; quotes public statements of Roosevelt and MacArthur, praising this effort; recalls active field cooperation of Australian and US forces who for 3 years fought almost alone against Japanese.

It states belief of Govt that it was the intention both of Roosevelt and Churchill that Australia should be regarded and accepted as a principal party in all stages of the armistice and peace settlements with Japan, adding that they had a general assurance to this effect from Churchill as late as April this year. This assurance given by Churchill when Evatt was at London, former stating conviction that Roosevelt would join in the assurance; but President's tragic death intervened.

Memo deplores non-consultation on Potsdam ultimatum as well as failure of UK and US Govts to consider Australian suggestions on surrender.

It then reviews events leading to acceptance of Blamey but views as a dilution and weakening of the recognition expressed in Deptel 82 the inclusion of certain other countries which "for one reason or another have contributed very little to the war effort against Japan."

It then takes up question of UK proposal that Australia should be the fifth member of the Control Council and earnestly requests US support.

It closes by stating that in the light of the above considerations the Australian Govt asks the concurrence and support of the US Govt in "1, that in view of the special contribution in the war against Japan, Australia should participate in the signing of the main act of surrender; 2, that Australian forces forming part of the occupation in Japan should be accepted and regarded as independently designated Australian forces subordinate only to the Supreme Command; 3, that Australia should take part as a principal in the Allied Control Council for Japan or any other body corresponding thereto; 4, that Australia should take full part as a member of the Council of Foreign Ministers

in relation to all matters affecting or concerning the Pacific and Far East.”

Their main immediate concern is that Blamey shall sign for Australian forces instead of just being an observer. They consider too that membership on Control Council is natural corollary to signing and vice versa.

I have not yet encountered such strong language of official protest as I have during this episode.

Full text of memo being cabled to Eggleston³² but he is not instructed to deliver. I am airmailing text³³ but will cable fully if Dept desires (about 5,000 groups). Text also cabled to London for UK Govt.

MINTER

740.00119 PW/S-2245

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman

[Translation]^{33a}

I have received your message of August 18[17].

1. I understand the contents of your message in the sense that you refuse to satisfy the request of the Soviet Union for the inclusion of the Northern part of the Island Hokkaido in the region of surrender of the Japanese armed forces to the Soviet troops. I have to say that I and my colleagues did not expect such an answer from you.

2. As regards your demand for a permanent aviation base on one of the Kuril Islands which, in accordance with the Crimea decision of the three powers, have to come into possession of the Soviet Union, I consider it my duty to tell you in this respect the following.

3. First, I have to remind you that such a measure was not provided for by the decision of the three powers neither in the Crimea, nor in Berlin, and in no way does it ensue from the adopted there resolutions. Second, demands of such a nature are usually laid before either a conquered state, or such an allied state which is in no position to defend with its own means certain parts of its territory and, in view of this, expresses readiness to grant its Ally an appropriate base. I do not believe that the Soviet Union could be included among such states. Third, as your message does not state any motives for a demand to grant a permanent base I have to tell you frankly that neither

³² Sir Frederic W. Eggleston, Australian Minister in the United States, transmitted a copy to the Department on August 23 (not printed).

³³ Despatch 1156, August 24, not printed.

^{33a} This translation appears to have been received from the Embassy of the Soviet Union in Washington. A smoother translation has subsequently been published in Ministry of Foreign Affairs of the U.S.S.R., *Stalin's Correspondence*, vol. II, Doc. No. 365, p. 267.

I, nor my colleagues understand what circumstances prompted such a demand to be made of the Soviet Union.

[Moscow,] August 22, 1945.

740.00119 Control(Japan)/8-2045

The Department of State to the British Embassy

AIDE-MÉMOIRE

Reference is made to the *Aide-Mémoire* dated August 20, 1945 of the British Embassy, to which there were annexed tentative proposals regarding machinery for the control of Japan.

The Government of the United States attaches the greatest importance to the undertaking assumed by the Four Major Powers party to the Moscow Declaration of October 30, 1943, that they "will act together in all matters relating to the surrender and disarmament" of their common enemies. It welcomes, therefore, the putting forward for purposes of consultation by the British Government of tentative proposals with regard to the machinery to be set up for the control of metropolitan Japan. The Government of the United States is prepared to consult with the major allies with regard to the policies, principles, and standards by which the fulfillment by Japan of its obligation under the instrument of surrender may be determined, as well as to united action in all matters relating to the surrender and disarmament of Japan.

It is the view of the Government of the United States that the establishment by the major allies, along with such other of the United Nations in the Far East or having important territorial interests in that region as the major allies may agree upon, of effective machinery for consultation should be their earliest preoccupation. It is believed that consultation of a multilateral character through normal diplomatic channels on the steps necessary to ensure the fulfillment by Japan of the terms of surrender would be unlikely to yield expeditiously that unity of views which this Government conceives to be essential for the disarmament of Japan. It has accordingly proposed to the Governments of the other major allies the establishment of a Far Eastern Advisory Commission to serve as the principal channel of consultation with regard to the problems arising out of the surrender of Japan. It has also proposed that representation on the Commission include the Governments of France, Philippine Islands, Australia, Canada, New Zealand, and the Netherlands, as well as of the Governments of the Four Major Allies.

The Government of the United States confidently hopes that its proposals will be acceptable to the other governments concerned, and

it is prepared at an early meeting of the Advisory Commission to put forward its own views with regard to the machinery which should be set up for the control of Japan proper and at the same time to comment on the proposals tentatively presented by the British Government.

WASHINGTON, August 23, 1945.

740.00119 Control(Japan)/8-2345: Telegram

✓ *The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, August 23, 1945—noon.
[Received 12:25 p. m.]

3017. I am personally most anxious to see you at as early a time as is practicable. I want on the one hand to report to you on developments in Moscow since Potsdam, and also to discuss my personal plans. When President Roosevelt asked me to come to Moscow 2 years ago, I undertook to remain until the Russians came into the war against Japan.

At the moment I believe I should stay on until the control machinery for Japan has been agreed to. I have a feeling that we may have some trouble with the Soviets over the setup which I understand we intend to establish particularly in regard to Soviet forces used for occupation of Japan under General MacArthur as Supreme Commander.

I believe it was useful that I took issue with Molotov at the time he suggested the possibility of a joint Supreme Command consisting of General MacArthur and Marshal Vasilevski. I told him that I was sure we would always be ready to consult the Soviet authorities but could not in my opinion agree to give them a veto. This led to his withdrawing his proposal that night. On the other hand, I feel that the Soviets will come up again with further proposals that the Soviets have a zone of occupation with independent command or in some other way obtain for themselves a position where they can block our program if it does not meet with their approval. I sincerely hope that we will stand firm on what I understand is our plan and if we do, I am confident the Soviets will accept it. The Russian pattern set in Hungary, Bulgaria and Rumania is a good precedent although I assume we would always consult them in advance on any questions of policy.

I expect also that we will have some difficulty in Korea as it is my impression the Russians want to dominate this country in spite of Stalin's agreement that it should develop its independence through a four-power trusteeship. I believe the Russians are feeling their way

out with us to see how far they can go with their unilateral objectives in the Far East. Soong's negotiations were of interest in that Stalin gave in when he found that we were firm on certain issues.

I suggest, therefore, that I meet you in London when you go for the Foreign Secretaries' meeting. The flight from Moscow is only 9 hours and I could return to Moscow any day that I was needed here. There are other matters, too, which will come up at the Foreign Secretaries' meeting about which I believe it would be useful for me to report on the Soviet attitude. Incidentally, the British Ambassador³⁵ here has been asked to be in London for this meeting.

I would appreciate being informed so that I can make my plans.

HARRIMAN

740.00119 PW/8-2345

Memorandum by the War Department to the Department of State

OPD 336 Japan

WASHINGTON, 23 August, 1945.

MEMORANDUM FOR THE LIAISON SECTION, OPD:

Subject: Request of Netherlands Government to Have Certain Specific Terms Included in Japanese Surrender Act

Reference: Letter dated 18 August 1945 from the Netherlands Ambassador to the Secretary of State

The specific terms which the Netherlands Government has requested be included in the Japanese surrender instruments have already been substantially included in instructions issued to Japanese authorities by the Supreme Commander for the Allied Powers. It is suggested that the Netherlands Government may wish to have brought to the attention of the Supreme Allied Commander, Southeast Asia Command, the terms which the Netherlands Government desires to have included in instruments specifically referring to the Netherlands Indies. Request State Department be so informed in the event they wish to forward the above information and suggestion to the Netherlands Ambassador.³⁶

G. A. LINCOLN

Brigadier General, GSC

Chief, Strategy & Policy Group, OPD

³⁵ Sir Archibald J. K. Clark Kerr.

³⁶ The substance of this memorandum was given orally to Ambassador Loudon on August 25.

740.00119 PW/8-2245 : Telegram

The Secretary of State to the Chargé in Australia (Minter)

WASHINGTON, August 24, 1945—6 p. m.

87. With reference to Evatt's note quoted in your 127 of August 22, 10 am and memorandum summarized by you and complete text furnished by the Australian Legation here, you are requested to reply orally in the following sense to the four questions on which the Australian Government asks our concurrence and support:

1. When the Australian Government was requested to notify to General MacArthur the name of its representative to be present at the signing at the main act of surrender, arrangements were made for him to sign the note of surrender.

2. Arrangements with regard to the occupation forces for Japan have not as yet been completed and will not be finally decided upon until military operations connected with receiving the surrender are completed.

3. Matters regarding Control for Japan have not yet been decided.

4. Matters coming before the Council of Foreign Ministers in London other than those determined at the Berlin Conference must be agreed to by all five Governments represented on the Council.

Should Evatt desire a written reply, you should include an appropriate paragraph expressing our full appreciation of Australia's great contribution toward winning the war and our firm intention to give careful and friendly consideration to the issues raised.

BYRNES

740.00119 PW/8-2445

The Swiss Chargé (Grässli) to the Secretary of State

WASHINGTON, August 24, 1945.

MY DEAR MR. BYRNES: I have the honor to acknowledge the receipt of your letter of August 23,³⁷ and I thank you very much for the friendly and appreciative words which you so kindly expressed for the services the Swiss Government in Berne as well as this Legation was privileged to render in connection with the surrender of Japan.

It was a particular satisfaction for little neutral Switzerland to transmit in those eventful days the historic messages between the American and the Japanese Government. The confidence which was placed in my country, however, brings upon it the obligation to defend, also in the future, the democratic ideals for which the American Government and the American people fought so nobly.

I am [etc.]

MAX GRÄSSLI

³⁷ See footnote 5, p. 667.

740.00119 PW/8-2545

*The Secretary of State to President Truman*³⁸

WASHINGTON, August 25, 1945.

SUGGESTED MESSAGE FROM PRESIDENT TRUMAN TO GENERALISSIMO
STALIN³⁹

In response to your message of August 22nd, 1945, as far as the base on the Kurile Islands is concerned, my idea was that use of landing rights in the central Kuriles during the occupation of Japan would be an important contribution to the cooperative action we will be taking in connection with the carrying out of the Japanese surrender terms as it would afford another route for air connection with the United States for emergency use during the period of occupation of Japan.

I also felt no hesitancy in bringing up the matter of landing facilities for commercial use. You evidently misunderstood my message because you refer to it as a demand usually laid before a conquered state or an allied state unable to defend parts of its territory. I was not speaking about any territory of the Soviet Republic. I was speaking of the Kurile Islands, Japanese territory, disposition of which must be made at a Peace settlement. I was advised that my predecessor agreed to support in the peace settlement the Soviet acquisition of those Islands. I did not consider it offensive when you asked me to confirm that agreement. When you expect our support for your desire for permanent possession of all the Kurile Islands, I cannot see why you consider it offensive if I ask for consideration of a request for landing rights on only one of those Islands. I consider the request for discussion all the more reasonable because of the close and cordial relations existing between our two governments and between us personally. While I believe early discussion of these matters would be helpful, I will not press it if you do not wish to discuss them now.

³⁸ Transmitted to President Truman by the Secretary of State with this comment: "As to that part of Stalin's note expressing annoyance about your not agreeing to surrender of forces on Hokkaido to Soviet forces, that part of the original message was written at the White House. My suggestion is that you do not notice this paragraph. J.F.B."

³⁹ This message was sent as drafted on August 27.

740.00119 P.W./8-2545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 25, 1945—midnight.

[Received August 25—9:30 p. m.]

3061. Received letter from Vyshinski⁴⁰ this evening asking me to transmit to you from Molotov reply along the following lines to message contained in your 1896 [1898], Aug. 23, 7 p. m.

"In as much as the proposed declaration concerns General Order No. 1, I would like, before answering the substance of the question raised in your letter, to know whether there has been inserted in General Order No. 1 the amendment to the effect that the Japanese forces on the Kurile Islands should surrender to the Soviet Forces, as was communicated by Generalissimo Stalin in his message of August 16 to President Truman."

In order to save time I have addressed a letter this evening to Vyshinski asking him to invite Molotov's attention to the fact that on Aug. 19 General Deane transmitted to General Antonov the amended text of General Order No. 1 containing this specific provision. I inquired whether I might assume that this answered Molotov's question.

However, as the question was addressed by Molotov to you, I suggest that you instruct me to confirm General Deane's communication in case I find Molotov wishes a reply from you.

HARRIMAN

740.00119 PW/8-2545

The Australian Minister (Eggleston) to the Secretary of State

No. 401/45

WASHINGTON, 25 August 1945.

DEAR MR. SECRETARY: Further to my letter of the 14th August, 1945, enclosing certain comments of the Australian Government on the Draft Act of Surrender of Japan, the Australian Minister for External Affairs has asked me to add that the Australian Government is most anxious that no opportunity should be missed to secure immediately from the Japanese, not only complete lists of Australian and other Allied prisoners of war and civilian internees, but also full records and evidence of their treatment during custody. It is felt that any evidence of atrocities or suspected violations of International Conventions concerning prisoners of war or internees, as well as breaches of rules of warfare against service personnel generally, should be made available to National Offices of the United Nations

⁴⁰ Andrey Yanuaryevich Vyshinsky, Assistant People's Commissar for Foreign Affairs.

War Crimes Commission. The Australian Government has been advised that major responsibility for detection and apprehension of suspected war criminals must fall upon Allied Military and Control Authorities. Australia feels that every effort should be made in the initial post-surrender period to apprehend and intern all suspected war criminals on the basis of information secured. It seems likely that important evidence can be obtained as the result of access to Japanese official records indicating the Japanese attitude towards protests made by Allied Governments during the war concerning Japanese treatment of prisoners of war or concerning other wartime atrocities. The Australian Government made several such protests.

Dr. Evatt suggests that these views be brought to the notice of the appropriate representative of the Supreme Commander and of the Judge Advocate General at General Headquarters. General Sir Thomas Blamey, the chief Australian representative at the surrender ceremonies, has been advised of the above-mentioned views to ensure that these objectives are followed so far as Australian Forces are concerned.

At the request of Dr. Evatt, I also enclose herewith the full text of a press statement issued by him on August 24th, 1945.⁴²

Yours sincerely,

F. W. EGGLESTON

740.00119 PW/8-2645 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, August 26, 1945—1 p. m.

1916. Your 3061, August 25, midnight. You are authorized to confirm the fact that General Order No. 1 has been amended to provide for surrender of Japanese forces in the Kuriles to be accepted by the Soviet Command.

BYRNES

740.00119 PW/8-2745 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, August 27, 1945—1 p. m.

[Received August 27—9:30 a. m.]

3069. Reference Embassy's 3061, August 25. Have just received letter from Vyshinski referring to communication which I sent to him

⁴² Not printed; for summary of statement, see the *New York Times*, August 25, 1945, p. 2, col. 1. For the Acting Secretary of State's reply on September 14, see *post*, p. 936.

Saturday night on subject of amendment to General Order Number 1 to provide for Russians accepting Jap surrender on Kuriles. Vyshinski states that my letter "of course" answers the question raised in Molotov's message which I was asked to transmit to you. Vyshinski also requests me to inform you on Molotov's behalf that the Soviet Government has no observations to make with respect to the text of your declaration concerning China.

It was therefore unnecessary to use the authorization contained in Dept's 1916, August 26, 1 p. m. I believe I have the explanation of this odd incident which I will describe in a subsequent message.

HARRIMAN

740.00119 PW/8-2745: Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, August 27, 1945—5 p. m.
[Received August 27—10:42 a. m.]

3073. Supplementing my 3069, August 27. I asked General Deane when he saw Generals Antonov and Slavin⁴³ Saturday night to point out that the text of General Order No. 1 transmitted with his letter of August 19 included the surrender of the Kurile Islands to the Soviet commander. Antonov appeared confused and said "You are now advising me of this". Deane reiterated that he had before him the actual text submitted on August 10. Both Antonov and Slavin appeared so embarrassed and concerned that General Deane said "I suppose with all the translation you have had to make in the last few days you missed this". Neither Antonov nor Slavin took exception to this remark.

General Deane and I believe therefore that the General Staff slipped up in information given the Foreign Office with regard to the inclusion of this provision.

HARRIMAN

740.00119 PW/8-2845: Telegram

*The Ambassador in the Soviet Union (Harriman) to President
Truman*⁴⁵

[Moscow,] 27 August, 1945.

M 25432. As I had an engagement to see Stalin this evening I handed him your message of August 27 regarding landing rights in

⁴³ Lt. Gen. Nikolay Vasilyevich Slavin, Assistant to Gen. Antonov, Chief of the Soviet Army General Staff.

⁴⁵ Copy transmitted to the Secretary of State on August 28 by direction of the President.

the Kuriles.⁴⁶ After it was translated to him, he questioned me about some of the points. Sticking to the text of your message, I explained on a map the reasons why landing rights were of importance. He said that he now understood the reasons for the request, would consult his associates and then reply. He told me that he had understood your first message to mean that a permanent fortified military base was requested which penetrated the Soviet outer defenses. I got the impression that he considered landing rights during the occupational period as being reasonable, but I got no impression as to his reaction on the permanent facilities for commercial use.

I then discussed the question of the Soviet Government making a public statement supporting the Open Door Policy in Manchuria, to which he readily agreed. I have reported this in detail to Secretary Byrnes.⁴⁷

Stalin was quite cold at the beginning of our talk, but as it progressed he became entirely cordial and kept me for over an hour talking about the procedure that General MacArthur was pursuing for the Japanese surrender and other matters of general interest. I will report this more fully in the morning.⁴⁸

[HARRIMAN]

740.00119 Control(Japan)/8-3045

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom would be grateful if, before replying to the proposals made in *Aide-Mémoire*⁴⁹ which Mr. Dunn handed to Mr. Balfour on August 25th, they could have some broad indication of the views of the United States Government as to the machinery which should eventually be set up for the control of Japan. Without some such indication they find it difficult to estimate how far acceptance by His Majesty's Government of the proposals contained in the State Department's *Aide-Mémoire* of August 23rd would prejudge the tentative suggestions for a Control Council in Japan which were made in the Embassy's *Aide-Mémoire* of August 20th. At first sight, for example, it would seem difficult to persuade an Advisory Commission of Ten Powers to agree to the setting up of a Control Council of Five Powers.

In the meantime, as the American proposals are understood to have been communicated to the Chinese and Soviet Governments, His

⁴⁶ See draft of August 25, p. 693.

⁴⁷ Telegram 3077, August 27, 11 p. m., not printed here.

⁴⁸ Telegram 3086, August 29, noon, not printed here.

⁴⁹ August 23, p. 688.

Majesty's Government in the United Kingdom feel that they should now give those Governments an outline of their own tentative proposals.

If eventually an organisation is set up on the lines proposed by the United States Government, His Majesty's Government in the United Kingdom would have to insist on the inclusion of India in the proposed Advisory Commission in view of the great part which India has played in the war against Japan, and, pending consultation with the Government of South Africa, His Majesty's Government in the United Kingdom must reserve their position regarding the inclusion of a South African representative.

WASHINGTON, August 30, 1945.

740.00119 Control (Japan)/8-3045

Memorandum by the Assistant Secretary of State (Dunn) to the Secretary of State

[WASHINGTON,] August 30, 1945.

Mr. SECRETARY: Mr. Balfour came in this afternoon and handed me the attached *Aide-Mémoire*⁵⁰ on the subject of control machinery for Japan.

I told Mr. Balfour that the whole fabric of the arrangements for the control of Japan had been built upon the Potsdam Declaration and the communication by you of August 11th to the Japanese Government through the Swiss Government. Particular reference in your communication of August 11th is as follows:

"From the moment of surrender the authority of the Emperor and the Japanese Government to rule the State shall be subject to the Supreme Commander of the Allied Powers who shall take such steps as he deems proper to effectuate the surrender terms."

The next step taken was the communication of August 11th from the President to the Prime Minister stating that the President proposed to nominate General Douglas MacArthur as the Supreme Commander for the Allied forces "to accept, coordinate, and carry into effect the general surrender of the Japanese armed forces". This designation was agreed to by the Prime Minister. It was not the intention of this Government to have a Control Council in Japan, as the control of Japan would be effectuated by the Supreme Allied Commander based on the above agreements.

I told Mr. Balfour that it was the policy and sincere desire of the President and the Secretary of State that our allies be consulted with respect to the policies to be carried out in dealing with Japan,

⁵⁰ *Supra.*

and this was the reason why the Secretary of State immediately circulated to the other three major Allies the United States proposal to set up a Far Eastern Advisory Commission. It was the idea of this Government that all matters having to do with policies and methods of carrying out these policies could be discussed in the Far Eastern Advisory Commission; that it would be perhaps a few months in any event before it would be possible for any other than military commanders and their forces to go into Japan, as the business of securing the surrender was a very serious one and was a strictly military operation, but there was no reason, if this Far Eastern Advisory Commission were immediately set up, why it could not begin to discuss many matters relating to the application of the surrender of Japan.

I told Mr. Balfour that this explanation would seem to me to dispose of the British suggestion for discussion of the Control Commission, in other words that this would be a proper subject to discuss in the Far Eastern Advisory Commission but that we hoped that the Far Eastern Advisory Commission would be the first body which would be set up in order to head up all these discussions in one place.

As far as concerned the communication of the British proposals for a Control Council to other governments, that was a matter which they would have to decide themselves, although I expressed the hope that in view of the proposed establishment of the Far Eastern Advisory Commission the British Government might find it appropriate to withhold discussion of this matter until the Far Eastern Advisory Commission was set up.

As far as the British proposal that India be added to the proposed Advisory Commission, I said this was a matter which would have to be decided by the higher authorities of our Government and that I would bring this whole matter to the attention of the Secretary of State for his consideration.

JAMES CLEMENT DUNN

740.00119 PW/8-3145

*The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman*⁵²

[Translation]

I have received your message of August 27.⁵³ I am glad that the misunderstandings, that slipped into our correspondence, have cleared away. I was not in the least offended by your proposal but experi-

⁵² Copy transmitted to the Secretary of State on August 31 by direction of the President.

⁵³ See draft of August 25, p. 692.

enced a state of perplexity because I, as it is now clear, have misunderstood you.

I, of course, agree with your proposal to secure for the United States the right of landing on our aerodromes on one of the Kuril Islands in emergency cases in the period of occupation of Japan.

I also consent that a possibility be provided on a Soviet aerodrome on one of the Kuril Islands for landing of commercial planes. The Soviet Government expects reciprocity on the part of the United States in respect to the right of landing of Soviet commercial planes on an American aerodrome on one of the Aleutian Islands. It is the case that the present aviation route from Siberia across Canada to the United States of America does not satisfy us because of its long stretch. We prefer a shorter route from the Kuril Islands through the Aleutian Islands, as an intermediate point, to Seattle.

[Moscow,] August 30, 1945.

740.00119 FEAC/8-3145 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, August 31, 1945—2 p. m.

[Received August 31—11: 11 a. m.]

1486, bis. Dept's 1296, August 21⁵⁴ and Embassy's 1449, August 25.⁵⁵ By formal note dated August 30, Foreign Office informed Embassy that proposal for establishment of Far Eastern Advisory Commission meets with approval of Chinese Government.

HURLEY

740.00119 Control(Japan)/8-1345

The Secretary of State to the Secretary of War (Stimson)

WASHINGTON, September 1, 1945.

DEAR MR. SECRETARY: In your letter to me of August 13, 1945 you requested that in view of the progress of military operations against Japan I nominate a political adviser to the Commander-in-Chief, Army Forces, Pacific Area Command, who should also be available, if requested, after the surrender of Japan, to advise regarding political matters the United States Commander-in-Chief, who would be charged with the duty of enforcing the surrender terms. Yesterday, in conversation with Under Secretary Acheson, Major General Hilldring⁵⁶ again stressed the urgency of this nomination.

⁵⁴ See footnote 28, p. 683.

⁵⁵ Not printed here.

⁵⁶ Maj. Gen. John H. Hilldring, Director, Civil Affairs Division, War Department.

I have been giving careful thought to this matter; and, since a final conclusion in regard to the matter may take more time than is available to me in view of my imminent departure for London, I suggest the following arrangement. I nominate as Acting Political Adviser to the Supreme Commander, Mr. George Atcheson, Jr., Foreign Service Officer of the United States. I also propose that he should have the personal rank of Minister while acting in that capacity. Mr. Atcheson is an experienced and competent Foreign Service Officer who for over twenty years has devoted himself to Far Eastern work in the Foreign Service. Situations in which Mr. Atcheson has especially distinguished himself have included his handling of the party that was bombed on the *Panay* by the Japanese in 1937;⁵⁷ his period of duty as Assistant Chief of the Division of Far Eastern Affairs of the Department 1941-43; and his recent tour of duty as Counselor of Embassy in Chungking.

The President has recently determined to nominate Mr. Atcheson as United States Minister to Thailand. However, there is no immediate possibility of Mr. Atcheson's taking up those duties, and I should therefore propose that this matter be left open for the time being. Mr. Atcheson is a Foreign Service Officer of long experience, possessing the highest quality of courage, intelligence, and character. The Department has the utmost confidence in him and is convinced that he will advise the Supreme Commander with wisdom and distinction.

I trust that this nomination will be agreeable to you and that at a later date you will let me review the matter again.

Sincerely yours,

JAMES F. BYRNES

[The instrument of surrender was signed aboard the U.S.S. *Missouri*, Tokyo Bay, September 2, 1945; for text, see Department of State Executive Agreement Series No. 493, or 59 Stat. (pt. 2) 1733; also, Department of State *Bulletin*, September 9, 1945, page 364.]

740.00119 P.W./11-2345

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 67

TOKYO, November 23, 1945.

[Received December 6.]

SIR: I have the honor to enclose a copy of a memorandum of conversation between a member of this Office and Mr. Sakomizu Hisat-

⁵⁷ December 12, 1937; see *Foreign Relations*, Japan, 1931-1941, vol. I, pp. 517 ff.

sune, Chief Secretary of the Suzuki⁵⁸ Cabinet (April 7 to August 15, 1941).

During this conversation Mr. Sakomizu pointed out that the first question taken up by the Prime Minister (Suzuki) was a review of the actual situation of the war; that during the latter part of June the Emperor called an Imperial conference and asked that steps be taken to end the war; that about July 10 an approach was made to the Soviet Government to ask that a special envoy (Prince Konoye)⁵⁹ be received; that the Japanese had in mind using Soviet Russia's good offices; that no reply was received from the Soviet Government prior to issuance of the Potsdam Declaration; that certain members of the Cabinet, especially the Prime Minister, Navy Minister⁶⁰ and Foreign Minister⁶¹ said that the Potsdam Declaration was a suitable basis for Japanese surrender if an understanding could be reached that the Emperor need not be "abolished"; that other members of the Cabinet favored acceptance of the Potsdam Declaration only under two conditions, no military occupation of Japan and voluntary recall of all Japanese troops abroad; that on August 9 the Emperor personally directed that the Potsdam Declaration be accepted with the above mentioned understanding and that again on August 14 the Emperor directed that an Imperial Rescript terminating the war be prepared on the basis of the Potsdam Declaration and the reply of the Allied Nations to the Japanese query concerning the ultimate form of the Japanese Government.

In this connection it is of interest to note that Mr. Kase⁶² of the Bureau of Information informed me recently that it was through his own efforts and those of Marquis Kido, Lord Keeper of the Privy Seal, that the decision had been reached early in July to send a delegation to Moscow in the hope of persuading the Soviet Government to mediate the war.⁶³ He added that an "urgent" telegraphic message was sent to Moscow on July 14 but that as Generalissimo Stalin left that evening for Potsdam, the Japanese Ambassador⁶⁴ had been unable to see either Stalin or Molotov. Mr. Kase said that therefore the Japanese were unaware whether Stalin had taken the Japanese proposals with him to Potsdam. However, when it became known that

⁵⁸ Adm. Baron Kantaro Suzuki, Japanese Prime Minister, April 7-August 15, 1945.

⁵⁹ Prince Fumimaro Konoye, Japanese Prime Minister, June 1937-January 1939, and July 22, 1940-October 16, 1941.

⁶⁰ Adm. Mitsumasa Yonai.

⁶¹ Shigenori Togo.

⁶² Toshikazu Kase, Japanese Foreign Office.

⁶³ For documentation on the exchange with Moscow, see *Foreign Relations, The Conference of Berlin (The Potsdam Conference)*, 1945, vol. II, pp. 1248 ff.

⁶⁴ Naotake Sato.

Stalin was receiving Dr. T. V. Soong,⁶⁵ the Japanese realized that their proposals would not receive Russian consideration.

Mr. Kenneth Galbraith of the Strategic Bombing Survey has informed me that Marquis Kido told members of the Strategic Bombing Survey group that the Japanese Government telegraphed its first proposal to Moscow on June 6, and suggested at that time that Konoye proceed to Moscow.

There are enclosed copies of memoranda of my conversations with Mr. Kase and Mr. Galbraith.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure 1]

Memorandum of Conversation, by Mr. Max W. Bishop of the Office of the Political Adviser in Japan

[Tokyo,] November 9, 1945.

Participants: Mr. Sakomizu Hisatsune, Former Chief Secretary of the Suzuki Cabinet (April 7 to August 15, 1941);
Mr. Kubo;
Mr. Bishop

Mr. Sakomizu said that at Mr. Kubo's suggestion he had come to tell Mr. Bishop the details of developments in Japan leading up to the surrender which was announced on August 15. In order that the relationship of personal friendship and close association between the Emperor and Suzuki would be clear, he explained that Prime Minister Suzuki had been the Emperor's Aide-de-Camp from 1930 to 1936; that Suzuki had been assaulted and wounded in the military revolt or "incident" on February 26, 1936; and that Suzuki had later in 1936 upon his recovery, been made Vice President of the Privy Council, and in 1940 had become President. He said that the relationship between such Prime Ministers as Tojo⁶⁶ and Koiso⁶⁷ and the Emperor had been an official one, and that, therefore, with the appointment of Suzuki as Prime Minister, the Emperor was able for the first time since the outbreak of war to express his true feelings through the Prime Minister. Following is Mr. Sakomizu's narrative:

The first question to be taken up by the Suzuki Cabinet was a complete re-examination of the real situation of the war. The Navy Minister, Admiral Yonai, and Prime Minister Suzuki, working closely together and in complete secrecy from the Army, reached the conclusion that to continue the war would mean utter destruction of Japan

⁶⁵ President of the Chinese Executive Yuan (Premier).

⁶⁶ Gen. Hideki Tojo, Japanese Prime Minister, October 18, 1941–July 18, 1944.

⁶⁷ Gen. Kuniaki Koiso, Japanese Prime Minister, July 21, 1944–April 5, 1945.

and the Japanese people, and would also, each day it continued, be further destructive of world civilization.

During the last ten days of June, the Emperor of his own will and without official advice from anyone, although it was undoubtedly true that he had discussed the matter with the Prime Minister, called an Imperial Conference (*Gozenkai*). Six persons attended this Conference before the Emperor—the Prime Minister, the War Minister,⁶⁸ the Navy Minister, the Foreign Minister, the Chief of Staff for the Army⁶⁹ and the Chief of Staff for the Navy.⁷⁰ At this meeting the Emperor asked that steps be taken to bring about an end to the war.

In the discussion which followed it was decided that there were two ways in which the Emperor's wishes could be met:

- 1) To open direct communications with the Allied nations, or
- 2) To approach the Allies indirectly and through the mediation of a third party or neutral country.

It was decided in the first part of July, around the 10th actually, to make an approach to the Allies through Russia. (It has been learned from another source that Foreign Minister Togo was principally responsible for this decision.) A message was sent to the Japanese Ambassador in Moscow asking Russia to accept a special envoy from Japan. The Russians replied by asking for a full explanation of the purposes of sending such an envoy and of the powers which it was proposed to give to the special envoy. The Japanese replied that they desired to send a special envoy for two purposes:

- 1) To improve Russo-Japanese relations, and
- 2) To discuss the use of Russia's good offices in bringing about an end to the war.

The fundamental purpose was, of course, to seek Russia's good offices in terminating the hostilities. It was decided that Prince Konoye would be the special envoy. (As an explanation of the selection of Prince Konoye, Mr. Sakomizu stated that when Prince Konoye had resigned as Prime Minister in October of 1941, he had promised the Emperor that if he were needed at any time thereafter, he would do whatever he could. Mr. Sakomizu explained that selection of Konoye was rather difficult to explain as it involved a personal promise made by Konoye to the Emperor.)

Before any reply to the Japanese message was made, Mr. Stalin and Mr. Molotov had to leave Moscow for the Potsdam Conference. It was stated that the Soviet reply would be forthcoming upon their return. Although it seemed apparent to the Japanese that obtaining of

⁶⁸ Gen. Korechika Anami.

⁶⁹ Gen. Yoshijiro Umezū.

⁷⁰ Adm. Soemu Toyoda.

Soviet Russia's good offices was hopeless, the Japanese Government nevertheless continued to press Ambassador Sato for an answer.

On July 26, the Potsdam Declaration was issued and was carefully scrutinized by the Japanese Cabinet which came to the conclusion that this Declaration constituted an acceptable basis for Japanese surrender. Although the Army itself had lost confidence in its ability to continue the war, the force of militarism and the momentum which was carrying the war along were like a "bicycle rolling down hill without brakes": there was no way to stop it and the Army itself did not know how to give up. It was therefore necessary for the Cabinet to discover some development or event on which to capitalize in order to force the militarists to halt and to bring about surrender. At this juncture the atomic bomb was dropped on Hiroshima. The Cabinet felt that it had found a suitable peg on which to pin its surrender movement; but the Army asserted that the explosion at Hiroshima was not really an atomic bomb but was merely a super-bomb using already known explosives. To settle this argument a scientific staff of experts was sent to Hiroshima. On August 9 the scientists submitted proof that it was actually an atomic bomb. Early on the same morning Russia entered the war.

Prime Minister Suzuki decided that the war must be stopped immediately and that the atomic bomb and Russia's entry were sufficient "excuse" devices. He went to the Emperor about 8:00 a. m. The Emperor agreed that the war should be brought to an end and on the basis of the Potsdam Declaration. After leaving the palace, the Prime Minister gathered together at 9:30 a. m. the same six men who had attended the Imperial Conference in the latter part of June. (This meeting in the morning of August 9 was not an Imperial Conference). At this time it was decided that:

(a) The Potsdam Declaration could be accepted with the *understanding* that it does not include abolishing the Emperor, or

(b) That it could be accepted with two *conditions*:

- 1) That Allied troops not occupy Japan;
- 2) That Japan be allowed to call back all its soldiers from abroad under its own orders and that surrender not be effected abroad.

The Prime Minister, the Navy Minister and the Foreign Minister favored the acceptance of the Potsdam Declaration with the understanding that the Emperor not be abolished. The War Minister and the Chief of Staff of the Army and the Chief of Staff of the Navy favored acceptance of the Potsdam Declaration only with the above two conditions. There was a Cabinet meeting called the same afternoon, August 9, about two o'clock. The consensus expressed was in agreement with the views of the Prime Minister, the Navy Minister

and the Foreign Minister. However, some ministers were not "big enough" to express clearly their own individual opinions and to accept responsibility for those opinions; they merely stated that they would agree with the Prime Minister. No clear decision was reached at the Cabinet meeting and the Prime Minister then went to the Emperor and an Imperial Conference was called at eleven o'clock the night of August 9.

The same six key men and the President of the Privy Council, Baron Hiranuma Kiichiro, and Mr. Sakomizu were present. Baron Hiranuma joined with the Prime Minister and his group making the vote four to three. The Emperor was then told that, as he could see, it was impossible for an agreement to be reached by the conference, that they could not make a decision and that it was therefore necessary for them to follow whatever the Emperor decided. The Emperor then expressed his concurrence with Baron Hiranuma, the Prime Minister and the Navy and Foreign Ministers. Always before it had been the custom for a Conference to reach a decision without directly involving the Emperor—one side or the other yielding so that an agreement could be reached. *But*, in this instance neither side would yield until the Emperor spoke.

(Mr. Sakomizu described the extreme tension and emotion at this important meeting.) Everyone present was impressed with the feeling that the "curtain" which had heretofore hung between the Emperor and the people was drawn aside, and that for the first time since the Meiji Restoration, the Emperor actually stepped from behind this "curtain" and came directly and personally before the people and on the side of the people. The experience was so intensely emotional that "tears flowed freely". All present sensed the "great historic importance" of the occasion. By using the figure of a "curtain" between the Emperor and the people, Mr. Sakomizu had reference to the fact that it had been customary for someone or a group to stand between the Emperor and any important action or decision and for that person or group to accept responsibility for the decision or act.

The Emperor went on to give his reasons for his decision (Mr. Sakomizu said that because of the emotion of the moment, he could not remember every word as it had been uttered by the Emperor, but that three points were especially clear.) The Emperor said:

1) That from the very start of the war, the plans and information of the military had been far removed from the facts of the true situation;

2) that to continue the war would mean the destruction of the Japanese people and the country and would also be disastrous to world civilization; and

3) that although it was sad and moving to recall the sacrifices which had been made and the suffering which had been endured, neverthe-

less the termination of the war in this manner and at this time was in accordance with the will of God and the destiny of the world.

(Speaking parenthetically and as an example of the real feeling of the Emperor, Mr. Sakomizu pointed out that in the original draft of the Imperial Rescript at the beginning of the war, there had been a period after the statement that war with the United States and Great Britain had become inevitable, but that the Emperor had himself inserted the phrase "How far this is removed from my true wishes!")

The Imperial Conference closed at 3:00 a. m. on August 10 and a telegram to the Allied Nations was dispatched at 7:00 a. m. the same morning. On August 13 at 5:00 a. m. the reply was received from the Allied Nations in which it was stated that the ultimate form of government in Japan would depend upon the freely expressed will of the Japanese people. This reply was hotly debated—certain Japanese insisting that it was only the Emperor himself who could decide the ultimate form of government in Japan, other Japanese insisting that the Emperor's will and the people's will were the same thing, and that the Emperor's will encompassed the people's will and vice versa. The latter group urged immediate acceptance of the Allied reply.

Mr. Sakomizu himself advised the Prime Minister to follow this course. The Prime Minister already had the same view and at once urged Japan's immediate surrender. The War Minister and the militarists were unalterably opposed. The Navy was divided with the Navy Minister, Admiral Yonai, on the side of the Prime Minister. Failure of these officials to reach an agreement among themselves made it necessary to hold another Imperial Conference. However, to petition for an Imperial Conference required the signature of three persons; the Prime Minister, the Chief of Staff of the Army and the Chief of Staff of the Navy. The Navy Chief of Staff, Admiral Toyoda, and the Army Chief of Staff refused to sign and it was therefore required that some extra-ordinary means of circumventing their refusal be found. (Ordinarily a signed petition to call an Imperial Conference is submitted to the Emperor before such action is taken.) Prime Minister Suzuki then consulted the Emperor, and the Emperor on his own initiative, summoned the six key officials and all other members of the Cabinet to an Imperial Conference on August 14, at 10:30 a. m.

The War Minister, the Chiefs of Staff of the Army and Navy expressed the view that the Allied reply should not be accepted unless Japanese conditions were met. The Emperor thereupon addressed the Conference and stated that he would express at that point his opinion and that he would require all to agree with his views. He said that his opinion was in no way different from that which he expressed at the Imperial Conference on August 9, that in the future, Japan

would entirely be separated from the means to wage war and would be without any arms or armament, and that Japan would in this way enjoy true eternal peace, completely separated from any form of militarism and would thus contribute to world peace as a country enjoying peace not maintained by arms. The Emperor thereupon ordered the Cabinet immediately to draft an Imperial Rescript terminating the war.

Since August 10, Mr. Sakomizu had been working on a draft for such an Imperial Rescript, following the general outline of the Emperor's remarks at the Imperial Conference on August 9-10. It was therefore necessary merely to insert the additional ideas which the Emperor had set forth at the meeting on the 14th.

(Mr. Sakomizu at this point said he wanted to emphasize two especially important phrases in the Imperial Rescript terminating the war. They were: "Our wish to bring into realization great peace for the benefit of all future generations" and "We are always together with our good and loyal subjects." He went on to point out that there had been some criticism in the foreign press for the reason that in the first Imperial Rescript there had been no use of the word "surrender". He said that in drafting he had consciously avoided using the word. He added it should not be difficult to understand the intense emotional feeling under which he and all Japanese were laboring at that time. This depth of emotion made it impossible to use specifically the word surrender which he believed would have detracted from the solemnity and dignity of the document and therefore would have lessened its powerful effect on all Japanese. He was consciously attempting to put as much dignity and force into the document as he could. He added that on September 2, at the time of the signing of the surrender, the word "surrender" was used in the Imperial Rescript and that the Japanese people by then had come to understand the true situation and were prepared for the use of the word "surrender." In the first rescript he felt that the two words "extra-ordinary measure" actually meant surrender and had so intended.)

The first Imperial Rescript was completed and approved at 11:00 p. m. August 14. The Emperor himself made the decision to broadcast directly to the people.

At this time there was great fear that the Army would attempt some sort of *coup d'état*. Every effort was therefore made to deceive the rabid militarists. General Anami, the War Minister, also did all in his power to prevent an incident. However, he alone could not have forestalled action by the militarists, and all who favored peace worked strenuously during the week before surrender. (Mr. Sakomizu described his efforts as being like those of a skilled fisherman who plays the fish until it is exhausted.) There were only minor disturb-

ances. From midnight of August 15 until 8:00 in the morning, the Army placed soldiers in the front of all entrances to the Palace and prevented anyone from going in or coming out, in an effort to forestall the broadcast of the Emperor. General Tanaka of the Eastern Defense Command finally went to the gates and personally persuaded the soldiers to depart. Other groups of militarists attacked the Prime Minister's residence with machine guns. Prime Minister Suzuki's and Baron Hiranuma's home were burned by the militarists.

On August 15 at 4:00 a. m. the War Minister committed suicide. (Mr. Sakomizu gave a rather interesting explanation of this suicide. He stated that the War Minister personally had no confidence in continuing the war and wanted it to stop, but because of loyalty to the Army the War Minister felt that he had to be on the militarists' side and could find no way to put an end to the force of militarism which, as Mr. Sakomizu had said earlier, was like a "bicycle rolling down hill without brakes". The War Minister therefore felt that in order to "apologize" to the militarists, he had to commit suicide. Mr. Sakomizu added that the War Minister was the only one who truly followed the *Samurai* tradition of suicide.)

Prime Minister Suzuki who was in poor health and exhausted, desired release from the Cabinet. He felt that it would not be advisable for a Cabinet to sign the surrender and then immediately resign. In view of his health which would not allow him to continue in office for any length of time, Prime Minister Suzuki seized upon the occasion of the suicide of the War Minister as a good opportunity to present his resignation. (It would have been necessary for him to obtain a new War Minister and re-organize his Cabinet had he continued as Prime Minister.) Accordingly on August 15 at 3:00 p. m. the Suzuki Cabinet submitted its resignation to the Emperor.

Note: The following were important members in the government during this period:

Prime MinisterSuzuki Kantaro
Foreign MinisterTogo Shigenori
Navy MinisterYonai Mitsumasa
Army MinisterAnami Korechika
Chief SecretarySakomizu Hisatsune
President of Privy CouncilBaron Hiranuma Kiichiro
Chief of Staff of the ArmyGeneral Umezu Yoshijiro
Chief of Staff of the NavyAdmiral Toyoda Soemu

MAX W. BISHOP

[Enclosure 2]

*Memorandum of Conversation, by the Acting Political Adviser in
Japan (Atcheson)*

[Tokyo,] November 9, 1945.

Participants: Mr. Kase Toshikazu, Bureau of Information;
Mr. Atcheson.

Mr. Kase told me this evening that for some time he had been very close to Marquis Kido, Lord Keeper of the Privy Seal. He said that through his own efforts and those of Kido it was decided in higher Japanese Government circles early in July 1945 to send a delegation to Moscow for the purpose of persuading the Soviet Government to endeavor to arrange with the American and British Governments for the "liquidation of the war". He said that he himself was to be a member of the delegation and that an urgent telegraphic message was sent to the Japanese Ambassador in Moscow early on July 14; that Stalin left that evening for Potsdam; that the Ambassador had been unable to see him or Molotov but had discussed the matter with Molotov's number two who was very cordial but non-committal and the Japanese therefore did not know whether Stalin had taken the proposals to Potsdam "in his pocket" or whether, if so, he would lay them on the table there. Subsequently, when it became known that Stalin was receiving T. V. Soong, the Japanese realized that Soviet Russia's "mind had turned to China" and that the Japanese peace proposals would not receive Russian consideration.

GEORGE ATCHESON, JR.

[Enclosure 3]

*Memorandum of Conversation, by the Acting Political Adviser in
Japan (Atcheson)*

[Tokyo,] November 12, 1945.

Participants: Mr. Kenneth Galbraith, Strategic Bombing Survey;
Mr. Atcheson.

Mr. Galbraith told me this evening that during the afternoon he had been present at an interview by members of his group with Marquis Kido, Lord Keeper of the Privy Seal. He said that Kido told them that a telegram was sent by the Japanese Government to Moscow on June 6, 1945, proposing that Konoye go to Moscow to propose peace terms for the Soviet Government to put forth to the Allies but that the Russian Government made no reply.

(It would be interesting to learn the effect upon Japanese determination to keep on with the war or seek peace of the capture of Guadalcanal, Saipan, Okinawa; Saipan may have been the real turning point.)

GEORGE ATCHESON, JR.

II. Occupation and Control of Japan, September 2–December 31, 1945⁷¹

740.00119 Control(Japan)/9-445

*The British Minister (Sansom) to the Director of the Office of Far Eastern Affairs (Ballantine)*⁷²

ORAL COMMUNICATION TO MR. BALLANTINE—SEPT. 4TH, 1945

Mr. Balfour⁷³ informed Mr. Dunn⁷⁴ on August 30th⁷⁵ that H.M. Government in the United Kingdom were communicating informally to the Governments of China and the U.S.S.R. their tentative proposals for an Allied Control Council to assist the Supreme Commander in Japan.⁷⁶

Mr. Dunn suggested that, in view of the U.S. Government's proposal of a Far Eastern Advisory Commission, H.M. Government might wish to defer such communication to those two Governments.

The Foreign Office now inform us that instructions had already been sent to our Ambassadors in Chungking and Moscow⁷⁷ before Mr. Dunn's suggestion was received; but desire us to say that, in communicating our ideas to the Chinese and Soviet Governments we have made it clear to them that we regard our proposals as a tentative basis for discussion only. Moreover, it is not our view that these proposals are necessarily incompatible with the view of the U.S. Government as explained by Mr. Dunn.

⁷¹ See also Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan, September 1945 to September 1948* (Washington, Government Printing Office [1949]), 2 vols. (vol. 2 contains basic documents); and Department of State publication No. 2671, *Far Eastern Series 17: Occupation of Japan: Policy and Progress* (Washington, Government Printing Office, 1947).

⁷² Handed to Mr. Ballantine on September 4 by Sir George Sansom "as a record of an oral communication".

⁷³ John Balfour, British Chargé.

⁷⁴ James Clement Dunn, Assistant Secretary of State for European, Far Eastern, Near Eastern, and African Affairs and Chairman of the State-War-Navy Coordinating Committee (SWNCC).

⁷⁵ See memorandum of August 30, p. 697.

⁷⁶ General of the Army Douglas MacArthur, Supreme Commander of the Allied Powers (SCAP), Japan.

⁷⁷ Sir Horace J. Seymour and Sir Archibald J. K. Clark Kerr, respectively.

740.00119 PW/9-645

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, September 5, 1945.

I am presenting for your approval a report by the State-War-Navy Coordinating Committee recommending proposed messages for transmittal to General MacArthur⁷⁸ which contain:

a. Clarification and exposition to him of the authority which you consider he is to exercise in his position as Supreme Commander for the Allied Powers;⁷⁹ and

b. Specific instructions concerning the matter of Japanese archives and diplomatic property.

Since General MacArthur anticipates that the Japanese would contest their obligation under the Potsdam Declaration⁸⁰ to turn over archives and diplomatic property if instructed to do so by him, it is considered important that the whole question of his authority be clarified as well as his being instructed on the question of the diplomatic property and archives.⁸¹

This report and the recommended messages clarify beyond a doubt that our relations with Japan do not rest on a contractual basis but on an unconditional surrender. Also that though the statement of intentions in the Potsdam Declaration will be given effect this will not be because we consider ourselves bound in a contractual relationship but because the Potsdam Declaration forms part of our policy stated in good faith with relation to Japan and the peace and security of the Far East.

This report has been approved by the Joint Chiefs of Staff and the message in Appendix "B" ("*a*" above) has been specifically approved by the Secretaries of State and Navy.⁸²

I recommend your approval.⁸³

DEAN ACHESON

⁷⁸ SWNCC 181/1, not printed.

⁷⁹ See *infra*.

⁸⁰ Issued on July 26 by President Truman, President Chiang Kai-shek, and Prime Minister Clement R. Attlee; for text, see *Foreign Relations, The Conference of Berlin, (The Potsdam Conference)*, 1945, vol. II, p. 1474.

⁸¹ For General MacArthur's directive, October 25, to the Japanese Government, see p. 786.

⁸² James F. Byrnes and James V. Forrestal, respectively.

⁸³ Notation by Admiral of the Fleet William D. Leahy, Chief of Staff to the Commander in Chief, U.S. Army and Navy: "Approved by the President 6 September 1945."

740.00119 Control(Japan)/9-1345

*Instructions to General of the Army Douglas MacArthur
(Message No. 1)*⁸⁴

SWNCC 181/2

1. The authority of the Emperor and the Japanese Government to rule the State is subordinate to you as Supreme Commander for the Allied Powers. You will exercise your authority as you deem proper to carry out your mission. Our relations with Japan do not rest on a contractual basis, but on an unconditional surrender. Since your authority is supreme, you will not entertain any question on the part of the Japanese as to its scope.

2. Control of Japan shall be exercised through the Japanese Government to the extent that such an arrangement produces satisfactory results. This does not prejudice your right to act directly if required. You may enforce the orders issued by you by the employment of such measures as you deem necessary, including the use of force.

3. The statement of intentions contained in the Potsdam Declaration will be given full effect. It will not be given effect, however, because we consider ourselves bound in a contractual relationship with Japan as a result of that document. It will be respected and given effect because the Potsdam Declaration forms a part of our policy stated in good faith with relation to Japan and with relation to peace and security in the Far East.

740.00119 FEAC/9-745 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the Secretary
of State*

Moscow, September 7, 1945—5 p. m.
[Received September 7—1:28 p. m.]

3195. For the Acting Secretary. Molotov⁸⁵ has written in reply to the note I sent him in accordance with Dept's 1881, August 21, 8 p. m.⁸⁶ that the Soviet Govt agreed to the proposal to establish a Far Eastern Advisory Commission.

Clark Kerr⁸⁷ asked Molotov personally yesterday for the Soviet reaction to the British proposals regarding the functioning of the Control Council for Japan. Molotov answered that the Soviet Govt had not formulated its views as yet but that he expected the control

⁸⁴ Text of this message was transmitted on September 6 through the Joint Chiefs of Staff to General MacArthur.

⁸⁵ Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

⁸⁶ See footnote 28, p. 683.

⁸⁷ British Ambassador in the Soviet Union.

of Japan to be one of the first matters considered by the meeting of the Foreign Secretaries.⁸⁸

Repeated to London as 435 personal for Winant.⁸⁹

HARRIMAN

740.00119 FEAC/9-1245

*The British Secretary of State for Foreign Affairs (Bevin) to the Secretary of State, Then in London*⁹⁰

[LONDON,] 12 September, 1945.

DEAR MR. BYRNES: The present uncertainty about the policies to be followed in the treatment of Japan, now that she has surrendered, is causing growing concern in this country and I should value an early opportunity to discuss with you personally the manner in which these policies are to be formulated and applied. It will perhaps facilitate our discussion if I set out briefly in this personal letter the points which I should like to elaborate.

2. The United States have suggested the establishment in Washington of a Far Eastern Advisory Commission with limited powers of recommendation to the participating Governments in regard to the formulation of policies, principles and standards for the fulfilment of the Instrument of Surrender,⁹¹ the machinery necessary to ensure this fulfilment, and any other matters which may be referred to it.⁹² Our understanding is that, in the view of the United States Government, the Commission should consist of representatives of the United States, the United Kingdom, the Soviet Union, China, France, the Philippines, Australia, Canada, New Zealand and the Netherlands.

3. Just before this suggestion was made, we had put forward some tentative proposals for the establishment in Japan itself of an Allied Control Council representing the United Kingdom, the United States, the Soviet Union, China and Australia, and of an Allied Advisory Committee composed of representatives of these five countries together with representatives of Canada, New Zealand, South Africa, India, France, the Netherlands and the Philippines.⁹³ The intention of these proposals was to leave the Supreme Commander for the Allied Powers free to take all decisions in the military sphere but to assist him in the exercise of his responsibilities by providing an Allied Control

⁸⁸ For first session of the Council of Foreign Ministers at London, September 11-October 2, see vol. II, pp. 99 ff.

⁸⁹ John G. Winant, Ambassador in the United Kingdom.

⁹⁰ The Secretary of State was in London attending the meetings of the Council of Foreign Ministers.

⁹¹ Signed aboard the U.S.S. *Missouri*, Tokyo Bay, September 2, 1945; Department of State Executive Agreement Series No. 493, or 59 Stat. (pt. 2) 1733.

⁹² See telegram 7106, August 21, 8 p. m., to London, p. 638.

⁹³ See annex to British Embassy's communication of August 20, p. 679.

Council which would guide him more particularly in political, economic and financial matters; and an Advisory Committee which would consider matters referred to it by the Control Council and would make recommendations to the Control Council.

4. In answer to the United States proposal we have felt bound to stipulate that if an Advisory Commission is set up in accordance with their proposals it should include India. But before accepting the United States proposal we should like to know more about the kind of machinery which the United States Government contemplate for the actual control of Japan, and to be satisfied that this machinery is likely to be such as to give us a voice in the control commensurate with what we have suffered from Japanese treachery, with our contribution to Japan's defeat and with our responsibility towards our own peoples for preventing any renewal of Japanese aggression.

5. Our interest in Japanese affairs is such that we shall wish in any circumstances to be strongly represented in Japan by a Political Representative with a suitable staff.

6. We are prepared to recognise that the execution of policy in Japan itself should, vis-à-vis the Japanese, be the sole responsibility of the Supreme Commander for the Allied Powers. But this in our view should not imply any derogation, as between the major Allies on whose behalf the Supreme Commander is acting, from the principle of collective responsibility for the policies which he is to apply.

7. It seems highly doubtful whether sufficiently rapid decisions on the many problems which will arise, and which indeed are already arising, can be reached through the medium of a large Advisory Commission sitting in Washington. We suggest that such decisions can only be reached with sufficient rapidity and sufficient knowledge of the local situation through the agency of a Control Commission in Japan itself.

8. It seems to us that the major responsibility should be shared by the United States, the United Kingdom, the Soviet Union and China as the parties to the Moscow Declaration of October 30th, 1943⁹⁴ and by Australia by reason of the magnitude of her direct interest and the part which she has played in the war. It is for this reason that we have suggested a Control Commission consisting of representatives of these five countries. Our hesitation in agreeing to entrust the elaboration of control machinery to the Advisory Commission which the United States Government have proposed is that it seems unlikely that such a Commission of eleven countries would easily agree to delegate responsibility to a Control Commission consisting of only five of their number.

⁹⁴ *Foreign Relations*, 1943, vol. I, p. 755.

9. We have every desire to act in this matter in the closest agreement with the United States Government, and the discrepancies between our proposals and yours are perhaps more apparent than real. It is for that reason that I think that personal discussion at this stage would be so useful.

Yours sincerely,

ERNEST BEVIN

740.00119 Council/9-1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 13, 1945—7 p. m.

7940. Secdel 44. General MacArthur has inquired of the Joint Chiefs of Staff whether there is objection to the publication of the instructions and powers of the Supreme Commander contained in the directive approved by SWNCC,⁹⁵ with which the Secretary is familiar. (This directive defines the Supreme Commander's authority toward the Japanese Government under the Potsdam Declaration.)

On August 12 SWNCC approved publication of the directive on the understanding that Presidential approval be obtained and that the Soviet, British and Chinese Governments be informed prior to its publication.

The matter is now before the President.⁹⁶

ACHESON

740.00119 Control(Japan)/9-1745

Statement Issued by the Supreme Commander, Allied Forces in Japan (MacArthur)

TOKYO, SEPTEMBER 17, 1945—TEXT OF STATEMENT ISSUED TODAY BY
GENERAL DOUGLAS MACARTHUR

The smooth progress of the occupation of Japan enabled a drastic cut in the number of troops originally estimated for that purpose. The unknown quantity in the original situation was the debatable question whether a military government would have to be set up to run the country during the early occupation. This might well have involved the employment of several million troops.

The entire structure below the political plane, involving hundreds of thousands of people on professional and lower levels, would have had to be reconstituted and replaced. This would have involved a force running into millions of our men and would have taken many years of additional time and untold billions of additional dollars.

⁹⁵ SWNCC 181/2, p. 712.

⁹⁶ President Truman gave his approval on September 17.

By utilizing the Japanese Government structure to the extent necessary to prevent complete social disintegration, insure internal distribution, maintain labor and prevent calamitous disease or wholesale starvation, the purposes of the surrender terms can be accomplished with only a small fraction of the men, time and money originally projected.

This situation involved a grave initial risk, but successful penetration and subsequent progress of the operation now assure success of the venture.

No greater gamble has been taken in history than the initial landings where our ground forces were outnumbered a thousand to one, but the stakes were worth it. As a consequence of the savings in men, the occupation forces originally believed essential are being drastically cut and the troops will be returned to the United States as rapidly as ships can be made available.

Within six months the occupational force, unless unforeseen factors arise, will probably number not more than 200,000 men, a size probably within the framework of our projected regular establishment and which will permit complete demobilization of our citizen Pacific forces which fought so long and so nobly through to victory. Once Japan is disarmed, the force will be sufficiently strong to ensure our will.

The questions involved in this matter are entirely independent of the future of the Japanese politico-governmental structure on a national and international plane. This problem is one the ultimate solution of which necessarily awaits completion of military phases of the surrender.

It is one which unquestionably will be determined upon the highest diplomatic level of United Nations and is one in which the answer cannot fail to be influenced by the incidence of events in the near and proximate future.

740.00119 Control(Japan)/9-1745

Memorandum of Telephone Conversation, by the Acting Secretary of State

[WASHINGTON,] September 17, 1945.

At the request of Assistant Secretary of War, McCloy, I called the President and directed his attention to the statement⁹⁷ in today's paper attributed to General MacArthur to the effect that he thought that it would be possible to garrison Japan with 200,000 regular troops and that hence it would be possible and would be the policy to return the soldiers taken from civilian life to the United States. The statement also quoted General MacArthur as saying that this was possible

⁹⁷ *Supra.*

because he was going to use the Japanese Government to carry out the purposes of the occupation. The President broke in to say that he thought the statement was incorrect, would do a great deal of damage and was wholly uncalled for. I went on to say to the President that the War Department was sending a cable to General MacArthur ascertaining the facts regarding this statement. It wished to say in the cable that no such statements should be made by General MacArthur or any of his officers in the theater, that in the judgment of the War Department we could not rely upon garrisoning Japan with the number of troops stated and that the statement itself would greatly impair the efforts of the War Department to bring about an orderly replacement program through the continuation of the draft. It was stating also as a result of prior conversations with me that the State Department was much disturbed at this statement both because it gave a wholly erroneous impression of our policy in the occupation and would lead to the general belief throughout the East that American power in the Far East was being liquidated and that we intended to rely solely on Japanese good faith. I asked the President whether the War Department could add that this statement also caused him great concern and did not correctly reflect his policies.

The President replied that we could say this and make it as strong as we could. He stated that this was not his policy and that he intended to use as many men as were necessary to assure the complete carrying out of the surrender and the adoption of the policies which we had already outlined to General MacArthur. He added that he intended to see that the Army authorities in the theater carried out these policies.

I reported this conversation to Mr. McCloy who will draft the cable along the lines indicated. We agreed that neither the War Department nor the State Department should make any comment on this reported statement of General MacArthur until we had had a reply to this cable. We also agreed that upon receipt of such a reply we would consider what statement the War Department should make since that seemed to be the appropriate source of the statement unless the President wished to make it himself.

DEAN ACHESON

740.00119 Control(Japan)/9-1845: Telegram

*The Chief of Staff (Marshall) to General of the Army Douglas MacArthur*⁹⁸

WASHINGTON, 17 September, 1945.

War 65406. In the midst of a highly explosive Congressional situation which may jeopardize an orderly occupation and replacement

⁹⁸ Transmitted to the Acting Secretary of State on September 18 by the Chief of Staff.

policy appear press statements emanating from Japan which embarrass or prejudice War Department efforts.

The State Department and the White House are greatly concerned over the rapidly spreading effect of General Eichelberger's⁹⁹ statement that occupation of Japan will be unnecessary after 1 year and also by the press reports this morning crediting to you the statement that occupation forces in Japan can be reduced to 200,000 within 6 months. They not only fear the adverse effect already evident on our efforts to maintain Selective Service to provide replacements but also an adverse effect on our political position in the Far East at this particular time. Leaders in Congress confirm these estimates.

Urgently needed is your estimate as to overall troop strength required in the Pacific on 1 July 1946. This was requested in War 57396 of 30 August and again in War 64221 of 14 September, replies to neither of which have as yet been received.

Please coordinate with War Department prior to release statements to press or visiting committees regarding strength of garrisons, rate of demobilization and matters referring to replacement needs, etc.

740.00119 Control(Japan)/9-1845: Telegram

*General of the Army Douglas MacArthur to the Chief of Staff
(Marshall)*¹

TOKYO, 18 September, 1945.

CA 52048. Your War 65406 distresses me. There was not the faintest thought that my statement as to my personal estimate of the strength of the occupation forces in Japan would cause the slightest embarrassment. The strengths to be maintained in Europe and estimates for this theater have been carried freely in press reports. I was under the heaviest pressure from the press as they reported that President Truman in a late press interview referred them to me as to the time factors involved. In my statement I believed that I was acting in complete conformity with the War Department's announced policy of demobilizing just as rapidly as conditions permitted. I would appreciate it if you would explain my position to the White House and the State Department.

General Eichelberger's statement was made entirely on his own responsibility without previous consultation and is at variance with my own.

⁹⁹ Lt. Gen. Robert Eichelberger, Commanding Advance Occupation Force in Japan.

¹ Transmitted to the Acting Secretary of State on September 18 by the Chief of Staff.

The reply to your War 57396 and War 64221 is being forwarded at once. It was drafted several days ago but has been delayed pending receipt from Manila of certain detailed computations that we were unable to make here.

740.00119 Control(Japan)/9-1945

Memorandum by the Director of the Office of Far Eastern Affairs (Vincent) to the Deputy Director of the Office of European Affairs (Hickerson)

[WASHINGTON,] September 19, 1945.

In accordance with the SWNCC recommendation as approved by the President, yesterday I handed a copy, as attached, of the statement to be made public by General MacArthur² to a Secretary of the British Embassy and today I handed a copy to a Secretary of the Soviet Embassy and to a Secretary of the Chinese Embassy. I told them that the statement was being handed them for their information, that it would be released for publication by General MacArthur in a few days, and that in the meantime I would appreciate their treating it as confidential. The Chinese Embassy and Soviet Embassy Secretaries had no comment to make.* The British Embassy Secretary inquired with regard to the origin of the statement. I told him that it had originated with the American Government.

J[OHN] C[ARTER] V[INCENT]

740.00119 PW/9-2045 : Airgram

The Minister in New Zealand (Patton) to the Secretary of State

WELLINGTON, September 20, 1945.

[Received October 3—7 p. m.]

A-225. Reference Legation's confidential telegram 401 of August 13, 2 p. m.³ regarding views of New Zealand Department of External Affairs on surrender terms to be imposed upon Japan.

In a conversation today with an officer of the Legation, an official of the Department of External Affairs stated that even though no public statement on the matter had been made, the views of the Prime Minister (Mr. Fraser) on the policy adopted by the United Nations for the occupation of Japan were similar to those of Australia.

² SWNCC 181/2, p. 712.

*Subsequently, the Soviet Embassy Secretary made the same inquiry as the British Embassy Secretary had made and was given the same answer. [Footnote in the original.]

³ *Ante*, p. 646.

According to this official, the views of the Prime Minister, as expressed in a confidential communication to the United Kingdom Government, are as follows:

There should be no soft peace. Japan should be occupied by Allied troops as long as is necessary to eliminate its war potential and to establish a democratic government responsible to the people. The Emperor should be tried as a war criminal. Although it is realized, in accordance with General MacArthur's present policy, that a light hand must be used until the Japanese forces are completely disarmed and Allied control effectuated, the New Zealand Government is worried lest the present soft policy be continued.

According to the official of the Department of External Affairs, the New Zealand Government is prepared to make its contribution to the onerous task of occupying Japan by sending a brigade of troops to assist in the occupation. Nevertheless, when the question of New Zealand's contribution to the occupying forces is discussed by the New Zealand Government with the United Kingdom Government the latter has always intimated to the New Zealand Government that the United States does not desire that substantial numbers of British Commonwealth troops be used in the occupation.

In my opinion, this is an instance of the disadvantages, in so far as the United States is concerned, of New Zealand receiving information on American policy exclusively through British Government channels.

PATTON

[A statement on "United States Initial Post-Surrender Policy for Japan", was prepared jointly by the Department of State, the War Department, and the Navy Department (adopted September 21 as SWNCC 150/4/A). It was approved by President Truman and released to the press by the White House on September 22, 1945. For text, see Department of State *Bulletin*, September 23, 1945, page 423.]

740.00119 Control(Japan)/9-2245: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 22, 1945—3 p. m.

[Received 9:45 p. m.]

9838. After emphasizing that he was speaking entirely personally and not under instructions, Sterndale Bennett⁴ told us this morning

⁴ John Cecil Sterndale Bennett, Head of Far Eastern Department of British Foreign Office.

that he was becoming seriously concerned at the delay in setting up some sort of Allied control or advisory commission in Japan and the consequent unilateral issuance of directives to MacArthur and statements by him in name of Allied Powers but on which those powers had not been consulted. He gave as example a directive issued to MacArthur to make announcement on Sept 20 in Japan to effect that Emperor and Jap Govt were acting in subordinate capacity to Supreme Commander. According to Sterndale Bennett, a copy of this directive was given to British Embassy in Washington on Sept 18 when copies were also given to Soviets and Chinese but none of the Govts concerned were given opportunity to comment or suggest changes. No exception was taken by Sterndale Bennett to contents of directive to MacArthur but he felt that we were "all in the same boat and have same objectives". He stated he had understood US policy would be that the conquering and occupation of Japan was at least in theory a joint affair and if so he hoped some machinery would be soon set up by which other Govts concerned could express their views on matters of vital mutual concern.

Sterndale Bennett referred to British proposal to set up five power control commission in Tokyo to advise MacArthur on other than military matters and said that FonOff feels very strongly that such a body is necessary. It was pointed out that British proposal and the American proposal to set up a Far Eastern advisory commission in Washington were not mutually exclusive. British belief is that a large group in Washington as proposed by US would not be able to reach quick decisions on matters of urgency due to lack of sufficient knowledge of local conditions in Japan and that five power group sitting in Tokyo as suggested by British would be able to operate effectively on day to day and short term questions. Sterndale Bennett said it was because of strong British convictions on this point and the hope that an indication would soon be received from the Dept that some such machinery could be worked out that no official British reply had yet been made on American proposal for Far Eastern advisory commission. Sterndale Bennett said that as far as he could tell from indications he had received on American policy towards Japan the British Govt would be in substantial agreement with it. The role Japan will play in the future according to Sterndale Bennett will in large part be determined by what happens during next few months and he reemphasized the strong desire of FonOff to cooperate with US in (1) making it impossible for Japan to take the road to aggression again and (2) building up conditions in which a new and peaceful Japan could grow.

740.00119 Control(Japan)/9-2245

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to the Under Secretary of State (Acheson)*

[WASHINGTON,] September 24, 1945.

London Embassy's no. 9838 of September 22 reports a *personal* conversation with the Chief of the British Foreign Office Division for Far Eastern Affairs, during which that Foreign Office official said that there were "strong British convictions" that a five-power Control Commission be set up in Tokyo and that therefore no official British reply has been made to the American proposal for a Far Eastern Commission.

Sir George Sansom, of the British Embassy, called on me this morning and in the course of the conversation I mentioned the matter to him. He said that he understood definitely that the British Foreign Office intended to discuss this whole matter with the Secretary and Mr. Dunn in London and that, therefore, there would be no need to give any particular attention to the personal conversation reported in 9838 unless of course we desired to do so.

J[OHN] C[ARTER] V[INCENT]

740.00119 Council/9-2545 : Telegram

*The Secretary of State, Temporarily in the United Kingdom, to the
Acting Secretary of State*

LONDON, September 25, 1945—3 p. m.
[Received September 25—12: 45 p. m.]

9915. Delsec 56, September 25. Please let me know urgently whether in accepting our proposal for establishment of Far Eastern Advisory Commission China and the Soviet Union have accepted our proposal that other nations named in our transmitting message would be invited to take part in the commission.

BYRNES

740.00119 Control(Japan)/12-2745 : Telegram

*General of the Army Douglas MacArthur to the Chief of Staff
(Marshall)*

Tokyo, 25 September, 1945.

Cax 52301. Swedish Legation has inquired as to what extent neutral diplomatic missions here are to continue relations with Japanese Foreign Office and other Japanese Government officers. Request comprehensive definition United States policy on which to base reply to Swedish Legation and any necessary instructions to Japanese Government and all neutral diplomatic missions in Tokyo.

Neutral diplomatic missions here are continuing to use Japanese radio facilities for communications to home governments. We consider it desirable release neutral diplomatic communications through American rather than Japanese channels and request policy directive in this respect.

740.00119 Council/9-2545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 25, 1945—7 p. m.

8451. Secdel 119. Reurtel 9915, Delsec 56, September 25 from the Secretary. In reply to our proposals for establishment of Far Eastern Advisory Commission Chinese Gov in formal note August 30 gave its approval to our proposals without qualification. SovGov in written reply dated September 7 (Moscow's 435, September 7, for Winant⁵) also agreed to our proposals for establishment of the commission without qualification regarding invitations to other nations to be on the commission.

ACHESON

740.00119 Control (Japan) /12-2745

Memorandum by the War Department to the Department of State

WASHINGTON, 27 September, 1945.

MEMORANDUM FOR THE LIAISON SECTION, OPD :

Subject: Status of Neutral Diplomatic Missions in Japan

1. It is requested that you obtain from the State Department information on the basis of which early reply might be made to General MacArthur's radio Cax 52301 (CM-IN 20671).⁶ It is clear that General MacArthur has full authority to issue whatever instructions may be necessary; what he requires is guidance as to the proper instructions.

2. In order that General MacArthur may be given the clearest possible advice in this matter, it would seem necessary to include specific answers to the following questions:

a. What is the policy of the U.S. with reference to relations between neutral diplomatic missions in Japan and the Japanese Foreign Office and other Japanese Government offices?

b. Are special instructions to the Japanese Government or, particularly, to neutral diplomatic missions in Japan required to give effect to such U.S. policy?

⁵ See telegram 3195, September 7, 5 p. m., from Moscow, p. 712.

⁶ September 25, p. 722.

c. Does the U.S. have any political objections to action by General MacArthur to require neutral diplomatic missions in Japan to use American rather than Japanese communication channels for diplomatic communications?

JOHN S. CAREY
For G. A. Lincoln
Brigadier General, GSC
Chief, Strategy & Policy Gp, OPD

740.00119 PW/9-2745 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, September 27, 1945.

[Received September 29—1 p. m.]

3. Following memorandum submitted to SCAP as representing only initial impressions admittedly and necessarily based upon quick survey of conditions and opinions in Tokyo and immediate environs:

“(a) Although one senses a certain dazed feeling on the part of many of the populace, the general reaction among the people is one of great relief that the war is finished, of resignation to defeat and of anxiety in regard to the treatment to be given Japan.

“(b) There is practically universal acceptance of the fact of defeat. This acceptance is not, however, accompanied by a universal sense of guilt or shame. Pride in Japanese race, mores, and culture remains widespread. (Properly handled, this factor may be valuable in implementing United States policies.)

“(c) Leadership appears to fall into two categories;

1st, that of government and administrative officials who seem to limit their activities largely to general administration and execution of orders of the occupation forces; and

2nd, that of certain individuals who are busily engaged in what is felt to be opportunistic scrambling to create a surface appearance of democratic activity in Japanese political life. It is too early to determine whether government officials and leaders of these highly vocal proponents of new democratic social and political practices can or will develop sound basic programs for the gradual evolution of a peaceful and reliable Japan.

“(d) As was to be expected, there has not yet emerged a clear pattern of leadership which could reasonably be relied upon to develop the changes which must take place in Japan during the next one or two generations. Similarly, with the military backbone of the government destroyed, there have not yet come forward the individual leaders who can give life to such leadership. Uncertainty in regard to Japan's future seems to loom large in preventing the emergence of such leaders. Factors such as necessary recovery from shock and sudden elimination of long standing militaristic direction and domi-

nation of all National affairs, and the extreme difficulty of bare existence, make it unlikely that the vacuum in progressive and intelligent leadership will be filled for a considerable period of time. On the other hand, there is wide evidence of a spirit of determination to recover Japan's position through diligence and cooperation with the occupying forces.

"(e) All observations reemphasize the fact that creation of a new Japanese economic and social structure must necessarily be a gradual process wisely initiated and carefully watched and fostered for many years. It cannot be accomplished suddenly. It would appear undesirable, in the initial stages of occupation, to attempt to accelerate, perhaps to the point of disintegration, the desired social and economic changes. Such measures as the immediate complete eradication of all responsible leaders who may formerly have been implicated in decisions of high policy which led to war or were concerned with war, might be highly disturbing at this particular juncture and should be proceeded with gradually and as local circumstances dictate."

ATCHESON

740.00119 FEAC/9-2845

The British Secretary of State for Foreign Affairs (Bevin) to the Secretary of State, in London

[LONDON,] 28 September, 1945.

DEAR MR. BYRNES: His Majesty's Government in the United Kingdom have been giving further consideration to the proposal made by the United States Government on August 22nd for setting up a Far Eastern Commission.⁷

His Majesty's Government are now prepared to agree that the proposed Commission should be called together in Washington at the earliest practicable date.

His Majesty's Government agree that the Commission should be composed of representatives of the United States, the United Kingdom, China, Soviet Russia, France, the Philippine Islands, Australia, Canada, New Zealand and the Netherlands as proposed by the United States Government, but they must request that India shall also be included and a representative of India invited to attend the opening meeting.

It is the understanding of His Majesty's Government that it shall be within the power of the Commission to determine whether it shall continue to meet in Washington or in Tokyo.

Yours sincerely,

ERNEST BEVIN

⁷ See telegram 7106, August 21, 8 p. m., to London, p. 633.

740.00119 FEAC/9-2845

*The Secretary of State to the British Secretary of State for
Foreign Affairs (Bevin)*

LONDON, September 29, 1945.

DEAR MR. BEVIN: I have your letter of September 28 advising that His Majesty's Government agrees to the establishment of the Far Eastern Commission proposed in my letter of August 22. The United States Government is in accord with the understanding of His Majesty's Government that under the terms of reference it is within the power of the Commission to determine whether it shall continue to meet in Washington or Tokyo.

I also wish to say that the representative of the United States on the Commission will be instructed to vote that the Commission meet in Tokyo whenever its members express a desire to meet there.

You requested that the Government of India be asked to become a member of the Commission and be invited to send a representative to the first meeting. The United States Government agrees to this suggestion and I will be glad to submit your request to the Governments of the Soviet Union and China.

Sincerely yours,

JAMES F. BYRNES.

740.00119 FEAC/10-145

*The Secretary of State to the Soviet Commissar for Foreign Affairs:
(Molotov), in London*

LONDON, September 29, 1945.

DEAR MR. MOLOTOV: On several occasions you and I have discussed your suggestion that the Council of Foreign Ministers consider a proposal to establish a Control Council in Japan. I have advised you that I was not prepared to take any action on such a request; that the subject was not among the subjects submitted by the heads of governments to the Council for consideration at this meeting; that I had no instructions from the President and no information as to the views of our military commanders in control of the situation in Japan; and, in the absence of such instructions and information, I could not act at this meeting.

I have, however, advised you that my inability to act upon the proposal at this meeting does not mean that the United States Government was opposed to the proposal or that I was opposed to it. I have assured you that immediately upon my return to Washington I will advise the President of your views and that I will communicate with you.

In military and non-military matters in Japan the United States Government is anxious to cooperate with its allies and consult together about policies.

On August 22 I submitted to the Governments of the Soviet Union, the United Kingdom and China a proposal to establish a Far Eastern Advisory Commission. I proposed the additional participation of the Governments of France, the Philippine Islands, Australia, Canada, New Zealand and the Netherlands. Your Government and the Government of China promptly agreed to the proposal, but the Commission has not been established because the Government of the United Kingdom had not acted upon the proposal.

I am writing you to state that today I have been advised that the Government of the United Kingdom has agreed to the proposal. The Foreign Minister writes that his understanding is that it is within the power of the Commission to determine whether the Commission shall continue to meet in Washington or Tokyo. I have written the Foreign Minister of Great Britain that his understanding is correct and that our representative on the Commission will be instructed to vote to meet in Tokyo. Your Government and the Government of China will be furnished copies of the correspondence. I hope that your representative on the Commission will also be instructed to vote that meetings be held in Tokyo.

I also request that as promptly as possible your Government name its representative on the Far Eastern Commission so that it can organize and start its work.

Under the terms of reference the Commission is asked to make recommendations—

1. On the formulation of policies, principles and standards by which the fulfillment by Japan of its obligations under the Instrument of Surrender may be determined;
2. On the steps necessary and on the machinery required to ensure the strict compliance by Japan with provisions of the Instrument of Surrender;
3. On such other matters as may be assigned to it by agreement of the participating governments.

Upon my return to Washington I shall ask the President when he appoints a representative on the Commission to request him to urge the Commission to promptly consider the question as to whether a Control Council should be established and, if so, the powers to be vested in such Council.

I shall also present to the President the views you have expressed as to Japanese matters.

Sincerely yours,

JAMES F. BYRNES

740.00119 FEAC/10-145 : Telegram

*The Ambassador in the United Kingdom (Winant) to the
Acting Secretary of State*LONDON, October 1, 1945—3 p. m.
[Received October 1—2: 55 p. m.]

10185. For Acheson from Secretary Byrnes. The British Govt has now accepted our proposal for the establishment of the Far Eastern Commission and I suggest that invitations now be extended to Australia, Canada, France, Netherlands, New Zealand and Philippines to participate in the Commission.

You have seen the statement I made last night⁸ on the subject.

I have also agreed with Mr. Bevin that the text of the terms of reference of the Commission would not be published. I hope you will keep my agreement in that respect.

Please also inform the Governments of China and the USSR that the British Govt has asked that India be invited to which I have assented and ask the concurrence of those two Govts to this request.

For your own information I have agreed to Mr. Bevin's request that the Commission may after assembling in Washington transfer its seat to Tokyo and that the Commission may at its initial meeting discuss its terms of reference on the basis of a revision of the terms as follows:

"FAR EASTERN COMMISSION

I. Establishment. The Governments of the (here insert the names of the governments originally proposed by the US Government, plus India) hereby establish a Far Eastern Commission composed of representatives of the participating powers.

II. Functions.

(a) The functions of the Far Eastern Commission shall be (1) to formulate the policies, principles, and standards required to give full effect both on the part of Japan and as between the participating governments to the instrument of surrender. (2) To recommend to the participating governments the steps necessary and the machinery required for the above purpose. (3) To consider such other matters as may be assigned to it by agreement between the participating governments.

(b) The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

(c) The Commission shall be charged with the task of examining all proposed directives to the Supreme Commander for the Allied Powers on nonmilitary matters; and no such directive shall be issued to the Supreme Commander for the Allied Powers without its prior

⁸ For statement issued at London, September 29, see Department's press release October 1, Department of State *Bulletin*, October 7, 1945, p. 545. The statement was sent to the Department in telegram 10173, September 29 (740.00119 Council/-9-2945).

approval in accordance with the procedure laid down in clause IV (2) below.

III. Other methods of consultation. The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating governments.

IV. Composition.

(1) The Far Eastern Commission shall consist of one representative of each of the states party to this agreement. The membership of the Commission may be increased by agreement between the participating powers as conditions warrant, by the addition of representatives of other United Nations in the Far East or having territories therein. The Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission in regard to matters before the Commission which are of particular concern to such nations.

(2) In the absence of unanimity, the decisions, recommendations and acts of approval of the Commission shall be effective if adopted by a simple majority of the representatives present, provided that this majority includes the representatives of at least two of the powers party to the Potsdam Proclamation of July 26, 1945, namely; the United States, the United Kingdom, China and Soviet Russia.

V. Location and organization. The Far Eastern Commission shall initially have its headquarters in Washington. It may meet at other places as occasion requires, and may transfer its headquarters to Tokyo if and when it deems it desirable to do so. Pending such transfer it may make such arrangements as it thinks fit for consultation with the Supreme Commander for the Allied Powers.

Each representative on the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees or commissions as may be deemed advisable, and otherwise perfect its organization and procedure.

VI. Termination. The Far Eastern Commission shall cease to function when a decision to that effect is taken by a simple majority of the participating powers, including at least two of the powers party to the Potsdam Proclamation. Prior to the termination of its functions the Commission shall transfer to any interim or permanent security organization of which the participating governments are members those functions which may appropriately be transferred."

BYRNES

740.00119 FEAC/10-145

*The Soviet Commissar for Foreign Affairs (Molotov) to the
Secretary of State, at London*

[Translation⁹]

LONDON, October 1, 1945.

DEAR MR. BYRNES: I hereby confirm the receipt of your letter of September 28 [29] in which you again write concerning the question

⁹ Transmitted by the Department in airgram A-404, October 15, to Moscow.

of the establishment of a Far Eastern Advisory Commission for Japan. In this connection I consider it necessary to remind you that in the name of the Soviet Government I have already called the attention of the Council of Foreign Ministers currently sitting, to the fact that the Soviet Government attaches great importance to the immediate establishment of Allied control mechanism for Japan.

At the present time I must first of all state that your confirmation of the fact that the Soviet Government has agreed with the proposal for the creation of an Advisory Commission for Japan does not accurately reflect the present situation. In connection with the fact that the formation of the Advisory Commission has been delayed and in connection with the change in the situation in Japan the Soviet Government already on September 24 handed to the Council of Foreign Ministers a memorandum¹⁰ containing a proposal for the establishment of a Control Council for Japan to sit in Tokyo and to consist of representatives of the United States, Great Britain, the Soviet Union, and China under the presidency of the representative of the United States.

The Soviet Government considers that while the war situation existed and the Japanese armed forces had not yet been disarmed there was justification of the concentration of all functions for the control of Japan in the hands of the Allied Commander-in-Chief. However, now that the war period has passed there have arisen before the Allies tasks chiefly of a political, economic, and financial character for whose decision it is essential to establish such an Allied organ through the medium of which the four powers who played the decisive role in the defeat of Japan would put into effect in relation to Japan an agreed policy and assume joint responsibility. The Soviet Government as heretofore stands on the position set forth in the above mentioned memorandum of September 24. It recognizes as wise the establishment along with the Control Commission for Japan of an Advisory Allied Commission as envisaged in your proposal also under the presidency of the representative of the United States including in addition to the four Allied powers other countries as well which took an active part in the war against Japan. However, the Soviet Government considers that the formation of such an Allied Advisory Commission should be preceded by a decision of the four Allied Governments concerning the establishment of a Control Commission for Japan since a delay in this decision will create appreciable difficulties. I am sending copies of this letter to Mr. Bevin and to Mr. Wang Shih-chieh.¹¹

Sincerely yours,

V. MOLOTOV

¹⁰ Memorandum C.F.M. (45) 49, September 24, by the Soviet delegation, vol. II, p. 357.

¹¹ Chinese Minister for Foreign Affairs, attending meetings of the Council of Foreign Ministers in London.

740.00119 Control(Japan)/11-845

*Report by the State-War-Navy Coordinating Subcommittee for the
Far East*¹²

POLICY WITH RESPECT TO RELIEF IN JAPAN

[SWNCC 107/1]

[WASHINGTON, October 1, 1945.]

THE PROBLEM

1. To determine the policies with respect to relief which should be followed by the Supreme Commander in Japan.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".¹³

DISCUSSION

3. See Appendix "B".¹³

CONCLUSIONS

4. It is concluded that:

a. The objectives of the relief policy of the United States are to prevent such starvation and widespread disease and civil unrest as would (1) clearly interfere with military operations or endanger the occupying forces, and (2) permanently obstruct the ultimate objectives of the occupation.

The problem of relief, in the sense of imports to supplement Japanese resources, is an integral part of the general problem of supervising or directing the economy of Japan. Relief should be accomplished with a maximum of Japanese responsibility and a minimum of imports.

b. Widespread publicity should be given to the general policy that, the Supreme Commander should assume no obligations to maintain, or have maintained, any particular standard of living in Japan; and that the standard of living will depend upon the thoroughness with which Japan redirects the use of its human and natural resources wholly and solely for purposes of peaceful living, administers adequate economic and financial controls, and cooperates with the occupying forces and the governments they represent.

c. Initially imported supplies may be provided only when it is clear that maximum Japanese efforts cannot produce or have not produced materials essential to a standard of physical well-being below which there would be such starvation, widespread disease or civil unrest as would clearly endanger the occupying forces, or interfere with mili-

¹² Approved on November 5 by the State-War-Navy Coordinating Committee and forwarded to the Secretary of State as directed on November 8.

¹³ Not printed.

tary operations. Imported supplies may also have to be provided to prevent such widespread starvation or disease as would permanently obstruct the ultimate objectives of the occupation. The burden of proof rests on those who present a plea for imports.

d. Disease rates may be used as an indication of the adequacy of living conditions in terms of danger to the occupying forces and the objectives of the occupation; but in such case should be independently verified by the Supreme Commander. In the absence of a pronounced increase in disease rates, a state of physical hardship should not for the present be construed as endangering the occupying forces or the objectives of the occupation.

e. Distribution of supplies should be made through Japanese public supply agencies or such other consignees as are acceptable to the Supreme Commander and under his direct supervision or control. In the event that, as a matter of military necessity, relief supplies are issued by the occupying forces, the cost of such issues should be paid for by the Japanese Government.

f. The Supreme Commander should immediately undertake a survey to determine the average caloric content required for two basic standards of diet, (1) that adequate to prevent, under present conditions in Japan, such widespread disease or civil unrest as would endanger the occupying forces; and (2) that adequate to prevent interference with attainment of the general objectives of the occupation. The results of such survey should be promptly reported to the Joint Chiefs of Staff as a basis for further planning. In the determination of such average caloric content it should be considered that variations in diet may be made according to age and work required, and that it is preferable to begin low and to increase as circumstances clearly permit rather than risk failure to maintain a standard once established. Meanwhile, the Supreme Commander should not provide relief supplies unless it can be shown that a balanced diet of 1500 calories of rationed and non-rationed items is not available for urban consumption.

g. The existing dispersion of persons from food deficit areas to food surplus areas should be prolonged, exceptions being made for people of needed special skills. In the discretion of the Supreme Commander voluntary movement of persons from food deficit areas to food surplus areas may be encouraged.

h. Special attention should be given to encouraging production and sale of incentive goods to induce farmers and other food producers to move their produce to market.

5. The Japanese authorities should be required immediately to restore such public health services as water and sewage disposal systems, particularly in congested urban areas. Imports requested for this

purpose must be justified as necessary relief measures before being approved. This is not to be construed as an authority to import supplies for housing, communications or other facilities necessary to restore the economy of Japan. Economic rehabilitation is a responsibility of the Japanese Government.

RECOMMENDATIONS

6. It is recommended that:

a. This report be referred to the Joint Chiefs of Staff with a request for their comments from a military point of view; and

b. Upon approval by the SWNCC of the "Conclusions":

(1) this report be transmitted to the Joint Chiefs of Staff, and to the State, War and Navy Departments for their guidance and, where appropriate, for proper implementation, and

(2) no part of this paper be either communicated to our Allies or released to the press at present.

740.00119 Control(Japan)/10-245: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, October 2, 1945.

[Received October 8—11: 42 a. m.]

13. We understand from a reliable diplomatic source that Japanese Foreign Office is endeavoring in its relations with neutral diplomats here to maintain that peace was negotiated and that Japanese Government still holds same position vis-à-vis neutral countries and their relations with Japan as it held before surrender. There is also some indication that members of Japanese Foreign Office are among the most reactionary and bureaucratic of Japanese officials now in office. According to some informed Japanese sources, Foreign Office is active in efforts to foster general belief that the war was "stopped," thus hindering development of widespread understanding and realization that Japan was utterly defeated.

While certain functions and duties now performed by the Foreign Office may be desirable for the purposes of the occupation of Japan, we feel that serious consideration should be given by the American Government to the desirability of directing the Japanese Government to conduct its relations with neutral diplomatic missions only through Allied Military Headquarters. It is realized that this action might be questioned by neutral countries, but we believe it justified as contributing to the carrying out of the Potsdam Declaration and as an affirmative step forward in the accomplishment of various desirable objectives. Furthermore, while neutral governments might perceive

objection to our requesting that they cease relations with Japanese diplomatic missions in their own capitals, there would not seem to be strong ground on which they could object to the suggested restriction on Japanese Foreign Office here as exigency of military occupation. Recall of Japanese diplomatic personnel abroad might constitute a further desirable step to be taken in near future.

ATCHESON

894.00/10-345: Telegram

The Acting Secretary of State to the Acting Political Adviser in Japan (Acheson)

WASHINGTON, October 3, 1945—11 a. m.

13. Please inform the Department what action has been taken regarding the release of Japanese political prisoners. There are reports in America that many have not been liberated.

ACHESON

740.00119 Control(Japan)/12-2745

The Director of the Office of Far Eastern Affairs (Vincent) to the Under Secretary of State (Acheson)

[WASHINGTON,] October 3, 1945.

MR. ACHESON: With regard to the question of neutral missions in Tokyo having relations with the Japanese Government,¹⁴ it might not be the best course to permit such relations, but I do not think we can base the argument on the possibility that other nations such as the Soviet Union, China, and the United Kingdom might take this as a precedent for establishing Embassies for conducting direct relations with the Japanese Government. The three nations named are bound by the Declaration of the United Nations "not to make separate armistice or peace with the enemies".¹⁵ The establishment of an Embassy by any one of the three powers would have to be preceded by a peace treaty and recognition of the Japanese Government. It is conceivable that the Soviet Union might "jump the traces" but if they did decide to do so the whole scheme of cooperation in the Far East would "go by the boards" and I feel that any attitude we take towards the present neutral nations (Sweden, Switzerland, Portugal) having relations with the Japanese Government would have little or no bearing on Soviet action.

The question presented here is a fundamental one for which we have not yet produced an answer. Prior to the Potsdam Proclamation it

¹⁴ See memorandum of September 27, p. 723.

¹⁵ Signed January 1, 1942; *Foreign Relations*, 1942, vol. 1, p. 25.

was generally thought that there would be no Japanese Government and that the Allied military administration for control of Japan would in effect be the government of Japan. Potsdam, however, altered this situation. There is a Japanese Government "subject" to General MacArthur. It has now diplomatic representatives abroad in Sweden, Switzerland, and Portugal which have relations with the Governments to which they are accredited. The unanswered question is whether the Japanese Government is to be considered purely as an "administrative instrument" for General MacArthur or whether it is to be considered a government, while not sovereign, yet capable of operating in much the same manner as the government of a protected country or the government of a country under military occupation. If it is purely an "administrative instrument" then the neutral missions should, it seems to me, have relations only with MacArthur's headquarters. If it is a government then it would seem to me that the neutral missions should be permitted to have relations with it. General MacArthur is in a position to exercise complete control over the Japanese Government and can therefore supervise, direct, modify, or prevent negotiations by the Japanese Foreign Office with neutral missions.

Quite aside from the merits of the case, I understand from War Department people that General MacArthur would prefer not to be faced with the necessity of setting up a "Foreign Office" in his headquarters to conduct relations with the neutral missions.

Finally, it seems to me, if we do not wish neutral nations to continue relations with the Japanese Government, we should, on a government-to-government level, request the nations concerned to break off diplomatic relations with Japan on the ground that the Japanese Government is not sovereign and is not capable of conducting foreign relations.

J[OHN] C[ARTER] V[INCENT]

740.00119 Council/10-445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 4, 1945—8 p. m.

[Received October 4—4: 50 p. m.]

10345. Delsec 109. From Dunn. An informal letter of today's date to you from Bevin refers to his earlier statement to you that the interest of the United Kingdom in Japanese affairs was such that the British Government deemed it necessary to send a political representative with a suitable staff to Japan at an early date irrespective

of the establishment of the proposed Far Eastern Commission.¹⁶ The letter states that the political representative has not yet been chosen, but that steps are being taken for the selection and transportation to Japan of his staff. The letter expresses hope that our Government will facilitate establishment of the mission which is to be instructed to work with MacArthur in the closest harmony and cooperation.

I have advised him that the substance of his letter has been cabled to you. [Dunn.]

WINANT

740.00119 Control (Japan)/10-445 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, October 4, 1945.

[Received October 8—4: 15 p. m.]

18. As there appears to be considerable discussion among politically-minded Japanese in regard to question of the revision of Japanese Constitution it is suggested that completion of the directive on this subject be expedited as much as possible. Meanwhile please telegraph outline of draft so that we may know direction which American Government thought is taking in the matter.

ATCHESON

740.00119 P.W./10-545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

MOSCOW, October 5, 1945—10 a. m.

[Received 10: 34 a. m.]

3459. The following telegram received from Consulate General, Vladivostok, 187, October 2, 11 a. m.:

Recent traveller Moscow to Vladivostok observed two trainloads Jap military prisoners being transported westward but nothing definitely identifiable as war loot of Jap origin. In conversation September 15 chairman Vladivostok City Council indicated it was anticipated Jap war prisoners would be put to work on rehabilitation work. Such prisoners have already been put to work in southern Vladivostok. On 29th there were observed between 1,500 and 2,000 prisoners temporarily camped along road north of city. They had by report of Soviet soldier arrived day before from Korea by steamer. Observed last night tail end of long column of more prisoners being marched through city parallel to port area from which they had probably come. In both cases men carried packs, appeared in good physical condition (both ill or wounded included) and were but lightly guarded. In short they appeared to be good potential labor force.

¹⁶ See letter of September 12, p. 713.

Geographical arrangement of Soviet communications system would naturally result in movement of only small proportion of Soviet war loot through Vladivostok but absolute amount appears of late to be on increase. Rest in mat bags of Jap manufacture and in American sacks this part of loot probably being on State account. Loot presumably belonging to individual soldiers also reached Vladivostok aboard military trains which are, however, unloaded at station immediately outside of town. Soldiers' loot includes primitive household goods and other personal effects which would not ordinarily be considered worth taking. General indications are that Manchurian population was poor before Soviet forces arrived. It is now poorer still.¹⁷

KENNAN

740.00119 Control (Japan)/10-545: Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, October 5, 1945.

[Received October 9—12:05 p. m.]

24. ReDeptel 13, undated.¹⁸ General MacArthur issued October 4 directive to Japanese Government ordering removal of restrictions on political, civil and religious liberties and release of political prisoners. Understand press has radioed details. Copy of directive will go forward by mail.¹⁹

ATCHESON

740.00119 FEAC/10-645: Telegram

*The Secretary of State to the Chargé in Australia (Minter)*²⁰

WASHINGTON, October 6, 1945.

106. Please convey the following message to the Government to which you are accredited:

"The Governments of the United States, the United Kingdom, the Union of Soviet Socialist Republics and China have agreed to the establishment of a Far Eastern Advisory Commission for the consideration of political matters connected with the fulfillment by Japan of its obligations under the instrument of surrender. It is the desire of these Governments that the Commission include representatives of

¹⁷ Documentation on Soviet postwar policies and actions regarding Manchuria will be published in vol. VII.

¹⁸ October 3, 11 a. m., p. 734.

¹⁹ For text, see Department of State *Bulletin*, November 4, 1945, p. 730; see also addendum, November 25, 1945, p. 874.

²⁰ The same, *mutatis mutandis*, was sent to Missions in Canada as 89, France as 4656, the Netherlands as 63, and New Zealand as 377; also letter to the Philippines, October 8. Acceptances were received from Australia, France, the Philippines, and Canada (October 11), and New Zealand and the Netherlands (October 18).

certain other states which have actively participated in the war against Japan and which are principally interested in the area of the western Pacific.

A cordial invitation is extended to the Government of Australia to participate in the Commission."

Please inform Department regarding general reaction to this invitation and whether acceptance probable.

BYRNES

740.00119 FEAC/10-645 : Telegram

*The Secretary of State to the Chargé in China (Robertson)*²¹

WASHINGTON, October 6, 1945—6 p. m.

1625. Please deliver a note, the substantive portion of which should be as follows, to the Generalissimo or the Minister for Foreign Affairs in your discretion, referring to the Dept's 1296, August 21, 8 p. m. :²²

"In regard to the projected establishment of a Far Eastern Advisory Commission, the Chinese Government is informed that the Government of the United Kingdom has requested that India be included as a member of the Commission and that the Secretary of State has indicated his assent to the request. Does the Chinese Government concur in the inclusion of India?"²³

BYRNES

740.00119 FEAC/10-145 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom (Winant)*²⁴

WASHINGTON, October 9, 1945—6 p. m.

8933. Reurtel 10185, Oct 1, 3 p. m. Please communicate the following message to the government to which you are accredited:

"The US Govt desires that the initial meeting of the Far Eastern Advisory Commission be held in Washington October 23d. It would be appreciated if the Government of Great Britain would designate its representative to participate in the work of the Commission. For your information, the US Govt has appointed General Frank R. McCoy, US Army, Retired, as its representative on the Commission."

BYRNES

²¹ Similar telegram sent to Moscow as 2104.

²² See footnote 28, p. 683.

²³ China's assent was sent October 22. India was invited on October 25 and accepted on October 27.

²⁴ The same *mutatis mutandis* was sent to Missions in Australia as 107. Canada as 90. China as 1638. France as 4699, the Netherlands as 69. New Zealand as 379, and the Soviet Union as 2118; also similar letter, on October 10, to Philippine President Osmeña, at that time in Washington.

740.00119 Control(Japan)/10-1045 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

Tokyo, October 10, 1945.

[Received October 10—1 p. m.]

31. Reference our No. 18, October 4 requesting telegraphic summary of draft directive on revision of constitution. Accompanied by Professor Takagi²⁵ of Imperial University, Konoye²⁶ called on me informally last evening at his request as result of his call on General MacArthur October 4 at which I was present and at which the General told Konoye that Jap constitution must be revised. Konoye asked me for advice and suggestions; lacking the directive on this subject, I offered personal, unofficial comment on general character as follows:

(*Begin summary*) 1. House of Representatives, only Govt branch purporting to represent the people, enjoyed only limited powers. Cabinet was not responsible to it and constitution lacked any provision whereby, for example, Cabinet must have confidence of House and fall upon vote of censure. House had only limited control over budget and none over expenditures of Imperial household. It was not competent to pass a bill into law after disapproval thereof by House of Peers which could interminably block legislation. It was subject to dissolution and to facing reelection on arbitrary dictum of higher authority.

2. In such "Bill of Rights" as existed, each right was emasculated by restriction to "within limits of the law". There was no specification of the electorate, no guarding of people from evils of centralized police control and centralized control of education.

3. House of Peers was not democratic in any sense, represented only nobles, financiers and payers of high taxes and exercised extraordinary control with support of people's will.

4. There was no provision for judicial protection of people's rights as against govt for impeachment of officials.

5. There was no provision to regulate and control War, Navy Ministers (if there should be any in future), to make them responsible to the govt and thus deprive militarists of grip on govt through powers not acquired by constitutional means such as direct access to throne and power to block formation of Cabinet by refusing to serve; democratic constitution would require such officials to be civilian.

6. Privy Council was extra-governmental body serving in restraint of House of Representatives and people's rights.

7. There could not be a govt reflecting "freely expressed will of the people" if the people's representatives could not initiate and adopt amendments to the constitution and if Emperor could override the veto, enact laws when Diet not in session and keep Diet out of session in order to continue such laws. (*End summary*)

²⁵ Yasaka Takagi, Professor of American Constitutional Government, Imperial University, Tokyo.

²⁶ Prince Fumimaro Konoye, former Japanese Prime Minister, Minister without Portfolio until October 9.

Konoye indicated that Emperor was in favor of revision and that he himself would actively work therefor. He asked that we have further discussions and that I also receive Tagaki for that purpose. It would accordingly be helpful if Dept could expedite sending of material requested in reference telegram. Despatch follows.²⁷

ATCHESON

894.404/10-1045: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, October 10, 1945.

[Received October 9 [10?]-9:38 a. m.]

36. Press here carries sensational accounts of Vincent's broadcast (ZA 6688) October 7²⁸ in regard to abolition of Shintoism as Japanese state religion. GHQ Information and Education Section is receiving numerous inquiries as to details, etc., and it would be helpful if pertinent information could be sent us by telegraph.

ATCHESON

740.00119 Control (Japan)/10-1045: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, October 10, 1945.

[Received October 12-3:25 p. m.]

37. Japanese political activity is speeding up with the Cabinet change²⁹ and the shock which was given by the 4 October order of the Supreme Commander concerning the abolition of thought control laws and the release of political prisoners. Compared with the previous Cabinet which failed because it was not able to understand what the Government was supposed to do under the Potsdam Declaration there are signs that the new Cabinet will by their own actions anticipate the desired changes.

How successful in this attempt the new Cabinet will be remains to be seen, as none of its members are close to the throne nor do they possess outstanding forcefulness or prestige. New political parties are being formed in a haphazard fashion with only three groups up till now showing any vitality. Hatoyama is leading the "Liberal" party, he being formerly the defunct Seiyukai's executive director.

²⁷ Despatch No. 6, October 10, not printed.

²⁸ For text of radio broadcast, see Department of State *Bulletin*, October 7, 1945, pp. 538-545.

²⁹ Baron Kijuro Shidehara became Prime Minister on October 9, succeeding Prince Naruhiko Higashi-Kuni (August 17-October 5).

Communist and Socialist parties. Just now are the Communist leaders being freed from prison. The orthodox or conservative leaders and the rightist elements are keeping quiet but they continue to exercise considerable influence, no doubt. Most of the population appears to be apathetic as far as politics are concerned, thinking mostly about the urgent problems of livelihood.

The new Cabinet shows more signs of conservatism (in 1939 the Home Minister ³⁰ was the President of the National Spiritual Mobilization League; and is the former Director of the Imperial Rule Assistance Association). The new Cabinet is mediocre and was designed apparently only temporarily in order to carry on the efforts to meet the requirements of the Allies and to clear the way for the new Government which will be chosen after a national election. Those who were thought likely to be considered as war criminals by the U.S. were avoided and those were chosen who had had international acquaintanceship and experience, probably more because of their acceptability to the U.S. than for any qualifications or individual abilities. The efforts of the present Cabinet may very well be more successful than the efforts of the preceding Cabinet but whether it can be considered as more than a stop gap is doubtful.

ATCHESON

894.00/10-1045

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 4

TOKYO, October 10, 1945.

[Received October 22.]

SIR: I have the honor to enclose copy of a memorandum of this date to the Supreme Allied Commander suggesting a general plan to further the reformation of the Japanese Government by replacement of long service reactionary subordinate personnel. We have reason to believe that high officials who endeavor to undertake desired reform generally feel themselves handicapped and even blocked entirely by the opposition or passive resistance of their subordinates and some comprehensive plan for replacement of long service reactionaries would seem necessary for any fundamental and effective reformation of the government.

It will be observed that, as regards the Ministers of War and the Navy, recommendation is made that they be entirely abolished after completion of demobilization and surrender of military equipment and facilities as their continued existence in a demilitarized country would be without justification.

Respectfully yours,

GEORGE ATCHESON, JR.

³⁰ Zenjiro Horikiri.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Atcheson)

Tokyo, October 10, 1945.

MEMORANDUM FOR: SUPREME COMMANDER AND CHIEF OF STAFF.³¹

Subject: Reformation of Japanese Government.

One of the obvious difficulties in the way of a suitable reformation of the Japanese Government is the reactionary attitude, due to early training and long bureaucratic service, of the subordinate officials of the various ministries. It is to be assumed, for example, that most officials in subordinate (but important) executive posts have served from fifteen to twenty-five years, at least the last fourteen of which have been devoted to the furtherance of Japanese aggression and imperialism, and there is reason to believe that Cabinet ministers and vice ministers who honestly wish to institute reform feel themselves blocked by the reactionary attitudes or passive resistance of such subordinates.

By rough estimate the recent directive of October 4, 1945 for the removal of restriction on political, civil and religious liberties should cause the abolition of fifty percent of the positions in and under the Home Ministry. As those remaining will doubtlessly be for the most part reactionary old hands and as reportedly many in office during the war who were responsible for repressive policies and actions were either promoted or left in service, it is recommended that in due course after the directive has been carried out the Ministry be required to replace fifty percent of the remaining personnel with new personnel. It is also recommended that a similar procedure be adopted with regard to other ministries so that within a few months time seventy-five percent of the old personnel will be replaced by new. The Justice Ministry, for example, should be thoroughly overhauled, especially the procurator's department. As regards the Ministry of Finance, much in this direction has probably been accomplished by the shutting down of imperialistic banking institutions and the process could be carried through the government monopolies (tobacco, salt, camphor) and also through the government-controlled industrial associations. As for the Ministry of War and Navy, it is believed that they should be entirely abolished when demobilization and surrender of equipment and facilities have been accomplished as their continued existence thereafter would be without justification in a demilitarized country.

If some such plan is adopted, it is further recommended that appro-

³¹ Lt. Gen. Richard K. Sutherland was Chief of Staff, with Maj. Gen. Richard J. Marshall as Deputy Chief of Staff.

priate officials of the Japanese Government be so informed in order that they may have opportunity themselves to take the desired action.

GEORGE ATCHESON, JR.

740.00119 Control(Japan)/10-1045

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 9

TOKYO, October 10, 1945.

[Received October 23.]

SIR: I have the honor to enclose a copy of our memorandum of October 10, 1945 to the Supreme Commander ³² suggesting a program for the comprehensive dissemination in Japan of world news from American sources. Specifically, it is recommended that world news and related services formerly provided by OWI ³³ in foreign countries (China, as example) be prepared by former OWI personnel inducted into the Department and be forwarded by the Department to General Headquarters here for handling by the Headquarters Information and Education Section.

There is obviously a very definite need here for a comprehensive news service, such as that suggested, for Japanese newspapers. We have daily been struck by the dearth and poor handling of American and world news in general. As an example, there is enclosed a copy of the *Osaka Mainichi*, English language edition, for October 8.³⁴

We believe that the program suggested to General MacArthur is along the lines of one contemplated by OWI officials except that the service in question would be furnished by the Department and this would not necessarily involve the sending to Japan of Departmental (former OWI) personnel except possibly such personnel as might be requested by Headquarters for induction into, and full control by, the Information and Education Section of General MacArthur's command.

Respectfully yours,

GEORGE ATCHESON, JR.

³² Not printed.

³³ Office of War Information.

³⁴ Not reprinted.

740.00119 PW/10-1945

*Report by the Joint Staff Planners of the Joint Chiefs of Staff*³⁵

J.C.S. 1398/4

[WASHINGTON, 11 October, 1945.]

DRAFT MEMORANDUM FOR THE STATE-WAR-NAVY COORDINATING
COMMITTEE

National policy, as set forth in SWNCC 70/5* and approved by the President, states that Great Britain, China, and the Soviet Union have a responsibility to participate with the United States in the occupation and military control of Japan and the obligation to assume a share in the burden thereof; that the United States should exercise the controlling voice in the occupation authority in Japan proper and should designate the commander of all occupation forces and principal subordinate commanders; and that the occupation authority should be organized on the principle of centralized administration, avoiding the division of the country into national zones of independent responsibility administered separately.

(General MacArthur considers, and the Joint Chiefs of Staff concur, that if the United States is to maintain the controlling voice in the occupation of Japan, U.S. participation in the occupation forces must be at least equal to that of all other nations combined. Further, in order to permit a reduction in the number of U.S. troops, forces of other nations must be equal in all important respects to American troops. The provision of suitably qualified forces by the other powers will thus make it possible to release up to half of the U.S. troops required for occupational purposes in Japan. Based on present estimates which indicate a requirement on the order of 200,000 troops to occupy Japan, the provision of Allied contingents might thus reduce the requirement for U.S. troops to some 100,000 men. However, if arrangements are made at this time to provide 90,000 to 100,000 men in Allied contingents, and if it should subsequently become evident that the present estimate of about 200,000 men required for the occupational force is excessive, it will not be possible to reduce further U.S. participation unless the dominant voice in the occupational authority is relinquished by the United States, or unless it is practicable to arrange for proportional and simultaneous withdrawal of Allied forces. Participation by the Allies should therefore be limited to that minimum size necessary to obtain the political objectives of the

³⁵ Submitted to the Joint Chiefs of Staff with recommendation it be forwarded to the State-War-Navy Coordinating Committee. For action, see last paragraph of memorandum by the War Department, p. 762. On October 23, by informal action, the Joint Chiefs of Staff approved the recommendation subject to amendment (indicated in brackets).

*On file in J.C.S. Secretariat. (SWNCC 70/5 is a revision of SWNCC 70/2 (J.C.S. 1398) incorporating amendments requested by the Joint Chiefs of Staff in J.C.S. 1398/1.) [Footnote in the original; documents under reference not printed.]

United States. For planning purposes it is considered that the British Empire, China and Russia might each furnish between 20,000 and 30,000 troops, thus reducing the U.S. requirement to perhaps 100,000 men.

The Joint Chiefs of Staff consider that the Secretary of State needs to enter, at his earliest convenience, into negotiations with the major Allies to provide occupational forces for Japan proper in order to attain the political objectives of the United States set forth in SWNCC 70/5. The Joint Chiefs of Staff believe that the invitation extended to China, Great Britain and Russia should envisage provision by each of a force of about 30,000 men. The invitation should specify that the forces so provided will be integrated operationally into the U.S. forces under General MacArthur, that they should be balanced and self-supporting, that the maintenance of these forces will be the responsibility of the government providing the forces and that General MacArthur will utilize these forces in any area or manner which, in his opinion, the military situation may require. In view of practical difficulties of integrating highly technical elements such as air forces and naval vessels, it is recommended that the Secretary of State discourage offers of token air and naval forces as components of each nation's contribution. If they must be included, these components should be integrated into the U.S. air and naval forces in a manner similar to the U.S. ground forces. [Foregoing sentence deleted.]

The following major units and total strengths which allow for supporting units are suggested as a basis for initiating negotiations: China, three infantry divisions (equivalent in numbers to one U.S. division with supporting troops), total about 30,000 men; U.S.S.R., one reinforced infantry division, total about 30,000 men; and Great Britain, one composite Empire infantry division, total about 30,000 men. If air and naval units are included, the totals should be within these totals.

The Joint Chiefs of Staff have no objection to the inclusion of forces of the Philippine Commonwealth in addition to those of the major Allies, if an invitation to the Philippine Government is politically desirable.

A draft indicating points which need to be covered in an agreement with a foreign nation is attached hereto.

[Annex]

APPENDIX

AGREEMENT FOR PARTICIPATION OF FORCES IN THE OCCUPATION OF JAPAN

The Governments of the United States and agree to the employment of military forces of in the occupation

of the Japanese Home Islands in accordance with the following provisions:

A. General

1. The force will consist of infantry division(s) (and air group of aircraft and men-of-war) [parentheses deleted]³⁶ with essential supporting units, the total force not to exceed. . . . men in number ashore in Japan. The force will become part of an integrated Occupation Force.

2. The infantry division(s) (and air group and naval units) [parentheses deleted] will not be subdivided into smaller formations made subordinate to other commanders, but will remain (each) under its own commander.

3. The Supreme Commander for Allied Powers (SCAP) is the highest military and political control authority in Japan and will be free to locate and move this force within the Japanese Home Islands as he sees fit to accomplish the missions assigned him.

4. No area will be assigned the forces as an exclusive area of control. All areas occupied by forces will additionally be subordinate to the appropriate higher commanders.

5. The force will be prepared for entry into Japan on approximately at the port of

6. These forces will be withdrawn upon occurrence of either of the following events, but only in these events:

a. Upon notification in writing by the Government to the Government of the United States of the desire of the Government to withdraw its forces.

b. Upon notification in writing by the Government of the United States to the Government that participation of the forces in the occupation of Japan is no longer required to assist in the execution of the terms of surrender.

B. Command and Control

7. The forces will be employed in the Occupation Force in a manner normal and commensurate with their magnitude and will be placed in appropriate larger formations [remaining clause deleted], such as an army corps or air wing.

8. Except as stated in Section D, "Administration," the forces will in every way be subject to the command and control of SCAP and intervening commanders in the chain of command to the commanders. Appropriate liaison will be accorded on the staffs of the SCAP and intermediate commanders.

9. The commander of the force will be free to communicate with his government [remaining section deleted], or with

³⁶ With reference to bracketed insertions in this appendix, see last sentence of footnote 35, p. 744.

representatives on the Far East Advisory Council, the SCAP staff, or the SCAP Advisory Council (if any).

10. The command of the forces will pass to SCAP on arrival of the carrying shipping in the harbor of the port of

C. *Operations*

11. The forces will be employed by SCAP on missions to assist in the execution of the surrender terms imposed upon Japan. No differentiation will be made in the employment of forces from those of other nations.

12. Military government functions will be executed by subordinate commanders in accordance with the directives of SCAP.

D. *Administration*

13. The force commander will be responsible to his government for interior administration of his forces.

14. The Government will be responsible, except as provided otherwise in supplemental agreements, for all transportation of forces to and from Japan proper.

15. The Government will be responsible for equipment, supply, and maintenance of the forces.

16. SCAP will coordinate and make allocations for use of existing ports, warehousing, air fields, highway and railroad systems, and similar facilities necessary to permit logistical support and administration of the forces.

17. SCAP will make distribution to all forces, including forces, of such foodstuffs and other maintenance requirements produced in Japan as he deems surplus to essential civil requirements in Japan, and as may be reasonably necessary for the maintenance of such forces.

740.00119 Control(Japan)/11-645

Report by the State-War-Navy Coordinating Subcommittee for the Far East

CONTROL OF FOOD AND AGRICULTURE IN JAPAN ³⁷

[SWNCC 98/1]

[WASHINGTON, October 11, 1945.]

THE PROBLEM

1. To determine the policy of the United States with respect to food supply in Japan with particular relation to agricultural production.

³⁷ SWNCC 98/1 was approved by the State-War-Navy Coordinating Committee on November 5; paragraph 4 on "Conclusions" was made available thereupon to members of the Far Eastern Advisory Commission, meeting in Washington.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".³⁸

DISCUSSION

3. See Appendix "B".³⁸

CONCLUSIONS

4. It is concluded that:

- a.* The responsibility with respect to formulating and executing food and agriculture programs should be placed on the appropriate Japanese authorities subject to the approval of the Supreme Commander.

- b.* Production of food crops should be maximized. However, tea and mulberry plantations should not be converted to food crops except for those areas whose trees or bushes are over age or for other reasons non-producing, and except for those areas which would be especially productive for food.

- c.* Supplies of fertilizers should be made available, particularly for this winter's crops. Night soil is an important source of fertilizer and its use should be continued. Surveys should be instituted of facilities and raw materials available for the production of fertilizer in Japan. The importation of fertilizer and of essential spare parts and raw materials for fertilizer plants is authorized to the extent required to meet deficiencies in local supply. Imports should be procured as far as possible from sources in proximity to Japan.

- d.* The production of farm tools and implements in short supply should be encouraged.

- e.* To the extent practicable, stock from the army remount depots should be distributed to areas most dependent on animal power.

- f.* Steps should be taken to insure an equitable distribution of farm produce. Such measures should include price control, rationing, control of black markets and such other measures as are directed toward full employment of resources, including labor. Attention should be given to the production and sale of such incentive goods as are in demand by food producers and can be produced locally.

- g.* The production of synthetic vitamins should be encouraged to supplement the probable inadequacies of diet during 1945-46, especially for the ill and for children and expectant and nursing mothers.

RECOMMENDATIONS

5. It is recommended that:

- a.* This report be forwarded to the Joint Chiefs of Staff for comment from the military point of view;

³⁸ Not printed.

b. Upon the approval by the State-War-Navy Coordinating Committee of the conclusions in paragraph 4 above:

(1) this paper be transmitted to the Joint Chiefs of Staff and to the State, War and Navy Departments for their guidance, and where appropriate for implementation;

(2) the "Conclusions" in paragraph 4 above be communicated by the Department of State to the Governments of the United Kingdom, the Soviet Union, China, France, the Commonwealth of the Philippines, Australia, Canada, New Zealand and the Netherlands;

(3) after having communicated with our Allies according to subparagraph (2) above, the Department of State, at its discretion, release the "Conclusions" to the press, and

(4) this report be classified "Restricted" until such time as it is released according to paragraph 5 b (3) above.

894.404/10-1045 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 12, 1945.

23. The pertinent parts of Vincent's broadcast referred to in your No. 36, Oct 10 are as follows. They are paraphrases of SWNCC paper 150/4.³⁹ The complete text of the broadcast will be sent to you by mail.

"Shintoism, insofar as it is a religion of individual Japanese, is not to be interfered with. Shintoism, however, insofar as it is directed by the Japanese Government, and is a measure enforced from above by the government, is to be done away with. People would not be taxed to support National Shinto and there will be no place for Shintoism in the schools. Shintoism as a state religion—National Shinto, that is—will go . . . Our policy on this goes beyond Shinto . . . The dissemination of Japanese militaristic and ultra-nationalistic ideology in any form will be completely suppressed. And the Japanese Government will be required to cease financial and other support of Shinto establishments."

BYRNES

740.00119 Control(Japan)/10-1245

*The Acting Political Adviser in Japan (Atcheson) to the Secretary
of State*

No. 14

TOKYO, October 12, 1945.

[Received October 25.]

SIR: I have the honor to enclose a list of 11 questions submitted to the Supreme Commander by the Japanese authorities on October 7

³⁹ August 31, not printed, but for SWNCC 150/4/A, September 21, which replaced it, see Department of State *Bulletin*, September 23, 1945, p. 423.

concerning the treatment of foreign diplomats in Japan together with a copy of my memorandum of October 11, 1945 to the Chief of Staff embodying general suggestions for a reply to the Japanese.⁴⁰

The tone of the Japanese communication shows the persistence of the Foreign Office in trying to maintain that it is still in a position of authority in its dealings with foreign officials. Reference is made in this connection to my telegram 13 of October 2, 1945, in which it was suggested that the Japanese Government be directed to conduct its relations with neutral diplomatic missions only through Allied Military Headquarters.

The problem of relations of foreign diplomats with the Foreign Office will largely resolve itself if the neutral diplomatic missions now in Japan are repatriated. These missions include the Swedish, Swiss, Turkish, Roumanian, Spanish, Siamese and Portuguese. Most of these missions have already asked for facilities and it is recommended that arrangements be made with their respective governments to expedite their repatriation and that representatives of all diplomatic missions remaining in Japan, whether neutral or Allied, be asked to conduct all formal relations with the Japanese Government through the Headquarters of the Supreme Commander.

Very respectfully yours,

GEORGE ATCHESON, JR.

740.00119 Control(Japan)/10-1245 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, October 12, 1945.

[Received November 6—6 p. m.]

41. Reference our 31, October 10. Prince Konoye has been attached by the Emperor to the office of the Lord Keeper of the Privy Seal⁴¹ for the purpose of undertaking studies leading to the thorough revision of the Constitution.

We have been privately informed that the Prince will be assisted by constitutional experts and that he desired to keep in close contact with us during the progress of the work, submitting the draft article by article for our advice and the consideration of General MacArthur.

ATCHESON

⁴⁰ Neither printed.

⁴¹ Marquis Koicho Kido.

740.00119 Council/10-1345: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 13, 1945—10 a. m.

9100. Secdel 171. For Dunn. We can understand of course the British desire to send a political representative to Japan at an early date. At the same time I am sure they will understand that their raising this question at this particular time presents difficulties to us. It would be much preferable from our standpoint for the question of allied representation in Tokyo to be laid before the Far Eastern Advisory Commission which as you know will be meeting in about 10 days and we hope that in the circumstances the British Government will be agreeable to waiting until this can be done.⁴²

In any event it would be inappropriate for a political representative to proceed to Japan without prior clearance with General MacArthur and we would not feel justified in approaching General MacArthur without more detailed information regarding British plans including (1) proposed functions and duties to be performed by political representative, (2) approximate size of "suitable staff" which he is to have and (3) in view of possibility of Far Eastern Advisory Commission sitting in Tokyo, relationship which it is contemplated he will have with that Commission as well as with General MacArthur. Please reply to Bevin along above lines.

BYRNES

740.00119 FEAC/10-1345: Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, October 13, 1945—midnight [noon?].

[Received October 13—10:55 a. m.]

3529. ReDept's 2104, October 6⁴³ and 2118, October 9⁴⁴. Under date October 12 note reading as follows has been received from Molotov:

"In connection with your letters of October 10 and 11 regarding the Far Eastern Advisory Commission, I state that Mr. Byrnes was informed in London on October 1 of the point of view of the Soviet Government concerning the formation of such a commission. I took the occasion at that time to inform Mr. Byrnes that the Soviet Govern-

⁴² The Chinese Embassy made a similar request to appoint Hsu Mou as head of a special Chinese mission to be attached to General MacArthur's headquarters and was advised that the matter would be brought up before the Far Eastern Commission.

⁴³ See footnote 21, p. 738.

⁴⁴ See footnote 24, p. 738.

ment considers that the decision of the Government of the Four Allied Powers concerning the creation of the Control Council for Japan should precede the formation of the Far Eastern Advisory Commission. In view of the motives set forth in my letter addressed to Mr. Byrnes on October 1, the Soviet Government is unable to agree to the formation of a Far Eastern Advisory Commission before the creation of the Control Council and I request that you bring this to the attention of the Government of the United States of America."

HARRIMAN

740.00119 Control (Japan)/10-1345

*The Acting Political Adviser in Japan (Acheson) to the
Secretary of State*

No. 16

TOKYO, October 13, 1945.

[Received October 24.]

SIR: I have the honor to enclose a copy of a memorandum of this date to General MacArthur in regard to the question of his returning the Emperor's recent call, as suggested to us by an adviser of Marquis Kido.

It will be observed that in the memorandum the opinion is expressed that it would be inadvisable from several points of view for the Supreme Commander to call on Hirohito.⁴⁵

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Acheson)

TOKYO, October 13, 1945.

MEMORANDUM FOR: SUPREME COMMANDER THROUGH CHIEF OF STAFF.

An official adviser of Marquis Kido has come to us privately—and somewhat timidly—to suggest that you might wish to make some gesture toward the Emperor in return for his recent call on you. He intimated that the Emperor felt that he was losing face because his call had not been returned and that the Japanese people were disturbed for the same reason.

I offer my considered opinion that it would be inadvisable for you to return Hirohito's call. Not only would such a gesture be likely to cause widespread adverse comment in the American press, but it would, I believe, offend the sensibilities of the American people in general. As regards the question of the Emperor's loss of face and a possible

⁴⁵ Notation on October 25 by the Under Secretary of State (Acheson): "Good for George. He is 100% right. DA".

consequent feeling of humiliation on the part of the Japanese Government and people, it would seem merely axiomatic that loss of the war necessarily involves loss of face and humiliation and will continue to do so, and that some loss of face by the Emperor is not necessarily undesirable from our point of view but that, to a reasonable extent, the contrary is true.

GEORGE ATCHESON, JR.

740.00119 PW/10-1545 : Telegram

*General of the Army Douglas MacArthur to the Joint Chiefs of Staff*⁴⁶

TOKYO, October 15, 1945.

CA 53312. Reourad CA 52773, urgent requirement exists for clarification of status of foreign governments and nationals of both

- (a) Neutral countries and
- (b) Countries with which United Nations were at war.

Should transactions with neutral countries be conducted directly with this headquarters or through Japanese Government?

What is policy concerning funds of former hostile countries presently under protective custody of neutral powers?

Request reply^{46a} be expedited in view of financial directives this headquarters involving holdings these agencies.

740.00119 Control (Japan)/10-245 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan (Atcheson)*⁴⁷

WASHINGTON, October 15, 1945—8 p. m.

35. Your 13, Oct 2. 1. The existence of diplomatic missions to the Japanese Government is not deemed consistent with the purposes and character of allied occupation of Japan or with the position of the occupying authorities.

2. If it is so desired, neutral nations might designate a diplomatic agent or representative of that character to maintain contact with the Headquarters of the Supreme Commander for the Allies.

3. The Japanese Government should be instructed that it should not carry on relations with neutral governments except in accordance with such procedure as may be established by SCAP.

⁴⁶ Forwarded to the Department by the War Department.

^{46a} See telegram Warx 84704, November 23, to Tokyo, p. 864.

⁴⁷ Substance reported to the Missions at Bern as 2989, at Lisbon as 1656, at Madrid as 1728, and at Stockholm as 1933.

War Dept is informing SCAP as above.

We feel that in light of foregoing Japanese diplomatic representatives abroad should be recalled.

BYRNES

740.00119 FEAC/10-1645 : Telegram

The Chargé in China (Robertson) to the Secretary of State

CHUNGKING, October 16, 1945—8 a. m.

[Received October 16—5:50 a. m.]

1802. We have been informed by Foreign Office that yesterday afternoon Dr. Wang Shih-chieh, Minister for Foreign Affairs, called on Soviet Ambassador and told him that Generalissimo Chiang Kai-shek considers that it is "vitally important" that the Soviet Union accept membership in Far Eastern Advisory Commission and send representative to meeting in Washington on October 23. Dr. Wang said that the Generalissimo desired that his views be communicated to Molotov and Stalin. Soviet Ambassador said that he would communicate Generalissimo's views by telegraph to Molotov and Stalin.

Chinese Foreign Office has just informed us that Chinese Government has designated Ambassador Wei Tao-ming in Washington (Department's 1638, October 9⁴⁸) as its representative on Commission.

ROBERTSON

740.00119 Council/10-1645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 16, 1945—noon.

[Received October 16—6:30 a. m.]

3558. I saw Molotov yesterday and explained that it was the President's wish that I deliver his message to Stalin personally as described in my No. 3541, October 14.⁴⁹ Molotov stated that Stalin was some distance from Moscow and was not dealing with affairs of state. He agreed, however, to transmit my request to go to see him and stated that he fully understood the importance of the matters under consideration. Although Molotov received proposal politely, I got no impression as to whether or not my visit would be permitted. The conversation was without constraint.

I was surprised to receive this morning a letter from Molotov, written last night, informing me that he had telegraphed Stalin of my request to see him, made at the direction of the President, and that

⁴⁸ See footnote 24, p. 738.

⁴⁹ Vol. II, p. 563.

he, Molotov, will inform me as soon as he receives a reply. If I am able to see Stalin I am satisfied that one of the matters which he will raise that he considers of first importance is the Japanese question. It would be most useful therefore if I could be informed urgently of what our attitude is towards Russian participation in the control machinery for Japan, use of Soviet forces in the occupation of Japan, how far we are prepared to consult with them on matters of policy and any other information which would be useful in allaying suspicions which he undoubtedly has in his mind regarding our policy towards Japan and our willingness to work with the Soviet Union on these matters. I have not in mind that I should negotiate a settlement of these questions but I believe it would be a unique opportunity to dispel undue and unjustified suspicions and attempt to get him in a more cooperative frame of mind.

HARRIMAN

740.00119 Council/10-1645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 16, 1945—3 p. m.

[Received October 16—12: 10 p. m.]

3559. Supplementing my message today No. 3558, October 16, noon, knowing how blunt and direct Stalin has always been in my conversations with him, I believe that he will contend that after inviting the Soviet Union to come into the war against Japan we are now excluding him from appropriate consideration in dealing with a defeated Japan. He will not consider that the Advisory Council for the Far East is sufficient participation for the Soviet Union. He will ask why Molotov's letter of October 1 in which the Soviet request for a Control Council was set forth has been disregarded and why the Soviet Government has now been asked to participate in a meeting of the Far East Advisory Council after its position was made plain in this letter that the question of the control machinery for Japan should be settled first.

I, of course, fully concur with the decision that General MacArthur will continue to be Supreme Commander with final decision but I had assumed that we were prepared to consult fully with our Allies including the Soviet Union, keep them fully informed of developments on all matters, military and political, and attempt to reach agreement on policies and that we would take independent action only if agreement was found impossible.

While I was in London, Dunn told me the SWNC (State-War-Navy Coordinating) Committee had recommended establishment of

a military committee of the commanders of the Allied occupational forces in Japan to advise with MacArthur on questions of the enforcement of the surrender terms and control of Japan.

It seems that the Soviet Govt's present unwillingness to discuss the question of control machinery for Japan at the proposed meeting of all the Allies in the Advisory Council is based on the belief that this is such a fundamental subject that it can only be discussed frankly and fully in a more restricted group.

It would be useful if I could be informed of whether we intend to have any prior discussions formal or informal with the Soviet Govt on this subject or whether it is our intention to go ahead with the meeting of the Advisory Council October 23 without Soviet participation. I feel that if I am able to see Stalin it would be better for me to present frankly our position and attempt to get his general agreement and so avoid if possible the development of an impasse. In the latter event it can be assumed that the Soviets would pursue a unilateral policy in areas which they can dominate.

I believe that the most promising procedure is to inform Stalin frankly of our intentions and plans and thus allay the unreasonable suspicions which are evidently mounting in his mind. It will be recalled that he told Soong⁵⁰ that China and Russia should realize the US might well be weak in her policies towards Japan and eventually lose interest in eliminating Japan as a future threat.

Until at least some preliminary understanding is reached with the Soviet Govt regarding Japan, I am fearful that we may be unable to reach a settlement on the procedures for the work of the Council of Foreign Ministers in considering European problems.

HARRIMAN

740.00119 FEAC/10-1445 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, October 16, 1945—6 p. m.

4813. Reurtel 5969, October 11, 11 a. m.⁵¹ You may wish to convey the following information to the Foreign Ministry :

General McCoy was selected as U.S. representative on the Far Eastern Advisory Commission not because of his military experience but because of his wide knowledge of international and especially Far Eastern affairs and his experience on international commissions, particularly on the League of Nations Commission of inquiry on Man-

⁵⁰ T. V. Soong, President of the Chinese Executive Yuan (Premier), signed the treaty of August 14 and related agreements at Moscow; United Nations Treaty Series, vol. 10, p. 300.

⁵¹ Not printed.

churia (Lytton Commission).⁵² He retired from the Army some years ago and is now President of the Foreign Policy Association. He will serve on the Commission as a civilian with personal rank of Ambassador.

BYRNES

740.00119 Control(Japan)/10-445 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 16, 1945—8 p. m.

38. Urtel 18, October 4. Attitude of Departmental officers who have been giving consideration to this matter may be summarized as follows:

There should be assurance that the Japanese constitution is amended to provide for government responsible to an electorate based upon wide representative suffrage. Provision should be made that executive branch of government derive its authority from and be responsible to the electorate or to a fully representative legislative body. If Emperor institution is not retained constitutional safeguards against that institution will obviously not be required but provision should be made for

- (1) Complete control by an elected congress of financial and budgetary matters,
- (2) Guarantee of fundamental civil rights to all persons within Japanese jurisdiction, not to Japanese only, and
- (3) Action be [by] head of state only pursuant to authority expressly delegated to him.

If Emperor is retained, following safeguards in addition to those enumerated above would be necessary:

- (1) A cabinet to advise and assist the Emperor should be chosen with advice and consent of and responsible to representative legislative body,
- (2) No veto over legislative measures should be exercised by other bodies such as House of Peers or Privy Council,
- (3) Emperor should be required to initiate amendments to constitution recommended by cabinet and approved by legislative body,
- (4) Legislative body should be permitted to meet at will, and
- (5) Any ministers for armed forces which may be permitted in future should be civilians and all special privileges of direct access to throne by military should be eliminated.

We concur in general in the views summarized in your CA-53137, October 11 (telegram No. 31, October 10, 1945), and desire that you continue your discussions and keep the Department informed.

⁵² For the appointment of Gen. Frank R. McCoy, see telegram 18, January 18, 1932, noon, from Geneva, *Foreign Relations*, 1932, vol. III, p. 32.

It is hoped that a full report of the Government's views can be sent to you in the near future.

BYRNES

740.00119 Council/10-1945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 19, 1945—10 a. m.

[Received October 19—8:10 a. m.]

3595. It would be most helpful if I could be informed of whether reply has been made or is intended to be made prior to meeting of Far Eastern Advisory Commission on October 23 to Molotov's letter of October 12 reported in Embassy's 3529, October 13, noon, in which he states that Soviet Government is unable to agree to formation of Far Eastern Advisory Commission before creation of Control Council for Japan. I note that Secretary in his press conference reported in Radio Bulletin October 17 expressed hope that Soviet Government would be represented at the meetings. I would be interested to know whether this subject of [*or?*] anything else of importance was touched on in Gromyko's⁵³ recent call on the Secretary and what is known of reason for Gromyko's reported return to Moscow immediately thereafter.⁵⁴

Now that an appointment has been set with Stalin, I assume that I will receive the information requested in my messages No. 3558, October 16, noon, and No. 3559, October 16, 3 p. m., for my guidance in the event, which in present circumstances seems almost inevitable, that Stalin raises the outstanding questions regarding Japan.

HARRIMAN

740.00119 FEAC/10-1945 : Circular telegram

*The Secretary of State to Certain Chiefs of Mission*⁵⁵

WASHINGTON, October 19, 1945.

Please communicate urgently the following information to the Government to which you are accredited:

In as much as a number of Governments have requested postponement owing to travel delays of the initial meeting of the Far Eastern

⁵³ Andrey Andreyevich Gromyko, Soviet Ambassador in the United States.

⁵⁴ In telegram 2207, October 23, 1 p. m., to Moscow, the Department replied that it was not aware of the reason for Mr. Gromyko's "short visit to US" and that he did not see President Truman nor address any communications to the Department or the President (740.00119 F.E.A.C./10-2345).

⁵⁵ In Australia, Canada, China, France, the Netherlands, New Zealand, the Soviet Union, and the United Kingdom.

Advisory Commission, originally set for October 23, it has been decided to hold the first meeting of the Commission on October 30.

BYRNES

740.00119 Council/10-1945 : Telegram

*The Chargé in the United Kingdom (Gallman) to the
Secretary of State*

LONDON, October 19, 1945—1 p. m.

[Received October 19—11:50 a. m.]

10952. Delsec 130. From Dunn. Reference telegram from the Secretary to Acheson, Embassy's 10185, Oct. 1, 3 p. m. Mr. Bevin asked Mr. Sterndale Bennett⁵⁶ of the Foreign Office to see me this morning to say that Mr. Bevin was somewhat disturbed at the press reports of the publication of the original text of the terms of reference of the Far Eastern Commission and reports he had received from Sansom that indicated there might be some hesitancy on the part of the United States to support the proposed British revision of the original terms of reference. Mr. Bevin asked that Mr. Sterndale Bennett and I review the discussions he and I had undertaken at the instance of the Secretary and Mr. Bevin and to recall to the Dept the results of these discussions on the basis of which the British Govt had accepted the United States proposal of August 22 for the establishment of a Far Eastern Commission.

Mr. Sterndale Bennett read me the telegram Mr. Bevin sent to Lord Halifax,⁵⁷ Foreign Office No. 9856, which outlined the basis upon which British Govt accepted the proposed Far Eastern Commission. From my recollection of the discussions between the Secretary and myself and Mr. Bevin and Mr. Sterndale Bennett that telegram correctly stated the understandings arrived at at that time.

I think it will be recalled that Mr. Bevin was having considerable difficulty persuading the British Cabinet to authorize acceptance of the United States proposal of August 22 without stating certain conditions which would have required our taking up the matter anew with at least the Soviet and Chinese Govts. As we were most anxious not to reopen the question with other Govts, the Secretary finally convinced Mr. Bevin of the advisability of accepting the original terms of reference on the understanding that the British suggested revision of the terms of reference as stated in the Embassy's telegram above referred to would be acceptable to us⁵⁸ if agreeable to the other members of the Commission.

⁵⁶ Head of the Far Eastern Department, British Foreign Office.

⁵⁷ British Ambassador in the United States.

⁵⁸ For explanation by the Secretary of State that he had not agreed to the British revision, see first paragraph of his message to the British Secretary of State for Foreign Affairs (Bevin) quoted in telegram 9321, October 22, 8 p. m., to London, p. 774.

Mr. Bevin had Mr. Sterndale Bennett state to me that he, Mr. Bevin, would be in a position of considerable embarrassment if the terms of reference were not in fact revised at least to the extent suggested in his proposed revision.

My own recollection is that the Secretary at least gave Mr. Bevin to understand that in lieu of the British putting conditions on their acceptance of the original proposal, the US would go along with the British proposed revisions.

For my own part I believe it would be well to revise the original terms at least as far as called for in the proposed British revision as we would then have a better case for countering the Soviet demand for some machinery for dealing with the control of Japan other than a purely advisory body, particularly as the British revision does not provide for the exercise of a veto power in the Commission by any one member nation. [Dunn.]

GALLMAN

740.00119 Control(Japan)/10-1945 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 19, 1945—4 p. m.

[Received 10:40 p. m.]

10953. Re Dept's 9100, October 13, Secdel 171. At request of Mr. Dunn, Embassy took up with Foreign Office British desire to send political representative to Japan at an early date. This morning Sterndale Bennett told us that while British deem it extremely important to have a political representative and staff in Japan as soon as possible, they have no desire to cause embarrassment to either General MacArthur or US Govt. For this reason British feel it might not be advisable to bring up matter before Far Eastern Advisory Commission as Dept suggests inasmuch as this might result in all other nations represented holding out for immediate political representation in Tokyo.

According to Sterndale Bennett, Foreign Office has not reached final decision on matter but has under consideration possibility of suggesting additions to staff of General Gairdner, who is at present attached to General MacArthur's staff, as personal representative of Prime Minister. British feel this should not raise any questions as General Gairdner already has recognized status and whether his staff consists of 3 or 12 officers raises no new issue of principle. British feel it urgent that they attach to staff of General Gairdner a few officers from their Foreign Service and economic and financial staffs so that British Govt may receive its own first-hand reports of condi-

tions in Japan. Additional staff is also needed to take care of problems of indigent and other British subjects who may still be in Japan and need normal consular assistance for whom there is no provision at present. However, British will take no steps in this matter until they have been in touch with State Dept again and will naturally at that time give full details as to number of people it is desired to send and scope of functions to be performed by them. Mr. Bevin's letter to the Secretary regarding this matter was not meant to be a final request but merely a statement of British desires so that Dept would be informed and could be considering matter.

GALLMAN

740.00119 F.E.A.C./10-1845 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 19, 1945—5 p. m.

9260. For Dunn. Sir George Sansom of British Embassy has communicated informally to Vincent the substance of a telegram which British Embassy here received from London several weeks ago, which reads as follows:

"During the discussion in London as to the Far Eastern Commission, a draft of amended terms of reference was worked out in agreement with Mr. Dunn, as something which would be put forward by the United Kingdom representative as soon as the Commission met in Washington, and which the United States Government would then support.

It was agreed that the draft of the amended terms of reference and the fact that the United States Government was prepared to support them were to be regarded as strictly secret at present.

Mr. Bevin asked Mr. Byrnes privately to ensure that the position would not be prejudiced by the publication of terms of reference originally proposed by the United States Government. He suggested to Mr. Byrnes that it was unnecessary to publish more than the fact that a Commission of Representatives of certain powers was to be set up and would shortly hold its first meeting in Washington."

With reference to the third paragraph above Sir George commented on the fact that an official press release of Oct 10 by the Department of State ⁵⁹ gives the full text of the original Terms of Reference proposed by the U.S. Government on August 21, but explained that he was not making an official complaint or even an unofficial one. He was told it is our understanding that the undertaking regarding publicity applied to the revised Terms of Reference proposed by the British and regret was expressed that a misunderstanding had arisen.

⁵⁹ Department of State *Bulletin*, October 14, 1945, pp. 561, 580.

With regard to paragraphs 1 and 2 of Sir George's communication it is my understanding that no commitment whatsoever was made with regard to support of the proposed revision of the Terms of Reference. I informed Bevin that we would support a proposal to hold meetings of the Commission in Tokyo and that we would request the Soviet Union and China to agree to inclusion of India among countries represented on the Commission and would advise those governments we agreed as to India, but I agreed only that the revision of Terms of Reference might be considered at an early meeting of the Commission.

I should appreciate receiving your interpretation and comment on this matter.

BYRNES

740.00119 PW/10-1945

The Chief of Staff (Marshall) to the Secretary of State

WASHINGTON, 19 October, 1945.

DEAR MR. SECRETARY: I am attaching a one page summary of the present situation as known to the War Department concerning Allied occupation forces for Japan. In addition to forces of the Allied Powers, the War Department is considering the use of up to 50,000 Filipinos, U.S. equipped and under U.S. command.

Faithfully yours,

G. C. MARSHALL

[Enclosure]

The War Department to the Department of State

MEMORANDUM CONCERNING STATUS OF ALLIED OCCUPATION FORCES
FOR JAPAN

The British Chiefs of Staff have indicated informally that they are considering an occupation contingent of three or four brigades of about 7500 men each. These might be one brigade from the U.K., one from India, one or two from Australia and perhaps one from New Zealand. Also, there might be one from Canada.

The Australians have approached General MacArthur directly on the matter of an Australian force to serve directly under his command rather than as part of the British Empire contingent as it is understood the British envisage.

The Generalissimo has indicated to General Wedemeyer⁶⁰ that he is considering the provision of a Chinese army of three divisions (30,000

⁶⁰ Lt. Gen. Albert C. Wedemeyer, Commanding General, U.S. Forces in the China Theater, concurrently Chief of Staff of the China Theater.

men) but this provision will be at some later time and in a priority below that of forces to secure liberated areas in China.

The Russians have made no proposals other than their suggestion at the time of the surrender of the Japanese that they take over the northern half of Hokkaido.⁶¹

In summary, no formal proposals have been made by any of the Allied powers for provision of occupation forces for Japan. The United States Chiefs of Staff have indicated formally to the British that they expect a proposal concerning troops for Japan and also for Korea. So far as is known, the State Department has not initiated any conversations with Allied powers on the subject.

As to the status of U.S. planning, General MacArthur has stated (1) that there must not be separate Allied "area" commands, and (2) that if the U.S. is to retain dominance in the occupation of Japan, at least half of the occupation forces must remain U.S. On the basis of this, the Planners have reached the conclusion, and so reported to the Chiefs of Staff, that we should consider British, Chinese and U.S.S.R. forces of about 30,000 each. General MacArthur has further stated he will make firm plans for deploying these forces when he receives knowledge of their composition, strength and date of arrival. He envisages a two-area organization in Japan with a U.S. army corps headquarters in each area, appropriate Allied elements in each area, and token forces from each power in Tokyo.

Recognizing that the provision of Allied occupation forces is a matter for negotiations on a governmental level, the Joint Staff Planners have presented to the Joint Chiefs of Staff a proposed memorandum to State-War-Navy Coordinating Committee on the matter, which is attached.⁶² The Joint Chiefs of Staff have not yet approved the paper.⁶³

740.00119 Control(Japan)/10-2045

The Australian Minister (Eggleston) to the Secretary of State

No. 473/45

WASHINGTON, 20 October, 1945.

SIR: I have the honour to submit, on instructions from my Government, the following proposal regarding the use of British Commonwealth Occupation Forces in Japan.

(1) The Government of the Commonwealth of Australia, acting on behalf of the Governments of the United Kingdom, Australia, New Zealand and India, desires to submit the following proposal to the United States Government.

⁶¹ See Generalissimus Stalin's message of August 16, p. 667.

⁶² J.C.S. 1398/4 (October 11), p. 744.

⁶³ See footnote 35, p. 744.

(2) Arrangements have been made by the Governments of the United Kingdom, Australia, New Zealand and India for the organization of a British Commonwealth Force under an Australian Commander to participate in the occupation of Japan. The Force will be representative of the fighting forces of each of those countries and will comprise

(a) Land Forces—one British and one British/Indian Brigade with proportion of supporting arms and administrative troops organised as a group under an Indian Army Commander. One Australian Brigade and one New Zealand Brigade similarly organised as a group under an Australian or New Zealand Commander. It is proposed to consider later whether a second Australian Brigade be raised.

(b) Air Forces—an Air contingent organised as a tactical group under an integrated group headquarters. This would be composed as follows—British: one fighter wing, two Mosquito squadrons, one Transport squadron; Australian: three Mustang fighter squadrons; New Zealand: one squadron of type unknown.

(3) Lt. Gen. John Northcott, Chief of the General Staff, Australian Military Forces, has been appointed Commander-in-Chief of the British Commonwealth Force and he will be served by an integrated British Commonwealth staff. For operational matters the Commander-in-Chief of the force will be under the control of the Supreme Commander for the Allied Powers and it is desired that he should have direct access to General MacArthur for this purpose. On policy and administrative matters affecting the force the Commander-in-Chief will be jointly responsible to the British Commonwealth Governments concerned through a British Commonwealth organisation to be known as the Joint Chiefs of Staff in Australia and through Australian Government machinery with both of which representatives of the United Kingdom and New Zealand Chiefs of Staff will be associated.

(4) It is proposed that British Commonwealth Naval Forces will also participate in the occupation of Japan and the United Kingdom Government will be communicating direct with the United States Government in regard to this matter.

(5) Approval of the United States Government is sought for participation in the occupation of Japan of a British Commonwealth Force organised and controlled as shown in paragraphs 2 and 3. Authority is also requested for details regarding the role of the Force, its location in Japan and its command and administrative arrangements in relation to the United States occupational layout, to be completed direct between the Supreme Commander for the Allied Powers and Commander-in-Chief of the Force.

(6) In this connection the British Commonwealth Governments concerned do not wish to be made responsible for a zone of occupation in Japan. They would wish that, apart from any other occupational task that may be allotted to the Force, the British Commonwealth Forces should participate in occupation of the Tokyo prefecture. It is considered that for administrative convenience the area to be allotted to the British Commonwealth Force should include port facilities. It would also be convenient for the air contingent to be located alongside land forces and three airfields would be required for squadrons taking part.

(7) The British Commonwealth Governments concerned trust that the United States Government will signify its early approval to these proposals, which will be a further practical manifestation to Japan and the world at large of that cooperation between the British and American peoples and their forces which have marked their common war effort as members of the United Nations.

(8) An early reply would be appreciated in order that organisation and movement of forces to Japan may be proceeded with as soon as possible.

My Government desires that arrangements should be made for a simultaneous announcement in Canberra, Wellington, New Delhi and London of the formation of the above-mentioned British Commonwealth Force as soon as the reply of the United States Government is received. It would be appreciated therefore if any necessary steps could be taken with a view to ensuring that publication of the arrangements proposed above could be synchronized both in the above-mentioned Capitals and in Washington.

I have [etc.]

F. W. EGGLESTON

740.00119 F.E.A.C./10-2045: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 20, 1945—8 p. m.

2198. Referring urtel regarding interview with Stalin.⁶⁴ On August 21 we sent a proposal to the governments of USSR, United Kingdom, and China, proposing the establishment of the Far Eastern Advisory Commission. Under the terms of reference the Commission will make recommendations to the respective governments as to occupation policies.

On August 31 China accepted and on September 7, the Soviet Union accepted. We received no response from the British government until September 28 when the British accepted. In a separate com-

⁶⁴ Telegram 3595, October 19, 10 a. m., to Moscow, p. 758.

munication the British made two requests: (1) that India be invited to join the participating governments; and (2) that the Commission be authorized to meet in Tokyo if it so desired. These were merely requests and not conditions of acceptance.

We advised the Foreign Ministers of USSR and China of the acceptance by the United Kingdom and transmitted the two requests. We asked that representatives be appointed at an early date for the organization meeting.

On October 2 Molotov advised me that he thought the functioning of the Advisory Commission should be preceded by the establishment of a Control Council.

While in London, Mr. Molotov had proposed adding to the agenda of the Foreign Ministers the question of establishing a Control Council. I took the position that the subject was not on the agenda submitted to the Council by the Berlin protocol⁶⁵ or by agreement of the governments concerned. I stated that, consequently, I was not prepared to discuss the matter, did not know the views of the President nor the views of the Supreme Commander, but would, upon my return to Washington, present the matter to the President. On several occasions I urged that the orderly procedure would be for the Advisory Committee under its terms of reference to consider whether or not there should be a Control Council and, if so, what form that Control Council should take. On October 6 we telegraphed invitations to all governments mentioned in the original proposal, asking them to meet October 23. The Soviet Government responded that it was still of the opinion expressed October 2 that the Advisory Commission which it had previously agreed to should not begin to function until there was established a control council as now proposed by them. All the other governments announced their intention to have representatives at the meeting. Later at the request of two or three representatives, the meeting was postponed until October 30.

I advised Mr. Molotov that I would present his views to the President. I have done so. The President, however, agreed with me that the representatives of the Advisory Commission should be permitted, in accordance with their terms of reference, to make recommendations to their governments as to policies to be followed during the period of occupation. If proposals are made to revise the original terms of reference and to broaden the authority of the commission, such proposals would of course be considered with open-mindedness on their merits.

The Supreme Commander has not made any definite decision as to occupation forces. The thought is that the USSR, United Kingdom

⁶⁵ August 1, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1478.

and China should furnish 30,000 each. It is thought that the Soviet Government contribution might be one reinforced infantry division. The forces provided would be integrated operationally with the United States forces under General MacArthur. It should be emphasized this plan is only under study. When the details are worked out the proposal will be submitted to the several governments for negotiation.

Under the terms of surrender agreed upon by our governments and communicated to the Japanese Government prior to surrender, the Emperor and the Japanese government are to carry out the orders of the Supreme Commander of the Allied Powers. Since no mention was made in the surrender terms of a Control Council, we could not approve a proposal to substitute a Control Council for the Supreme Allied Commander.

It is my thought, however, that there should be established, under the Supreme Allied Commander, an Allied Military Council composed of representatives of each of the major governments having military forces in the Army of Occupation. This Allied Military Council would thus be, in effect, an executive council of the ranking allied commanders through whose military forces the allied decisions must in the last analysis be carried out. The Supreme Commander would be its chairman, and in cases of divergences of views his direction would resolve the matter. General directives and important policy guidance forwarded to the Supreme Commander through the regular channels of the United States Military Command would be submitted to the Council for the consideration of appropriate procedures for their execution.

The above is simply for your own information and guidance. While it should enable you to indicate to Stalin our approach to the problem, it is not intended for direct communication to him. I hope to cable you further regarding the Military Council as I have not yet cleared the proposal with our military.

BYRNES

740.00119 FEAC/10-2245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 22, 1945—1 p. m.
[Received October 22—8:38 a. m.]

3622. Molotov has written me under date October 21 referring to my letter sent in accordance with Depts circular October 19, concerning postponement of Far Eastern Advisory Commission along following lines.

"In proposing formation of Four Power Allied control machinery for Japan, where there is a govt, Soviet Govt did not intend that this machinery should be similar to Control Council for Germany, where no govt exists. Taking this fact into consideration Soviet Govt proposes that Allied Control Commission for Japan should operate on basis analogous to Allied Control Commission, for example, in Rumania. Allied Control Commission in Japan should operate under direction of US representative. Members on Control Commission should have same rights and powers as members of aforementioned Control Commission.

This connection I deem it advisable to add that representatives of Soviet Union under any other organization of control machinery for Japan, would be placed in less favorable position on this organ than US representative on Control Commissions in other countries."

[HARRIMAN]

740.00119 Council/10-2245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 22, 1945—2 p. m.
[Received October 22—10:25 a. m.]

3623. Molotov's proposal in his letter of October 22, reported in my No. 3622, October 22, 1 p. m., appears to be substantially in accordance with the plan you have in mind regarding Allied control machinery for Japan. I feel it would be most helpful if I could be informed urgently of your reaction. It had been my intention to make every effort to get Stalin's agreement to send a Soviet representative to first Far Eastern Advisory Commission's meeting October 30. As Molotov is now climbing down, Stalin is likely to agree to send representative particularly if I am instructed to indicate to him that something along Molotov's proposal is in principle agreeable to you and that it will be discussed in detail not only at the Council meeting itself but in informal bilateral talks. It seems that the Soviets wish to avoid getting into a public disagreement with US at the Council meeting and therefore would wish to have informal bilateral talks as well.

HARRIMAN

740.00119 Control (Japan)/10-2345

*Record of Trans-Pacific Teletype Conversation*⁶⁶

[WASHINGTON, October 22, 1945.]

[UNDER SECRETARY OF STATE ACHESON:] I want to give you the background of the War Department's cable of October 21, No. War

⁶⁶ Present in Washington were Under Secretary of State Acheson, Charles E. Bohlen of the Office of the Secretary of State, and Cols. R. L. Vittrup and James

77672, to General MacArthur, so that you may discuss the matter further with him and with Mr. McCloy. Last night the Secretary sent through the War Department a message reading as follows: "The Secretary of State has seen CA 53682. He believes that there has been some misunderstanding of his proposal for an Allied Military Council arising in part from lack of clarity in the language used and in part because the proposal was not spelled out in more detail. He does not find himself in disagreement with any of the basic principles enunciated by SCAP. The Secretary wishes to explain his proposal further. First, the sentence 'SCAP would be the Chairman and in cases of disagreement his decision would resolve the matter——'"

[Mr. ATCHESON[?]:] There is no necessity to quote the message that you are now sending as copies are [in] front of the conferees here. Go ahead with further discussion.

[MR. ACHESON:] In August the Secretary made a proposal for a Far Eastern Advisory Commission to sit in Washington. China and the Soviet Union accepted by September 7. The British delayed acceptance. By the time the British accepted our proposal the Soviet Union on October 2 stated to the Secretary that the functioning of the Advisory Commission should be preceded by the establishment of a Control Commission in Tokyo. This discussion is still going on and the Soviet Union has not agreed to meet with the Far Eastern Advisory Commission on October 30. Molotov has now receded from his original position and appears to be willing to compromise by the establishment of a commission of the four major powers in Tokyo which would have what amounts to a purely advisory function leaving SCAP with full authority. The Secretary and the Department are most anxious to resolve this controversy with the Soviet Union by giving that Government a face-saving solution. The Secretary believes that time is of the essence and that our relations with U.S.S.R. may well depend upon some adjustment within the coming week. The plan which he has devised and has more fully explained to SCAP in the foregoing cable is for this purpose. He believes that there is nothing in it which in any way impinges upon SCAP's powers. If there is, it can and should be removed. The plan merely formalizes the present liaison arrangements in such a manner that the U.S.S.R. can withdraw from its present position without loss of prestige. The Secretary hopes that you and McCloy can discuss this fully with General MacArthur explaining to him our problem, our pressing need

McCormack, Jr., of the War Department. Among those present in Tokyo were Gen. Richard J. Marshall, Deputy Chief of Staff to General MacArthur, the Political Adviser in Japan (Atcheson), the Assistant Secretary of War (McCloy), and members of SCAP. The subject of the conference was Allied participation in control and occupation of Japan, with reference to telegrams CA 53682 from Tokyo and War 77672 to Tokyo (neither found in Department files). The time in Japan was early on October 23.

for a solution and our desire not in any way to interfere with the substance of his authority.

Harriman is seeing Stalin tomorrow and while he is not authorized to put this proposition up to Stalin he is indicating that we are seeking a solution and it will be most helpful to be able to work this matter out with the greatest expedition.

Is this clear? Have you any questions?

[MR. McCLOY:] This is McCloy talking.

I now have had a chance to talk with MacArthur and Acheson about an arrangement that would be satisfactory to General MacArthur. MacArthur objects to setting up any form of council in Tokyo which would have any executive authority independent of or coextensive with his. On the other hand, he is willing to have introduced Allied political advisers limited to major powers. Is that what you wish (or for that matter military advisers as well) who would have full access to him and who could communicate freely with their own governments but who would have no authority to deal with the Japanese Government and no authority except in an advisory capacity. He would be prepared to have them meet as a body if they wished to do so and he could refer matters to them for their advice or they could originate it if they wished. How frequently they would meet would depend on needs and convenience but anyone could obtain access to General MacArthur individually. If at any time he so desired, MacArthur would want our political adviser to meet with them. Does not this conform to Secretary's wishes and with the Advisory Commission would it not serve the full purpose you have in mind?

You should realize that already General MacArthur has afforded the existing liaison officers full access to information and full freedom of movement throughout Japan to see and talk with anyone they desire to. He is permitting their scientific observers to move freely throughout the country and any other observers to do the same.

[MR. ATCHESON:] This is Acheson speaking.

We believe our proposal, as outlined by Mr. McCloy, has advantages over the suggested Military Council. If [It] could take care of the British and Chinese desires to have political representatives in Tokyo as well as constitute a concrete gesture toward the Soviets. It would, we believe, strengthen the American Government's position with the American Press as furnishing indication on our willingness to have Allied participation on the ground here as suitable counterpart, under the Potsdam Declaration, to our wishes for Allied participation on a broad basis in current European questions.

[MR. ACHESON:] This is Acheson.

In matters of substance General MacArthur's proposal may go further than necessary. In matters of form it presents some difficulty.

In substance we do not desire the proposed council to raise matters which as SCAP pointed out should be dealt with through Far Eastern Adv. Com. on governmental level and which might result in confusion in discussion. This can probably be cared for. However Soviet attach importance to a "Council" even though as in Rumania which they cite as example it is merely meeting place of advisors. How could your proposal take care of this feature?

[MR. McCLOY:] This is McCloy speaking.

Suppose you call it Council of Political Advisors. Would this cover your point? I have not checked name with MacArthur but this may be satisfactory if you feel that it does cover what you have in mind.

[MR. ACHESON:] This is Acheson.

The Far Eastern Adv. Com. is in effect a Council of Political Advisors.

Bohlen stresses that important part of Soviet position is the prestige they attach to membership on a Council on which Gen. MacArthur sits although they do not question in any way his complete & final authority.

[MR. McCLOY:] McCloy talking.

I think that, as Bohlen puts it, it carries with it just the implication that MacArthur wishes to avoid. The substance of what they want is contained in MacArthur's proposal. Is it not sufficient to try out the idea of political advisers without constituting them formally as a Council? MacArthur could not appropriately be a member if the group was merely advisory to him.

[MR. ACHESON:] Acheson talking.

Our problem in dealing with Soviet request arises from difficulty of denying them the meager position which they have accorded us in the Balkans. This amounts merely to the right to be informed & to express views. Soviet has in practice in Balkans established practice of acting first & informing Council later where they found this desirable.

We hope solution can be found along line of precedent with which Soviet is familiar rather than in a new concept which although in substance carrying perhaps greater participation will cause suspicion.

In further reference to your last sentence, Soviet commanders in Balkans sit on councils which are no more than advisory to them.

Another problem, which I think you overlook, is that of providing a rationale, which will permit the inclusion of the four major powers and the exclusion of the remainder, who are on the Far Eastern Advisory Commission. The conception of a group of political advisers would make this more difficult. The idea of the major military powers was to make it easier.

[Mr. McCLOY:] McCloy talking.

MacArthur willing to inform them and permit expression of views. As I see it the difficulty revolves around the use of the word Council more than anything else. The Balkan situation is not an analogy, for here we have a SCAP set up by agreement by all participating nations. Could we call the group "the Allied Councilors to the SCAP" their status to be as defined in our proposal? I see great difficulty in excluding, from any group operating here, the Australians, who are on the verge of contributing a substantial force for the occupation for [of?] the country, and who have made a definite contribution to the successful prosecution of the war in the Pacific.

[Mr. ACHESON:] Acheson talking.

The Australian problem which is real will have to be met separately perhaps by having them provide the Commonwealth representative or even be added.

The principal point has perhaps now been discussed enough for the present until we each study the matter further. Some such name as Allied Council of SCAP might do. I am not sure just what the issues are between us. Is it whether General MacArthur would preside over Council and/or whether members should be soldiers or civilians?

We have checked the Rumanian arrangements and find that on paper that commission functions as "Allied (Soviet) High Command acting in the name of the Allied Powers". We cite this merely to point out the difficulties of debating new concepts and models and the desirability where possible of modifying existing ones to assure preservation of SCAP's full powers and functions.

[Col. VITTRUP:] This is Vittrup.

During period of technical difficulties, Mr. Acheson and Bohlen had to leave. Please send whatever else you desire and let us know how long Mr. McCloy will be in Japan. Following that, conference closed unless you have other points you want me to pass on to Mr. Acheson.

[Mr. McCLOY:] McCloy talking.

There is no issue as to whether the members be civilian or military. They could be either. I think MacArthur would prefer not to sit with them leaving it to them to meet or perhaps have his deputy or Chief of Staff present but I do not know whether [this] is a real issue without consulting MacArthur further[—]the only issue I see is the implication contained in the formal constitution and naming of this group as a quadripartite Council even though it actually has no power except to advise. Precisely because unlike any other theater SCAP has been set up by Allied authority a new nomenclature and

procedure seems necessary and advisable in order to avoid any suggestion of a modification of his authority. We will talk with MacArthur further and continue to study problem. In the meantime assume you have enough for Harriman to start on. It is three a. m. here [October 23] and we are quitting for the night. McCloy will spend at least two more days here and possibly three.

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740.00119 FEAC/10-2245 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 22, 1945—7 p. m.

2205. The penultimate paragraph referring to the Proposed Allied Military Council in our telegram 2198 of October 20 was communicated to the Supreme Commander, who has raised certain objections arising in part through misunderstanding of our proposals and in part through our failure to spell out details. In general they relate to his doubts as to his complete authority under the proposals and to his fear that representatives on the Council might raise economic, financial, or political matters on a Government level which should be discussed and settled elsewhere.

We are endeavoring to resolve these matters with the Supreme Commander.

You should not, therefore, discuss the proposed Allied Military Council as such or give the impression that decisions have been reached here which we might not in fact be able to reach. You can say, however, that I am endeavoring to find a solution which will meet the Soviet position which will deal with the implementation of policy under the direction of the Supreme Commander and that this might be done through the creation of some new council or through some change in the Advisory Commission. In short, I am endeavoring to work out a greater participation by the major Governments in the occupation.

You may say that I hope very soon to begin discussions of this matter through informal bilateral talks.

For your information I am taking this whole matter up urgently through the War Department and will keep you advised.

BYRNES

740.00119 FEAC/10-2245: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 22, 1945—8 p. m.

9321. Please convey the following message from Secretary Byrnes to the Foreign Secretary:

"I regret that there should be any misunderstanding between us as to the terms of reference to govern the work of the Far Eastern Advisory Commission. I agreed that your suggestions for a revision of the reference should be considered by the Commission. But I did not read them and I certainly did not understand that I was committing my government to the suggestions before I had an opportunity carefully to consider them in consultation with our service departments. I am nonetheless embarrassed by the fact that Mr. Dunn did agree with Mr. Bennett.

"Article II C and Article IV 2 of your proposed revision of terms of reference would make it impossible for any directive to be issued on non-military matters unless it was approved by a majority of the Commission including two of the powers parties to the Potsdam Declaration. While I am eager to have full consultation among the Allies, such division of responsibility, I am convinced, would not work. It would make it wholly impossible for the Supreme Commander to act in matters of urgency or in case of dispute as to whether matters are military or non-military. It would make all directives depend upon a majority vote without any regard to the varying interests of the members. In practice it would cause more discord than harmony among the various governments concerned.

"We could agree to an Article II C reading:

'The Commission shall be charged with the task of examining all proposed directives to the Supreme Commander for the Allied Powers on political matters which involve important questions of principle; and no such directive, unless it is a matter of urgency, shall be issued to the Supreme Commander for the Allied Powers without a reasonable time being granted to the Commission for its consideration. In a matter of urgency when an immediate directive to the Supreme Commander for the Allied Powers is issued, the issuance of such directive shall not preclude the Commission from considering the matter and recommending further, or other, action.'

"We could also agree to Article IV 2 reading:

'In the absence of unanimity, the Commission may approve recommendations for submission to the participating Governments, if adopted by a majority of the representatives present, provided that this majority includes the representatives of at least two of the powers party to the Potsdam Proclamation of July 26, 1945; namely, the United States, the United Kingdom, China and the Soviet Union.'

"These provisions will ensure that the Commission will have an effective voice but not a determining voice in the making of policy. I hope that on further consideration you will agree with me that it is not wise or practical to attempt to make an 11-power commission an executive body."

BYRNES

740.00119 FEAC/10-2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 23, 1945—6 p. m.

[Received October 23—1:05 p. m.]

11094. From Dunn. Re Department's 9321, October 22. The Ambassador has spoken to me about your message to Foreign Secretary. I do hope you could agree to leave off the last paragraph of the message when it is conveyed to Mr. Bevin⁶⁷ as I am afraid otherwise it will be extremely difficult for him to obtain the concurrence of the Cabinet which as you recall is directly interested in this question and strongly opposed to the acceptance of the purely advisory function of the Commission. It seems to me that text you state you could agree to, speaks for itself. [Dunn.]

WINANT

740.00119 Control(Japan)/10-2345

Memorandum by Colonel James McCormack, Jr., of the War Department to Dr. George H. Blakeslee of the United States Delegation, Far Eastern Advisory Commission

WASHINGTON, 23 October 1945.

1. I have given some thought overnight to segregating the strictly military interests involved in the question of the degree of control the U.S. must retain in Japan. I have concluded that the primary military interest is served by one simple principle: the position of SCAP, as a military commander, must be kept neat. Speaking still from the strictly military point of view, I think this principle embraces two requirements:

a. The command structure in Japan from SCAP down to all troop units, both U.S. and Allied, must not be cluttered by any subordinate occupying a dual position as commander of troops, and at the same time, political representative of his government. General MacArthur intends that the command structure be built on two corps areas. Allied troops will be under the two corps commanders. You can see how we would become involved if the commander of French forces under a U.S. corps commander tried simultaneously to sit on a council with MacArthur and discuss the directives to be issued to the corps commanders;

b. If the military command channels down from General MacArthur are to be kept clean, I think the corollary is that the political

⁶⁷ In telegram 9344, October 23, 5 p. m., to London, the Department agreed to this suggestion (740.00119 FEAC/10-2345).

channels should be cut off somewhere above General MacArthur. This is to say that MacArthur should receive directives, both political and military, from above, without joining in the negotiations leading to decision as to what these directives shall be. I think we all agree that the German model of the Control Council is in no way applicable to Japan, and may be eliminated from this discussion. I note, however, a tendency to compare the Russian position in the Balkan countries with a possible U.S. position in Japan. I think this comparison also leaves a gap in our reasoning. The Russian commanders in the Balkan countries do not command Allied forces as we intend MacArthur to do. The Russian military head of a Control Council can afford to be as unpleasant to his colleagues on the Control Council as may be necessary for Russian political reasons. He does not then have to enforce his arbitrary decisions through use of, for instance, U.S. troops.

2. In summary, from the military point of view, I think General MacArthur, and therefore the U.S. position in Japan, is best protected if SCAP remains strictly and simply an implementing agent.

3. To depart from strictly military considerations, I suggest you approach the question of Allied collaboration as being two problems: collaboration in the making of policy, and collaboration in its implementation in Japan. I see no objection to giving the Allies a good strong voice in the making of policy. On a consultative body such as the FEAC there would be no great harm done by an occasional argument *in camera*. On the other hand, I think we must keep *the implementing agency in Japan* as completely free from argument as possible, both from the military and national point of view.

J. McCORMACK
Colonel, GSC

740.00119 FEAC/10-2445

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] October 24, 1945.

Sir George Sansom called by appointment at 11 o'clock. He was accompanied by Mr. Foulds, a British Foreign Office official who has been sent to Washington to assist the British representative on the Far Eastern Advisory Commission.

Sir George first brought up the mechanics of the Commission. I told him that the State Department would furnish a secretariat and that Mr. Nelson Johnson⁶⁸ was being suggested as Secretary-General

⁶⁸ Minister in Australia and former Ambassador in China.

of the Commission. He seemed pleased with this suggestion and said that he had assumed that the American representative would be the permanent Chairman of the Commission and that the Secretary-General would also be an American. He asked about the attendance of assistance or advisers at the meetings of the Commission. He seemed to think they should be limited to two or three persons. I agreed but said that the Commission itself would probably wish to determine this matter.

He asked about publicity. I told him that it was not intended that the press would be admitted to meetings of the Commission but that the suggestion had been made that at the opening meeting, which would take place some time during the morning of the 30th, the press might be present initially for a short period.

Sir George then reviewed the situation with regard to the "misunderstanding" over our support for the revised British Terms of Reference. I told him that I knew the background of this matter but that I did not know what the latest step had been to resolve this difficulty.

Sir George said that the Secretary had several days ago spoken to Lord Halifax with regard to a plan for setting up in Tokyo a military council to advise General MacArthur and that this plan might meet the desires of the Russians for a Control Council. Sir George said that he thought the plan was a good one but that he was sure the British Government would not look upon it as a satisfactory alternative to revision of the Terms of Reference proposed by it. He said that the military council suggested by Mr. Byrnes, to which political advisers might be attached, would fill a much felt need on the part of the British Government for information as to what was the situation in Japan and what was taking place from day to day, but that it would not meet the British desire for actual and real control in shaping the policies under which General MacArthur was operating.

At this point I asked Sir George whether he could say just what was the objective of the British in proposing a revision of the Terms of Reference; that is, whether the British Government desired to broaden the control of Japan by having 11 members of a Commission, voting by majority, prepare and adopt directives to General MacArthur, or whether the British Government simply desired itself, and on behalf of the Commonwealth Governments, to have a real participation in the formulation of policy for the control of Japan. Sir George said emphatically that the latter was what the British desired. He recalled that the original suggestion of the British Government was that a Control Council of 5 members be established; that the revised Terms of Reference was simply a device to achieve some control and yet meet our desire for a Far East Commission; and that

the British Government saw the disadvantages of having a Commission of 11 members formulating and adopting policies.

Sir George then went on to read from a telegram received by Lord Halifax from the British Government which outlined the reasons why the British Government desired to have a real voice in policy-making for Japan. He said that the British Government was vitally interested in measures that would be taken affecting future strategy in the Pacific; affecting economic relations in the Pacific; and affecting the political and social structure of Japan. With regard to this latter point he said that the British Government was anxious that the administrative machinery and structure of the Japanese Government should not be so disturbed as to lead to chaotic political and social conditions in Japan.

In making the foregoing statements Sir George emphasized that he was not—the British Government was not—being critical of anything that had happened so far under directives issued to General MacArthur. He said that, as a matter of fact, the British were quite pleased with the way General MacArthur was handling the situation. He went on to say, however, that the British Government would feel that future developments made it advisable—made it necessary—that the British Government participate in the formulation of directives. He referred to certain papers on economic matters concerning Japan which had already been prepared by a planning board in London and which have received Ministerial approval.

Sir George next expressed the British Government's concern lest Russia not become a member of the Commission. He indicated that every effort should be made to induce the Russians to participate in the Commission, but he added that the British would participate whether or not the Russians agreed to. He said that the British Government feared that a most unsatisfactory situation might develop, however, if the Russians do not participate. He mentioned Korea and Manchuria as places where the Russians might proceed to consolidate and extend their position as a compensation for not having a voice in the control of Japan. I told Sir George that every reasonable effort was being made to induce the Russians to have a representative on the Far Eastern Advisory Commission.

In conclusion, the question of the location of the Commission came up. I told Sir George that the Secretary had agreed that the Commission might sit in Tokyo but that it was our definite understanding that the headquarters or permanent location of the Commission would be in Washington. Sir George said that, if the objective of the British revised Terms of Reference was achieved, there would be no insistence that the Commission remove itself to Tokyo. He said that there might be advantages in having the representatives on the Commission visit

Tokyo for two or three weeks to familiarize themselves with conditions in Japan but that he could himself see disadvantages in having the Commission remove itself permanently to Japan.

740.00119 Control(Japan)/10-2445

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 26

TOKYO, October 24, 1945.

[Received November 2.]

SIR: I have the honor to refer to this office's telegram 37, October 10, 1945, in regard to the new Japanese cabinet and to submit further comment on the cabinet and its members, together with brief biographic sketches of the members.⁶⁹

At this early date it is not to be expected that any new cabinet would represent a radical or fundamental change in Japanese political policies. The present cabinet, although on the surface of a somewhat more "liberal" appearance than any of its predecessors for a number of years, in fact far more represents conservative than liberal elements in Japan. It was picked by conservative advisers near the throne who based their choice more on negative than on positive considerations. Cabinet members were selected because they were not during the past few years in prominent position, because they had not gained unfavorable reputations abroad, and because they had not, in Japanese opinion, done anything which would be likely to make them suspected war criminals. (Selection of the War and Navy Ministries was, of course, an exception to the foregoing. These ministries were presumably kept in office for the purpose of liquidating Japanese armed forces.) It is reported in some Japanese circles that the present cabinet has financial backing of the Mitsubishi interests. The cabinet is a mediocre one, and can be expected to attempt to do little more than endeavor to cooperate with the occupation authorities in making such changes as are believed necessary to meet Allied demands in the hope that the period of occupation will not be prolonged. Predictions of the cabinet's short duration are widespread.

Shortly after assuming office Prime Minister Baron Shidehara announced eight important policies of his cabinet: (1) establishment of democratic political policies and programs; (2) solution of food problem; (3) reconstruction and repair of war damaged areas; (4) relief measures for unemployed; (5) subsidy and assistance for war victims and demobilized personnel; (6) administrative reforms in the government; (7) reorganization of financial and industrial policies and pro-

⁶⁹ Biographic sketches not printed.

grams; and (8) study and reorganization of education and public information. It may be of some significance that "democracy" is placed ahead of the solution of the food problem. In the minds of the vast majority of the Japanese, the food problem is paramount, almost to exclusion of other problems. The Japanese Government on the other hand apparently believes that in order to appease the Allies it is necessary to place the greatest emphasis on the establishment of "democracy."

Since the formation of the cabinet certain steps to be taken by the government have been announced. For example, it is expected that a special session of the Diet will be held in December, and that the government's plan for the revision of the election laws will be presented at that session. According to the press part of the revision of these laws will include alteration of election districts and the extension of suffrage of all adults, male and female, over twenty years of age. (This would give suffrage to Japanese at nineteen by our count and to some Japanese who had just passed their eighteenth birthday.) On October 16 it was announced that the government had decided to call a special session of the Diet to be opened about November 10 and to sit for approximately five days. This session would, it was reported, be designed primarily for the purpose of allowing the new cabinet to make public the details of its policies but would not consider the revision of the election laws which would be postponed until the December session. It has also been announced that Mr. Joji Matsumoto, Minister without Portfolio, has been appointed by the cabinet to consider constitutional problems and the question of revision of the constitution.

In compliance with directive issued by the Supreme Commander, the government has reportedly dismissed chiefs of various prefectural special police sections. At the same time steps have been taken to release political prisoners and to complete compliance with the general directive referred to in our despatch no. 2 of October 8, 1945.⁷⁰

There is ample evidence that this cabinet represents conservative and cautious elements of Japanese society. While it must accept such basic changes as are forced upon it, it is unlikely that it will willingly introduce on its own initiative radical, new concepts into Japan's social, economic and political way of life. For example, Prime Minister Shidehara, according to a reliable Japanese source, is said to be of the opinion that actual revision of the present constitution is unnecessary and that only a new interpretation is required. (It may be noted that Professor Tatsukichi Minobe, a leading constitutional authority of genuine liberal views, has published several articles expressing the same thought.) Also, the Minister for Foreign Affairs⁷¹ has publicly

⁷⁰ Not printed, but see footnote 19, p. 737.

⁷¹ Shigeru Yoshida.

defended the zaibatsu. In a press interview on October 19 he emphasized the difference between the "old" and the "new" zaibatsu and stated that the "old" zaibatsu had made substantial contributions to the prosperity of Japan, that it was highly doubtful whether dissolution of the "old" zaibatsu would benefit the Japanese people, that the "old" zaibatsu had suffered heavy losses during the war, which losses were ignored by the government, while the "new" zaibatsu had worked with the militarists and made great profits, and that the "old" zaibatsu were kept out of Manchuria while the "new" zaibatsu were encouraged and built up by the militarists. Finally, the Minister of Education ⁷² on October 10 in a press interview stated *inter alia* that the Emperor must not be adversely criticized from the school lecture platform. These examples are typical of Japanese reluctance to accept that which to them represents radical change. It is worthy to note that there has been observed as yet no adverse criticism of the Emperor or the Imperial Institution except by the communists. A few political groups have come forward with positive assertions of loyalty to the Emperor, but the vast majority maintain in public their traditional silent position in regard to the Imperial Institution.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00119 FEAC/10-2445 : Airgram

The Chargé in New Zealand (Childs) to the Secretary of State

WELLINGTON, October 24, 1945.

[Received November 9—1 p. m.]

A-264. Reference Legation's airgram no. A-225, September 20, 1945 regarding view of Prime Minister (Mr. Fraser) on allied policy for occupation of Japan.

Legation informed that Department of External Affairs recently transmitted a directive to New Zealand Minister in Washington (Mr. Berendsen) for his guidance at forthcoming meeting in Washington of Far Eastern Advisory Commission. Mr. Berendsen is New Zealand representative on Commission.

Legation understands that New Zealand Government substantially agrees with United States policy as set forth in statement of general initial policy relating to Japan approved by the President on September 6.⁷³ An official of the Department of External Affairs said to an officer of the Legation, however, that New Zealand Government considers United States policy towards war criminals, as set forth in

⁷² Tamon Maeda.

⁷³ For revised text in SWNCC 150/4/A, September 21, see Department of State *Bulletin*, September 23, 1945, p. 423.

statement of September 6, as too general and fears that American policy will err on lenient side. New Zealand Government feels that careful investigation of Japanese political leaders in power since invasion of Manchuria, in addition to military leaders, should be made with objective of possible trial as war criminals. Moreover, New Zealand Government thinks that Emperor should be brought to trial if investigation indicates that he was in any way responsible for Japanese policy of aggression.

Department of External Affairs is agreeable to the establishment of Advisory Commission. New Zealand Prime Minister, however, is inclined to advocate establishment of a Far Eastern control commission composed of representatives of all countries who participated in war against Japan. Indications are that if establishment of control commission shown to be impracticable New Zealand Government will accept commission with advisory functions only.

CHILDS

740.00119 Council/12-2545

*Memorandum of Conversation, by the First Secretary of Embassy in the Soviet Union (Page)*⁷⁴

GAGRI,⁷⁵ October 24, 1945.

Present: Generalissimus I. V. Stalin
 Mr. Pavlov, Soviet Interpreter
 W. A. Harriman, American Ambassador
 Edward Page, First Secretary of Embassy

Subject: 1. The Japanese Situation.
 2. The Procedural Question.

After a preliminary exchange of remarks on the Caucasian coast and Generalissimus Stalin's health, the Ambassador presented to him the President's message⁷⁶ with Russian translation, stating that the President was anxious to obtain his reaction thereto. The President wished to know what was on the Generalissimus' mind and he had therefore instructed the Ambassador personally to discuss the message with him.

The Generalissimus read the message carefully, looked up, and stated "the Japanese question is not touched upon here". The Ambassador stated that he was not surprised that he should bring up this question. He explained that the Japanese question was being discussed at the present time between the State and War Departments and

⁷⁴ This conversation was reported to the Department in telegram 3664, October 26, from Moscow, not printed.

⁷⁵ Resort town on the Black Sea coast of the Caucasus, near Sochi.

⁷⁶ Message on procedural questions of the Council of Foreign Ministers; for text, see vol. II, p. 562.

General MacArthur and the President hoped to have some concrete proposals ready by October 30 when the meeting of the Far Eastern Advisory Commission would convene. The Ambassador continued that he would be entirely frank providing the Generalissimus would allow him to discuss the matter informally and would accept his remarks as unofficial. If so, he could explain the thinking of the President and his advisors on this question as far as it had gone. Stalin said that he would be grateful for any information, which he, of course, would keep secret. The Ambassador stated that from the beginning the President had not wished any misunderstandings to arise between the Soviet Union and the United States over Japan. As the Generalissimus knew, on instructions from his Government the Ambassador had written Mr. Molotov on August 21 proposing the formation and convocation of a Far Eastern Advisory Commission. He had explained that this body would deal with the political approach to all aspects of the Japanese situation, and also the establishment of control machinery to carry out the surrender terms. This proposal had been made ten to eleven days before General MacArthur had landed in Japan and forced the Japanese to sign the surrender. The Chinese were the first to accept the proposal to establish an advisory commission. The Soviet Government had accepted on September 5. However, the British had not accepted the proposal until the latter part of September. They had misunderstood it—thinking that the meetings would continue in Washington. When Mr. Byrnes saw Mr. Bevin in London he had informed him that if the other participants desired the meetings to be transferred to Tokyo the United States Government would agree. Furthermore, the British desired India to be included among the participants. The Ambassador stated that he did not know why the British took so long in making up their mind—perhaps they desired to consult the dominions—perhaps it was because of the formation of the new Government.

The Ambassador continued that Mr. Byrnes was ready to discuss all aspects of this matter with a Soviet representative to the meeting in Washington on a bilateral basis if Generalissimus Stalin would send his representative there. These discussions would include the character of the control machinery and Mr. Byrnes would make every effort to come to agreement.

The Ambassador stated that he was unable to give Stalin the details of the proposal which the President would approve after he had consulted his advisors but he could give the Generalissimus a general idea of the thinking in Washington on this matter. From what the Ambassador knew he did not believe that this proposal would prove to be very different from what Molotov had recently written him. He was not authorized to say this—but from what he

had learned from the State and War Departments it seemed to him that the President's proposal would be much the same as that suggested by Mr. Molotov. The first phase was, of course, the surrender of Japan and the disarming of the Japanese armed forces on the four main Japanese islands. This was being handled by United States forces. This phase of the surrender had about terminated or would in a few weeks. It was thought more advisable to disarm the Japanese with one army than with several since many risks were involved. Following the surrender and disarmament of the Japanese armies it was contemplated to invite the Russian, Chinese and British to send a certain number of troops to join in the second phase of the control of Japan—the occupational period. The Ambassador stated that he could not give the Generalissimo the exact number of foreign troops his Government had in mind as he did not yet know how many it had been determined should be kept on the Japanese islands. Furthermore, he could not define the exact relationship between these foreign troops and General MacArthur—that was another subject under discussion at the present time. In general, however, there should not be separate zones of occupation and they should carry out the orders of the United States Commander.

The Ambassador continued that there was another conception under consideration in Washington; namely, that the commanding generals of the foreign troops should act with MacArthur as a military council. They would be furnished full information on all matters pertaining to Japan and there would be full discussion on all questions. Every attempt would be made to reach agreement on these questions, with the understanding that if no agreement were reached the last word would rest with MacArthur.

The Advisory Commission which would shortly meet in Washington would move to Tokyo and deal with all political and economic questions regarding Japan. There was also another idea, namely, to combine the two functions, i.e., military and political into one political council. This matter was at present under consideration but was subject to discussion and final decision. In general the basic conception was to set up machinery through which Japanese political, economic and other questions might be fully discussed by the Allies in order that decisions might be reached. However, as the situation was so complex, it was considered that in the last analysis the final authority of General MacArthur must be the ruling one if agreement were not reached. The Ambassador hoped that this would not be the case.

Generalissimo Stalin said that he was very grateful to receive this information from the Ambassador. He realized that by bringing up the question of the control machinery for Japan he was plac-

ing the Ambassador in an embarrassing position. The Ambassador replied that he did not believe there was anything that he and the Generalissimus could not discuss frankly.

The Generalissimus continued that he had been forced to raise this question as it was linked up with the Truman message. He wished to make a few remarks on the substance of the question of the control machinery for Japan. The proper term to use was "Control Commission" and not "Control Council", which existed only in Germany where there was no government. There was a government in Japan and it was therefore more proper to speak of the control machinery as a Control Commission. Analogy could be found in Hungary and Rumania where there was a Control Commission and where the final word rested with the Soviet commander. In Rumania there were no troops other than Soviet and the final word rested with the Chairman of the Control Commission though not in the same measure as stated by Ambassador Harriman in respect to Japan. It went without saying that the United States representative, General MacArthur, should be the permanent Chairman of the Control Commission and should have the final voice. However, if there were other troops on the Japanese islands, as there were in Germany, the effect would be to restrict the rights of General MacArthur. This was not desirable. In order to preserve the freedom of action of MacArthur it, perhaps, might not be advisable to send other troops to Japan. This was more logical.

[For portion of memorandum here omitted, concerning procedural questions of the Council of Foreign Ministers, see volume II, page 567.]

The Ambassador stated that he would like to discuss a little further the Japanese question. However, since he had already taken up three hours of the Generalissimus' time he would like to know whether the Generalissimus wished to continue the conversation or postpone the consideration of this subject until the following day. The Generalissimus replied that he would prefer to discuss the Japanese problem tomorrow and suggested a meeting at 7:00 P. M.

740.00119 Control(Japan)/10-2545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 25, 1945—6 p. m.
[Received October 25—12:50 p. m.]

3659. [For Secretary No. 1.] Had 3-hour frank friendly talk alone with Stalin.

He stated control Japan is first question requiring settlement. Any new information on our policy would be helpful.

Re procedure at London it is now clear Molotov was acting entirely under instructions. Made some progress though still inconclusive. Meeting again tomorrow.

HARRIMAN

Lot 56F 158, Box 564

*Directive by the Supreme Commander, Allied Powers, Japan
(MacArthur) to the Japanese Government*⁷⁷

[Tokyo,] October 25, 1945.

Subject: Transfer of Custody of Diplomatic and Consular Property and Archives.

1. By direction of the Allied Powers, the following instructions are given the Imperial Japanese Government for prompt compliance:

A. Countries where Sweden or Switzerland are acting as protecting powers over Japanese interests, with the exception of those countries enumerated in subparagraph B below, the protecting power concerned will be instructed by the Japanese Government to turn over intact and without delay to representatives of the four Allied powers who have been instructed to receive them, physical custody of all Japanese diplomatic and consular property and archives in the country concerned. The protecting power, however, should continue to exercise routine functions of protection of Japanese nationals.

B. In the United Kingdom, the Union of Soviet Socialist Republics, China, the United States, the British Commonwealth, France and the Netherlands, including colonies and dependencies thereof, the protecting power concerned will be instructed by the Japanese Government to turn over intact and without delay to the government of the country in which they are located, physical custody of all Japanese diplomatic and consular property and archives in the country concerned.

C. In all neutral countries, the Japanese Government will instruct the Japanese mission in such country to turn over intact and without delay physical custody of all Japanese diplomatic and consular property and archives to representatives of the four Allied powers who have been designated to receive them. Routine functions of protection of Japanese nationals in such neutral countries may be turned over to Sweden or Switzerland since these powers are acting as protecting powers for Japanese interests elsewhere.

D. The Japanese Government will immediately recall Japanese diplomatic and consular representatives in neutral countries and will cease further relations with foreign governments except as stated in sub-paragraphs A and C above, or in accordance with such procedures as are hereafter established.

⁷⁷ This directive was based on an instruction approved at the 27th meeting of SWNCC on October 11 and transmitted to SCAP in telegram Warx 75545, October 13. The text was submitted to the Joint Chiefs of Staff by SCAP on October 18 for confirmation and was approved on October 24 (JCS 1473/13) after consultation with the Department of State.

2. Copies of all instructions issued to the protecting powers or to Japanese diplomatic representatives or consular officials in the several countries concerned in compliance with this directive, and a prompt report of action taken by the recipient of such instructions will be furnished at the earliest practicable date.

For the Supreme Commander :
H. W. ALLEN,
Colonel, A.G.D.,
Asst. Adjutant General

740.00119 Council/12-2545

*Memorandum of Conversation, by the First Secretary of Embassy
in the Soviet Union (Page)*⁷⁸

GAGRI, October 25, 1945.

Present: Generalissimus I. V. Stalin
Mr. Pavlov, Soviet Interpreter
W. A. Harriman, American Ambassador
Edward Page, First Secretary of Embassy

Subject: The Japanese Situation

After preliminary remarks on railroad construction in the Caucasus, the Ambassador stated that as the Generalissimus had originally raised the Japanese question he now wished to clarify certain aspects of this matter. The President was hopeful that the Generalissimus would send a representative to Washington to participate on the Far Eastern Advisory Council at which time the question of the control machinery for Japan would be discussed. If desirable, bilateral conversations could be carried on before the general meeting.

The Generalissimus stated that it would be "very difficult" for him to send a representative to Washington. The Soviet Government had been given no responsibilities in Japan and it would be difficult for it to figure as an "annex" without having shared responsibility for policies in Japan or without having had any influence on such policies.

The Ambassador stated that it was the thought of the President to thrash out all such matters in the Advisory Council by those powers principally concerned. Some method must be found to do this. The President understood that the Soviet Union had accepted on September 5th the invitation to attend the conference. He had hoped that this meeting would have taken place some time ago and it would have, had it not been for delays caused by the British. The Generalissimus stated that Mr. Molotov had informed Mr. Byrnes that the

⁷⁸ This conversation was reported to the Department in telegrams 3664 and 3670, October 26, from Moscow, neither printed.

situation in Japan had since changed and that it was now time to organize a control commission. The British apparently were of similar mind. The Soviet Government did not believe that the Advisory Commission was a satisfactory means in any respect to consider the question of control machinery for Japan.

The Ambassador explained that one of the terms of reference of the Advisory Commission was to consider the control machinery for Japan. The President hoped that the Generalissimus would agree that the meeting in Washington was the proper place to discuss these matters. If the Generalissimus did not agree the President would wish to know what other way he wished to deal with this matter.

The Generalissimus stated that this subject could not properly be handled by the Advisory Commission. The question of the control machinery for Japan could only be decided by the governments themselves—no one else was qualified to discuss this matter. The Ambassador inquired whether the Generalissimus desired to discuss this matter bilaterally on a government level. The Generalissimus replied that there was no other way to handle the question. The Advisory Commission was not the appropriate or proper place for such discussions. They should be on a government level. The Ambassador inquired whether these discussions should be on a bilateral basis. The Generalissimus replied that there were three, in fact four, governments involved. However, the main discord appeared to be between the United States and Soviet Governments. Therefore they should take the initiative in reaching agreement. The Ambassador stated that he did not know that there had been any actual disagreement. The Generalissimus maintained that there was and added that if two nations failed to agree that proved that disagreement existed. The Ambassador stated that as far as he could judge there was only one disagreement on the method of carrying on discussions. Mr. Molotov desired to discuss Japanese control at the Foreign Ministers Council. Mr. Byrnes was not briefed for such discussions. The United States Government had suggested the Advisory Commission. The Soviet Government now replied in the negative. This was not disagreement in substance but in procedure. The substance of Japanese control had not as yet been discussed. The Ambassador stated that he regretted that he was unable to offer a concrete proposal—he had furnished the Generalissimus however with the general thinking of the United States authorities on this question. When it came to concrete proposals there might develop disagreement on various points. However, at the present time he did not believe that the points of view of the two countries were very far apart.

The Generalissimus stated that this was quite possible. He continued that in suggesting the Advisory Commission the Americans

were going along the same road as followed prior to the victory over Germany when the European Advisory Council was set up, which in turn established the German control machinery. Therefore it was probable that the Americans could not understand why the Russians did not agree to join in the Advisory Commission for Japan, having once joined in an Advisory Commission for Germany. The Ambassador stated that this was of course not clear, especially so after the Soviets had signified their agreement on September 5th. The Generalissimus stated that Germany had not been defeated when the plans were drawn up for the establishment of the EAC. The situation was now entirely different. Japan had been defeated and the Soviet Union was waiting for the establishment of a control commission. This should be done quickly.

The Ambassador inquired as to what brought about the change in the Soviet point of view since September 5th. The Generalissimus stated that more than a month had passed since September 5th, during which time no reply had been made to the Soviet Government on this question. The British had objected to the United States proposal. The Soviets last month had also objected but had received no reply to Molotov's letter to Secretary Byrnes. It appeared to the Soviet Government that the British and Americans were inclined to drag out this question. Mr. Byrnes refused to discuss it in London. Furthermore the Soviet Government felt that it could not bear responsibility for MacArthur's actions in Japan since it had never been informed or consulted on Japanese matters. It had decided to recall its representative, General Derevyanko because he was not receiving any information on policies or developments in Japan. The Soviet Government had its self-respect as a sovereign state. No decisions made by MacArthur were being transmitted to it. In point of fact the Soviet Union had become an American satellite in the Pacific. This was a role it could not accept. It was not being treated as an Ally. The Soviet Union would not be a satellite of the United States in the Far East or elsewhere. These were the reasons Mr. Molotov had raised the question of control machinery in London.

The Ambassador stated that there must be a complete misunderstanding. It had never been the intention of the President to disregard the views of the Soviet Union. He wished fully to consult with the Russians on all matters of mutual interest and Japan was certainly one of these matters. This question must be straightened out.

The Generalissimus replied that the President may not have had such thoughts in his mind but he was speaking of what had actually happened. Soviet views on Japan were completely disregarded. The Soviet Union was not informed of measures adopted there. Is this

the way to treat an ally? If this regime were to continue the Soviet Union would leave Japan for it could not be responsible for actions it only learned of through the press. Did MacArthur represent the Soviet Union? No. It would be more honest if the Soviet Union were to quit Japan than to remain there as a "piece of furniture".

The Ambassador stated that in the early days, that is at the time of the capitulation of Japan, he had received thousands of words to and from MacArthur on directives issued to him and what he was doing in regard to Japan. These messages had been transmitted to the Red Army General Staff by the Military Mission. Since MacArthur had established himself in Japan, arrangements had been made for the Soviet General to have radio communications with Marshal Vasilevsky⁷⁹ and MacArthur had furnished Derevyanko full information for transmission to Vasilevsky. Then messages to the Embassy ceased and the Ambassador had assumed that the Soviet representative was obtaining all information and transmitting it to Vasilevsky. To this the Generalissimus replied that the Soviet Government knew nothing whatever as to what was going on in Japan. Its representative received no word, for example, on the new Japanese Government and the changes therein. It had not been informed of the reasons for making these changes. This was only one example, there were many more.

The Ambassador stated that this was all news to him and that he would report this matter to his Government. The Generalissimus stated that he could not understand why the Japanese press and radio were permitted to denounce the Soviet Union. The Soviets were Allies. He also could not understand why the higher Japanese commanders were allowed to remain at liberty and were not isolated. Was Japan a conquered country or not? Did any censorship exist there?

The Ambassador explained that MacArthur had issued a directive to the effect that no criticism in the press or on the radio should be leveled against the Allies. He had no information on the attacks mentioned by the Generalissimus. The Generalissimus stated that he did not doubt that such a directive had been issued but nonetheless the Japanese press had vilified the Soviet Union with impunity. The Soviet representative in Japan had twice approached MacArthur on this question. The press attacks had stopped and then recommenced in a truly fascist manner. The Soviet Government would never permit such a thing to go on in its zones of occupation. If any newspaper in Rumania, for example, should attack the United States its editors

⁷⁹ Marshal Alexander Mikhailovich Vasilevsky, Soviet Assistant Commissar of Defense and Chief of the Soviet Army General Staff until June when he became Commander in Chief of Soviet Forces in the Far East and received the surrender of the Japanese Kwantung army in Manchuria, August 19.

would be immediately punished. Such questions however could only be handled through a control commission. The Generalissimus continued that in view of the present facts the situation in Japan was deteriorating from day to day. This was why Molotov had raised the question of a control commission in London. The Ambassador inquired as to the nature of the Japanese press attacks. The Generalissimus stated that he did not remember the facts but that Mr. Molotov could advise the Ambassador in the premises. The Ambassador then inquired why the Generalissimus considered the situation in Japan to be deteriorating. It was his (the Ambassador's) impression that satisfactory progress was being made. The Generalissimus stated that he was speaking of the Soviet position. The Soviet representative was merely a "piece of extra furniture" with the regime established by MacArthur. This was a very embarrassing position.

The Ambassador said that he would like to make a general statement regarding the Japanese surrender. The capitulation of Japan was quite unique in history. It was the general conception that MacArthur would proceed to Japan as Supreme Commander on behalf of all the Allies, force the Japanese to lay down their arms and obliterate their military power. He would take[*make?*] no permanent future commitments during the surrender period except for the destruction of the Japanese military machine. It was thought that this first surrender period would last about two months so that by November 1st this phase of the occupation of Japan would be over. With that in mind his Government had proposed on August 21 that an advisory council be established and meet promptly in Washington in order that Japanese political, economic and other policies could be discussed and the Allies could consult. Every effort would be made to reach agreement on policy. In the meantime each Ally had a military representative in Japan. The Ambassador assumed that these representatives were informed of developments. He also assumed that if there had been objection to any action protest would have been made. So far as he was aware no protest had been registered. Now the advisory commission meeting had been postponed for various reasons of which the Generalissimus was aware. However, he knew that he could say that there was never any intention on the part of the President not to consult fully with the Soviet Union on Japan especially after this first phase of the surrender period had terminated.

The Generalissimus remarked that recently the banks had been closed in Japan and their assets had been confiscated. What objections could be made after such a definite action had been taken? The Ambassador stated that the Soviet Union would be furnished with full information on all these subjects. These were matters which would be discussed at the advisory council. He continued that the

Generalissimus would find that MacArthur had done only what was necessary to carry out the surrender terms and to protect the interests of the Allies. For this reason the President hoped that the Generalissimus would send a representative to Washington to discuss these matters.

The Generalissimus repeated that the establishment of the advisory council was an incorrect solution. If he sent representatives to Washington he feared that they would interfere with the work of the commission; they would become a nuisance and there would be a further deterioration in Soviet-American relations. Would it not be better for the Soviet Union to step aside and let the Americans act as they wished in Japan? The Soviet Union would not interfere. For a long time the isolationists had been in power in the United States. He had never favored a policy of isolation, but perhaps now the Soviet Union should adopt such a policy. Perhaps in fact there was nothing wrong with it.

The Ambassador stated that he could only report to the President. He had informed the Generalissimus how the President wished to concert policy on Japan—this included full consultation with the Soviet Union and the other Allies. He had also explained that full consultation had perhaps been difficult during the first initial period of the surrender. After all, a period of two months was not a long time in the history of the two countries. The Generalissimus had spoken of Rumania and Bulgaria. During a similar period the Americans and the British had been upset as to the treatment accorded their representatives so that the Generalissimus' emotions were the American emotions during that period. The Generalissimus replied that the situation in the Balkans was entirely different. The Americans were accorded the same treatment the Soviets were extended in Italy. Then the situation changed. In addition there were no American or British troops in the Balkans. The Soviets had troops on Japanese territory. After Potsdam the treatment accorded to the American and British representatives in Bulgaria and Rumania was changed for the better. However no change was made in Italy with respect to the Soviet representatives. In addition, the Russians had maintained 20 to 40 divisions on the Manchurian frontier for the last ten years and recently up to 70 divisions had been in operation against Japan. The Soviet Union had made its contribution in the Japanese war. No one could say they had done nothing. Furthermore it had been ready to help the United States by landing troops on the Japanese islands. This offer had been rejected.* The

*Interpreter's note: When Stalin made this remark it was quite obvious from the tone of his voice and from the expression on his face that he was still very irked at our refusal to permit Soviet troops to land at Hokaiko [*Hokkaido*]. [Footnote in the original.]

Soviet Union had never done anything against the Allies in Bulgaria and Rumania which had not been done to the Soviet representatives in Italy.

The Ambassador stated that this was a matter of opinion. In any event the United States Government intended to treat the Russians honorably in Japan. If the Generalissimus thought that the situation had worked out otherwise he deeply regretted it. He had no information regarding the treatment of Soviet representatives in Japan. He could not speak of this matter. However, he wished to say a few words about the situation in Bulgaria and Rumania. According to his reports the American representatives there were in no way given as favorable treatment as that accorded to the Soviet representatives in Italy. However, he did not wish to argue this point. It was past history. He only wished to point out that these questions looked differently in Washington than in Moscow. Nonetheless they were ones which should be talked over as Allies and friends until agreement were reached.

The Ambassador recapitulated. He stated that according to his understanding the Generalissimus had suggested that the question of a control commission for Japan should be the subject of discussions between the two Governments and that the Soviet Government would not send a representative to Washington. The Generalissimus stated that this was correct. The advisory commission would not be able to decide anything. Such decisions must be reached on a government level. The Ambassador stated that he would return to Moscow in the morning where he had good communication facilities and that he would report fully to his Government.

[For portion of memorandum here omitted, concerning procedural questions of the Council of Foreign Ministers, see volume II, page 567.]

740.00119 Control(Japan)/10-2645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 26, 1945—7 p. m.
[Received October 26—4: 09 p. m.]

3669. Supplementing my 3664, October 26.⁸⁰ At the second meeting with Stalin (October 25) the subject of Japan was uppermost in his mind. He said he was unwilling to send a representative to the meeting of the Far East Advisory Commission October 30 as the time had come for the establishment of a control commission for Japan. This matter must be settled on a governmental level. The

⁸⁰ Not printed; it reported the conversation of October 24 at Gagri, p. 782.

Advisory Commission was not an appropriate medium to deal with this matter. He admitted the European Advisory Commission had dealt with similar problems in Germany but that was months before the defeat of Germany. Now that Japan was defeated no useful purpose would be served by discussions in such a body.

When I referred to the fact that he had accepted our invitation to participate in the Commission, on September 5, he said the situation in the meantime had changed. He referred to Molotov's statements to Byrnes in London and to subsequent communications to which no reply had been received. He insisted that the time had come for the matter to be settled directly between the four principal Govts and since the Soviet Govt and the US were at disagreement the matter might be discussed on a bilateral basis. The two of us ought to take the initiative in reaching an agreement. He said that he knew nothing about what was going on in Japan except what he read in the newspapers; that he had recalled his General Derevyanko as he was being neither informed nor consulted and that under such circumstances the Soviet Govt could not accept responsibility for actions taken in its name by MacArthur. The Soviet Union was being treated as a satellite state and not an ally and this did not become the dignity of the Soviet Union.

He listed a number of complaints such as that the Japanese press and radio had been allowed to vilify the Soviet Union; changes in the Govt had been made without informing or consulting him; Japanese banks had been closed without information as to the disposition of their assets; et cetera. I, of course, explained that General MacArthur was carrying out the surrender terms that had been agreed to by the Soviet Govt on behalf of the US and its Allies; that the operation had many dangers and difficulties and that except for the obliteration of Japanese military power, no commitments had been taken for the future and that assets taken were being held for eventual disposition—all of this in the interests of the Allies. I continued the US had proposed the establishment of the Commission on August 21 to consider all of the matters the Generalissimus had in mind but due to delays which were not our fault the meeting could not take place until October 30; that if he sent a representative to Washington full information would be given him, bilateral talks could be had in addition and that this proposal was an orderly manner to reach agreement.

Stalin then reiterated that he had been disregarded and that his representative had been treated like "a piece of furniture". He was fearful that at a meeting of the Advisory Commission differences would arise which would further strain our relations. He said that if the US did not want the Soviet Union to participate in Japan it

would be better "for us to step aside and let you act as you wish and we will not interfere". He suggested that the Soviet Union might then pursue an isolation policy as the US had done after the last war, which he had not thought wise. He insisted that if we wished to come to an agreement with the Soviet Union it could only be done properly in negotiations between our Govts.

I said that I could only report our conversations to the President. I repeated that we had every intention to attempt to concert our policy on Japan with our Allies and that I believed our actions had indicated we intended fully to consult with the Soviet Union. I had no information about his complaint of the treatment of his General but in any event he was referring only to the brief surrender period.

I recalled that during a similar period we were equally dissatisfied with the treatment we were accorded in Rumania and Bulgaria. This led to some argument about similar treatment being accorded to Soviet representatives in Italy and Stalin continued that the situation in Japan was not comparable to the Balkans as Russia had had 30 to 40 divisions on the Manchurian border all through the war, had engaged Japan with 70 divisions and had been ready to assist in the occupation if this proposal had not been rejected.

I pointed out that all of these considerations were matters of opinion which looked differently in Washington and in Moscow and that we should be able to thrash them out as between allies.

Stalin concluded by insisting that the time had come for discussions of the setting up of a control commission for Japan as between our two Govts and referred to his proposals given me the night before as reported in my previous message. I agreed to report his position fully to my Govt.

I am satisfied that nothing will move Stalin from his position. He is obviously fearful that if he sends a representative to Washington there will be another public disagreement as there was in London and he insists on knowing our proposals before taking any further steps. I have of course no information on how General Derevyanko was treated in Tokyo but it would seem wise to keep Stalin informed of our intentions whatever they may be and of what we are attempting to accomplish in Japan. The way things have developed he has become suspicious that it may be our intention to disregard the Soviet Union in connection with Japan which will lead to greater difficulties in other directions.

I will report the conclusion of the conversation regarding the London Conference in an immediately subsequent telegram.⁸¹

HARRIMAN

⁸¹ Telegram 3670, October 26, 8 p. m., from Moscow, not printed.

711.61/10-2645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 26, 1945—9 p. m.
 [Received October 26—7:05 p. m.]

3671. Reference my messages 3664, 3669 and 3670⁸² reporting my conversations with Stalin, there were many impressions I received of Stalin's attitude which it is difficult to convey fully in a telegram. In spite of a number of blunt remarks Stalin has never discussed matters in a more calm and open manner. He could not have been more friendly to me personally and when we parted he said that he had been glad to receive me not only as the American Ambassador but as a friend. It is my feeling that he wants to work things out with us but is inordinately suspicious of our every move that we are trying to put something over on him.

You may wish me to return to Washington at once to give you in conversation a clearer description of Stalin's attitude and to discuss Stalin's possible reaction to future moves that you may be contemplating. I have a plane in Moscow and can be in Washington in 2 days after receiving word. On the other hand you may wish to have me present to Stalin promptly specific proposals regarding Japan in which event I believe Stalin would be ready to have me come down and see him again.

HARRIMAN

740.00119 Control (Japan)/10-2645

*The Australian Minister for External Affairs (Evatt) to the Secretary of State*⁸³

WASHINGTON, 26 October, 1945.

DEAR MR. SECRETARY: I ask permission to address you on a matter of urgent importance.

The Washington press carries an item of news today with regard to a new proposal for the establishment of a Control Council at Tokyo.

It is suggested that the constitution of this Council may be agreed to by the United States Government subject to certain terms and conditions.

I have the honor to request that you should accept such proposal only on the basis that Australia is included as a member of such Council.

⁸² Telegrams 3664 and 3670, October 26, 4 p. m. and 8 p. m., respectively, not printed.

⁸³ Handed to the Secretary of State by Mr. Evatt on October 27.

Important communications passed between our governments through the Acting American Minister at Canberra in connection with the original United Kingdom proposal for a Control Council at Tokyo. That original proposal provided for the inclusion of Australia and four other nations as members of the Council.

It was at your request in London recently that the United Kingdom proposal was deferred following upon M. Molotov's somewhat analogous proposal being placed by him before the Council of Foreign Ministers. As you know, I was in very close touch with all the proceedings and negotiations.

The final understanding was that the Washington Advisory Commission which is about to meet should have its functions defined and clarified in accordance with a draft prepared by the Foreign Secretary, Mr. Bevin. On the basis of this understanding I agreed with the United Kingdom Government that their own proposal for a Control Council should be deferred pending the outcome of the initial meetings of the Washington Commission.

On behalf of the Australian Government, I request that, if the establishment of a Control Council is now accepted no reason whatever exists for the exclusion of Australia from its membership. The war effort of Australia in the Pacific has been active and long sustained and it has been recognised as outstanding in official communications from your government to which I have referred above. By contrast Soviet Russia entered the Pacific war only just before its conclusion.

The matter is of such importance to Australia that I feel that this communication should be forwarded to you immediately.

Yours sincerely,

H. V. EVATT

740.00119 Control(Japan)/10-2745 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 27, 1945—6 p. m.

2234. Reference your 3671, October 26, 9 p. m. After consultation with the President the following suggestion concerning control machinery for Japan has been sent on the 25th to General MacArthur in Tokyo. We have not yet had General MacArthur's comments and for this reason you should await further instructions before presenting this proposal to the Soviet Government. These further instructions will also tell you whether you should present them in person to Generalissimo Stalin.

The following is the proposal concerning control machinery for Japan:

"1. There shall be established an Allied Military Council under the Chairmanship of the Supreme Commander of the Allied Powers (or

his Deputy) for the purpose of consulting with and advising the Supreme Commander in regard to the implementation of the terms of surrender and occupation for Japan and of directives supplementary thereto.

"2. The membership of the Allied Military Council shall consist of the Supreme Commander (or his Deputy), who shall be Chairman and U.S. member; USSR member; Chinese member; and a British Commonwealth of Nations member.

"3. The Supreme Commander shall issue all orders for the implementation of the surrender terms and occupation of Japan and directives supplementary thereto. He will consult and advise with the Council upon orders involving questions of principle in advance of their issuance, the exigencies of the situation permitting. His decision upon all matters shall be controlling. In all cases action will be carried out under and through the Supreme Commander for the Allied Powers who is the sole executive authority for the Allied Powers within the area of his command."

Section 2 of this telegram ⁸⁴ will contain the United States position in regard to the Far Eastern Advisory Commission which you should also regard as for your information only until receipt of further instructions referred to above.

BYRNES

740.00119 FEAC/10-2745 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 27, 1945—6 p. m.

2235. There follows Part 2 of our No. 2234 of October 27 which is our revision of the original Terms of Reference for the Far Eastern Advisory Commission (to be known as the Far East Commission). These revised terms have not yet been communicated to or discussed with any other government and are sent to you for your confidential information.

I. *Establishment*

The Governments of the (here insert the names of the governments originally proposed by the U.S. Government, plus India) hereby establish a Far Eastern Commission composed of representatives of the participating powers.

II. *Functions*

A. The functions of the Far Eastern Commission shall be:

1. To formulate the policies, principles, and standards required to give full effect, both on the part of Japan and as between the participating governments, to the instrument of surrender.

⁸⁴ *Infra.*

2. To consider such other matters as may be assigned to it by agreement between the participating Governments.

B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

C. The Commission shall respect existing control machinery in Japan including the chain of command from the United States Government to the Supreme Commander and the Supreme Commander's command of occupation forces; and shall accept as binding policies already announced by the United States Government unless and until modified by the Commission, and shall also accept as binding the directives which the United States has already sent to the Supreme Commander, unless and until the issuing authority shall have modified such directives in accordance with the Commission's recommendations.

III. *Functions of the United States Government*

1. The United States Government shall prepare directives based on the policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government Agency. The Supreme Commander shall be charged with the implementation of the directives which express the policy decisions of the Commission.

2. The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever urgent matters arise not covered by policies already formulated by the Commission.

3. All directives issued shall be filed with the Commission.

IV. *Other Methods of Consultation*

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating governments.

V. *Composition*

1. The Far Eastern Commission shall consist of one representative of each of the states party to this agreement. The membership of the Commission may be increased by agreement between the participating powers as conditions warrant, by the addition of representatives of other United Nations in the Far East or having territories therein. The Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission in regard to matters before the Commission which are of particular concern to such nations.

2. The Commission may take action by less than unanimous vote provided that action shall have the concurrence of at least a majority of all the representatives including the representatives of three of the following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China.

VI. *Location and Organization*

The Far Eastern Commission shall have its headquarters in Washington. It may meet at other places as occasion requires, including Tokyo, if and when it deems it desirable to do so.

It may make such arrangements through the Chairman as may be practicable for consultation with the Supreme Commander for the Allied Powers.

Each representative on the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VII. *Termination*

The Far Eastern Commission shall cease to function when a decision to that effect is taken by the concurrence of at least a majority of all the representatives including the representatives of three of the following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China. Prior to the termination of its functions the Commission shall transfer to any interim or permanent security organization to which the participating governments are members those functions which may appropriately be transferred.

BYRNES

740.00119 FEAC/10-2245

Memorandum of a Conversation Between the Secretary of State and the Chinese Ambassador (Wei)

[WASHINGTON,] October 29, 1945.

Exchange of greetings.

DR. WEI: You have some decision from Russia?

SECRETARY BYRNES: No. We have been in communication with Stalin through Harriman last week as to the Council and the fact that we had a stalemate with a recital of the difficulties and he has talked that over with Marshal Stalin, but there has been no decision. I have read the newspapers and the newspapers say that as long as they are communicating between the two governments that it is encouraging to us. There is this, that I stated last week, unlike the proposal that - as to Japan - unlike the proposal that was made at the conference which provided that if there was any difference that each person on the commission or council should report it to their governments, which meant that nothing would be done, you would have the situation as in Germany. In the meantime MacArthur couldn't move. It was not a very workable thing and he now takes the position that he would not urge that kind of a council but some other form that would have in mind that General MacArthur would continue to have more discretion in administering the occupation so that there is a possibility of making some proposal that might be agreeable along that line. We are working on that and we have communicated with the army, with MacArthur, and I will tell you if there is a possibility of agreement.

There is another thing. I would want to tell you that on the advisory commission that we had agreed to terms of reference which we are going to give to General McCoy to propose to this advisory commission when it meets tomorrow. Who is your representative on it?

DR. WEI: I am our representative.

SECRETARY BYRNES: I am glad of that. I am going to get today from my office upstairs what we worked on Saturday. I want you to see it. We propose to give much greater expression that [*than?*] in the original terms of reference. We are doing it in the hope of satisfying our friends who want broader participation. The commission itself would not have the right to increase their powers. That would have to be by the governments. But if we can agree, I think most of us could speak for our governments. We could submit it then to see if they can agree upon those terms. I would like while you are here, I will ask Mr. Acheson to send upstairs for it and to go over it with you to see what you think of it. It allows greater room for consultation and the voting and I am sure it will be most satisfactory.

DR. WEI: I have come here because we have received from our government a proposal about making – about machinery for the control of Japan. We would not want to submit a proposal without first consulting with you as to your opinion.

SECRETARY BYRNES: Have you got it in writing?

DR. WEI: Yes. I would like to leave this with you for your consideration.

SECRETARY BYRNES: I will get right down to it. (Reads memo handed him by Dr. Wei) ⁸⁵

You can't do that and I will tell you why. That is the trouble with the whole thing. That is why we can't have a control council. We have been greatly bothered by the word. Under the Potsdam Declaration that we issued to the world we said that, we said certain things that did not bring about the surrender. You remember when the Emperor wrote and asked for this, with regard to the institution of the Emperor. That is what we have got to be careful about. We had to answer and I submitted it to you first and then to the Soviet Union and Great Britain, and we said he would have to take orders from, and direction from, the Supreme Military Commander. We did not say from a commission or from a council. We said to him from that day on he would have to take orders from the Supreme Military Commander and on the strength of that he surrendered. Therefore, we must protect ourselves on that score, all of us, I mean all four of us, we can not say, we can not give to him the power to say, "I did not say I would take orders from the first sergeant, or from the council, or from the Congress, or anybody else." He said from the Supreme Mili-

⁸⁵ *Infra.*

tary Commander. We can accomplish this without getting into a question about that. I want to give you the two things we have in mind about it. The first is this commission on non-military matters in which the 11 countries would be in, New Zealand, France and all. Then my idea is as to military matters, the different thing with the four of us in, in an advisory way to MacArthur, China, England, Russia and ourselves.

Would you let me do this while you are here? Let me get Mr. Acheson to get the paper and discuss it with you.

(Mr. Acheson and Dr. Wei go into Mr. Acheson's office)

740.00119 FEAC/10-2945

*The Chinese Embassy to the Department of State*⁸⁶

AIDE-MÉMOIRE

During the recent meeting of the Council of Foreign Ministers in London, in connection with the proposal of creating the necessary Allied machinery for the control of Japan, the Chinese Delegation made it clear that the Chinese Government's acceptance of the proposal of the United States Government to set up an Allied Advisory Commission was without prejudice to the adoption of a new course of action if experience in the future should point to such a need. Since then the Chinese Government has, in the light of the conditions obtaining in Japan, carefully re-examined the views hitherto expressed by the Governments concerned on the subject of an Allied control body and has sought to harmonize these views so as to lay down a formula that would in the opinion of the Chinese Government be found to be as acceptable as possible to all the parties.

As a result of the judicious measures taken by the Supreme Allied Commander, both the occupation and disarmament of Japan have been completed. The Chinese Government believes that the time has now arrived for the Powers which have played a decisive role in the defeat of Japan to offer their co-operation in the definition and formulation of future policies relating to the control of Japan. The scope of the Council's deliberations will be confined to certain specified problems.

In view of the position that should be occupied by the United States in the control machinery, the Chinese Government deems it appropriate to make the representative of the United States Chairman of the Allied Control Council. At the same time, without prejudice to the military responsibility of the Supreme Allied Commander, under

⁸⁶ Handed by the Chinese Ambassador (Wei) to the Secretary of State on October 29.

whose command all the Allied forces stationed in Japan will remain, the execution of policies formulated by the Council will be entrusted to him.

The Chinese Government is in agreement with the proposal of setting up an Allied Advisory Committee apart from the Allied Control Council,—a Committee to be composed of all the Powers which have taken an active part in the defeat of Japan, in addition to the four leading Powers. It is believed that the formation and existence of such an advisory body will provide a convenient channel for coordinating the views of all the Powers interested in the control of Japan.

On the basis of the above observations, the Chinese Government wishes to bring up its following proposals:

(1) There shall be established an Allied Control Council for Japan, which shall be composed of one representative of each of the leading Allied Powers—the United States, China, the United Kingdom and the Soviet Union—under the chairmanship of the representative of the United States. The Council shall have the power to formulate policies in regard to (i) the institution of the Japanese Emperor, (ii) the Government of Japan, (iii) economic and trade control, (iv) social and cultural control, (v) war criminals and (vi) reparations.

(2) All Allied forces stationed in Japan and its dependencies shall remain under the unified command of the Supreme Allied Commander, who shall also be entrusted with the execution of policies formulated by the Allied Control Council. He shall have the power to deal at his discretion with matters not within the competence of the Allied Control Council.

(3) Apart from the Allied Control Council, there shall be established an Allied Advisory Committee to be composed of one representative of each of the following countries—the United States, China, the United Kingdom, the Soviet Union, France, Australia, Canada, India, the Netherlands, New Zealand and the Philippines. The Committee shall have the power to make recommendations on questions relating to the control of Japan and shall have its headquarters in Tokyo.

740.00119 FEAC/10-2945

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] October 29, 1945.

The Chinese Ambassador, Dr. Wei, called on the Secretary this morning and handed him the attached *aide-mémoire*,⁸⁷ in regard to Allied machinery for the control of Japan.

⁸⁷ *Supra.*

Subsequently the Ambassador discussed the matter with Mr. Acheson. Mr. Vincent joined the conversation and the Secretary came in on the conclusion of the conference.

Mr. Acheson explained to the Ambassador our proposed revision of the Terms of Reference for the Far Eastern Advisory Commission (to be the Far Eastern Commission), and also explained our proposal with regard to an Allied Military Council in Tokyo.

The Ambassador expressed the belief that these two proposals would meet with the approval of the Chinese Government. He then went on to express concern that the Russian representative would not be present at the opening session of the Commission. He suggested that a motion be made by him, in which he would express regret at the absence of the Russian representative and suggest an adjournment of the Commission until next week. He also advised against a free discussion in the Commission of the revision of the Terms of Reference. He considered it highly advisable that the four inviting powers agree upon any revision of the Terms of Reference and then simply advise the other members of the Commission of this fact.

The Secretary expressed agreement with these ideas and told Mr. Vincent to give the Ambassador a copy of our proposed revision of the Terms of Reference. This Mr. Vincent did when the Ambassador called on him at noon and at the same time persuaded the Ambassador to make no direct mention of Russia in his proposed motion tomorrow, but simply propose that the sessions of the Commission be postponed for a week in order to allow the four inviting powers to conclude their consideration of a revision of the Terms of Reference.

J[OHN] C[ARTER] V[INCENT]

740.00119 Control(Japan)/10-2945: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 29, 1945—3 p. m.

[Received October 29—12:40 p. m.]

3685. The following questions I believe may be raised by Stalin concerning proposal for control machinery for Japan contained in Dept's 2234, October 27, 6 p. m.:

1. Stalin made a particular point in conversation with me of the use of word "commission" as distinguished from "council" in connection with name of control body for Japan. The word "council" in Russian is used to refer to an executive body whereas "commission" appears to signify more accurately the functions which are contemplated. Is there any objection to adopting Stalin's proposal that

the body should be known as a commission rather than a council? This may appear to be a small point but it evidently has significance to Stalin.

2. No reference is made in your cable to question of whether occupational forces are to be limited to those of US or whether Soviet, British and Chinese forces are to be invited to participate. This question will automatically come up at once. Stalin indicated to me that he would agree to control machinery along lines of your present proposal on assumption that only US troops were in occupation. He stated, however, that if these other forces were to participate in occupation MacArthur's authority would of necessity be restricted.

I very much doubt whether Stalin would agree to place any Soviet forces under MacArthur's command, which might involve their being ordered to carry out policies which he has not approved. In addition he no doubt recognizes that differences in customs, standards of discipline and general attitude would cause considerable difficulties. On the other hand if the British and Chinese agree to furnish forces under MacArthur's command I am fearful that Stalin would insist upon having his troops in occupation as well and in an independent zone of their own, which I understand is completely opposed to our concept.

Leaving aside other considerations, agreement with Stalin would be much easier to work out if it is decided to use only US troops in occupation. I recognize that there are special reasons for including Chinese troops. Since the US has organized, train[ed] and commanded Chinese troops it might be possible to obtain Stalin's agreement to inclusion of the Chinese only, leaving out both the British and Russians.

3. I believe that Stalin will ask for clarification of the line of demarcation between the responsibilities of the military body and the Far Eastern Commission. It would be helpful if I could be officially informed in more detail as to the manner in which it is contemplated the two bodies would function.

4. Turning to terms of reference of Far Eastern Commission (reDepts 2235, October 27, 6 p. m.) I believe Stalin will object to proposed voting procedure. He will consider that it is aimed against Soviet Union. He will not believe that we have in mind possibility that action could be taken without our approval since this would not seem realistic to him and he would not believe or understand our willingness to have MacArthur carry out directives which did not have approval of US Govt. I doubt therefore that he will ever agree to proposed voting procedure and am fearful that even suggesting it will arouse his indignation and suspicions and lead to his insistence on unanimity of the four principal powers. I believe, however, that Stalin would readily agree that US should have permanent chairman-

ship with decisive voice and would not object if we proposed majority rule providing chairman voted with majority.

Incidentally there is one aspect of proposed voting procedure which causes me concern and which perhaps may not have been given consideration, namely the position of China in regard to requirement that three of the four principal powers be in the majority. In the event that the Soviet representative opposed some action which the other principal powers wished to take, we would confront China with a difficult decision since she would have the responsibility of casting a decisive vote against Russia and of facing all the possible consequences. China is of course vulnerable to Soviet displeasure and it would appear desirable to provide voting procedure which would allow China to refrain from voting under certain circumstances.

5. I think it is also worth mentioning that, considering what Stalin told me about his strong attitude towards India, he may well object to inclusion of India on Commission, at least until such time as her political status is clarified.

6. Although I feel that it is important to begin promptly negotiations with the Soviet Govt on these matters I suggest that my comments be given consideration before our proposals are presented to Soviet Govt.

HARRIMAN

740.00119 Control(Japan)/10-2945: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 29, 1945—6 p. m.

2238. You may now present our proposal as contained in Deptel 2234, October 27, concerning the Allied Military Council for Japan to Molotov. After Molotov has considered this proposal and discussed it with you if you consider it advisable to seek another interview with Stalin you are authorized in your discretion to do so. We most earnestly hope to receive Soviet acceptance of this proposal at the earliest possible moment as we feel that it meets, in substance, the Soviet desires. For your information only it will be extremely difficult, if at all possible, for the U. S. Government to modify in any important particular the proposal for an Allied Military Council.

The representatives on the Far Eastern Advisory Commission will hold a ceremonial meeting tomorrow, October 30, to name the American Member Chairman and then to adjourn for 1 week to enable the inviting powers to conclude their consideration of a revision of the terms of reference. You are authorized to present to Molotov our proposed revision of the terms as contained in Deptel 2235, October 27.

We are informing the Chinese and the British of our proposals for the Allied Military Council in Japan, and for the revision of terms of reference for the Far Eastern Advisory Commission.

It would be helpful if the Soviet Government would be willing to have their representative participate in the first business session of the Far Eastern Advisory Commission next week.

BYRNES

740.00119 Control(Japan)/10-2945 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 29, 1945—6 p. m.

63. Representatives of Navy and others have recommended the US take over various ex-enemy submarine cables. Brit have already appropriated control of Italian cables to be held by them "as trustees for the United Nations" until the Peace Conference. Dept believes info concerning physical condition, repair facilities, operating administration, and exact ownership status should be obtained before decision is reached re Pacific cables. Would also appreciate comments by you and by Supreme Commander re action advisable in that area, particularly as to Allied need for the cable facilities. Copy of info available here is being sent to you by pouch.⁸⁸

BYRNES

740.00119 Control(Japan)/10-2945 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 29, 1945—8 p. m.

2243. Reftel 3685, October 29, 6 p. m. I appreciate receiving and have given careful consideration to the questions raised in your telegram.

1. With reference to your paragraph 1, we have no strong feelings with regard to use of the word "commission" to describe the allied military body in Tokyo but suggest that you let Stalin or Molotov raise this question for reference back to Washington.

2. With reference to your paragraph 2, we have in the Department had this problem in mind but as you will readily appreciate, any decision on the matter involves other Departments of the Government and Presidential approval. We would prefer to hear what the

⁸⁸ Telegram 189, December 5, from the Acting Political Adviser in Japan reported mailing of corrected data on Japanese submarine cables (740.00119 Control(Japan)/12-545).

Soviet Government has to say further on this subject before entering upon the necessary discussions here.

3. The demarkation between the responsibilities of the military body and the Far Eastern Commission, requested in your paragraph 3, is as follows: the Far Eastern Commission functions as a policy formulating body on non-military matters. On the basis of policy agreed upon by the Commission, the U.S. Government prepares and sends to General MacArthur directives which are in accord with the policies of the Commission. General MacArthur as Supreme Allied Commander is the implementing or executing authority. The proposed Allied Military Council consults and advises the Supreme Commander in regard to the implementation of the terms of surrender and occupation of Japan and of directives supplementary thereto including military as well as non-military directives. Thus, the Commission functions entirely in the field of policy formulation and the Council functions as an agency which consults with and advises the Supreme Commander in implementing directives.

4. With regard to the questions raised in your paragraph 4 on voting procedure in the Commission, it will be recalled that our revision of the terms has been prompted by British suggestions for a revision. Whereas we would be prepared to consider Soviet suggestions with regard to any change in the voting procedure, and are not ourselves unfavorably inclined to the proposed procedure whereby there would be a majority rule providing chairman voted with majority, this is a matter which would have to be discussed with the British and Chinese who have received the revised Terms of Reference. On this matter, therefore, we suggest that you receive and forward any suggestions made by the Russians for our consideration. The point you raised with regard to China's voting can, we believe, be readily solved.

5. With regard to the question of India raised in your paragraph 5, China has agreed to the inclusion of India and the Soviet Government not having expressed its disapproval, India has been invited to participate in the Commission and presumably will have a representative at the Commission meeting tomorrow.

BYRNES

740.00119 Control(Japan)/10-3045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 30, 1945—9 a. m.
[Received October 30—8:12 a. m.]

3701. Dissatisfaction of Soviet Government with American dispensation in Japan has by now been made evident through medium

of Soviet press. Accusation in sum is that widespread roots of Jap imperialism and aggression are not being eradicated. As in case of Soviet recriminations re Anglo-American administration in Germany, accusations require interpretation.

It is difficult to believe that Soviet General Staff and Politburo are lying awake nights worrying about recrudescence of Jap imperialism and aggression. What may cause them uneasy moments, however, is thought that Japan like Germany might some day be utilized by Western Powers as springboard for attack on USSR. Japan as much as Eastern Europe is in Soviet zone of vital strategic interest. Long range strategic implications of American occupation and control of Japan are therefore one reason for Soviet dissatisfaction with situation in Japan.

With USA dominant in Japan, only possible program for introducing and expanding Soviet influence, aside from establishment of Allied Control mechanism with its limited utility to USSR, is exploitation through Jap Communists and Leftists of post-war disorder and economic unrest. We appear, however, to be housecleaning and encouraging liberal tendencies in Japan. This has effect of stealing Communist thunder and thus irritates USSR because fundamentally USSR prefers crusading against reaction to competing with liberalis[m]. Our apparently intelligent internal policy in Japan is therefore a second cause for Soviet dissatisfaction with American dispensation in Japan.

Possible third cause of Soviet dissatisfaction—of which no evidence has yet been seen in press but which appears inferentially in stray conversations with Russians—would be feeling that USSR as one of the two greatest powers and as Pacific power has not been accorded due “face” in disposition of Japan. Being new rich with a lingering inferiority complex and feeling of gauche uncertainty in international society, USSR is inordinately sensitive re appearance as well as substance of prestige.

This third cause of Soviet disgruntlement could probably be eliminated to considerable degree by concessions to Soviet dignity. But it should not be assumed that such concessions would compensate in Soviet eyes for continuing American single control of Japan and a constructively liberal internal policy there. So long as these fundamental conditions exist Soviet press and Government may be expected to take jaundiced view of Jap affairs.

To Department 3701, repeated Chungking 196; Paris 400; London 547. Department please repeat Tokyo.

HARRIMAN

740.00119 Control(Japan)/10-3045: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 30, 1945—midnight.

[Received October 30—7:10 p. m.]

3707. This evening I presented to Molotov our proposal for Allied Military Council for Japan (reDepts 2234, October 27) and revised terms of reference for Far Eastern Commission (reDepts 2235, October 27) in accordance with instructions contained in Dept's 2238, October 29, 6 p. m. (Incidentally, this last telegram was not classified urgent and therefore took over 24 hours in transmission. If it had been so classified it would undoubtedly have reached me in time to present these matters to Molotov when I saw him last evening, Monday.)

I explained to Molotov that we were informing British and Chinese of proposal for Military Council and were submitting today to Far Eastern Commission the revisions of terms of reference and I emphasized that Far Eastern Commission would adjourn for 1 week and expressed the earnest hope that Soviet Govt would agree to the Military Council promptly and that they would participate in first business session of Far Eastern Commission next week.

Molotov asked some questions for clarification, including the respective responsibilities of the two bodies, but did not read the notes. He said that he wished to have the opportunity to study them, consult his Govt and that he would ask me to call on him tomorrow or the next day to discuss them.

I wish to express my thanks for Dept's 2243, October 29, 8 p. m. and the helpful information therein.

HARRIMAN

740.00119 Control(Japan)/10-3045: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

Tokyo, October 30, 1945.

[Received October 31—6:40 a. m.]

77. Following translation from *Yomiuri-Hochi*, October 30.

"Foreign Minister Shigeru Yoshida at 5 o'clock yesterday afternoon called on General Douglas MacArthur and conducted with him a formal talk regarding the directive for the closing of Japan's overseas diplomatic organs and withdrawal of Japanese diplomats abroad.

On the occasion of the talk, it is understood, the Foreign Minister desired the withdrawal of the directive, if such was possible at all.

However, the same directive was issued through the Washington Government as result of consultations held among the Four Powers, the United States, Britain, the Soviet Union and China. Immediately after the end of the war similar demand was made to our Government but the Japanese Government implored the withdrawal of the demand. Since then, no reply had been received. Two months after that the foregoing directive has been issued through the MacArthur headquarters in the name of the High Command of the Four Powers. Such being the case, withdrawal of the directive is regarded as impossible.

Due to the forthcoming closing of the diplomatic organs abroad and the withdrawal of Japanese diplomats from abroad, the diplomatic functions of our country will be virtually suspended. Hereafter the business of the Central Liaison Office and various investigation work will become the main work of the Foreign Office. As a result, the structure of the Foreign Office will inevitably be compressed."

ATCHESON

740.00119 Control (Japan)/10-3145

*The Assistant Secretary of State for Economic Affairs (Clayton)
to the Assistant Attorney General (Berge)*

WASHINGTON, October 31, 1945.

DEAR MR. BERGE: As you no doubt know, the statement of U.S. policy for the treatment of Japan issued by the White House on September 23⁸⁹ commits us to breaking up and destroying the influence of the large family combines commonly known as the "Zaibatsu."

Several of the "Zaibatsu" have presented to General MacArthur plans for their own dissolution. General MacArthur has urged us to permit him to accept these proposals.

It is impossible in view of the very limited information available to us with respect to the present legal organization and method of operation of these combines to approve these plans as meeting our objectives. The problem of breaking up the "Zaibatsu" is too complicated and important for superficial handling.

Therefore, after informal consultations with members of your staff, we have asked the War Department to tell General MacArthur that we are unable to approve the proposals presented as meeting the requirements of U.S. policy, though the adoption of certain parts of them is unobjectionable. To enable us to review similar proposals more intelligently in the future we wish to send a small group of experts in this field to Japan to examine the "Zaibatsu" organizations at first hand and prepare criteria to guide us in deciding when our

⁸⁹ September 22, Department of State *Bulletin*, September 23, 1945, p. 423; this was SWNCC 150/4/A, September 21.

objective of destroying their influence over Japanese political and economic life has been met. This task is one for which the Department of Justice has unique experience. I should like to enlist your cooperation in selecting a group of five to ten experts—you will know better than I how many will be required—to spend two or three months in Japan preparing this statement of criteria. I should like to suggest that the staff responsible for the enforcement of the Public Utility Holding Company Act⁹⁰ would be one useful source of personnel for this purpose. Because of the pressure from General MacArthur and the War Department for guidance it would be very helpful if at least two or three people could be found who would be ready to leave by November 15.

I shall be glad to discuss this mission further with you or you may want to make contact directly with Mr. Robert P. Terrill of the Commodities Division who is representing the State Department in this matter.

Sincerely yours,

WILLIAM L. CLAYTON

740.00119 FEAC/11-145

*Memorandum of Conversation, by the Under Secretary of State
(Acheson)*

[WASHINGTON,] November 1, 1945.

Dr. Evatt called at his request. He handed me the document evidencing the Australian ratification of the United Nations Charter.⁹¹ He remarked that he had hoped that this would be the document which brought the Charter into effect but that the Russians had beaten him to the draw.

Dr. Evatt then raised the matter of the Far Eastern Advisory Commission and in particular the revised draft of terms of reference. He complained bitterly at the provision under which it was necessary, in order to have an effective majority, to have three of the four Potsdam powers in agreement. He said that this created on the face of the document discriminatory treatment of powers involved and that from San Francisco on Australia had been opposed to such treatment. He then went into a somewhat belligerent and lengthy recital of the large part which Australia had played in the war and the comparatively small part which the Soviet Union had played. He said that the result of our action seemed to be that we were not, as the President had said to him this morning, acting in partnership with Australia

⁹⁰ Approved August 26, 1935; 49 Stat. 803.

⁹¹ Signed at San Francisco, June 26; Department of State Treaty Series No. 993, or 59 Stat. (pt. 2) 1031.

but were excluding Australia and were turning to powers which had taken no important part in the Far Eastern war.

I said to Dr. Evatt that it seemed to me that he was overlooking one of the fundamental realities of the situation which was that no arrangement would bring about a settlement of the Far Eastern questions unless we could reach an accommodation with the Soviet Union. This led to a discussion of what the realities were. I ventured to state that there were three important objectives to be achieved. The first was to achieve real allied participation in the making of the fundamental decisions. The second was to assure that a majority of the nations on the Council which did not have the responsibility of enforcing actions should not in effect order the United States what should be done. The third was that the arrangement should go sufficiently far in the direction of the Soviet position to achieve the result of Soviet participation. Dr. Evatt said that he agreed entirely with all of these propositions. He became far less belligerent and discussed the question calmly and quite helpfully. He said he agreed entirely that the United States had the preeminent position and the preeminent responsibility and that, therefore, no results should be reached which would result in other powers telling us what to do. He also agreed that notwithstanding all that he had said about the smallness of Soviet participation, the fact was that the Soviet Union had to be drawn into the arrangement to make it a success. He then said that he would be entirely willing to go along with the proposal that the Commission should be in effect advisory rather than determinative since this was what the realities of the matter called for. This would avoid an affront to any nation and would enable all of them, in his opinion, to join in the Commission. He said that the proposal as drawn amounted to this except that we had through diplomatic maneuvering either to get a majority to agree with us or get at least one of the Potsdam powers to agree in a veto. He thought that it would be much more frank and much more acceptable to have the United States make the final decision. He said that he could readily understand that Mr. Bevin's proposal by which only two of the Potsdam powers joining in a majority could decide the matter, was wholly unacceptable to us.

Dr. Evatt went on to state that the Australian view, which he thought had made very considerable headway, was that Australia should be the spokesman for the Commonwealth on Pacific matters. This he said had been recognized in the recent communication to us under which an Australian general was to command all Commonwealth forces which they had asked us to accept in Japan. He said that throughout the war Commonwealth forces had acted entirely in MacArthur's command and they would have no difficulty in doing so in Japan but that the important matter so far as intraCommonwealth

discussions were concerned was that the primary position had been accorded Australia. He felt that it would be utterly incompatible with this result to have the United Kingdom singled out as one of the Potsdam powers with special prerogatives on the Far Eastern Commission or as one of the powers to be represented on a Control or other Commission to be set up in Japan.

Mr. Evatt then turned to other matters. He instanced Mr. Clayton's discussions with the British on modifications of imperial preference⁹² as another occasion when we had talked to the British rather than the Australians about a matter of common interest to both of them. However, he did not dwell on this but went on to say that he was most anxious that all outstanding questions between the United States and Australia, such as the settlement of lend-lease, commercial policy matters, agreement on bases, et cetera, should be taken up at one time rather than treated as parts of a number of negotiations taken up first with the British. He believed that if we would write down a list of all the questions outstanding we could reach a settlement with him on all of them in one afternoon. I suggested that this might be an optimistic time estimate in view of some of our previous differences over such matters as commercial policy. He replied that they had their troubles just as we had ours over the wool tariff but that nevertheless agreement could be reached promptly.

I was impressed by the moderation of his talk after the first burst of belligerency which seemed to disappear entirely when I suggested that we discuss the fundamental points rather than matters of prestige. I recommend that Dr. Evatt's suggestion about an amendment of our terms of reference deserves very careful consideration in the light of Harriman's suggestion that Stalin would be willing to go along with almost the same plan. I also gathered the impression that Dr. Evatt attaches great importance to our acceptance of Australian commonwealth troops under Australian command in Japan.

DEAN ACHESON

740.00119 Control(Japan)/11-145 : Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, November 1, 1945.

[Received November 5—11:48 a. m.]

82. Re our telegram 77, October 30. General Marshall,⁹³ Deputy Chief of Staff, informs me that Yoshida did not call on General Mac-

⁹² For documentation of discussions between August 3 and 27, see pp. 79-110, *passim*.

⁹³ Gen. Richard J. Marshall.

Arthur but in a conversation at Headquarters with himself (General Marshall), chiefly in regard to recent economic directive, he mentioned the question of the diplomatic archives but made no approach seeking a withdrawal or modification of the Supreme Commander's directive on that subject. It is our guess that the newspaper article quoted in translation in our reference telegram was inspired by the Foreign Office for face-saving home consumption.

ATCHESON

[For text of "Basic Initial Post-Surrender Directive to Supreme Commander for the Allied Powers for the Occupation and Control of Japan," prepared jointly by the Department of State, the War Department, and the Navy Department (adopted November 1 as SWNCC 52/7), and sent to General of the Army Douglas MacArthur by the Joint Chiefs of Staff (J.C.S. 1380/15, 3 November) as "Basic Directive for Post-Surrender Military Government of Japan Proper", see Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan, September 1945 to September 1948* (Washington, Government Printing Office, 1949), pages 428, 429 ff. See also *A Decade of American Foreign Policy, Basic Documents, 1941-49*, prepared at the request of the Senate Committee on Foreign Relations by the Staff of the Committee and the Department of State, Senate Document No. 123, 81st Congress, 1st session (Washington, Government Printing Office, 1950), page 633.]

740.00119 Control(Japan)/11-245: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 2, 1945—2 a. m.

[Received 11 a. m.]

3734. Molotov asked me to call tonight⁹⁴ in order, he said, to clarify certain points of the proposals set forth in your 2234, October 26 [27] and 2235, October 27 which were not clear to him and his associates. He said he was not prepared to state his Govt's position.

A. Allied Military Council:

1. Where would be the seat of the Allied Military Council? I answered I was sure it was Tokyo. Please confirm.

2. He pointed out that the document was headed "proposal concerning control machinery for Japan" but nowhere in the document was control machinery mentioned. He asked whether the Allied Military Council was in fact the control machinery. I explained

⁹⁴ November 1.

that the control machinery was the Supreme Commander in consultation with the Allied Military Council. He then specifically asked whether in some manner the word "control" could be inserted in paragraph 1. I agreed to obtain an answer to this question.

3. With respect to the second sentence of paragraph 3 he asked a number of questions on the manner of consultation of the Supreme Commander with the Council. He seemed satisfied that the Supreme Commander should decide questions of an urgent character but appeared to have in his mind that on matters which were not urgent, if there were disagreement, the subject should be referred to the Govts for agreement. He referred to the revised text of the Hungarian Control Commission⁹⁵ to the effect that policy directives should be issued only after agreement. I pointed out that Stalin had agreed that the Supreme Commander should have the final voice and I was sure my Govt would not deviate from this position and also pointed out that the questions of policy would have been decided in the Far Eastern Commission which was not the case in Hungary. He asked whether MacArthur, in the event of disagreement on nonurgent matters, would refer the matter to his Govt and whether then these questions might be discussed on a govt level. He suggested as an example question of the composition of the Jap Govt. I told him that I had no information on this subject but agreed to ask for it.

4. He asked whether it had been decided that the occupation forces would be all American. I told him that I knew there had been consideration of forces of the other Allies being included in the occupation on the basis that they would be under General MacArthur's command. I said I had no other information on this subject and did not know whether or not a decision had been reached. He made no further comment.

B. Far Eastern Commission :

1. Molotov asked where the Commission would meet. I explained in Washington in the first instance but that it could meet in Tokyo or elsewhere later if the Commission so desired. The matter rested with the Commission.

2. He asked what nations would be represented on the Commission. I told him the original list submitted and also India. He asked whether India had already been invited and I told him that I understood India was already participating. As he had been informed the British had requested India's inclusion and she had subsequently been invited. He made no further comment.

3. He asked for an explanation of the relationship between the FEC (Far Eastern Commission) and the AMC (Allied Military Council). I read to him the information given in paragraph 3 of

⁹⁵ For statute of the Allied Control Commission for Hungary, see vol. iv, p. 845.

Dept's 2243, October 29. After considerable discussion he asked no further questions.

4. He asked why there had been a change in the wording of II (A). I explained that this had been done as the present proposal contemplated that the Commission should be a decisive body rather than an advisory body and pointed out that it was now intended that the Commission should formulate policies rather than make recommendations on the formulation of policies. He made no further comment.

5. He asked for clarification of the change in wording in II (A) specifically the words "as between the participating governments". After some discussion he did not appear fully satisfied and I agreed to request additional information on this subject.

6. Molotov asked for information on the "policies already announced by the United States Government" referred to in II (C). He stated that his Govt should have full information of these policies before it could accept them as binding. I explained that these and also the directives already sent to the Supreme Commander would no doubt be laid before the Commission now meeting in Washington and suggested that if the Soviet Govt agreed to send representative he would be fully informed. Molotov stated, however, that his Govt should be fully informed of those policies before he could accept this provision and asked for this information now. I agreed to refer his request to my Govt.

7. Molotov asked about the voting procedure. I explained that I understood that this procedure had been worked out as a result of a British proposal and that I would be glad to have any comments that he might wish to make. He suggested, speaking personally, that it might be better to have two instead of three of the principal Allies vote with the majority but that he had not given the matter full consideration.

Molotov gave me no impression as to what his Govt's attitude would be on the proposals but indicated that answers to the specific questions that I have set forth above would be necessary before his Govt could give a reply. I request, therefore, urgent answers to those points as explained above where I was unable to give a satisfactory reply to his questions.

HARRIMAN

740.00119 Control(Japan)/10-2945: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 2, 1945—1 p. m.

2264. With reference to the suggestion concerning alternate voting procedures contained in your 3685, Oct. 29, 3 p. m., and discussed in

Deptel 2243, Oct 29, 8 p. m., should Molotov question as you anticipate the voting procedure suggested for the Far Eastern Commission and indicate a preference for decision by majority vote provided American Chairman voted with majority, you are authorized to state that this Government would be glad to consider favorably such a suggestion.

For your information only: Dr. Evatt, the Australian representative on the Commission, in informal conversation has indicated a preference for the type of voting procedure which would leave the final decision to the Chairman rather than the suggested arrangement for concurrence of three of the four major powers. Also, in informal conversation with a representative of the British Embassy we have received indication that the British might not be averse to a change in the voting procedure as suggested above, and it is not believed the Chinese would interpose any objection to this procedure.

In your discussions of this subject please avoid any suggestion that we are making alternative proposals on voting, bearing in mind that the revised Terms of Reference as sent to you are in the hands of the Chinese and British and that we do not wish to be placed in the position of suggesting further revision to the Russians without simultaneous consultation with our other two Allies.

BYRNES

740.00119 Control(Japan)/11-245: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 2, 1945—8 p. m.

2272. The following is in reply to your telegram 3734, November 2.

Section A. 1. We confirm your answer.

2. Your explanation correct. We believe that, if other questions are satisfactorily disposed of, last words of paragraph 1 might be changed to read "implementation of the terms of surrender, occupation and control of Japan and of directives supplementary thereto". For your information we cannot call this council a control council or derogate in any manner from MacArthur's full and final authority.

3. As paragraph 1 of Allied Military Council document provides the council consults with and advises the Supreme Commander on matters of implementation. Council members are free to consult their governments. As paragraph 3 provides his decisions are final. Of course the setting up of the military council and the commission does not preclude discussions between the governments interested regarding matters of policy or implementation but we cannot tie the

hands of the Supreme Commander pending such discussions. For your information and such use as you wish to make of it, Soviet Government has never accepted revised text of Hungarian Control Commission providing that policy directives should only be issued after "agreement", insisting that Russian word is closer to consultation. In any event you are quite correct that in Hungarian case there is nothing comparable to Far East Commission.

4. Our disposition, like that of Soviet Government, is to discourage use of other than US forces in occupation. This matter has, however, not yet been decided and further discussion within US Government and after that discussion with other Allies is still necessary.

Section B. 1, 2, 3, 4. We confirm your answers.

5. For your information, the language in question was suggested by British. We assume that it is intended to indicate that the right of the Supreme Commander to act when authorized by the Commission will not be questioned by the participating governments. We would be willing to consider some revision of this.

6. Full set of policies and directives already issued are being furnished Soviet Embassy immediately. Intention of sentence was to provide that existing directives remain in force until changed in accordance with machinery set up. If present language presents difficulty we are prepared to alter sentence to read after first semicolon "and the Supreme Commander shall continue to act under directives which the United States has already sent to him unless and until the issuing authority shall have modified such directives in accordance with the provisions of this document."

7. Our cable 2264 of November 2 gives our views upon this paragraph.

BYRNES

Files of United States Political Adviser
for Japan, Tokyo : 802.1 Foreign Office

*The Acting Political Adviser in Japan (Atcheson) to the Director
of the Office of Far Eastern Affairs (Vincent)*

TOKYO, November 3, 1945.

DEAR JOHN CARTER: When I left Washington Joe Ballantine⁹⁶ asked that we do here everything that appeared possible to learn through Foreign Office records, etc., all that we could in regard to pre-Pearl Harbor plans of the Japanese Government and recently newly arrived members of the staff have brought us oral messages urging action along this line.

⁹⁶ Joseph W. Ballantine, Special Assistant to the Secretary of State.

The question of obtaining possession of Foreign Office files has been discussed at Headquarters. The General states that he is reluctant to issue a directive to the Japanese Government in the matter because it may occasion protest by the Japanese, because it may occasion protest by interested Allies, and because he has no directive in the matter from JCS. As any such archives brought into our possession would, of course, be accessible to our major Allies, the question seems to resolve itself into the other two considerations, the last mentioned being the determining one because, as you know, SCAP does not like to take action on direct State Department request. I accordingly suggest that, if this matter is considered of sufficient importance and it seems to me that it is important, you may wish to get a directive started on the way. As regards such directive, I would suggest further that it contemplate ordering the Japanese Government to assemble and submit to the Supreme Commander at the earliest possible date the complete diplomatic archives of the Government for the period beginning September 18, 1931, and ending August 15, 1945. It is, of course, possible that there may come to light among those archives some papers which some of our Allies would prefer to have kept in the dark, but they need not be published and that does not seem to me sufficient reason for not endeavoring to obtain information which may be of value to our Government.

With kindest regards,
Yours,

[GEORGE ATCHESON, JR.]

740.00119 Control(Japan)/11-445: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 4, 1945—5 p. m.

[Received November 4—3 p. m.]

3757. Molotov received me last night at my request to discuss contents of Dept's 2272, November 2, 8 p. m. Most of the conversation lasting over an hour and a half related to the responsibilities of the Allied Military Council. Molotov showed his hand more clearly. He did not appear satisfied with Dept's suggestion as to use of the word "control" in paragraph 1 and asked whether it could not be included before "implementation", so that the last words would read "in regard to the control over the implementation of the terms of surrender, et cetera". He asked whether it was not appropriate for the Council to have such control. I explained that it was the Supreme Commander who had this control in consultation and with the advice of the Allied Military Council.

Following some discussions in which he did not change his attitude we turned to paragraph III. After I had explained our position on this paragraph Molotov argued at length that on nonurgent questions of principle the consultation of the Supreme Commander with the Council should provide for agreement before action was taken by the Supreme Commander. He referred to what he termed the Potsdam Agreement regarding the Hungarian Control Commission.⁹⁷ He said that Stalin had stated to me that he was ready to accept the Hungarian and Rumanian formula. Molotov pointed out that since Potsdam this provided for agreement on questions of principle. I replied that Stalin in his conversation with me had stated that he was prepared to accept the Hungarian-Rumanian procedure which according to Stalin provided that the Supreme Commander had the "last voice". I explained that this was the principle which the Generalissimus had accepted and that his statement recognized that the Supreme Commander should have the final authority if agreement was not reached.

I pointed out that the parallel with Hungary was in no sense similar to our proposals for Japan, emphasizing the functions of the Far Eastern Commission.

Molotov argued that in matters such as the character of the Jap Govt, when not urgent, it was desirable that the four principal Allies should agree on such fundamental questions. I explained that the situation in Japan was highly complicated and dangerous, that the Supreme Commander's hands should not be tied in taking action that might be necessary. In making this statement, however, I emphasized that we were making this proposal in good faith and that he could be assured that when there was time we wished to consult fully with our Allies and make every effort to come to agreement. We did not wish to take sole responsibility unless it was necessary. On the other hand it was a matter of judgment as to whether urgency existed and we wished the document to be quite clear that the Supreme Commander had the unquestioned authority to make decisions if he considered it necessary.

Molotov kept coming back to the Hungarian language and denied that the Soviet Govt had not accepted the provisions as proposed at Potsdam. I told him that the purpose of my visit was not to negotiate the wording of the proposal but to explain carefully the intent of my Govt therein so as to avoid any possible misunderstanding in the future.

We then turned to the Far Eastern Commission. I explained to Molotov that the language of II (A) 1 was still subject to review and

⁹⁷ See section XII of Protocol of Proceedings of Berlin Conference, August 1, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1478, 1494.

revision if clarification were necessary. Molotov did not appear to desire further discussion and I let the matter drop particularly as I am not myself fully clear on the meaning of the language. The British Chargé⁹⁸ has told me that the British had in mind in making their suggestion that agreement should be reached between the participating govts on such questions as trade with Japan.

Molotov seemed satisfied when I told him that a full set of policies and directives already issued were being furnished the Soviet Embassy and appeared to prefer the revised language of II (C) as suggested in your message.

I told Molotov further that in general I had received confirmation of the other information I had given him in our last conversation and that I had a little more information about the voting procedure if he cared to discuss this question. He replied that he thought this was perhaps the place in which there should be four power agreement as was the case of the United Nations Organization. He immediately added, however, that he was not in a position to state his Govt's position on this or any other matters in connection with our proposals. He told me he would consult his Govt and hoped to have an answer or proposals to make on Monday in which event he would get in touch with me.

I cannot give any indication of what Molotov's reply will be. There is no doubt that he personally is searching for some method by which the Soviet Govt's position can be strengthened in control of Japan particularly in relation to the future permanent Jap Govt. How far this is his own view or inspired by Stalin I cannot judge. I had previously emphasized the need for speed and Molotov's immediate attention to this matter indicates that he is equally anxious to come to prompt agreement.

HARRIMAN

740.00119 FEAC/11-545

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] November 5, 1945.

Participants: The Chinese Ambassador, Dr. Wei Tao-ming
The Under Secretary
Mr. Vincent

The Chinese Ambassador called on the Under Secretary this morning. He opened the conversation by inquiring whether we had made any progress in our negotiations with the Russians on the Terms of

⁹⁸ Frank Kenyon Roberts, Acting Counselor, with rank of Minister, of the British Embassy in the Soviet Union.

Reference for the Far Eastern Commission. Mr. Acheson gave the Ambassador an outline of the main points that were under consideration and said that we were still hopeful of reaching a common understanding, not only with the Russians, but with other interested powers, in regard to the Terms.

The Ambassador then mentioned the proposed structure of the Secretariat for the Commission. He called attention to the proposal for a Deputy Secretary General and brought forward a number of arguments as to why the Deputy Secretary General should be a Chinese. Mr. Acheson indicated concurrence but said that it would seem to be a matter for the Commission to decide. The Ambassador said that he did not believe there should be three Deputy Secretary Generals to allow representation for all the principal powers (the Secretary General is American) and he also suggested that there be no person with the title of Assistant Secretary General. Mr. Acheson again concurred in these views.

There ensued some conversation regarding the election of a Chairman for the Commission. Dr. Wei expressed willingness to either nominate or second the American representative as permanent Chairman of the Commission.

J[OHN] C[ARTER] V[INCENT]

740.00119 FEAC/8-545

*The British Embassy to the Department of State*⁹⁹

FAR EAST COMMISSION

H.M.G. in the U.K. have much sympathy with Dr. Evatt's protest.¹

While we consider that a primary responsibility in regard to arrangements for the control of Japan rests with the 4 powers party to the Moscow Declaration of October 1943,² and the Potsdam Proclamation of July 1945, and that any proposals must be considered in the light of that responsibility, we have been proceeding on the assumption that Terms of Reference would be examined by the Commission as a whole. We think that this would be the right course, though it does not of course preclude informal conversation beforehand between individual members.

⁹⁹ Handed to Mr. Vincent on November 5 by Sir George Sansom and transmitted to General McCoy on November 9.

¹ See memorandum by the Under Secretary of State, November 1, p. 812.

² Declaration of Four Nations on General Security, signed October 30, 1943, *Foreign Relations*, 1943, vol. I, p. 755.

740.00119 Control(Japan)/11-545

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, 5 November, 1945.

DEAR MR. SECRETARY: Governmental policy which is the present basis for action by the War Department and the Joint Chiefs of Staff on matters connected with the use of Allied forces in the occupation of Japan is contained in SWNCC 70/5,³ approved by you 18 August 1945. It envisages participation of Allied forces, but not in such numbers as to prevent U.S. control of the implementation of policies regarding enforcement of the surrender terms. Based on this policy the Joint Chiefs of Staff have already accepted in principle British participation in the occupation of Japan and Generalissimo Chiang Kai-shek has already discussed with the Commanding General of the China Theater the provision of a Chinese Army of three divisions for Japan.

It is understood from the remarks of the Secretary of State at the meeting of the Committee of Three^{3a} on 30 October that there is now some question about the continued validity of the policy in SWNCC 70/5. If this expressed policy is no longer effective, it is requested that the Secretary of State inform the War Department and the Joint Chiefs of Staff of the proposed revisions in this policy so that the proposals and commitments of the War Department for troop strength may be modified accordingly as soon as possible.

Sincerely yours,

ROBERT P. PATTERSON

740.00119 Control(Japan)/11-545: Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

Tokyo, November 5, 1945.

[Received November 8—4 p. m.]

89. ReDeptel 53, Oct. 24, 3 p. m.⁴ While it is our understanding from Jap sources that the records in question are available there is reluctance on the part of headquarters to try to get possession of them without the Joint Chiefs of Staff issuing a directive.

Please refer to my letter of Nov 4 [3] to Vincent.

ATCHESON

³ Report by the State-War-Navy Coordinating Subcommittee for the Far East, p. 603.

^{3a} The Committee of Three was composed of the Secretaries of State, War, and Navy.

⁴ Not printed.

740.00119 Control(Japan)/11-2345

*The Acting Political Adviser in Japan (Acheson) to President Truman*⁵

TOKYO, November 5, 1945.

DEAR MR. PRESIDENT: You may find of interest some general observations based upon my six weeks sojourn here.

Like the occupation, the strategy used in implementing American governmental directives has been politically successful beyond expectation. At present it looks as if our political policy will continue to meet with far greater success than we could have hoped and that if there arise important obstacles to that success they will be primarily economic in character.

Two factors have brought about the success so far attained. General MacArthur has proceeded with caution, restraint, wisdom and far-sightedness. The surrender and immediately subsequent events caused a complete psychological somersault in the Japanese population, especially in the urban centers. This arose in the first place from profound relief that the war was over and in the second from the startling realization that the people were not to be murdered, raped and beaten by our troops who have made a splendid record by their conduct and natural kindness and have set an example which speaks highly for their bringing up and for the American way of life.

While many Japanese are still bewildered and apathetic, what resentment they feel is rather toward their own poor government and inept officials rather than toward us. Most of the so-called common people have had little background for political thinking; they are nevertheless generally in a mood for reform and change, and this is apparent from the ready manner in which they have absorbed the shocks of the various political directives. Contrary to most predictions, they were not horrified to learn that they may now discuss the Emperor. They were startled when the Emperor called on General MacArthur; but the humiliation over that was felt chiefly by the officials. It is not going too far to say that at least the urban people are even beginning to feel some hope that they will eventually have a better life—if their rather desperate economic problems can be solved.

There is naturally divergence between the attitudes toward American occupation and aims exhibited by the higher Japanese officials and the career bureaucracy, the intelligentsia, the men of big business, and "the common people." Practically all categories of Japanese

⁵ Transmitted to the Department by the White House on November 23. A copy of President Truman's reply of November 20 was likewise transmitted; in it the President acknowledged "that very illuminating letter" and said: "I have read it with great interest, and hope you will continue to keep me advised of developments." (740.00119 Control(Japan)/11-2345)

show or pretend a desire to cooperate with our military, but the civil officials and bureaucracy are the least sincere and effective. There is an appalling lack of leadership, partially because the military backbone and driving force of the government is gone. And in any serious effort toward reform, Cabinet ministers who may overcome their near incapacity to adapt themselves to the progress of events are confronted, often to the point of helplessness, by the obstructionism of the unregenerate and deeply entrenched bureaucrats. They carry out directives but seem incapable of solving many of the administrative and most of the serious economic problems with which the government is faced. We can probably expect a series of ineffective, short-term cabinets. The present Cabinet is a slight improvement over that of Higashi-Kuni—but it is also only a stop-gap.

There is, of course, more real liberalism among the intelligentsia than among other classes, but those deserving the name of liberal are almost all timid men timidly feeling their way, their spirits still chained by past repression, still haunted by undefined fears, still unable to realize that they are at last really free to speak and act. And among them, as among other classes, there are men who have merely (as the Japanese put it) repainted their signs

The big business people are among the most obvious sign-repainters. They are fundamentally conservative and reactionary; since the days of the Meiji Restoration they and the military have been mutually dependent; but as their chief interest is the making of money they are inclined toward such reforms as will tend to stabilize the situation and get things back to some kind of business "normalcy."

Among good political signs are: outcropping of various new political parties; steps being taken toward revision of the Constitution and election and other laws; the Emperor's apparently serious consideration of the desirability of abdicating in due course. It is unlikely that much can be expected from the new parties for some time but they are a beginning. Unfortunately, the most aggressive and vocal is the communist group. The vigor of some of the communist leaders is evidenced in the circumstance that, after eighteen years of imprisonment including solitary confinement which would have broken the bodies and spirits of ordinary men, upon their release they began making speeches before they were outside the prison gates. It is not unlikely that the communist party will become a problem and while it disclaims any connection with the Soviets, the presence here of Soviet occupation forces would undoubtedly give them indirect encouragement and would facilitate any liaison that may exist with Russian communists.

As for the Emperor, there would certainly be advantages in having him continue in office until the Constitution is revised and launched

in order that revision may be expedited through his influence and given sanction under the existing legal framework. His abdication, if it occurs, will increase political instability in the Government, and it may take a long time before an appropriately revised governmental structure takes solid root. But as between a long period of political confusion and the imperial institution, the latter is undoubtedly the greater evil, and there seems little question that the Japanese people will never learn and follow the fundamental ways of democracy so long as the imperial institution exists.

There is a curious story behind the activities of Prince Konoye which have caused press criticism in the United States and in Japan as well. I was present on October 4 when he called on General MacArthur on his own initiative. The General mentioned that the "administrative machinery" of the Government should be reformed and Konoye's interpreter (who verified this to me later) could not think of the correct Japanese translation and passed the statement off with the only thing that came to his mind—"the constitution should be revised." Konoye came to me three days later to ask for "advice and suggestions" in regard to constitutional revision, and I told him and his companions, in a general way, what I thought was wrong with the constitution. Subsequently, he got himself designated by the Emperor to work on the matter. This may cause some problems in the future but so long as we are using the Japanese Government to accomplish what we wish—or are permitting it to make its own efforts toward that end—it would not seem the part of wisdom to interfere at this juncture with an individual so engaged who is in the confidence of the Emperor and carries weight among the reactionaries because he himself is a feudal lord

The economic problems I have mentioned are real and serious. Not only has the government failed to provide even temporary shelter for many thousands of people in the cities whose dwellings and shops were destroyed, but it has failed to get production of exports sufficiently started even to begin to pay for the imports of rice that will be needed to ward off widespread malnutrition and, for many, starvation. Food riots have been familiar occurrences in Japanese history. Very few Americans here are so pessimistic as to believe that such disturbances will create for us a military problem, but the political effects are almost certain to be bad, and it may come to the point where we will have to provide relief supplies, whether we wish to or not, in order to maintain sufficiently solid ground on which to push forward with our political objectives.

Respectfully,

GEORGE ATCHESON, JR.

740.00119 Control(Japan)/11-545: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 5, 1945—midnight.

[Received November 6—3 a. m.]

3775. Reour 3757, November 4. Molotov requested me to call this evening. He handed me documents in Russian language containing Soviet Govt's proposed amendments to and comments on the suggestions concerning control machinery for Japan and revision of original Terms of Reference for Far Eastern Commission. These follow herewith in paraphrased translation except when otherwise indicated:

Section I. Amendments to proposals of US Govt re control machinery for Japan.

It is considered necessary by the Soviet Govt to make following amendments to US Govt proposals on machinery of control for Japan.

1. In paragraph 1 instead of title "Allied Military Council" to say "Allied Control Council" or "Allied Control Commission".

Following consideration dictates this amendment. Basic character of work of control machinery should be expressed in title itself. Title "Allied Military Council" limits functions of the control body for Japan solely to military questions, whereas this body will deal with administrative, economic, cultural and political questions as well as military. Title "Allied Military Council" does not take into consideration this circumstance.

2. In paragraph 1 in addition to changing title of council, in place of words "for the purpose of consulting with and advising the Commander in Chief regarding implementation of surrender terms and occupation and control over Japan" insert the following: (text of Soviet amendment included in paragraph 1 of immediately following telegram⁶).

This amendment is evoked by the following considerations.

After the inclusion in paragraph 1 of the American draft of the word "control" the meaning of the phrase "and the control of Japan" remains incomprehensible. This obscurity must be removed by indicating that the Allied Control Council (Allied Control Commission) is created for purposes of control over the fulfillment of the terms of Japanese surrender as is stated in proposed amendment.

3. Following phrase should be added to point 2: (see paragraph 2 our immediately following telegram).

4. In paragraph 3, in place of words "he will consult . . ." shall be controlling" to state as follows: (see paragraph 3 our immediately following telegram).

Purpose of this amendment is to clarify cases when disagreements arise in Council between any member of Council and Supreme Commander on questions of principle. Proceeding from the right of every member of Council to appeal in such cases to his own Govt, the present amendment is proposed, having in view that such disagreements should

⁶ *Infra*.

⁷ Omission indicated in the original telegram.

be settled by agreement between Govts or in the Far Eastern Commission; the decision of Supreme Commander being withheld until agreement on these questions is reached.

Section II. Amendment to US proposals re Far Eastern Commission.

Soviet Govt deems necessary following amendments to US proposal:

1. In section I, to enumerate countries participating in FEC; to wit: USSR, USA, British Commonwealth of Nations, China, Australia, Philippines, New Zealand, Canada, Holland, France (in reply to my inquiry Molotov stated that India should be excluded).

2. Section II-A (1) to read as follows: (see paragraph 4 immediately following telegram).

This clause was set forth in US proposal of August 22⁸ in this wording. Wording of this clause is more exact than wording of draft of October 30.⁹ Furthermore it does not contain vague phrase "and between the participating govts".

3. Section II-C to be redrafted as follows: (see paragraph 5 immediately following telegram). Remaining portion of text of this clause is to be eliminated.

Proposed amendment is explained by necessity of referring to newly organized Control Council for Japan in statutes of FEC.

With respect to final part of this clause, this part should be considered as nullified ("having fallen away") in connection with fact that American Govt has withdrawn from this wording by having proposed to replace it with a new draft, as stated in Ambassador Harriman's letter of November 3 (letter referred to does not propose but sets forth as possible alternate, if so desired by Russians, new reading of paragraph II-C as explained in paragraph 6 of your 2272, November 2).

New American amendment is superfluous since it has to do with obligations of Supreme Commander and does not refer to functions of FEC.

4. In section III, paragraph 1 in place of words "based on policy decisions of the Commission" to state "in accordance with the decisions of the Commission". Last sentence of this clause is to be eliminated since in statutes of the FEC there is no necessity of dealing with responsibilities of Supreme Commander.

5. Section III, paragraph 2 to be eliminated. Elimination of this clause is explained by fact that this question is dealt with in proposals on control machinery for Japan (paragraph 3).

6. In section V, paragraph 2 in place of words "including the representatives of three of the following powers" to say "including the representatives of the four following powers, US, UK, USSR and China". This amendment is necessary to secure unanimity of four Allies: US, UK, USSR and China.

7. In section VI, first and second paragraphs should be eliminated and replaced by following words "Washington shall be the permanent headquarters of the FEC".

8. In section VII, in place of words "including the representatives of three of the following powers" to state "including the representatives of the four following powers, US, UK, USSR and China".

⁸ See telegram 7106, August 21, 8 p. m., to London, p. 683.

⁹ See telegram 2235, October 27, 6 p. m., to Moscow, p. 798.

Comment: After some discussion in which I restated our position on some of the points contained in these documents, I said I would, in accordance with Molotov's request, immediately forward the Soviet proposals and comments to my Govt. I will send you my observations in a subsequent message.¹⁰

HARRIMAN

740.00119 Control(Japan)/11-645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 6, 1945—1 a. m.

[Received 1:30 a. m.]

3776. Close translation of Russian phraseology of paragraphs mentioned in my immediately preceding telegram is as follows:

1. "For the purposes of control over the execution of the terms of surrender of Japan and for the purposes of consulting with and advising the Supreme Commander in relation to the implementation of terms of surrender and the occupation for Japan . . ."¹¹

2. "Each member of the Allied Control Council (Allied Control Commission) may be accompanied by an appropriate staff consisting of military and civilian representation."

3. "He will consult and advise with the Council upon orders involving questions of principle in advance of their issuance. If there is disagreement on the part of one of the members of the Council with the Supreme Commander (or his deputy) on questions of principle such as a question on a change in the regime of control over Japan or a question regarding a change in the composition of the Japanese Govt, regarding the dissolution of a Japanese Govt and replacement of it by another—the decision of the Supreme Commander on these questions shall be withheld from execution until agreement on these questions has been reached between Govts or in the FEC (Far Eastern Commission)."

4. "The formulation of policies, principles and standards, in conformity with which the fulfillment by Japan of its obligations in correspondence with the surrender document may be defined."

5. "The Commission in its activity will proceed from the fact that an Allied Control Council (Allied Control Commission) for Japan has been established and it will take into consideration the existing control machinery in Japan including the entire chain of command from the Govt of the USA to the Supreme Commander and the execution by the Supreme Commander of command over the occupational armed forces."

HARRIMAN

¹⁰ Telegram 3783, November 6, 3 p. m., from Moscow, p. 831.

¹¹ Omission indicated in the original telegram.

740.00119 Control(Japan)/11-645: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 6, 1945—3 p. m.

[Received November 6—1:05 p. m.]

3783. ReEmbs 3775, Nov. 5, midnight and 3776, Nov. 6, 1 a. m. In proposing his amendments to Allied Military Council and Far Eastern Commission Molotov has followed his customary tactics of increasing Soviet demands. He has placed an interpretation on Stalin's verbal agreement that the American Supreme Commander should have the last voice as qualified by Stalin's reference to the Hungarian and Rumanian precedents. He now contends that Stalin had in mind that the American Commander should have the last voice only to degree that was provided for in Soviet revision of Hungarian Control Commission formula offered at Potsdam. Stalin in his conversation with me made no such qualification although it is true that he did propose an Allied Control Commission along the lines of the Hungarian and Rumanian Commissions, pointing out that otherwise the Soviets in Japan would be in an inferior position to the British and Americans in the Balkans. In my conversations with Molotov and from his comments in connection with the amendments it would appear that the greatest concern of the Soviets is retention by them of a voice in eventual Govt of Japan and steps by which it evolves.

By the amendments of the two documents Molotov, however, seeks to obtain complete veto of all policies and interpretation of these policies and to tie our hands in such a way that the functioning of control of Japan would be impossible without Soviet approval.

I feel that the time has now come to present our final position to Stalin as coming from the President, thus giving me the opportunity to discuss the matter with him.

I recognize the seriousness of the situation since the Russians may well be in a mood to remain out of Japan unless they obtain a solution satisfactory to them. The terms we offer should therefore be terms that we are prepared to stand on before world opinion as well as the Russians. An impasse would have serious repercussions not only in the Far East but in Europe and on world collaboration generally.

With this in mind I believe that our proposal for both bodies should be reviewed in order to make our fundamental position absolutely clear in their provisions. This I understand to be that we are prepared to go to all reasonable lengths to consult with and to obtain the agreement of our Allies but that in the event of disagreement the United States must be free to make decisions. I suggest, therefore, that in the proposals for the Allied Military Council it be provided that in

event of disagreement on questions of principle such as questions relative to character of Japanese Govt, etc., opportunity should be given for full consultation between governments or in FEC, making it clear, however, that US Supreme Commander is free to act pending results of such consultation and if it is found that no agreement can eventually be reached.

I believe it would be easier to obtain Stalin's agreement to control machinery for Japan if the name "Allied Military Council" were changed preferably by accepting Stalin's original proposal of "Allied Control Commission" or at least some other title which eliminated word "military". It should, of course, be made clear that functions of the body are limited to consulting with and advising Supreme Commander.

I assume that there would be no objection to proposed Soviet addition of a sentence to effect that each member of the body may be accompanied by an appropriate military and civilian staff.

Turning to Far Eastern Commission, it may be easier to obtain agreement on Allied Military Council if we are prepared to accept the principle of agreement between four principal powers in voting procedure of FEC. In considering this question we should also bear in mind Soviet aversion to being voted down in anything. In any circumstances it must of course be provided that pending decisions US is free to issue directives to Supreme Commander.

Question of India may be troublesome. Stalin in his statement to me was referring to India's participation in a peace conference for Europe. Although he was very firm in his attitude towards India, I can hardly believe that he would make this a breaking point. When I told Molotov last night that India was already participating in the discussions in Washington he stated they had been invited to attend the meetings of the Advisory Commission whereas the powers of the Commission had now been enlarged and it was inappropriate for India as a colony to participate in such a body.

HARRIMAN

740.00119 EW/11-645

*Memorandum of Meeting of the Secretaries of State, War, and Navy,
November 6, 1945, 10:30 a. m.*¹²

[Extract]

¹² Secretary of State Byrnes, Secretary of War Patterson, and Secretary of the Navy Forrestal were present, together with Assistant Secretary of War McCloy, Colonel McCarthy, Lieutenant Colonel Correa, and the Director of the Office of European Affairs (Matthews).

ALLIED PARTICIPATION IN THE OCCUPATION OF JAPAN

MR. PATTERSON referred to a letter he had written Mr. Byrnes¹³ regarding the Joint Chiefs of Staff memorandum to the State-War-Navy Coordinating Committee which indicates approval and makes suggestions for the participation of Allied forces in the occupation of Japan. He had understood from Mr. Byrnes at the last meeting that the Russians were unwilling to send occupation forces unless some system of control similar to that of Germany were set up in Japan. MR. BYRNES said that he understood that Marshal Stalin thought it would not be wise to send in any Allied occupation troops and that the entire occupation of Japan should be left to the Americans. MR. PATTERSON inquired whether if the Russians did not wish to participate we could not go ahead with the others and said that he understood that the British and Chinese had already been invited; furthermore, that according to Mr. McCloy, General MacArthur wishes these troops to take part of the burden of occupation and to serve as a means of distributing responsibility among our other Allies. The one thing MacArthur is insistent upon is that he have command over them and Mr. Patterson does not think that the Russians would accept that. However, he did not think this made much difference. MR. BYRNES said that unfortunately General MacArthur was not thinking of the effect on the rest of the world that he was naturally looking at the matter largely from the point of view of the problem of Japan. Mr. Byrnes felt that Stalin's position was sound and that the presence of other Allied forces could not but be a source of considerable irritation. He believes that no one really wants to participate except the Australians. MR. McCLOY remarked that he thought the Chinese also wanted to participate. He said he felt that General MacArthur would not insist, however, on a composite force. MR. PATTERSON pointed to the earlier views of the Joint Chiefs of Staff and said that he favored bringing in British, Chinese and Australian troops and leaving the Russians out if they don't want to come. MR. BYRNES emphasized that the trouble is such a step is merely making for two worlds and preparing the course for another war. The Soviets believe that the rest of the world is ganging up on them and he considered it most important for the future peace of the world to try to work in cooperation with them. MR. FORRESTAL said that to summarize Mr. Byrnes' viewpoint it is that if we have the British and Chinese but no Russians, world opinion would oppose this arrangement and furthermore a certain school of our columnists would make a great to-do over our failure to include Russia. MR. BYRNES emphasized that Stalin feels that he has been completely ignored on

¹³ November 5, p. 824.

the question of Japan and said by way of illustration that in his conversation with Harriman¹⁴ it was the only question he wanted to discuss. The Far Eastern Commission, he said, was meeting today without Russia and he was very anxious to bring about their participation. MR. McCLOY said that the only choice, therefore, seemed to be for us to assume the full burden of occupation ourselves. MR. PATTERSON pointed out that there is an aggregate difference of 100,000 if our Allies do not participate. MR. BYRNES inquired whether the Chinese could be used. He said it seemed that it was only if the British were brought in that the difficulty arises. He wants the Joint Chiefs of Staff to know that they are not doing a favor to him by suggesting that Allied forces participate in Japanese occupation. There was some discussion of the unfortunate effects of our rapid demobilization and the pressing problem of how we will get our Army unless the universal service bill is passed. MR. PATTERSON said that under the voluntary recruiting system the Army has obtained only 51,000 so far and most of these are old regular Army men. Of course, MacArthur would be happy to have a purely American force but the rate of demobilization presents a real question. MR. PATTERSON said that to sum up the answer to his letter is that Mr. Byrnes wants the Joint Chiefs of Staff to re-examine the matter. It was suggested that this be arranged through SWNCC. MR. BYRNES said that he would suggest to Mr. Harriman that he sound out Molotov further on this question.

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740.00119 Control(Japan)/11-645 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 7, 1945—8 p. m.

2303. After careful consideration of your 3775 of November 5 and 3776 of November 6, it seems plain what the essence of the Soviet proposals is and that these proposals are unacceptable. Passing matters of language, to which we shall return, the heart of the Soviet proposals is contained in their amendments to paragraph 3 of the Military Council document and to paragraphs III and V of the Far Eastern Commission document. By these changes the Soviet Government proposes that all action by the United States Government in giving directives to the Supreme Commander must be in accordance with decisions of the Commission, and that these

¹⁴ October 24 and 25; for memoranda of conversations, see pp. 782 and 787, respectively.

decisions must be reached by the unanimous agreement of the four principal powers. The power of this Government to issue interim directives is taken away. Thus the United States Government would be paralyzed in issuing any directive to the Supreme Commander unless it could obtain the unanimous consent of the four powers and a majority of the Commission. But this is not all. The Supreme Commander in turn is forbidden to issue any order upon his own initiative "on questions of principle", should there be any disagreement on the part of any of the other members of the Council, until such question has been referred to the governments and there has been unanimous agreement among them. It thus appears that the United States Government, which has the responsibility for carrying out the surrender terms in Japan and the responsibility of enforcing those terms with its own military establishment, would be utterly unable either through the governmental machinery at Washington or through the decisions of the Supreme Commander in the field to fulfill this responsibility.

Such an attitude on the part of the Soviet Government seems to be a complete departure from Stalin's statement to you and Molotov's letter to the effect that that Government was willing to proceed along the general lines of the Rumanian model leaving to the Supreme Commander the "last word" and indicates a desire upon its part to impose in the control of Japan the same principles of unanimity which have produced such difficulty in the control of Germany. This Government has made clear from the outset that such a program is entirely unacceptable to it. In the case of the Balkan satellites, in view of the fact that the occupying forces were Soviet, the United States accepted the ultimate right of the commander-in-chief of those forces, acting on the instructions of his government, to have final decision in matters pertaining to the occupation of these countries. In Japan, the United States Government and the United States forces have on behalf of the United Nations occupied Japan and have the responsibility for carrying out the terms of surrender and the occupation of Japan. Neither this Government nor General MacArthur can be divested of nor share the responsibility for making and enforcing final decisions. It has been the desire of this Government to go to considerable lengths to bring about Allied participation in the making of basic decisions of policy through the Far Eastern Commission and to afford an opportunity to advise and consult upon the manner in which these policy decisions are carried into effect through the Allied Military Council. The practices and procedures which are proposed by this Government in the two documents under consideration are in our opinion a very considerable advance over the practices and procedures which have been followed in the Balkan

commissions, particularly in regard to prior consultation. Thus in our opinion the counter suggestions which the Soviet Government has handed to you do not represent mere differences in wording or small matters about which adjustments could be reached, but represent a fundamental attack upon the whole principle of primary United States responsibility which we had understood had been accepted by both Stalin and Molotov.

Except for the suggestion contained in paragraph 2 of your tel 3776 providing that every member may be accompanied by an appropriate staff, which presents no difficulty, all of the other suggestions appear to be closely related to this fundamental issue bearing upon the nature and functions of both the Commission and the Council. If the Soviet Government is prepared to accept as we had hitherto believed it had done the prime responsibility of the United States Government and the Supreme Commander-in-Chief, then many of the suggestions either fall away or present mere difficulties in language, otherwise they go to the heart of our position.

The foregoing is the official position of this Government for your guidance in your discussions with Soviet officials. You may also wish to mention the fact that hitherto we have proceeded according to the advice contained in the last sentence of your tel 3623 of October 22 by keeping this discussion as an informal bilateral one with the Soviet Government. This has involved considerable effort in preventing the matter from coming before the Far Eastern Commission and thus becoming a public discussion. It is becoming increasingly difficult to maintain this position. We therefore believe that it is of the utmost importance that the Soviet Government accept the fundamental considerations noted above. For your guidance and such use as you deem advisable, these views mean that we cannot make any substantive changes in the provisions relating to the Allied Military Council. So far as the Commission is concerned we cannot accept any impairment of the right contained in III (2) to issue interim directives pending action by the Commission. The other matters raised, particularly voting procedure, may furnish some latitude for negotiation. We cannot see how the Soviet Government can have any legitimate worry that fundamental changes in the regime for the control of Japan or in the Japanese constitution can or would be brought about without full consultation since these are exactly the matters which would be considered fully in the Far Eastern Commission.

BYRNES

894.00/11-745

The Acting Political Adviser in Japan (Acheson) to the Under Secretary of State (Acheson)

TOKYO, November 7, 1945.

[Received about November 15.]

DEAR DEAN: We are very much worried over the question of the revision of the Constitution which is obviously one of the most vitally important questions with which the American authorities have to deal. Konoye has sent Professor Takagi to us to say that several draft articles have been prepared and to ask for consultation and advice, but we have been ordered by General MacArthur not to proceed with the discussions. We learned privately that Konoye's committee, as might be expected, is taking a line in its drafting to perpetuate the imperial system in a way which in our opinion will in practice prevent the development of a really free and democratic government.

Some days ago General MacArthur asked me to draw up a statement in regard to the question of the revision of the Constitution partially for the purpose of clearing the air in the matter but primarily with a view to meeting recent Soviet and British criticism of him. He asked me to consider whether such statement should be issued by me or by him, and the implication was that he would wish me to issue it because it would thereby have a less formal character and would not be in the nature of a directive to the Japanese Government. We drew up such a statement, and I enclose a copy herewith. Subsequently, the General turned his attention to the question of answering the *Herald Tribune's* criticism of him. (Editorial dated October 31 in regard to Konoye's activities in regard to the Constitution and General MacArthur's connection therewith.)

I was heartily in favor of issuing some statement along the line of that enclosed in order that the Japanese officials concerned, the Japanese press and the Japanese public might gain some clear idea of what is wrong with the present Constitution from the democratic point of view. It is obvious to us now that General MacArthur, or his Chief of Staff and other members of the Bataan Club who act as his Privy Council or *genro*—wish if possible to keep the State Department out of this matter. Meanwhile, we learned from Japanese sources privately that Konoye's committee expects to have a complete draft prepared before the end of this month to submit to the Government, and it seems to me that if we are to get our ideas abroad before a draft is published with all the trimmings of imperial sanction, etc., some action toward achieving our purpose should be taken at once. For, it goes without saying, any attempt to cause correction of a draft once prepared with imperial sanction will meet with difficulties and will cause unfortunate

political repercussions which can not help but militate against our long term objectives.

I accordingly suggest that a statement along the lines of the enclosed be released to the press by the Department. I am quite willing to take the responsibility of having it released as a report to the Secretary from me; in any case if the language is retained it would be recognized by Headquarters. Release will, of course, cause some irritation in Headquarters as does every pronouncement on policy matters by officers of the Department, but such irritation, I believe, is more than offset by the salutary effects such pronouncements have in reminding Headquarters and others that policy is made at home and that, after all, the making of foreign policy is centered in the Department of State. Your famous statement of September 19 or 20¹⁵ did a lot of good here and continues to do good, and while it did not enhance our personal welcome, I believe that, looking back, there is no question but that it strengthened our position and made it possible for us to achieve a certain independence from the chain of command without which our job here would be almost completely empty.

I would not bother you with this if I did not regard it as an extremely important matter.

Yours sincerely,

GEORGE ATCHESON, JR.

[Enclosure]

DRAFT STATEMENT TO THE PRESS

There has recently been indication in both the foreign and Japanese press of some confusion as to the American attitude toward the revision of the Japanese Constitution—a question which is now squarely before the Government and people of Japan.

I would say that the key is to be found in Paragraph 10 of the Potsdam Declaration which provides that:

“The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people. Freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights shall be established.”

The American attitude is also manifest in one of the well-known ultimate objectives of United States policy in regard to Japan:

To bring about the eventual establishment of a peaceful and responsible Government which will respect the rights of other states and will support the objectives of the United States as reflected in the ideals and principles of the Charter of the United Nations. The United States desires that this government should conform to prin-

¹⁵ At news conference on September 19; Department of State *Bulletin*, September 23, 1945, p. 427.

ciples of democratic self-government, but it is not the responsibility of the Allied Powers to impose upon Japan any form of Government not supported by the freely expressed will of the people.

This leaves no room for uncertainty as to the purposes of the Supreme Commander and the policies of the United States—they are one and the same. Reference to “principles of democratic self-government” requires no elaboration. Certainly to all Americans, and just as assuredly to many other peoples in many parts of the world, its meaning is as unclouded as the simple words of Abraham Lincoln by which Americans live—“Government of the people, by the people and for the people.”

Secretary Byrnes said in his V-J Day statement,¹⁶ “Attitudes of mind cannot be changed at the points of bayonets or merely by the issuance of edicts.”

We do not seek to impose at bayonet point any particular attitude of mind upon the Japanese or upon any people; we do not seek to impose upon the Japanese a constitution written in the American language to conform to American governmental framework. What we hope and expect is that the Japanese Government and people, who are showing desire to follow a democratic way of life, will press forward in their own best interests to a comprehensive democratic reform of the organic law of government. Before the occupation can be terminated, the Allied Powers are to decide whether our objectives have been attained; it is for us to make clear to the Japanese people now our convictions as to the basic faults of the existing order.

It is fundamental that no democratic government can exist except upon a framework of law making that government responsible to an electorate expressive of the free will of the whole nation and providing that the executive be responsible to, and derive from, the electorate or a legislative body fully representing the electorate.

It is not democratic that the House of Representatives—the only organ of the national Government which now purports to represent a portion of the people—functions in chains that are as heavy as they are short and is subject to dissolution and re-election at the dictate of higher authority; that the Cabinet is not responsible to the people’s representatives and there is no rule under which the Cabinet must have their confidence, or fall; that the elected members of the Diet, although they purport to represent the people whose taxes support Government and its instrumentalities, do not have full control of financial and budgetary matters.

It is not democratic that all fundamental human rights should be so emasculated as to leave the people at the sorry mercy of central-

¹⁶ Released to the press September 1; Department of State *Bulletin*, September 2, 1945, p. 300.

ized and arbitrary police interference in their daily living, or that the minds of their children should be shaped into cast-iron moulds by arbitrary centralized control of education; that non-Japanese should be excluded from even these limited restricted "rights;" that the people should be without judicial recourse for the protection of their rights against the Government; that there is no provision for impeachment or recall of high officials.

It is not democratic that a House of Peers, representing but a small and highly privileged class, should be able to thwart the wishes of the people as expressed through elected representatives; that a body such as the Privy Council, responsible neither to Diet nor people, should have power to dictate policy and over-ride the executive branch of the people's government.

It is not democratic that the military, through lack of constitutional definition of their powers, should be free of control by the people's representatives.

It is not democratic that freedom of thought and speech and religion should be strangled by enforced adherence to the idea that any human being is divine or smothered by observance of Shinto or other particular religions or pseudo-religious rites.

There cannot develop in Japan any government worthy of being called democratic unless the Cabinet is chosen with the advice and consent of, and is made responsible to, a legislative body fully representative of all Japanese men and women; unless legislative measures may be passed without governing veto by higher authority; unless the elected legislature may initiate constitutional amendments, approve or disapprove those initiated by higher authority, and require the Chief of State (if he retains this privilege) to introduce amendments put forward by the Cabinet with the approval of the legislative body; unless the Chief of State acts in important matters on the advice of a Cabinet responsible to such legislative body within the framework of law which represents the free will of the people.

In the Western world we have struggled forward a long way into the era of the common man.

The dawn of this era is spreading through the East.

We want its light to shine also on the people of the islands of Japan.

But the Japanese themselves must seek and find the light.

The great majority of the Japanese people—so long cruelly suppressed, so long inhumanly wrought into unthinking and submissive tools by the military—are still cowed and inarticulate.

It is the responsibility of the Japanese authorities to foster the rapid development among all Japanese of the spirit of democracy. And, with the aid of the people who strive to think, and in accord with the people's will and their best interests, it must re-form the

governmental structure and cure the deformed spirit of the State which the military slave-masters in the unhappy past so successfully perverted to the mad concept of Japanese world conquest.

It is the responsibility of the Japanese Government to prove to the world that Japan will quickly heed the demands of our unsought and untold sacrifices and will emerge from the ruinous past to become both capable and deserving of membership in the new Commonwealth of Nations.

In conclusion, I again refer to the Secretary's statement:

“. . . Eventually we expect to see emerge in Japan a government, broadly based on all elements in the population, which will be peacefully inclined and which will respect the rights of other nations. We and our Allies shall be the judges as to whether the government which does emerge will or will not contribute to the peace and security of the world. *We shall judge that government by its deeds, not by its words.*”

740.00119 Control(Japan)/11-845 : Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

Tokyo, November 8, 1945.

[Received November 11—4:45 p. m.]

103. Revision of Japanese Constitution. Reference penultimate sentence of Department's 38, Oct 17 [16], instructing us to continue discussions and keep Department informed.

Following a request from Konoye that we discuss with him several draft articles prepared by his group, Gen. MacArthur has advised that we not associate ourselves in the matter further. Gen. MacArthur feels that Konoye would make political capital out of further association and that, as the Japanese Govt has been directed by the Supreme Commander through the Prime Minister to initiate a constitutional revision, none of us should be involved until Japanese Govt itself formally submits something on the matter. We are, of course, following Gen. MacArthur's wishes and will refrain from further participation.

ATCHESON

740.00119 FEAC/11-945

Memorandum by the Director of the Office of Far Eastern Affairs (Vincent) to the Under Secretary of State (Acheson)

[WASHINGTON,] November 9, 1945.

Sir George Sansom and the Chinese Ambassador called yesterday evening and this morning respectively at my request. As you had

directed, I reviewed for them the course and present state of our negotiations with the Russians in regard to the Allied Military Council and the Far East Commission. I spoke to them very frankly, which I believe they appreciate, and withheld from them no pertinent information. I read to them from our recent telegram to Moscow in which we set forth our basic ideas in regard to the functions and functioning of the Council and the Commission.¹⁷

Sir George had no special comment to make, but it was fairly evident that he was sympathetic to our point of view.

The Chinese Ambassador frankly stated that he concurred in our viewpoint. He made the remark that voting procedure in the Commission was unimportant, provided we were able to retain our right to send out interim directives to General MacArthur in the absence of policy decisions by the Commission. He made the interesting comment that, whereas non-military directives were subject to some control within the Far East Commission, military directives were subject to no control other than the "advice" that might be given by the Allied Military Council. He did not take exception to the situation but simply called attention to it.

J[OHN] C[ARTER] V[INCENT]

740.00119 Control(Japan)/11-145 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, November 9, 1945—3 p. m.

9836. The War Department has brought to our attention a message from General MacArthur to General Marshall¹⁸ which calls attention to the critical tone of Reuters towards American policies in Japan and cites two spurious dispatches which read in substance as follows:

(1) Reuters London refers to a report by the special correspondent of the *Observer* in Tokyo who states that in the press section (Japanese) persons who played a criminal role during and before the war are still being supported, that MacArthur's headquarters is democratic only on the surface, that a system is being introduced which gives power to the old forces and that it is doubtful whether MacArthur has a clear-cut policy.

(2) Reuters Moscow refers to a statement by the Soviet critic Eugeniev that no measures are being taken in Japan to remove militarism and that future peace is endangered thereby.

General MacArthur comments with regard to (1) that there is no correspondent of the *Observer* in Tokyo and that the statements are

¹⁷ Telegram 2303, November 7, 8 p. m., to Moscow, p. 834.

¹⁸ Not printed.

contrary to actual opinion held by the press in Tokyo. He expresses the opinion that the second item is equally spurious.

Unless you perceive objection, it is suggested that you bring this matter informally to the attention of the Foreign Office, not in the form of a protest but for its information, pointing out what General MacArthur describes as the spurious character of the reports.

BYRNES

740.00119 Control(Japan)/11-945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 9, 1945—11 p. m.

[Received November 10—1 a. m.]

3815. This evening I presented to Molotov verbally our position regarding the proposed Soviet amendments as set forth in Department's number 2303, November 7, 8 p. m., and left with him my statement in writing.

Molotov received my statement with equanimity and said he would have to study it. He pointed out that in his proposed amendment to paragraph 3 of the proposals for the Council he had indicated that it referred specifically to matters of fundamental importance, such as changes in regime in Japan, etc., which should be reached by agreement between the Govts or in the FEC. I explained that I felt he had misunderstood the functions of the two bodies and, referring to my statement, pointed out that these were exactly the matters which would be considered fully in the FEC.

He then asked whether we would agree to his proposed voting procedure in FEC. I explained that if the fundamental principle of primary United States responsibility were accepted, the question of voting procedure was open for negotiation, but that I could not tell him whether or not his suggestion could be accepted. I explained that other countries were also making suggestions on this matter.

He asked whether I had an answer regarding his proposed change in title of the Council. I replied in the negative. He appears to have this much on his mind, perhaps because Stalin has made a point of it.

In a further brief discussion I emphasized that we had every intention of consulting fully with our Allies, that our proposal provided for this. Although the proposed machinery was not the same as in the Balkans it was, we believed, better adapted to the situation in regard to Japan. He replied that in the Balkans it was true there was nothing similar to the FEC.

I pointed out also the difference in Japan as compared with the Balkans since in the latter countries the populations

and many of their leaders were basically friendly to the concept of the United Nations, whereas in Japan we are faced with a difficult and dangerous situation which makes it all the more important that the US, in the interests of the Allies, take primary responsibility. I assured him, on the other hand, that we recognize the Soviet Union's great interest in future developments in Japan.

It is always dangerous to predict what the Soviet's next move will be but I am inclined to believe that Molotov will come forward with some revised proposals accepting the principle of primary American responsibility on the condition that unanimity of the 4 principal Allies is agreed to in the voting procedures of the FEC and that he will attempt to change the title of the Allied Military Council and exclude India from participation in FEC.

HARRIMAN

740.00119 Control(Japan)/11-945

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 45

TOKYO, November 9, 1945.

[Received November 19.]

SIR: I have the honor to enclose a copy of a brief self-explanatory memorandum of identic date to General MacArthur recommending that action be taken, and suggesting the means by which it might be taken, to prevent present reactionary Diet members from standing for re-election and being returned to office.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Acheson)

TOKYO, November 9, 1945.

MEMORANDUM FOR: SUPREME COMMANDER AND CHIEF OF STAFF.

Subject: The Present Diet and the Forthcoming Elections.

Among the questions arising out of the forthcoming elections is whether there is any possibility that the elections will produce a Diet that is actually democratic in character as contrasted with the present reactionary body. We seriously fear that such possibility is very slight indeed, especially as the new political parties lack experience and will not have time to develop their organizations to the point of being in position to exert sufficient influence in the elections. The number and diversity of the new parties alone constitute strong ob-

stacles against successful competition with well-intrenched and reactionary politicians.

We suggest that consideration be given to what means might be appropriately pursued toward insuring that the Diet not be returned to office. Interference with the elections is, of course, out of the question as a matter of principle. But there is ample justification under the Potsdam Declaration to inform Shidehara that the present Diet members are (Article 10) "obstacles to the revival and strengthening of democratic tendencies among the Japanese people" and should not, therefore, stand for re-election.

Most of the present Diet members, it is understood, are members of the Great Japan Political Association, which is an outgrowth of the Imperial Rule Assistance Association, and would also fall within the purview of the second sentence, section one, part III of the general initial policy directive: "Persons who have been active exponents of militarism and militant nationalism will be removed and excluded from public office and from any other position of public or substantial private responsibility."

If this suggestion is approved, Shidehara might also be informed that there should be no publicity in carrying out the Supreme Commander's oral instruction in this matter.

GEORGE ATCHESON, JR.

740.00119 Control(Japan)/11-1245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 12, 1945—midnight.
[Received November 12—11:10 p. m.]

3828. ReEmb's 3815, November 9, 11 p. m. This evening Molotov handed me a statement in Russian which he said for convenience his interpreter had translated unofficially. Embassy's translation is as follows:

"Consideration has been given by the Soviet Govt to the United States reply to the Soviet amendments to the United States' proposals re control machinery for Japan and Far Eastern Commission which Ambassador Harriman handed Molotov on November 9.

1. As is evident from the United States reply, the latter does not wish to see the difference between the situation in Japan during the period of the disarmament of the Japanese Armed Forces (August-September) when the Supreme Commander operated without any control or an Allied control organ and the situation after the termination of their disarmament when there arose the necessity of creating an Allied control organ. Proceeding from this conception, the United States Govt apparently intends to maintain in general without change all the rights and privileges of the Supreme Com-

mander which he enjoyed in the August-September period when he established and changed the regime in relation to Japan, formed and dismissed the Japanese Govt at his own discretion without knowledge of the Allied representatives in Japan. But such a conception excludes the necessity of creating a control organ worthy of being called a control organ. The Soviet Govt cannot agree to such a conception for it cannot help taking into consideration the fact that after the termination of the disarmament of the Japanese Armed Forces a new situation was created in Japan, new questions arose of a political, economic, cultural, administrative, financial character, whose correct solution would be impossible under a simplified, purely military approach to the matter and without the presence of a control organ.

2. The information of the United States Govt regarding the position of the Soviet Govt and Generalissimus I. V. Stalin contains elements of inaccuracy.

I. V. Stalin recognized and continues to recognize that the United States has more responsibility in Japanese affairs than the other Allies, but he never agreed that the United States alone should have this responsibility for he considers that those Allied Powers whose forces took an active part in the defeat of Japanese Armed Forces also bear this responsibility.

I. V. Stalin recognized and continues to recognize that in deciding the majority of questions the decisive voice rests with the Supreme Commander, as the permanent chairman of the control organ, but I. V. Stalin has never agreed that such a right rests with the Supreme Commander in all questions without exception for he considers that, in all cases of disagreement, the Supreme Commander enjoys the final voice except in those few cases when it is a question of matters of principle, such as questions of change in the regime of control of Japan, changes in the composition in the Japanese Govt, et cetera. That is why in conversation with Mr. Harriman, I. V. Stalin took exception to the example of the Advisory Commission in Italy and recommended that the example of the Control Commission in Hungary and Rumania be followed, he having in mind the position of the Control Commissions in these countries which was established after the surrender and disarmament of Germany.

In all of this, the Soviet Govt is solidly with I. V. Stalin.

The reference of the United States Govt to the effect that such questions of principle shall be discussed in the Far Eastern Commission and not in the Control Council, that the Control Council will deal only with the execution of the directives of the Far Eastern Commission cannot be considered convincing since, according to opinion of the Soviet Govt, control has an important significance not only in the formulation of directives but particularly in the execution of these directives on the spot, in Japan.

3. The Soviet Govt considers it expedient that the control organ should be called a Control Commission or Control Council since such a title correctly reflects the functions and the character of the work of this organ as a control organ. It is not a question of this organ being made up of military representatives but of the fact that it will execute control over Japan not only in military questions but also in all other questions of a political, economic, cultural, administrative and financial nature.

4. The Soviet Govt also considers it advisable that in the solution of questions in the Far Eastern Advisory Commission the principle of unanimity of the principal powers should be preserved. This principle has been successfully applied in the war. It is contained as the basis for the voting procedure in the Security Council. It would be correct also to preserve it in the Far Eastern Advisory Commission.

5.¹⁹ From the aforementioned, it appears that the United States Govt has no reason to fear that if the Soviet amendments are accepted it "would be paralyzed in issuing any directives to the Supreme Commander". The United States Govt may rest assured the Soviet Govt does not intend to diminish the pre-eminent rights of the USA in Japanese affairs. The Soviet amendments have only the following simple and elementary objectives:

a. To see to it that the participation of the Soviet Union in the control over Japan would not appear to be decorative;

b. To assure such conditions of cooperation in the control over Japan through which the Soviet Govt might also bear responsibility;

c. To assist so as to provide for, in the control over Japan, an agreed upon system of undertakings free from chance events (*sluchainykh pomentov*) and one which complies with the general interest of the Allies.

Moscow, November 12, 1945."

After reading the statement, I informed Molotov that the position of the Soviet Govt would not be acceptable to the United States Govt for the reasons I had given him in our last meeting. I referred specifically to the position of my Govt as stated in written document I had left with him. I said that Stalin, in his conversation with me, had clearly recognized that the last voice should rest with the United States, since we had the responsibility for occupation, whereas the position Molotov was now taking was in effect similar to the position in Germany where action could not be taken without unanimous agreement.

Molotov argued these points, repeating substantially the wording of the written statement but emphasized that the United States should have the primary responsibility on everything except a few matters of fundamental importance and referred continually to the question of changes of govt, mentioning no other type of case. He said that his proposal was in no way comparable to the German situation but resembled Hungary and Rumania. I said that I understood Marshal Voroshilov²⁰ had been discussing with the Hungarians the composition of a new govt and inquired whether he had ever consulted his

¹⁹ Paragraph 5 of statement, transmitted at end of this telegram, is printed here in correct sequence.

²⁰ Marshal Kliment Efremovich Voroshilov, Vice Chairman of the Council of Commissars of the Soviet Union.

British and American colleagues on this matter. Molotov feigned ignorance, stating that the new govt had not been decided upon.

I went over the ground again, explaining that we had every intention of consulting the Soviet Govt and our other Allies on such matters and that the proposed procedure, specifically fundamental questions as changes in govt, and reiterated his phrase that the Soviet Govt representatives should not be "only decorative". I explained that there could be no exception to the final voice of the United States as we had the responsibility for the occupation. If the Soviet Govt was completely dissatisfied with the decisions of the United States, it could withdraw from Japan, whereas it was impossible for the United States to divest itself of its responsibilities. My Govt could not accept responsibility for occupation without having a clearly agreed upon right to issue interim directives pending agreement or in the event of disagreement.

At Molotov's request, I said that I would transmit his statement to my Govt although I saw little use in doing so as the position of my Govt had been made entirely clear in the document that I had previously left with him. Molotov gave me no clue as to what the Soviet Govt would do when faced with your official reply. He appeared unwilling, however, to accept my statement as the final position of my Govt.

HARRIMAN

740.00119 Control(Japan)/11-1245

The Australian Minister (Eggleston) to the Secretary of State

No. 500/45

WASHINGTON, 12 November, 1945.

SIR: I have the honour to refer to my note of October 20th, 1945, conveying proposals of four Governments of the British Commonwealth of Nations (the United Kingdom, Australia, New Zealand and India) in relation to the use of British Commonwealth Occupation Forces in Japan.

Subsequently, on October 27th, the Australian Minister of External Affairs handed to you a copy of the letter of October 20th.

I am instructed to refer you also to the statement of the Government of the United States made public by the President on September 22nd and dealing with the United States Initial Post-Surrender Policy of Japan,²¹ in which it is stated that "participation of the forces of other nations that have taken a leading part in the war against Japan will be welcomed and expected. The occupation forces will be under the command of a Supreme Commander designated by the United States".

²¹ SWNCC 150/4/A, September 21; for text, see Department of State *Bulletin*, September 23, 1945, p. 423.

The four Governments concerned attach the greatest importance to an early decision providing for the carrying out of these proposals.

I am instructed to enquire as a matter of urgency whether the Government of the United States is yet able to signify its approval of the proposals of the four British Governments.

I have [etc.]

F. W. EGGLESTON

740.00119 Control (Japan)/11-1245 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, November 12, 1945.

[Received November 15—midnight.]

118. Re Department's telegram 109, November 11 [10].²² We know of no British or American technicians working with Japanese on constitutional reform and believe that our discussions with associates of Konoye was the nearest to any such working arrangement. As reported in our 103, November 8, those discussions have now ceased and HQS states it does not have any officers participating on the working level with Japanese in formulating constitutional revision.

ATCHESON

740.00119 Control (Japan)/11-1345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

MOSCOW, November 13, 1945—noon.

[Received November 13—7:40 a. m.]

3832. Re Embassy's 3828, November 12, midnight. Reviewing this morning Molotov's statement, handed me yesterday, and my previous conversations with him and with Stalin, I feel that I should attempt to state more clearly what appears to be in the minds of the Soviet officials in their reluctance to accept our proposals. This, I believe, goes beyond questions of Molotov's tactics in trading and is giving them serious concern.

1. The control machinery for Japan.

At Sochi, Stalin made it clear that he was ready to accept MacArthur as permanent chairman of a control commission in accordance with the Rumanian formula, with MacArthur having the last voice. Since the American forces were in occupation, he said this was logical. They interpreted our proposal, however, as establishing MacArthur permanently as the Allied Supreme Commander and that the repre-

²² Not printed.

sentatives of the other three Allies will function as his advisers without any real status in the control machinery. When Molotov states that the Soviet representative should not appear to be only "decorative" he is repeating the same thought that Stalin presented to me when he used the words "piece of furniture". I of course have no information on the treatment General Derevyanko received before he was recalled but Stalin contended that he was neither consulted nor supplied with information as to what was going on. Stalin told me that Derevyanko had seen MacArthur, but I gathered only when Derevyanko asked to see him on specific matters.

It now seems that the Soviets are fearful that in our proposals, since the body in Japan is not termed as a control commission but a military council, that the Soviet representative will not take any real position of responsibility on the many political, economic, cultural, administrative and financial matters which are involved in the development of a permanent structure of life in Japan. The fact that the body is set up as a military council rather than a control commission, appears to them to indicate that we have not the intention of giving our Allies any important position in the control of Japan. They look upon the policy decisions arrived at in the Far Eastern Commission as general in character, requiring all important interpretation in their implementation. They are fearful that the Soviet Govt will constantly be faced with *faits accomplis* and that if it objects little can be accomplished as it would have agreed in advance that the Supreme Commander shall be free to take action. Thus, the minimum I believe they feel they are entitled to is the inclusion of the word "control" in the title for the body in Tokyo and language in the terms of reference to the effect that the Supreme Commander will not only consult in advance with this body, but in the event of disagreement, when action is not urgent, the questions if they are fundamental in character, such as the change of government, et cetera, will be referred to the respective governments for consultation or to the FEC (Far Eastern Commission).

2. The Soviets are definitely suspicious that our policies may lead to the development of a Japan which would be antagonistic and a threat to the Soviet Union. Japan has for two generations been a constant menace to Russian security in the Far East and the Soviets wish now to be secure from this threat. Molotov's continual emphasis on the one question of changes in government appears to indicate that this is the vital question in which they are interested to have their views given fullest consideration and over which they can exercise some control. It is clear to me that it is impossible for us to take responsibility for the occupation of Japan with any qualifications on the right of the United States to make final decisions. On the other

hand the Soviets might agree to this principle if we were ready to include language such as I have mentioned above providing for reference to the Governments or FEC (Far Eastern Commission) of matters in disagreements, to change the title of the Council and to provide voting procedure in FEC (Far Eastern Commission) acceptable to them.

3. In the question of voting procedure in the FEC (Far Eastern Commission) the Soviets are now clinging to the principle which they have insisted upon in the World Security Organization and other bodies, namely that there should be unanimity between the four principal Allies. Their views on this subject are well known and therefore I do not believe that I need explain why they place such importance on this question. Of course, it is obvious the United States Govt must be free to issue interim directives pending agreement. In the light of the above considerations I believe that we should face the points I have enumerated and indicate to the Soviets how far we are ready to go with each of them. I cannot help feeling that the situation is serious. Unless the Soviets are reasonably satisfied they may well decline to participate and will attempt to build their security in the Far East through other means inimical to our policies and interests. All of this cannot avoid having an effect on the Soviet attitude towards the UNO (United Nations Organization) and European matters.

HARRIMAN

740.00119 Control(Japan)/11-1445

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 56

TOKYO, November 14, 1945.

[Received November 27.]

SIR: I have the honor to refer to our telegrams No. 13, October 2 and No. 77, October 30 and the Department's telegrams No. 35, October 17 [15] and No. 76, November 3 [2],²³ regarding Japanese consular and diplomatic archives and property and Japanese relations with neutral countries.

A copy of General MacArthur's directive of October 25, 1945 to the Japanese Government regarding diplomatic and consular archives and property and the recall of Japanese diplomatic and consular representatives abroad is enclosed for the record.²⁴ There is also enclosed a copy of the directive of November 4, 1945, prohibiting the Japanese Government from conducting further relations with neu-

²³ Latter not printed.

²⁴ *Ante*, p. 786.

tral governments or their representatives in Japan and instructing the Japanese Government so to inform these representatives.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

*Directive by the Supreme Commander, Allied Powers, Japan
(MacArthur) to the Japanese Government*

AG 091.1 (4 Nov 45)GS

[Tokyo,] 4 November 1945.

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT

Except as hereafter authorized by the Supreme Commander for the Allied Powers you will cease to carry on relations with neutral governments or representatives thereof in Japan. You will inform such representatives now in Japan that the existence of diplomatic missions is not deemed consistent with the purposes and character of the Allied Occupation in Japan and of the position of the Supreme Commander for the Allied Powers, and refer them to the Supreme Commander for the Allied Powers for future contacts with the Japanese Government.

For the Supreme Commander:
H. W. ALLEN
Colonel, A.G.D.
Asst. Adjutant General

740.00119 Control (Japan)/11-1545

*The British Minister (Sansom) to the Director of the Office of Far Eastern Affairs (Vincent)*²⁵

We hope that Mr. Byrnes in your conversation with him yesterday will have given you an indication as to the line which United States Government intend to follow in further discussion of the proposals put forward by the Soviet Government. We have already secured withdrawal of the Parliamentary question asking whether His Majesty's Government had been consulted or kept informed about President Truman's discussions with the Soviet Government about Allied control of Japan but we cannot put off a reply indefinitely. We should accordingly be glad to have early information about the

²⁵ Handed by Sir George Sansom to Mr. Vincent on November 15. Mr. Vincent in a memorandum on November 20 said: "Having been authorized beforehand to do so, I brought him pretty well up to date on our exchanges with Moscow regarding the Far Eastern Commission and the Allied Council. I also told him that we would make every effort to give the British Embassy advance notice of any plans we might have for handling 'the matter publicly.'" (740.00119 Control (Japan)/11-1545)

manner in which the State Department propose to handle the matter publicly.

740.00119 Control(Japan)/11-1545

*Memorandum by the Assistant Secretary of War (McCloy) to the Under Secretary of State (Acheson)*²⁶

WASHINGTON, 15 November, 1945.

Subject: Allied Participation in the Occupation of Japan

As you are doubtless aware, in the 29 Oct 45 and 6 Nov 45 meetings of the Committee of Three, Secretary of State Byrnes made statements concerning the above subject generally as follows: Marshal Stalin does not wish to place a Russian force under the command of General MacArthur; it might therefore be better not to request forces from the other Allies.

Secretary Byrnes' views expressed above are not in conformity with the policies set forth in the conclusions of SWNCC 70/5²⁷ which were approved by the President on 18 August 1945, and under which the War Department and the Joint Chiefs of Staff have since been operating. Extracts from these conclusions are as follows:

a. Great Britain, China, and USSR have a responsibility to participate in the occupation and military government of Japan and the obligation to assume a share in the burden thereof.

b. The major Allies should be called upon to make substantial contributions to the occupation forces.

c. The interest of the U.S. would be served by participation of Orientals in the occupation forces and in the occupation authority.

War Department planning for the occupation, demobilization, and the strength of the army had accordingly proceeded on the basis that participation of Allied forces would reduce the requirement for U.S. forces to 50% of the total, thus permitting comparable reductions in the strength of the army as a whole.

Communications on the military level have been exchanged with the British concerning their participation in the occupation forces and, in the same connection, the Chinese have been contacted informally.

a. The British, as early as 13 April 1945, in the 190th Meeting of the Combined Chiefs of Staff, requested as soon as possible the views of the U.S. Chiefs of Staff concerning British participation in the occupation of Japan. The British, in CCS 901/4 (14 August 1945) informed the U.S. Chiefs of Staff that their planning assumptions included participation by British forces in the occupation of

²⁶ Transmitted to Mr. Acheson in Mr. McCloy's letter of the same date, with the comment that the memorandum "may be of help in arriving at the decision in this matter".

²⁷ Report by the State-War-Navy Coordinating Subcommittee for the Far East, p. 603.

Japan. In CCS 901/5 (17 August 1945), which was cleared by Mr. Dunn of the State Department, the British were told that the U.S. Chiefs of Staff accepted in principle the participation of British forces in the occupation of Japan. The State Department recently passed to the War Department a copy of a proposal from the Australian Government, acting on behalf of the British Commonwealth, for the participation of a British Commonwealth force in the occupation of Japan. It is understood from informal inquiry that the State Department has not acted on this proposal. In a combined shipping review for the first half of 1946, completed in October, allocations of shipping were made to transport British forces to Japan.

b. As to Chinese participation, on 17 August General Wedemeyer reported that he had discussed the subject with Generalissimo Chiang, who expressed a desire to make available one army of three divisions for the occupation of Japan. Although it had been contemplated that this force could be transported after 1 December, General Wedemeyer recently advised the War Department that due to internal conditions in China, Chinese forces for Japan can not be provided for several months. The Generalissimo regretted this situation and stated that he desired participation of Chinese forces should his internal situation permit.

c. No discussions with USSR on the military level reference this subject have taken place.

In view of Secretary Byrnes' remarks at the meetings of the Committee of Three, and of our information that State Department had not yet acted on the Australian Government's proposal, the War Department is taking no action toward furthering Allied participation in the occupation of Japan. The possibility that the policies of SWNCC 70/5 have been invalidated, has hindered the War Department seriously in its planning for the occupation forces for Japan, for the strength of the Army, and for demobilization.

If the policy for the participation of Allied contingents in the occupation of Japan as stated in SWNCC 70/5 is no longer accepted governmental policy, it is requested that the War Department and the Joint Chiefs of Staff be informed as soon as possible of the proposed revisions in this policy. Early advice is necessary in order that urgently required planning may be completed.

JOHN J. McCLOY

740.00119 Control(Japan)/11-1545 : Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, November 15, 1945.

[Received November 17—2:20 p. m.]

138. While there are a number of good political signs in the situation, there is also recurring and persistent indication of widespread and effective effort on part of the ruling oligarchy to preserve the

substance of the old order behind new "democratic" window-dressing.

The present oligarchy still has the old background of aristocrats, bureaucrats, zaibatsu and supporters of militarism and, as should be expected, seems to be endeavoring to continue its control by supporting and perpetuating the traditional habits of thought and belief among the people in regard to the "peculiar" and therefore unchangeable character of the Japanese policy (*Kokutai*).

For example, there is being widely accepted in official, big business and conservative educational circles the social dictum that, notwithstanding freedom of speech, it is not "etiquette" to discuss the Emperor, and not long ago the Minister of Education issued orders that no adverse comment on the Emperor would be made from the school platform.

The Communist Party's brutally frank program for abolition of the Imperial institution has played into the hands of the reactionaries and both the new Democratic Party (reborn from the former Nippon Seijikai) and the so-called Liberal Party (sponsored and controlled by traditionalists) as well as other new parties, are in the position of giving lip service to democracy and at the same time being vehement defenders of the faith against the proposals of the Communists.

Announcements by Konoye, Higashi-Kuni and Kido that they wish to relinquish their titles of nobility and "descend" to the status of "subject" or "commoner" is indication of how little sympathetic understanding such men have of the meaning or nature of democracy. The widely published thesis that the turning of a prince into a commoner manifests the "oneness of the Emperor with the people" is a flagrant argument in favor of the theory of both the divinity of the Emperor, the sanctity of the state and the God-descended nature of the Yamato race as a whole.

The same forces appear to be strongly at work in connection with the question of the revision of the constitution. Some time ago Shidehara let it be known that he considered that the constitution needed merely a new interpretation rather than basic revision—a theory being publicly argued by Minobe²⁸ and others.

The head of the Cabinet Committee for Constitutional Revision recently made a press statement that "if the Emperor system is abolished, there is every danger of Japan's being doomed to extinction" and there have been various pronouncements by "liberals" and educationists to the effect that the initial articles of the constitution require no change.

Against the force of this propaganda from positions in the hierarchy whence the Japanese people are accustomed to receive guidance for their thoughts and with a backward Cabinet and a reactionary diet,

²⁸ Tatsukichi Minobe, Japanese constitutional theorist.

the people, still unused to freedom or independent thinking, will have little to say about the revision of the constitution.

We can accordingly expect that, unless some miraculous change is wrought in the minds and hearts of the oligarchy, the draft revision when presented will fall short of providing a practicable framework for the development of democracy and will in fact seek to perpetuate insurmountable obstacles to the realization of real democracy.

The above estimate of the situation does not reflect that of the Supreme Commander, his main commanders or his staff sections. Their view is very much more optimistic.

ATCHESON

740.00119 Control(Japan)/11-1545

The Assistant Secretary of State (Dunn) to the United States Representative on the Far Eastern Advisory Commission (McCoy)

WASHINGTON, November 16, 1945.

MY DEAR GENERAL MCCOY: Referring to your letter of the 15th of November,²⁹ I would say that it would not be within the province of this Government to lay down the rules for the manner of carrying on official dealings between the Far Eastern Commission and the Supreme Commander for the Allied Powers in Japan. It seems to me that that would be a matter for the Commission to decide itself, in consultation with the Supreme Commander.

As far as concerns dealings by the Commission or members of the Commission with the Japanese Government, however, it is the opinion of this Government that such dealings should be entirely through the medium of the Supreme Commander for the Allied Powers in Japan.

Before taking this matter up with the State-War-Navy Coordinating Committee, I thought it best to give you this opinion on the questions you raise, in the hope that this expression will be sufficient for your purpose. If, however, you desire this matter to still come before the State-War-Navy Coordinating Committee, I should be very happy to proceed with it on the basis of the above position.

Very sincerely yours,

JAMES CLEMENT DUNN

740.00119 Control(Japan)/11-1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 17, 1945—5 p. m.

2361. After careful examination of Molotov's statement transmitted in your 3828, November 12 and the helpful comments contained in

²⁹ Not found in Department files.

your 3832, November 13, in consultation with the War Department, we believe it would be desirable for you to have another interview with Molotov for the purpose of setting forth exactly the degree to which it is possible for this Government to go in order to meet Soviet desires. You should, therefore, call upon Molotov in order to present him with the following expression of the position of the U.S. Government.

Begin Proposal I. *Allied Council for Japan*

The following are the amendments which would be acceptable to this Government:

1. The Council should be known as "Allied Council for Japan" which would avoid any impression that the Council would occupy itself only with military matters and not with the implementation of directives involving matters of political, economic, cultural etc. character.

2. After paragraph 2 of the original U.S. proposal there would be no objection to adding the statement that each representative would be entitled to have an appropriate staff the size of which would be fixed in agreement with the Chairman of the Council.

3. Provision could be made in the terms of reference for periodic meetings of the Council at stated intervals perhaps every 2 weeks.

4. The following paragraph could be added to the terms of reference: "Action to modify the agreed regime of allied control for Japan or to approve revisions or modifications of the Japanese Constitution will be taken only in accordance with decisions of the Far Eastern Commission." End proposal.

You should endeavor to explain again to Molotov that this Government feels that the proper body for the formulation and determination of basic policies towards Japan is the Far Eastern Commission and that the proposed Allied Council for Japan under the Chairmanship of General MacArthur would have no power to determine on its own initiative fundamental questions such as the change in the regime of control or changes in the Japanese constitutional structure. These are properly matters for consideration in the Far Eastern Commission. So far as changes in the personnel of a Japanese Government are concerned, to take this power from the Supreme Commander by requiring the unanimous agreement of the four powers would deprive him of the essential and fundamental authority necessary to enforce his orders. As is pointed out below, such matters would in normal course be discussed in advance by the Supreme Commander with the Council, and any government dissatisfied with action taken by him could raise the matter for action by the Far Eastern Commission, or directly with this Government, under the amendments to that instrument which we propose herein.

The U.S. proposal as amended provides a full measure of consultation by the Allied Council with regard to the administration of

Japan, and for observation of the manner in which the administration is being carried out. In the event of disagreement between the Chairman and one or several members of the Council it goes without saying that any government could raise the issue involved either in the Far Eastern Commission or by direct approach to the U.S. Government. If after such consultation it was clear that the action of the Supreme Commander in question had been at variance with the reasonable interpretation of the policy directives on which such action was based, measures could then be taken to modify the action in dispute. It should be clear to the Soviet Government that in view of our primary responsibility toward the control and administration of Japan, the U.S. Government could not accept an arrangement whereby in the event of disagreement in the Council the Supreme Commander would be unable to take essential action pending an agreement between the interested governments. Any indication that the authority of the Supreme Commander is not final in relation to the Japanese authorities and in the execution of policies in Japan could only serve to weaken his authority and control over the Japanese Government and thus imperil the efficient administration of allied policy in Japan. You might point out that at no stage in the case of the ex-enemy European satellites has the Soviet Government agreed to any interpretation of the functions of the Allied Control Commissions which would tie the hands of the Chairman (the Soviet High Command) in the event of disagreement with the other two members nor require him to withhold action pending agreement between the Governments represented on the Control Councils. U.S. and British complaints in regard to the functioning of these Councils have not related to the final authority of the Chairman but primarily to the absence of proper consultation or even information prior to action. (For your information and such use as you think advisable the Department knows of no case in Rumania, Hungary, or Bulgaria, where the Soviet Government has interpreted the Potsdam Agreement to mean that the Chairman of the Control Commission can act only after prior agreement on the part of the other members. It has consistently held, as far as we are aware, the Russian word "Soglasovaniye" to mean consultation and discussion and not agreement. In this connection General Schuyler's report on the meeting of Allied Control Commission on September 8,³⁰ which we believe the Military Mission has, is pertinent). You might point out in this connection that at the time of the Japanese surrender under the arrangements set up after agreement with the Soviet, British and Chinese Governments, no such limitation on the authority of the Supreme Commander was provided nor

³⁰ Brig. Gen. Cortland T. Van R. Schuyler, chief of U.S. military representation on the Allied Control Commission for Rumania. For documentation on Rumania, see vol. v, pp. 464 ff.

was there any reference made to varying periods in the control and administration of Japan.

Begin proposal II. *Far Eastern Commission*

1. To insure in accordance with Soviet desire that fundamental questions such as basic changes in the Japanese constitutional structure or the regime of control be decided through mutual consultation, the U.S. Government would be prepared to include in the terms of reference of the Far Eastern Commission a clause to the effect that any directives dealing with fundamental changes in Japanese constitutional structure, or in the regime of occupation, would only be issued following prior consultation and agreement in the Far Eastern Commission.

2. Provided Article 3, paragraph 2 of the terms of reference is retained enabling the U.S. Government to issue interim directives pending decision by the Far Eastern Commission or in the event of disagreement, the U.S. Government would not object to a voting procedure in the Commission which would embody the principle of unanimity among the four principal Allies before a decision became binding. The U.S. Government considers that the Far Eastern Commission is the proper place for the coordination of agreed policy concerning Japan and it is prepared, therefore, to consider sympathetically any Soviet suggestions which would facilitate the achievement of this end provided the right to issue interim directives which themselves would be subject to review by the Commission is maintained. These interim directives which in themselves would be subject to review by the Commission would be issued by the U.S. obviously only in cases where the situation in Japan would not permit delay.

To make clear what is obviously intended we would be willing to (1) add the following sub-paragraph between Article II, A, 1 and II, A, 2 "To review, on the request of any member, any directive issued to the Supreme Commander or any action taken by the Supreme Commander involving policy decisions within the jurisdiction of the Commission" and (2) add the following paragraph between Article III, 1 and III, 2 "If the Commission decides that any directive or action reviewed in accordance with Article II, A, 2 should be modified, its decision shall be regarded as a policy decision.["]

In both the Allied Council and Far Eastern Commission the U.S. wishes to afford the maximum opportunity for information, consultation, and the working out of agreed Allied policies in all spheres relating to the control and future of Japan. The fact that any matter could be or actually had been considered by the Allied Council or the Far Eastern Commission would not prevent the Soviet Union or any other government taking up directly with the United States Government any important policy matter before or after action is taken. In the interest, however, of the effective execution of any policy towards Japan, it could not accept arrangements under which any action could be indefinitely delayed because of disagreement or differences between the Allied nations involved. The essential safeguards upon which this Government must insist are in no sense in-

tended to permit unilateral policy on its part but merely to insure that the entire administration of Japan, for which this Government admittedly bears the primary responsibility, does not break down pending the settlement and adjustment of differences which might arise between the interested governments.

In the event that it is not possible for you to induce Molotov to accept what seems to us a most reasonable point of view and he insists upon the Soviet amendments which might in effect take away the final authority of the Supreme Commander and thereby imperil the successful execution of control and administration of Japan, in accordance with the responsibilities conferred upon him under the surrender, we contemplate sending you a formal note outlining the basic elements of our position for presentation to the Soviet Government.

BYRNES

740.00119 Control(Japan)/11-545

The Secretary of State to the Secretary of War (Patterson)

WASHINGTON, November 17, 1945.

MY DEAR MR. SECRETARY: I have received your letter of November 5, 1945, in which you raise the question of a possible change in policy regarding the use of Allied forces in the occupation of Japan.

My feeling has been that in view of the delicacy of our current conversations with the USSR regarding control of Japan it was just as well to refrain for the time being from raising the question of Allied military participation in the occupation. However, in view of our firm commitments in the premises to our Allies and of the urgency of Australian representations regarding the dispatch of a British Commonwealth force to Japan, I am instructing our Embassy at Moscow³¹ to inform the Soviet authorities that we are discussing the details of a proposed British Commonwealth force in Japan and that we would be willing to receive in Japan a USSR force similar to the British Commonwealth force, to be integrated into the forces under the Supreme Commander.

Sincerely yours,

JAMES F. BYRNES

740.00119 Control(Japan)/10-2645: Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 17, 1945—7 p. m.

2362. As indicated in the President's message to Stalin of August 17 and stated in "U.S. Post-Surrender Policy for Japan" which was

³¹ *Infra.*

released to the press on Sep 22, "participation of the forces of other nations that have taken a leading part in the war against Japan will be welcomed and expected". National contingents will be integrated in the forces under the command of the Supreme Commander and will not occupy separate zones, but their respective Govts will be responsible for their supply and maintenance.

The British Commonwealth has offered a balanced force of the nature of 30,000 men, predominantly ground forces. Conversations regarding the details of the participation of this force in the occupation are proceeding.

In view of Stalin's attitude regarding Allied troops in Japan (your 3664 Oct 26³²) we wish, in order to avoid Soviet misunderstanding of our intentions, to inform the Soviet authorities of developments before final arrangements are made for transport to Japan of the Commonwealth force. You should therefore explain the situation to Molotov, informing him that in view of our publicly and privately expressed commitments to our Allies we feel obliged to proceed with arrangements for the reception of other national contingents in Japan, and indicating that we would be willing to have a USSR force similar to that of the British Commonwealth participate in the occupation. You should also reassure him that we do not link this matter with current conversations regarding control of Japan or that it is in any way prejudicial to these conversations.³³

BYRNES

740.00119 Control(Japan)/11-2045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 20, 1945—1 p. m.

[Received 4:20 p. m.]

3903. I handed Molotov last night the proposed amendments to the Allied Council and Far Eastern Commission, with a Russian translation for his convenience, in accordance with Dept's 2361, November 17, 5 p. m. He studied them in connection with the previous documents. In answer to his query I told him that I understood these amendments were in addition to the amendments I had left with him

³² Not printed; it reported in substance the memorandum of October 24, p. 782.

³³ In a note to Mr. Dunn, Mr. Matthews stated: "I hesitate to initial these. 1. The practical advantages of not having the Russians in occupation in Japan are obvious. 2. I don't know how this rejection of Stalin's proposal might affect the all important general far eastern negotiations. 3. I am not sure how far we are in fact committed to the British or what their attitude might be if both they and the Russians stay out. I think Chip [Bohlen] should be consulted on these." The Under Secretary of State noted in reply: "I am told that Bohlen has seen & approved this. DA". (740.00119 Control(Japan)/10-2645)

on November 3 in accordance with Dept's 2272, November 2, 8 p. m. He asked why we did not wish to include the word "control" in the title for the body in Japan. I replied that we did not wish anyone to obtain the impression that this body was similar to the Council for Germany and again pointed out that the functions for dealing with Japan were divided between the two bodies and, therefore, we did not wish it to be compared to the Commissions in the Balkan satellites.

He also asked whether we agreed to the inclusion of "control of Japan" in the first paragraph of the Terms of Reference of the Council. I replied that my Govt had agreed to its inclusion as I had proposed on November 3 but not to the position of the phrase as suggested in his counter-proposal.

After some further discussion I read to him a statement containing the substance of the explanation and argument in Dept's first referred to telegram and left with him my statement in writing. I explained that my Govt had made every attempt to meet the questions that were giving him concern insofar as it was possible. He said that he wished to study the amendments carefully in connection with our previous proposals and would then give me the reply of his Govt.

As on previous occasions I again got the impression that Molotov's principal interest was the Council in Japan. It has been my presumption that his evident desire to increase the authority of this body as against the Commission lay not only in the fact that it functions in Japan but also because it is composed of the four principal powers.

I then gave him verbally the contents of Dept's 2362, November 17, 7 p. m. regarding British Commonwealth troops in occupation, emphasizing that this was for his info and was not connected with our current discussions. He said that Stalin had explained the point of view of the Soviet Govt on the subject of Soviet occupation troops. I told him that we fully understood this and that I was not raising the subject of Soviet troops being used in occupation of Japan, although naturally they would be welcome under the conditions stipulated. I emphasized that the British troops would be integrated into the forces under MacArthur's command and explained that this relationship both ways had functioned successfully during the war. Molotov replied that he understood this. In reply to a further question I told him I had no info on the subject of Chinese troops for occupation.

HARRIMAN

740.00119 Control(Japan)/11-2045 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 21, 1945—1 p. m.

2374. Final paragraph your 3903, Nov. 20. For your information and use in your discretion, Commanding General China Theater reported on 10 Nov that due to unsettled conditions in China it would not be possible to send Chinese occupational forces to Japan for several months and that "the Gimo³⁴ regrets very much inability to participate and will do so should local situation clarify".

BYRNES

740.00119 Control(Japan)/10-2045

The Secretary of State to the Australian Minister (Eggleston)

[WASHINGTON, November 23, 1945.]

SIR: I have the honor to refer to your note no. 473/45 of October 20, 1945, containing a proposal regarding the use of British Commonwealth occupation forces in Japan and to inform you that the United States Government accepts in principle the participation in the occupation of Japan of British Commonwealth forces and will be pleased to enter into conversations with representatives of the Australian Government with a view to defining the conditions under which that participation will take place.

In general, the United States Government envisages that the Commonwealth forces so provided will be integrated operationally into United States forces under the Supreme Commander for the Allied Powers; that they will be balanced and self-supporting; that the maintenance of these forces will be the responsibility of the Commonwealth; and that the Supreme Commander will utilize these forces in any area or manner which in his opinion the military situation may require.

I shall not fail to communicate further with you in this connection in the very near future and in the meantime would appreciate information as to the identity of the Australian representatives who will be named to discuss the participation of the Commonwealth forces.

Accept [etc.]

[JAMES F. BYRNES]

³⁴ Generalissimo Chiang Kai-shek.

SWNCC 212 Series : Telegram

*The Joint Chiefs of Staff to General of the Army Douglas
MacArthur, Tokyo*

SECRET

WASHINGTON, 23 November 1945.

Warx 84704. Your CA 53312^{34a} refers.

1. Status of foreign governments and basis of your transactions with neutral countries covered in Warx 77872^{34b} already sent you.

2. Status of foreign nationals of both neutral countries and countries with which United Nations were at war now under consideration by State-War-Navy Departments and Joint Chiefs of Staff.

3. State Department has no information on arrangements between neutral powers and former enemy countries for the protection by the former of property or funds of the latter. Request full information countries involved and whether protection is based on formal protocol. If no formal arrangements involved, you should require prompt dissolution of understandings and proceed according to paragraph 45, subparagraph [a]^{34c} (2) of financial section of overall directive.^{34d}

740.00119 FEAC/11-2345

Memorandum by the Chairman of the Far Eastern Advisory Commission (McCoy) to the Secretary of State

[WASHINGTON,] November 23, 1945.

Subject: Trip of Far Eastern Advisory Commission to Japan

It is the desire of the Far Eastern Advisory Commission to take advantage of facilities which I understand can be arranged to make a visit to Japan for the purpose of consulting with the Supreme Commander and familiarizing itself with conditions now present there.

In view of the fact that it will be necessary for the Commission to take advantage of these facilities on or about the 15th of December when they will become available and before the Commission's Terms of Reference may have been agreed upon, it was the desire of the Commission to have some indication of the scope and purpose of such a visit. It would be of great assistance to me if you could address

^{34a} October 15, p. 753.

^{34b} October 22, not printed. It instructed SCAP to direct the Japanese Government not to carry on relations with neutral states except in accordance with procedure established by SCAP. It also stated that neutral nations might designate a representative to maintain contact with SCAP and diplomatic missions to Japan should not exist. (SWNCC 212 series)

^{34c} Brackets appear in the original.

^{34d} *Political Reorientation of Japan*, p. 438.

to me, as Chairman of the Commission, a letter along the lines of the draft attached hereto.³⁵

I shall need it by Wednesday, November 28th, on which day the Commission will have its next meeting and when this matter will be finally discussed.

Very truly yours,

FRANK R. MCCOY

740.00119 Control(Japan)/11-2345

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 68

TOKYO, November 23, 1945.

[Received December 5.]

SIR: I have the honor to refer to our despatch No. 56, November 14, 1945, and to previous correspondence on the subject of official relations between the Japanese Government and neutral nations. There is enclosed a copy of a directive dated November 18, 1945, to the Japanese Government³⁶ in which a request that Japanese Liaison Officers be permitted to supervise the routine functions of Switzerland and Sweden in the protection of Japanese nationals in neutral countries is denied. The Japanese Government is also directed to report immediately the steps taken to comply with the memorandum of October 25, 1945,³⁷ a copy of which was forwarded to the Department with our despatch under reference.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00119 Control(Japan)/11-2445: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 24, 1945—1 a. m.

[Received November 23—10:40 p. m.]

3943. Following is translation of statement handed me by Molotov this evening in reply to communication I transmitted to him on November 19 in accordance with my 3903, November 20:

Moscow, November 23, 1945.

1. The Soviet Government, having considered the amendments of the United States Government concerning the control of Japan transmitted by Mr. Harriman November 19, believes it necessary to dwell upon the two chief questions raised by the United States Government. This refers, in the first place, to the procedure for taking decisions in those important cases in which questions of principle,

³⁵ For reply as sent on November 27, see p. 870.

³⁶ Not printed.

³⁷ *Ante*, p. 786.

such as questions of changing the regime of control over Japan and changes in the composition of the Japanese Government, et cetera, are decided, and in the second place to the question of interim directives.

2. Since the United States Government expresses the desire to work out a policy which is agreed upon (*soglasovannaya*) in all spheres involving the control and also the future of Japan, the Soviet Government assumes that there is no ground for objection against the deciding by agreement (*soglasovaniye*) among the chief Allies of the above-mentioned questions of principle which have important significance in the implementation of control over Japan. This is all the more true since in all other questions the Commander in Chief of the American occupation troops in Japan has sufficiently broad opportunities and real force for the taking of prompt measures, having the decisive voice in all these matters. Given such broad rights on the part of the Commander in Chief and given the factual situation in which the occupation troops all through Japan are completely subordinate to the Commander in Chief, there is no ground for apprehension that the above mentioned principle of agreement (*soglasovaniye*) between the four Allies in the decision of the few questions of principle will lead to a weakening of the authority of the Commander in Chief. The Soviet Government also sees no ground for the assumption that the above-mentioned procedure would endanger the effective implementation of Allied policy in Japan since the state of agreement (*soglasovannost*) among the four Allies would ensure more effectiveness in the implementation of Allied policy toward Japan. Therefore, the Soviet Government believes that major questions of control over Japan should not be decided at the individual disposition of the Commander in Chief. The Soviet Government believes that those deciding such questions cannot limit themselves to consultations with the other representatives of the Allied Powers in the control body for Japan but that there must be assured a state of agreement (*soglasovannost*) in the decisions adopted among the four Allied Powers—the United States, Great Britain, the Soviet Union and China. Otherwise, the participation of the Allied Powers in control over Japan will be only nominal and the agreement expressed by the United States Government to the principle of unanimity of the four chief Allies will have no real meaning.

3. In accordance with this the Soviet Government assumes that voting procedure in the Far Eastern Commission should ensure the realization of the principle of unanimity of the four Allied Powers not only in questions concerning basic changes in the constitutional structure or in the regime of control of Japan but also in such a question as a change in the Japanese Government as a whole, including the Prime Minister. Furthermore, the Soviet Government finds it possible that in cases of necessity the Commander-in-Chief might take decisions on the change of individual ministers of the Japanese Government after appropriate preliminary consultation with the representatives of the other Allied Powers on the control body.

4. The Soviet Government believes that, providing agreement is reached regarding the procedure of deciding questions of principle such as questions of changing the regime of control over Japan and changing the composition of the Japanese Government as a whole

and so on it would also be possible to bring about agreement (*soglasovaniye*) of the points of view of our Governments regarding the procedure of issuing interim directives on other questions.

5. The Soviet Government assumes that the other proposals presented by the United States Government on November 19 should be considered after agreement (*soglasovaniye*) has been achieved of the positions of four Governments on the major questions.

6. As regards the observations made by Mr. Harriman concerning the control mechanism in Rumania and Hungary, these are not shared by the Soviet Government. It should be recalled that in connection with the conclusion of the war in Europe the Soviet Government on July 12, 1945 proposed to the Governments of the USA and Great Britain⁸⁸ that the Allied Control Commission in Hungary should in the future conduct its work on the basis of the following statute:

“The directives of the Allied Control Commission on questions of principle shall be issued to the Hungarian authorities by the President of the Allied Control Commission after agreement (*soglasovaniye*) on these directives with the British and American representatives.”

A decision was adopted at the Berlin Three Power Conference to extend this procedure of work of the Allied Control Commission also to Rumania and Bulgaria.⁸⁹ Thus, as evident from the above, a procedure of issuing directives on questions of principle only after agreement (*soglasovaniye*) of these directives with the representatives of the other Allied Powers on the control body was provided for in the statute concerning the Allied Control Commission for Rumania, Hungary, and Bulgaria.

HARRIMAN

740.00119 Control (Japan)/11-2445: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 24, 1945—3 a. m.

[Received November 23—8:35 p. m.]

3944. Re my 3943, Nov. 24, 1 a. m. This evening I questioned Molotov as to the precise meaning of the word “*soglasovaniye*” and referred to the interpretation put on it by the Deputy Chairman of the Rumanian ACC. He disclaimed knowledge of the discussions in Rumania and stated that the word meant the “process of discussion through which agreement is reached”. I asked specifically whether in Japan he intended that a definite agreement must be reached before action was taken by the Supreme Commander on those matters set forth in his statement. He replied in the affirmative. It is therefore

⁸⁸ *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 689.

⁸⁹ August 1, document 1383, section XII, *Potsdam*, vol. II, pp. 1478, 1493.

perfectly clear that the translation which conveys the meaning of this word in English is in effect "agreement".

In reply to my request Molotov said he would look into the report of the discussion at the meeting of the ACC in Rumania on Sept. 6.

Turning to his statement, I told him that I had been instructed to inform him that my Govt could not agree to any limitation on its right to issue interim directives. I again pointed out the impossible situations which might arise pending agreement and also referred to our experience in the Balkan countries. He replied that mistakes had been made by both sides in these countries but these could be rectified. He maintained his position regarding Japan but did not do so aggressively. I finally told him I would submit his statement to my Government.

HARRIMAN

740.00119 Control(Japan)/11-2445

The British Ambassador (Halifax) to the Secretary of State

G107/ 45

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to inform him that His Majesty's Government in the United Kingdom have reached the conclusion that, irrespective of any Allied control arrangements which may be decided upon for Japan, an increase in the British representation there is now a matter of urgency. They feel however that the time has not yet come to appoint a political representative, as foreshadowed in Mr. Bevin's letter of the 4th October to Mr. Byrnes,⁴⁰ and that the present needs will best be served by building up the British staff already in Japan. They have therefore decided to add political, financial and other technical experts to the British Staff Section under General Gairdner, the Prime Minister's personal representative with General MacArthur, so as to constitute a liaison mission, with General Gairdner as its head, organized in such a way that it can establish close liaison with the main sections of General MacArthur's Headquarters.

2. His Majesty's Government propose to appoint about ten Foreign Service officers to this mission, together with suitable clerical staff,—a total of some twenty-four persons in all. One or two of the Foreign Service Officers might be detached to Yokohama or Kobe and another perhaps to Seoul. The senior Foreign Service Officer would be Chief Political Adviser to General Gairdner. It is not intended to send the whole party out at once. It is desired to send immediately three or four Foreign Service Officers and three or four technical experts

⁴⁰ See telegram 10345, October 4, 8 p. m., from London, p. 735.

together with some clerical assistants. The names and proposed travel schedules of these persons, who will not necessarily be travelling together, will be communicated to the State Department as soon as possible. The remainder of the mission will be sent to Japan as personnel and accommodation become available.

3. The mission will be housed in the first instance, and as far as possible, in the compound of His Majesty's Embassy in Tokyo and, in the case of the officer for Seoul, in His Majesty's Consulate General there. His Majesty's Government in the United Kingdom hope that until other provision can be made for them they may rely on General MacArthur's Headquarters for rations and transport. It is understood that United States civilian staff attached to General MacArthur wear United States service uniform without badges of rank and it is intended that civilian members of the British mission should similarly wear British service uniform.

4. Lord Halifax hopes that the United States Government will be good enough to inform General MacArthur of these proposals and to ask him to provide the members of the mission with all possible facilities both on their arrival in Japan and subsequently in the course of their official duties. They will be instructed to work in the closest harmony and co-operation with General MacArthur and His Majesty's Government in the United Kingdom hope that their presence in Japan will be of mutual benefit in dealing with matters affecting that country.

WASHINGTON, November 24, 1945.

740.00119 Control(Japan)/11-2645

The Counselor of the Australian Legation (Oldham) to the Secretary of State

No. 515/45

WASHINGTON, 26 November, 1945.

SIR: I have the honour, in the absence of the Minister, to refer to my letter to you of 24th November, 1945⁴¹ relative to the participation of British Commonwealth forces in the occupation of Japan and to inform you that the Minister of State for External Affairs, Dr. H. V. Evatt, and, as his alternate, the Minister of Australia, Sir Frederic Eggleston, together with Lt. General Sir John Lavarack will act as the Australian representatives in the discussions regarding the participation of the Commonwealth forces.

I have been instructed to add that it is the earnest desire of the Australian Government that the above discussions will be initiated with the utmost despatch.

I have [etc.]

JOHN OLDHAM

⁴¹ Not printed; it acknowledged receipt of Department's note dated November 23, p. 863.

740.00119 FEAC/11-2345

The Secretary of State to the Chairman of the Far Eastern Advisory Commission (McCoy)

WASHINGTON, November 27, 1945.

MY DEAR GENERAL MCCOY: The Supreme Commander for the Allied Powers in Japan has stated that he will welcome a visit to Japan by the Commission as such a visit would not only give the Commission an opportunity to see at first hand actual current conditions but would permit of consultation from which he looks for greatest possible aid.⁴²

I am pleased to know that the Commission is desirous of making such a visit and feel that, pending settlement of the questions relating to the terms of reference, it would be very useful for you to go to Japan for the purpose of gathering information on the spot for coordination and assistance in your functions.

In view of the relations established by the surrender document between the Supreme Commander for the Allied Powers and the Japanese Government, dealings by the Commission or members of the Commission with the Japanese Government and its agencies would, of course, be entirely through the medium of the Supreme Commander.

I hope the trip will be of profit and value to the Commission in the performance of its important functions.

Sincerely yours,

JAMES F. BYRNES

894.011/11-2945 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, November 29, 1945.

[Received November 30—2:08 p. m.]

171. According to Japanese press, Cabinet Constitutional Revision Committee arrived at "general conclusion" November 24 and plans to complete draft by middle of January for submission to new Diet.

While it is stated that Committee's intention is to "decrease imperial prerogatives and strengthen democratic features by guaranteeing popular rights, as well as strengthening power of Diet," there is to be no change in the basic laws of the Japanese State, comprised in the first four articles which specify the perpetuation of the Empire system, the sovereignty and inviolability of the Empire and the rule of succession.

⁴² See press release of November 26, *Political Reorientation of Japan, September 1945 to September 1948*, appendix F:8, p. 743.

Article 9, providing for imperial ordinances without Diet approval, is to be abolished, as well as article 11 giving the Emperor supreme command of the Army and Navy, and article 12 vesting the Emperor with power to determine the organization of the Army and Navy.

Article 13 ("The Emperor declares war, makes peace and concludes treaties") is to be revised to permit Diet participation. Rights and duties of subjects "may be stipulated more comprehensively."

Article 31 under which rights of subjects may be suspended may be dropped from the Constitution.

Membership of Upper House will be decreased and provision made for approval by Lower House of changes in House of Peers law.

Article 71 will be revised so that Cabinet will resign on failure of budget to pass.

Privy Council will undergo drastic changes and changes will be sought in regard to the judiciary in order to "guarantee fully the people's rights."

ATCHESON

740.00119 Council/11-3045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 30, 1945—6 p. m.

[Received November 30—5:30 p. m.]

4022. It would be helpful if I could be informed whether it is your intention to send me for presentation to Soviet Government a final statement of our position in connection with control of Japan as contemplated in the last paragraph of your 2361, November 17, 5 p. m. or whether you intend to leave the matter open until the meeting. (This message is supplementary to Embassy's 3944, November 24, 3 a. m.)

It is impossible for me to form a definite opinion as to whether Molotov is continuing to pursue trading tactics, as superficially might appear to be the case, since he has somewhat restricted his demands with each interchange of notes and attendant discussions. On the other hand, you will recall that Stalin at one time in my conversations with him at Sochi mentioned that perhaps it might be best for the Russians to stay out of Japan. It may have been decided as a matter of policy by the high Soviet officials that unless they get what they want in Japan they would stay out or they may wish to keep the situation open so that it can be used in connection with Eastern European negotiations. Molotov in his conversations with me has argued the points at issue firmly but without heat and without giving me a definite indication that any position was final. For his part he has

been unwilling to accept my statements given on several occasions that our position was final as to our ultimate responsibility in Japan.

HARRIMAN

740.00119 Control(Japan)/12-145

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] December 1, 1945.

Participants: Dr. Wei Tao-ming, Chinese Ambassador
U—Mr. Acheson
FE—Mr. Vincent

The Chinese Ambassador, Dr. Wei, called at 11 a. m. at the request of the Under Secretary. Mr. Acheson went over with Dr. Wei the developments that had led up to the present situation in our discussion with the Russians with regard to terms of reference for an Allied Council in Tokyo and a Far Eastern Commission in Washington. He said that, although he understood that Mr. Vincent had kept the Ambassador currently informed of our negotiations with the Russians he thought it well to summarize the situation and state what our present position was. We had conducted informal discussions with the Soviet Government in regard to these matters to see to what extent we could ascertain their views and, if possible, meet them. We had now reached the point where we felt that we had probably come to the end of profitable discussion. We knew the Soviet point of view but we did not know to what extent the British and Chinese Governments felt able to accept the views which we had expressed to the Russians. One of the principal obstacles to further discussion with the Russians was their view that a change in the Japanese Cabinet, including the Premier, should be made only by unanimous agreement of the 4 principal powers, plus whatever other powers it took to make for a majority. We could not accede to this Russian position because it might result in a serious curtailment of General MacArthur's control over the Japanese Government. Failure of the 4 powers to agree might (1) result in the continuance of a Japanese Government which was not carrying out General MacArthur's orders or (2) make impossible the formation of a Japanese Government in the event the Cabinet resigned and the 4 powers could not agree on the formation of a new Cabinet.

Ambassador Wei was handed copies of two papers which were drawn up to show the changes that had been made in the originally proposed terms of reference for the Allied Council in Tokyo and the Far Eastern Commission in Washington—changes that had resulted from our discussions with the Russians. Mr. Acheson told the Am-

bassador that we would appreciate having the views of his Government as soon as he could conveniently obtain them with regard to the changes indicated.⁴³

740.00119 Control (Japan)/11-3045 : Telegram

The Secretary of State to the Ambassador in the Soviet Union
(Harriman)

WASHINGTON, December 1, 1945—6 p. m.

2432. It is not my present intention to send you a final statement of our position regarding the Allied Council and Far Eastern Commission for presentation to the Soviet Government but rather to leave the matter open pending further developments in the matter referred to in the first paragraph of your 4022 of November 30.

Meanwhile we are taking steps to clarify the position of the Chinese and British Governments in regard to these two documents. These two original documents were communicated to the British and Chinese Governments in the same form in which they were sent to you in our telegrams 2234 and 2235, both of October 27. Both Governments have been kept informed from time to time of the course of our discussions with the Soviet Government. Neither Government however has given us an official expression of its agreement or disagreement with either the original documents or the various suggestions and changes which have been made during the course of your negotiations in Moscow. Accordingly we have now submitted to both the British and Chinese Ambassadors revised drafts of these two documents in the form in which they are being sent to you in the next two following telegrams. We have stated that the changes made have been made for the purpose of meeting so far as possible the position of the Soviet Government. We have also explained the other positions taken by the Soviet Government which we have not been able to meet. We have asked the two Ambassadors to consult their Governments and to inform us as soon as possible whether they would find it possible to concur in the revised drafts and, if not, what changes they severally propose. It has seemed necessary to do this before this Government is in a position to take a final attitude upon these papers.

Since this is the first time that you have had a complete revision of both documents, the Department desires that you call attention to any point where either may fail to give effect to your discussions, and for any other comments which you may have.

BYRNES

⁴³ A similar request was made of Viscount Halifax on November 30 (890.61317/-11-3045).

740.00119 Control (Japan)/11-3045 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, December 1, 1945—6 p. m.

2433. There follows the text of the revised tentative draft of the Allied Council, referred to in my telegram No. 2432.

“1. There shall be established an Allied Council with its seat in Tokyo under the Chairmanship of the Supreme Commander for the Allied Powers (or his Deputy) for the purpose of consulting with and advising the Supreme Commander in regard to the implementation of the terms of surrender, occupation and control of Japan and of directives supplementary thereto.

2. The membership of the Allied Council shall consist of the Supreme Commander (or his Deputy), who shall be Chairman and United States member; Union of Soviet Socialist Republics member; Chinese member; and a British Commonwealth of Nations member. Each member shall be entitled to have an appropriate staff, the size of which shall be fixed in agreement with the Chairman of the Council.

3. The Allied Council shall meet not less often than once every 2 weeks.

4. The Supreme Commander shall issue all orders for the implementation of the terms of surrender, occupation and control of Japan and directives supplementary thereto. He will consult and advise with the Council upon orders involving questions of principle in advance of their issuance, the exigencies of the situation permitting. His decision upon all matters shall be controlling. In all cases action will be carried out under and through the Supreme Commander for the Allied Powers who is the sole executive authority for the Allied Powers within the area of his command.

5. Action to modify the agreed regime of Allied control for Japan or to approve revisions or modifications of the Japanese Constitution will be taken only in accordance with decisions of the Far Eastern Commission.”

BYRNES

740.00119 FEAC/12-145 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, December 1, 1945—6 p. m.

2434. There follows the text of the tentative terms of reference of the Far Eastern Commission, referred to in my telegram No. 2432.

“I. *Establishment.*

The Governments of the (here insert the names of the governments originally proposed by the U.S. Government, plus India) hereby es-

establish a Far Eastern Commission composed of representatives of the participating powers.

II. *Functions.*

A. The functions of the Far Eastern Commission shall be :

1. To formulate the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the instrument of surrender may be accomplished.

2. To review, on the request of any member, any directive issued to the Supreme Commander or any action taken by the Supreme Commander involving policy decisions within the jurisdiction of the Commission.

3. To consider such other matters as may be assigned to it by agreement between the participating Governments.

B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

C. The Commission shall respect existing control machinery in Japan including the chain of command from the United States Government to the Supreme Commander and the Supreme Commander's command of occupation forces; and the Supreme Commander shall continue to act under directives which the United States has already sent to him, unless and until the issuing authority shall have modified such directives in accordance with the Commission's recommendations.

III. *Functions of the United States Government.*

1. The United States Government shall prepare directives in accordance with policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government Agency. The Supreme Commander shall be charged with the implementation of the directives which express the policy decisions of the Commission.

2. If the Commission decides that any directive or action reviewed in accordance with Article II, A, 2, should be modified, its decision shall be regarded as a policy decision.

3. Any directives dealing with fundamental changes in Japanese constitutional structure, or in the regime of occupation, will only be issued following prior consultation and agreement in the Far Eastern Commission.

4. The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever urgent matters arise not covered by policies already formulated by the Commission.

5. All directives issued shall be filed with the Commission.

IV. *Other Methods of Consultation.*

The establishment of the Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Governments.

V. *Composition.*

1. The Far Eastern Commission shall consist of one representative of each of the states party to this agreement. The membership of

the Commission may be increased by agreement between the participating powers as conditions warrant by the addition of representatives of other United Nations in the Far East or having territories therein. The Commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the Commission in regard to matters before the Commission which are of particular concern to such nations.

2. The Commission may take action by less than unanimous vote provided that action shall have the concurrence of at least a majority of all the representatives including the representatives of the four following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China.

VI. *Location and Organization.*

The Far Eastern Commission shall have its headquarters in Washington. It may meet at other places as occasion requires, including Tokyo, if and when it deems it desirable to do so.

It may make such arrangements through the Chairman as may be practicable for consultation with the Supreme Commander for the Allied Powers.

Each representative on the Commission may be accompanied by an appropriate staff comprising both civilian and military representation.

The Commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VII. *Termination.*

The Far Eastern Commission shall cease to function when a decision to that effect is taken by the concurrence of at least a majority of all the representatives including the representatives of the four following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China. Prior to the termination of its functions the Commission shall transfer to any interim or permanent security organization to which the participating governments are members those functions which may appropriately be transferred."

BYRNES

740.00119 FEAC/12-245: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, December 2, 1945—8 p. m.
[Received December 2—1:30 p. m.]

4029. ReDeptel 2432, Dec 1, 6 p. m. Have studied contents of Dept's Nos. 2433 and 2434, Dec 1, 6 p. m. and find that amendments from original draft incorporate amendments which I have already submitted to Molotov under instructions or incorporate certain of his

suggested amendments except for one minor change in language. I therefore have no comment to make at this time.

HARRIMAN

694.0031.12-545

*The Secretary of State to the Australian Minister (Eggleston)*⁴⁴

WASHINGTON, December 5, 1945.

SIR: I have the honor to inform you that the Supreme Commander for the Allied Powers has reported to the United States Government that he has located the following stockpiles of material in Japan: rubber—10,000 tons; tin—4,200 tons; antimony—1,017 tons. He has also stated that although there are important uses to which these materials can be put in Japan, some portion of them can be made available for export if they are urgently required. The United States Government proposes to request him to maximize the amounts available for export by requiring the Japanese to adopt at least as strict conservation and substitution measures in the use of these materials as were adopted in the Allied countries during the war. On this basis it is believed that the major portion of the stockpiles can be exported.

It is the policy of the United States Government and of the Supreme Commander to require the Japanese to supply exports to pay for imports necessary to maintain minimum subsistence levels. It is important that decisions be made promptly with respect to the disposition of these commodities in order that essential imports can be procured without having to use United States Government appropriated funds. In order to accomplish this, it is also necessary to export these commodities to countries which can pay for them in exchange which can be used in the purchase of imports essential to the minimum requirements of the Japanese.

The United States has important requirements for the total available quantities of each of these three items and is prepared to pay for them in dollars usable anywhere for the procurement of necessary imports. It would be appreciated if your government can agree to immediate shipment from Japan of exportable amounts of rubber, tin, and antimony to the United States, subject to future reallocation, if necessary, by the Department of State acting in consultation with the governments represented on the Far Eastern Advisory Commis-

⁴⁴ Sent also to other Missions represented on the Far Eastern Advisory Commission. Replies were received from the Philippines (December 5) and China (December 20) assenting to the American policy; and from New Zealand (December 18), France (December 29), Canada (January 3, 1946), India (January 4), and the Netherlands (January 21) asking for further information or stating a reservation.

sion and with the international allocation authorities operating under the auspices of the Combined Raw Materials Boards. It is our understanding that shipment of these commodities to the United States is in accordance with the current pattern of world trade and it is believed would be approved by the Combined Raw Materials Boards. If reshipment is decided upon the United States Government will undertake to make the necessary arrangements. Because of the urgency of this matter a prompt reply from your government would be greatly appreciated. A similar communication is being addressed to each country invited to sit on the Far Eastern Advisory Commission.

For your information, it is the policy of the United States Government that for the present it is unwise for security reasons for Japanese nationals to have any direct commercial contact with nationals of the United States or of other countries. Therefore, arrangements have been made for the United States Commercial Company, a subsidiary of the Reconstruction Finance Corporation and an agency of the United States Government, to receive goods from the Supreme Commander and deliver them to consumers as directed by this Government. Its services might be available for deliveries to any other government or country if requested.

This method for arriving at decisions with respect to exports from Japan represented by this note is considered to be temporary. The United States Government will probably propose to the Far Eastern Advisory Commission at an early date that there be set up an Inter-Allied Supply Committee, perhaps as a subcommittee of the Far Eastern Advisory Commission, as a vehicle for consultation between interested countries with respect to disposition of exports from Japan. This Government will probably recommend that such a committee focus its attention particularly on goods in short world supply, permitting other types of products to be distributed to the purchaser offering the highest price, providing that exchange or goods are made available which can be used in meeting the minimum essential requirements of the Japanese for imports.

Discussions are now proceeding looking towards the coordination of the responsibilities of such a committee, if it were set up, with other international arrangements for allocating commodities in short world supply.

Accept [etc.]

For the Secretary of State:
WILLIAM L. CLAYTON

740.00119 Control (Japan)/10-2045

The Secretary of State to the Australian Minister (Eggleston)

WASHINGTON, December 7, 1945.

SIR: I have the honor to refer to your note no. 743/45 [473/45] of October 20, 1945, containing a proposal regarding the use of British Commonwealth occupation forces in Japan and to my note of November 23, 1945, stating that the Government of the United States accepts in principle such participation.

The United States Government now wishes to propose certain general principles on which, if agreeable to the Australian Government, such participation may be based from a military standpoint. It is considered that the statement of these principles, which follows, should form an adequate basis on which the Supreme Commander for the Allied Powers can initiate detailed discussions with representatives of the Australian Government in Tokyo. If during these conversations questions should arise which would indicate the need for further discussion on the political level, the points in question might be referred to Washington for consideration.

STATEMENT OF GENERAL PRINCIPLES REGARDING PARTICIPATION OF
BRITISH COMMONWEALTH FORCES IN OCCUPATION OF JAPAN ⁴⁵

1. The ground elements will consist of a composite British Commonwealth land force of approximately four brigades with necessary supporting units and services; the exact composition of the force to be determined on the basis of deployment and employment ascertained as a result of discussions in Tokyo. This force will be integrated into the occupation forces under the Supreme Commander for the Allied Powers.

2. The participation of air forces is accepted in principle. The strength of the air component will be determined after conversations in Tokyo on the basis of the requirements of the Supreme Commander for the Allied Powers.

3. The Supreme Commander for the Allied Powers will be free to locate and move the British Commonwealth forces within the Japanese Home Islands as he sees fit to accomplish the missions assigned him, with due regard to the problem of supply and maintenance, in so far as the operational situation permits.

4. No area will be assigned the British Commonwealth forces as an exclusive area of control. All areas occupied by these forces will additionally be subordinate to the appropriate higher corps, army, or other commander.

5. These forces will be withdrawn, entirely or in part, upon agreement between the United States and the Commonwealth of Australia, or at the expiration of six months after formal notification by either party in the event of no agreement.

⁴⁵ This statement of principles, approved by the Joint Chiefs of Staff, was received with a memorandum of December 5 (not printed) from the Acting Chairman of the State-War-Navy Coordinating Committee (Hickerson) (740.00119-Control (Japan)/12-545).

6. The manner of integration of ground, air and naval forces of the British Commonwealth in the occupation of Japan will be as agreed between the Supreme Commander for the Allied Powers and the commander of the British Commonwealth forces.

7. British Commonwealth force commanders will be free to communicate with their governments. Other channels of communication will be as follows:

a. For policy, from the Australian Government as representative of the British Commonwealth of Nations through the United States Government and United States Chiefs of Staff to the Supreme Commander for the Allied Powers, and thence through the occupation force command organization. Appropriate representation will be accorded on the staff of the Supreme Commander for the Allied Powers and intermediate echelons.

b. For administration within the British forces, such as supply, from the force commanders to, under general coordination of the Supreme Commander for the Allied Powers, any agency designated by the Commonwealth Governments.

c. Details of supply administration and communications such as provision of port facilities and airfields, are matters for local arrangement between the Supreme Commander for the Allied Powers and the British Commonwealth force representatives.

8. The Commonwealth Governments concerned will be responsible for supply and maintenance of their forces.

9. Details as to timing of movements of the parts of the Commonwealth force to Japan and their debarkation will be arranged directly with the Supreme Commander for the Allied Powers by the British Commonwealth representatives. The force or portions thereof will pass to command of the Supreme Commander for the Allied Powers on arrival at the port of debarkation. It is understood informally that the Australian Government wishes to begin movement of the brigade now at Morotai and a Royal Australian Air Force component about 15 December 1945.

I would appreciate an indication of the acceptance by your Government of the foregoing statement of principles in order that the Supreme Commander for the Allied Powers may be authorized to initiate conversations with the British Commonwealth representatives in Tokyo.

Accept [etc.]

JAMES F. BYRNES

740.00119 Control (Japan)/12-845

The Secretary of State to the British Ambassador (Halifax)

The Secretary of State presents his compliments to His Excellency the British Ambassador and refers to the Embassy's note of November 24, 1945, in regard to a proposal to augment personnel in the British Staff Section under General Gairdner, the British Prime Minister's personal representative with General MacArthur.

The matter was promptly referred to the authorities concerned from whom a reply has now been received to the effect that the proposal has the approval of the Supreme Commander for the Allied Powers in Japan.

WASHINGTON, December 11, 1945.

740.00119 Control (Japan)/12-1245

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 93

TOKYO, December 12, 1945.

[Received December 28.]

SIR: I have the honor to refer to this Mission's despatch No. 56, November 14, 1945, transmitting copies of directives to the Japanese Government in regard to the termination of conduct of direct relations between Japan and foreign countries, and to enclose a copy of a directive from the Supreme Commander to the Japanese Government dated December 10, 1945, on the subject of cessation of communications between the Japanese Government and its former diplomatic and consular representatives abroad. There is also enclosed a copy of a directive to the Japanese Government dated December 8, 1945, on the subject of the relations of the Japanese Government with foreign diplomats in Japan.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure 1]

Directive by the Supreme Commander, Allied Powers, Japan (MacArthur) to the Japanese Government

AG 091.1(10 Dec 45)GS

[TOKYO,] 10 December, 1945.

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT

1. Except as authorized by this Headquarters, the Japanese Government will, from the receipt of this Memorandum, discontinue all communication between itself and former Japanese diplomatic and consular representatives abroad for any purpose other than to effect compliance with the provisions of the Memorandum dated 25 October 1945 from this Headquarters, subject "Transfer of Custody of Diplomatic and Consular Archives and Property," and for the purpose of informing such representatives of the provisions of this Memorandum.

2. Receipt of this Directive will be acknowledged.

For the Supreme Commander:
H. W. ALLEN
Colonel, A. G. D.
Asst. Adjutant General

[Enclosure 2]

*Directive by the Supreme Commander, Allied Powers, Japan
(MacArthur) to the Japanese Government*

AG 091.1 (8 Dec 45) GS

[Tokyo,] 8 December, 1945.

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT.

With reference to the two questions raised in the memorandum dated 29 November 1945 received from Mr. S. Matsushima, Vice-Minister for Foreign Affairs, during his call at this headquarters on 29 November 1945, you are directed as follows:

1. Official communications dealing with pending questions or with routine functions of protection of Japanese nationals in neutral countries, which the Japanese Government wishes to transmit to neutral governments or the representatives thereof, will be delivered to this headquarters through the usual channel, for transmittal to the governments or representatives concerned, in sufficient copies to permit necessary distribution.

2. Compliance with memorandum from this headquarters subject: Official Relations Between Japanese Government and Representatives of Neutral Nations, file AG 091.1 (4 Nov 45) GS,⁴⁶ will not relieve the Japanese Government of its responsibility to provide suitable quarters, fuel, subsistence, medical and other care to foreign diplomats on the standard scale and in accord with international custom as announced in memorandum from this headquarters, subject: Treatment of Foreign Diplomats in Japan, file AG 091.112 (21 Oct 45) GD.⁴⁷

3. Such contacts will be maintained with foreign diplomats as may be necessary to provide them with food and other facilities in accord with paragraph 2 above. Official matters such as covered in paragraph 1 above will not be discussed.

For the Supreme Commander:
H. W. ALLEN
Colonel, A.G.D.
Asst. Adjutant General

740.00119 Control (Japan)/12-1545

*Memorandum by the Acting Political Adviser in Japan (Atcheson)*⁴⁸

Tokyo, December 13, 1945.

MEMORANDUM FOR: THE SUPREME COMMANDER AND CHIEF OF STAFF

This Mission has just received from the Department of State copies

⁴⁶ *Ante*, p. 852.⁴⁷ Not printed.⁴⁸ Copy transmitted to the Department by the Acting Political Adviser in Japan in his despatch 105, December 15; received January 2, 1946.

of (1) a preliminary report "Reform of the Japanese Governmental System", October 22, 1945, prepared by the Department for the consideration of the State-War-Navy Coordinating Subcommittee for the Far East; and (2) a revision of the "Conclusions" of the above report prepared in the Department at the Subcommittee's request and submitted for its consideration on November 13, 1945.⁴⁹

While the recommendations in both documents, the latter being a revision in form rather than in substance, are generally the same as set forth in the Department's telegram of October 17 [16] (War SVC 5477, State Serial No. 38),⁵⁰ two recommendations of substance and one of procedure have been added, as follows:

"5. The Supreme Commander should also suggest:

(a) That modification of Articles 1, 3, and 4 of the Constitution, defining the special prerogatives of the Emperor, may be necessary if a democratic government responsible to the will of the people is to be established;

(b) That the political power of the Home Minister would be lessened and the Japanese people would have more direction over local affairs if the governors of the prefectures were elected by popular vote.

"6. Only as a last resort should the Supreme Commander order the Japanese Government to effect the above listed reforms, as the knowledge that they had been imposed by the Allies would materially reduce the possibility of their acceptance and support by the Japanese people for the future."

Dr. Matsumoto Joji, officially charged with the responsibility for drawing up a draft revision of the Constitution, has twice stated, the first time at a press conference on August 25 and the second in response to an interpellation in the Diet on December 8, that Articles 1 through 4 of the Constitution would probably remain unaffected in the Government's proposed revision, and that, in his opinion, "there will be no change in the fundamental principle of the sovereignty and control of state affairs of the Emperor." While Home Minister Horikiri has on several occasions stated that the Government plans to introduce a bill for the election of prefectural governors, he has indicated that it has not yet been decided whether it will propose election by popular vote or by indirect election by the prefectural assemblies.

Since the discontinuation in early November of this Office's informal conversations with Konoye, there have been no further discussions to our knowledge of constitutional revision by American and Japanese officials at a working level. There would seem real danger,

⁴⁹ Neither printed.

⁵⁰ *Ante*, p. 757.

if an effective liaison at this level is not reestablished, that the Japanese Government, working in ignorance of specific American desires and requirements, may arrive at an advanced stage in the preparation of a draft revision which fails signally to satisfy those desires and requirements. There would then arise the need which the preliminary State-War-Navy documents warn against, of formally ordering the necessary changes, reducing the possibility of their long-range acceptance and support by the Japanese people.

For your consideration I should accordingly wish to suggest that, in order that Dr. Matsumoto's committee may have a clear conception of American governmental thinking in regard to details, some working level liaison be established with him for this purpose, possibly by the Government Section of General Headquarters. For purposes of ready reference there is attached a copy of the "Amended Conclusions" of SFE 142/1, November 14, 1945. This paper is not, of course, final but from our understanding of the matter we believe that it closely reflects the Government's thinking and that the final paper will not be substantially modified.

GEORGE ATCHESON, JR.
American Minister

740.00119 Control (Japan)/12-1745: Telegram

*The Acting Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, December 17, 1945—3 p. m.

2545. Action left your discretion on following message from General MacArthur to War Dept. State Dept concurs in view that maximizing Jap food supplies important but recognizes other considerations may make it inadvisable raise this particular issue present time.

"Subject is repatriation of Japanese fishermen detained in Russian held territories and return of their gear and catch.

Information from Japanese indicated that fishermen from several companies in Hokkaido are interned in territory now occupied by Russia. There has been no communication with subject fishermen since 9 August. They had insufficient stocks of provisions and clothing to survive the northern winter since they were equipped only for normal fishing season from June to November.

The Nichiro Fishing Company Ltd has: 1383 men, 108,000 cubic feet by-products and 27,500 cubic feet fishing nets and other gear at Paramushiro, near Kuriles; 373 men Unutka district and 407 men Yekefta district (both districts on west coast of Kamchatka) with 155,340 cubic feet canned and salted fish; 220 men at Shimushiro, Kuriles, and Maoka, Karafuto.

Etorofu Fishing Company Ltd has 776 men and 2,650,000 kilograms canned and salted salmon and trout on Etorofu Island.

Fishing gear and equipment are badly needed in Japan. The fish catch would augment food stocks in Japan. Interned fishermen are farmers in the off season, and production of food is a grave problem facing Japan at this time.

Recommend that representations be made to Russian Government concerning:

- A. Repatriation of subject Japanese fishermen;
- B. Return of fishing gear;
- C. Shipment of catch to Japan;
- D. Utilization of ships recovered from control of Japanese for return of fishermen, gear and catch, as provided in Joint Chiefs of Staff radio WX 64268, dated 14 September.

If Russian Government will not release this shipping, this Headquarters will provide the necessary transportation in this instance."

ACHESON

740.00119 Control (Japan)/12-1745: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, December 17, 1945.

[Received December 26—10:11 a. m.]

212. We have received SWNCC 192/3, November 28,⁵¹ Exercise of Criminal and Civil Jurisdiction Over United Nations Nationals, and find a number of matters which might merit clarification.

1. We assume that Formosans are now to be considered as Chinese and therefore as United Nations nationals.

2. The status of Koreans as regards the purposes of Army directive is not mentioned. We feel that for political reasons they should be accorded the same general treatment as is accorded United Nations nationals under appropriate police controls as suggested below. As the Department is aware, a considerable portion of the Korean population in Japan is composed of rough and sometimes truculent elements, including coolies and coal miners, who require police control for the sake of the maintenance of ordinary civil order.

3. No mention is made of the question of Japanese police jurisdiction over neutral foreigners and we wonder whether it is intended that neutrals are to be discriminated against in this respect as compared to United Nations nationals. In addition to the matter of discrimination (which we regard as inadvisable), differences in treatment would require:

(a) The constant carrying by individual foreigners of identification cards or passports and

(b) Instruction of each individual Japanese policeman as to the names of the more than 50 United Nations as well as the names of

⁵¹ Not printed.

neutral nations and nations of other categories. This would seem to be impracticable.

4. The limitation is [*in?*] appendix B, paragraph 21, the authority of Japanese police to take any United Nations national into custody, raises a number of practical questions in regard to what we consider useful and necessary Japanese police functions for the maintenance of ordinary civil order. A concrete problem arose recently in Tokyo when a Formosan group forcibly, and without Japanese police interference, took over offices previously occupied by a Japanese Governmental office dealing with Formosan affairs.

It will be recalled that under extraterritoriality in China, Chinese police were authorized to take American citizens into temporary custody under appropriate circumstances for immediate delivery to the nearest American Consul and were on occasion called upon by our consuls to effect the arrest of Americans. When the foreign commercial population increases in Japan there will undoubtedly occur instances in which United Nations nationals are involved in traffic accidents, in brawls, especially in seaports where merchant vessels dock, and possibly in more serious crimes. To prohibit Japanese police from appropriately restraining or temporarily detaining United Nations nationals so involved would provide disorderly foreigners a license which would undoubtedly encourage the commission of offenses, as danger of apprehension and punishment would be at a minimum, and would place upon our military police an unwarranted responsibility which could only be discharged by the maintenance of a very large military police force in every port or area where foreigners are residents or visitors. It seems to me that as a practical matter there are only two alternatives: Either the Japanese police must be given the responsibility (properly supervised) for the maintenance of ordinary civil order, or American military police must be organized to take over that task. We believe that both as a matter of policy and as a matter of practicability it is preferable to utilize the Japanese police.

ATCHESON

59A543 Part 6, Box 351
Folder 500 Foreign Ministers Meeting, Moscow: Telegram

*The Secretary of State*⁵² to the *Chargé in China* (Robertson)

Moscow, December 22, 1945—2 a. m.

248. See Foreign Minister Wang at once and inform him as follows: Agreement has been reached with Molotov and Bevin in regard to terms of reference for the Far Eastern Commission and the Allied

⁵² The Secretary of State was in Moscow attending the Conference of Foreign Ministers, December 16-26, 1945.

Council for Japan.^{52a} Modifications from drafts handed the Chinese Embassy in Washington⁵³ at end of last month have been agreed upon and are as follows:

FAR EASTERN COMMISSION

Article II-A paragraph 3 add after governments "in accordance with the voting procedure provided for in Article V-2 hereunder."

Article II-C substitute the following: "C. The Commission in its activities will proceed from the fact that there has been formed an Allied Council and will respect existing control machinery in Japan, including the chain of command from the United States Government to the Supreme Commander and the Supreme Commander's command of occupation forces."

Article III: substitute for paragraphs 3 and 4 the following inclusive paragraph 3:

"The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever urgent matters arise not covered by policies already formulated by the Commission; provided that any directives dealing with fundamental changes in the Japanese constitutional structure or in the regime of control, or dealing with a change in the Japanese Government as a whole will be issued only following consultation and following the attainment of agreement in the Far Eastern Commission."

ALLIED COUNCIL

Paragraph 2 altered to read after "Chinese member;"—"and a member representing jointly the United Kingdom, Australia, New Zealand, and India." Paragraph 4 altered to read as follows:

"4. The Supreme Commander shall issue all orders for the implementation of the Terms of Surrender, occupation, and control of Japan, and directives supplementary thereto. In all cases action will be carried out under and through the Supreme Commander who is the sole executive authority for the Allied Powers within the area of his command. He will consult and advise with the Council in advance of the issuance of orders on matters of substance, the exigencies of the situation permitting. His decisions upon these matters shall be controlling.

If, regarding the implementation of policy decisions of the Far Eastern Commission on questions concerning a change in the regime of control, changes in the constitutional structure, and changes in the Japanese Government as a whole, a member of the Council disagrees with the Supreme Commander (or his Deputy) the Supreme Commander will withhold the issuance of orders on these questions pending agreement thereon in the Far Eastern Commission.

In cases of necessity the Supreme Commander may take decisions concerning the change of individual ministers of the Japanese Gov-

^{52a} For the agreement on the Far Eastern Commission and Allied Council for Japan, see the second section of the Communiqué on the Moscow Conference of the Three Foreign Ministers, in telegram 4824, from Moscow, December 27, 1945, vol. II, pp. 815, 817.

⁵³ See telegrams 2433 and 2434, December 1, 6 p. m., to Moscow, p. 874.

ernment, or concerning the filling of vacancies created by the resignation of individual members of the cabinet, after appropriate preliminary consultation with representatives of the other Allied Powers on the Allied Council."

Paragraph 5 deleted.

These modifications do not affect China's participation and are agreeable to Molotov and Bevin. The Soviet Government is now prepared to join the Far Eastern Commission and the establishment of an Allied Council is made possible. Please endeavor urgently to obtain Chinese concurrence in the foregoing revisions in time for me to receive notice thereof not later than Sunday morning, December 23.⁵⁴

[BYRNES]

894.00/12-2245 : Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, December 22, 1945.

[Received December 24—12:47 p. m.]

220. According to press, Konoye's plan for constitutional reform reported to Emperor some time before his death⁵⁵ was as follows as regards Emperor institution:

"Article 1. The Emperor is able [a] person to preside over and simultaneously exercise sovereign power. But it shall be defined especially clearly that the exercise shall be made with the assistance by all imperial subjects. (New article.)

Article 2. It exclusively belongs to the Emperor authority to dissolve the House of Representatives and open the Imperial Diet. But the constitution shall be so reformed that the Imperial [*Diet?*] may be dissolved by itself and that it is possible to petition the throne to allow the Diet to be opened any time.

Article 3. It shall be provided that the Emperor is authorized to use his prerogative to dissolve the Diet twice or three times so as to avoid the abuse of this imperial authority.

Article 4. With regard to urgent imperial ordinances, able [a] standing council (to be so provisionally called) to act for the Imperial Diet shall be established and these ordinances shall be referred to it for deliberation.

Article 5. It shall be clearly provided that the Emperor's order to the Government in the form of entrusting the government with it may be issued within fixed bounds and the legislative organ shall be respected.

⁵⁴ In telegram 15, December 23, 2 a. m., from Chungking, the Chargé in China replied that the Chinese Vice Minister for Foreign Affairs (Liu Chieh) had notified the American Embassy of his Government's concurrence in the proposed revisions; telegram received at Moscow, December 23, 9:50 a. m. (740.00119-Council/12-1445).

⁵⁵ Prince Konoye committed suicide on December 15.

Article 6. Heretofore, the Emperor's prerogatives relating to the command and organization of the Army and Navy have been exercised with the assistance of the military organs and it has not belonged to the State Minister's duties. But it shall be specified clearly that the command and organization of the Army and Navy form part of State affairs.

Article 7. Because the matter of war declaration and conclusion of peace treaties required haste, it belonged to the Emperor's prerogatives, but as was clearly shown by the latest war, today's misfortune as [*was*] brought about with the fighting services insisting on the independence of the supreme command and making a direct [appeal to?] the throne, thereby keeping His Majesty uninformed of the [truth?]"

ATCHESON

740.00119 Control (Japan)/12-2245

Memorandum of Conversation, by the Deputy Director of the Office of Far Eastern Affairs (Penfield)

[WASHINGTON,] December 26, 1945.

Participants: Colonel Dziuban, OPD, War Department
 Mr. Durbrow, EE ⁵⁶
 Mr. Penfield, FE

Colonel Dziuban called this morning to discuss occupation forces in Japan. He said that the War Department is in a very difficult position because, having no information regarding possible Chinese and Russian participation in the occupation, it is unable to make plans for the number of American troops which will be required in Japan. He explained that it is estimated that by July 1946 a total of about 140,000 men will be required for the occupation, which, under the JCS policy of maintaining a number of American forces at least equal to all other powers combined, would mean a total of 70,000 US troops. It appears that General Northcott (the Australian who is in command of the British Commonwealth forces) in his conversations with General MacArthur has indicated a desire to send slightly over 40,000 Commonwealth troops to Japan. Colonel Dziuban pointed out that if this proposal is accepted and the Russians and Chinese eventually participate on a similar basis there would be well over 100,000 troops in Japan other than American, which would necessitate a substantial increase in the planned American participation.

Colonel Dziuban handed me the attached memorandum ⁵⁷ and asked whether we could give him answers to the various questions listed. We

⁵⁶ Elbridge Durbrow, Chief of the Division of Eastern European Affairs.

⁵⁷ December 22, not printed.

replied orally along the following lines, emphasizing that our answers were tentative and informal:

a. I promised to draft a telegram to Chungking immediately instructing the Embassy there to make an approach to the Chinese on a governmental level regarding Chinese military participation in the occupation.

b. We said that any answer regarding Russian participation would have to await the return of the Secretary from Moscow.

c. We recalled that last week a brief statement had been made to the press to the effect that we had invited Russian participation in the occupation and said that we saw no reason why we should not make public full information regarding our position on this matter.

d. and *e.* We stated that we saw no objection to a US-British Empire occupation of Japan provided it was publicly made clear that our other Allies had been invited to participate on the same basis as the British Commonwealth.

740.00119 PW/12-2645 : Telegram

The Acting Secretary of State to the Chargé in China (Robertson)

WASHINGTON, December 26, 1945—7 p. m.

2064. It was stated in "US Post-Surrender Policy for Japan" which was released to press on Sept 22 that "participation of the forces of other nations that have taken a leading part in the war against Japan would be welcomed and expected".

National contingents will be integrated in the forces under command of Supreme Commander and will not occupy separate zones, but their respective govts will be responsible for their supply and maintenance. The British Commonwealth has offered a balanced force of the nature of 30,000 men predominantly ground forces. Conversations regarding details of participation of this force in the occupation are proceeding.

Please inform Chinese Govt of above and in name of this Govt invite participation in the occupation of a Chinese force similar to that of British Commonwealth. In order to facilitate planning a definite statement of Chinese Govt intentions should be obtained as soon as possible.

For your info in this connection ComGen China theater reported under date Nov 10 that due to unsettled conditions it would not be possible to send Chinese occupational forces to Japan for several months but that Gimo regretted inability to participate and would do so "should local situation clarify".

ACHESON

740.00119 Control (Japan)/12-2845

Memorandum by the State-War-Navy Coordinating Committee

SWN-3683

WASHINGTON, 28 December, 1945.

MEMORANDUM FOR THE SECRETARY OF STATE:

Subject: Treatment of Japanese Workers' Organization.

References: *a.* SWNCC 92,⁵⁸

b. SWNCC 92/1.⁵⁹

By informal action on 28 December 1945, the State-War-Navy Coordinating Committee approved SWNCC 92/1, after deleting the word "free" from the second line of paragraph 4 *d* of the enclosure thereto as recommended by the Joint Chiefs of Staff.

Copy No. 62 of the approved paper is forwarded for guidance and appropriate implementation.

Copies of this paper have been forwarded to the Secretary of War, Secretary of the Navy and the Joint Chiefs of Staff for guidance and appropriate implementation.

It is requested that the Department of State transmit the enclosed Copy No. 63 of SWNCC 92/1 to the American Representative on the Far Eastern Advisory Commission for such action as he deems appropriate.⁶⁰

For the State-War-Navy Coordinating Committee:

JAMES CLEMENT DUNN
Chairman

[Annex]

Report by the State-War-Navy Coordinating Subcommittee for the Far East

TREATMENT OF JAPANESE WORKERS' ORGANIZATION

[SWNCC 92/1]

THE PROBLEM

1. To determine the policy to be followed by the occupation authorities in dealing with organizations of Japanese workers.

FACTS BEARING ON THE PROBLEM

2. SWNCC 150,⁶¹ Part IV, "Economic", paragraph 2, states:

"Encouragement shall be given and favor shown to the development of organizations in labor, industry and agriculture, organized on a democratic basis."

⁵⁸ April 7, approved April 24, not printed.

⁵⁹ *Infra.*

⁶⁰ This was done on January 2, 1946.

⁶¹ For SWNCC 150/4/A, September 21, see Department of State *Bulletin*, September 23, 1945, p. 423.

DISCUSSION

3. See Appendix.⁶²

CONCLUSIONS

4. It is concluded that:

a. The Japanese Government should issue a general proclamation recognizing the freedom of industrial and agricultural workers to join trade unions or other organizations of their choice for purposes of improving their terms and conditions of employment and mutual protection.

b. Legislative steps should be taken to provide legal safeguards for workers' organizations in the carrying out of legitimate trade union functions.

c. In consideration of the importance both from a political and economic viewpoint of encouraging the formation of democratic Japanese workers' organizations, the occupation authorities, in their own employment and labor policies, should when conditions warrant give positive encouragement to the development of labor organizations.

d. The trade unions should have the right of free assembly, speech and press, and ⁶³ access to broadcasting facilities on a nondiscriminatory basis provided only that such assembly, speech, or writing does not interfere with military necessity or public security.

e. The Japanese Government should abrogate all laws and other regulations which prevent or have the effect of preventing (1) the free organization of trade unions for the purposes of improving wages, hours and working conditions and the rendering of mutual assistance; and (2) the performance of other legitimate activities directed to these ends. The following laws are specifically recommended for immediate abrogations if such action has not already been taken, together with any subsequent amendments and additions:

(1) Peace Preservation Law (*Jian Iji-ho*) of 1941.

(2) The Protective Surveillance for Thought Offenses Law (*Shiso-han Hogo Kansatsu-ho*) and the The Regulations Relative to the Protective Surveillance for Thought Offenses Law (*Shiso-han Hogo Kansatsu-ho ni kansuru kisaku*), both of 1936.

(3) Articles 4, 6 and 7 of the National Mobilization Act (*Kokka Sodo-in-ho*) of 1938 as revised in 1941.

(4) Articles 3 and 8 of the Public Peace Police Law (*Jian Keisatsu-ho*) of 1900 as amended in 1922, 1926 and 1941.

(5) Paragraphs 3 and 4 of Article 1, and paragraphs 5 and 31 of Article 2 of the Police Crimes Punishment Ordinance (*Keisatsu-han Shobatsu-rei*) of 1908, as amended in 1919.

(6) The Factory and Workshop Supervision Ordinance (*Kojo Jigyo Kanri-rei*) of March, 1944.

⁶² Not printed.

⁶³ The word "free" was crossed out here.

f. Persons who have been imprisoned because of activity or "thought" in connection with trade unions and other labor organization activity should be released as promptly as proper examination procedure permits.

g. Any patriotic workers' organizations or their affiliates, such as the Patriotic Industrial Associations, which have not already been abolished, should be dissolved.

h. As soon as workers' organizations are formed in consonance with principles established in par. *c* they should be encouraged to bargain collectively with employers regarding the terms of employment, subject to such policies on wages, hours and working conditions as are established by the Japanese Government.

i. The Japanese Government should establish conciliation machinery for dealing with industrial disputes that cannot be settled by direct and voluntary negotiations between the workers or his representative and the employer.

j. Strikes and other work stoppages should be prohibited only when the occupation authorities consider that such stoppages would interfere with military operations for military security or directly prejudice the objectives or needs of the occupation.

k. Japanese Government agencies which have been set up or have functioned for the purpose of or in such a way as to obstruct free labor organization and legitimate trade union activities should be abolished or their powers in respect to labor revoked, and all individuals who have been directly connected in a responsible capacity with the obstruction or repression of trade union organization or activity should be declared ineligible for employment in labor agencies or as mediators, conciliators or arbitrators.

RECOMMENDATIONS

5. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff for comment from a military point of view; and

b. Upon approval by the State-War-Navy Coordinating Committee of the "Conclusions" in paragraph 4 above:

(1) This paper be forwarded to the Joint Chiefs of Staff and to the State, War and Navy Departments for guidance and, where appropriate, for implementation; and

(2) This paper be forwarded to the American Representative on the FEAC for such action as he deems appropriate.

740.00119 FEAC/12-2845 : Telegram

The Acting Secretary of State to the Chargé in Australia (Minter)

WASHINGTON, December 28, 1945.

131. You should, acting in name of this Govt and on behalf of Govts of US, USSR, UK and China, address a communication to Govt to which you are accredited making appropriate reference to previous correspondence and inviting that Govt to participate in Far Eastern Commission on basis of following terms of reference:

I. Establishment of The Commission.

A Far Eastern Commission is hereby established composed of the representatives of the Union of Soviet Socialist Republics, United Kingdom, United States, China, France, The Netherlands, Canada, Australia, New Zealand, India, and the Philippine Commonwealth.

II. Functions.

A. The functions of the Far Eastern Commission shall be:

1. To formulate the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the terms of surrender may be accomplished.

2. To review, on the request of any member, any directive issued to the Supreme Commander for the Allied Powers or any action taken by the Supreme Commander involving policy decisions within the jurisdiction of The Commission.

3. To consider such other matters as may be assigned to it by agreement among the participating Govts reached in accordance with the voting procedure provided for in article V 2 hereunder.

B. The Commission shall not make recommendations with regard to the conduct of military operations nor with regard to territorial adjustments.

C. The Commission in its activities will proceed from the fact that there has been formed an Allied Council for Japan and will respect existing control machinery in Japan, including the chain of command from the United States Govt to the Supreme Commander and the Supreme Commander's command of occupation forces.

III. Functions of The United States Govt.

1. The United States Govt shall prepare directives in accordance with policy decisions of The Commission and shall transmit them to the Supreme Commander through the appropriate United States Govt agency. The Supreme Commander shall be charged with the implementation of the directives which express the policy decisions of The Commission.

2. If The Commission decides that any directives or action reviewed in accordance with article II-A-2 should be modified, its decision shall be regarded as a policy decision.

3. The United States Government may issue interim directives to the Supreme Commander pending action by the Commission whenever urgent matters arise not covered by policies already formulated by the commission; provided that any directive dealing with funda-

mental changes in the Japanese constitutional structure or in the regime of control, or dealing with a change in the Japanese Government as a whole will be issued only following consultation and following the attainment of agreement in The Far Eastern Commission.

4. All directives issued shall be filed with the commission.

IV. *Other methods of consultation.*

The establishment of The Commission shall not preclude the use of other methods of consultation on Far Eastern issues by the participating Govts.

V. *Composition.*

1. The Far Eastern Commission shall consist of one representative of each of the states party to this agreement. The membership of the commission may be increased by agreement among the participating powers as conditions warrant by the addition of representatives of other United Nations in the Far East or having territories therein. The commission shall provide for full and adequate consultations, as occasion may require, with representatives of the United Nations not members of the commission in regard to matters before the commission which are of particular concern to such nations.

2. The commission may take action by less than unanimous vote provided that action shall have the concurrence of at least a majority of all the representatives including the representatives of the four following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China.

VI. *Location and organization.*

1. The Far Eastern Commission shall have its headquarters in Washington. It may meet at other places as occasion requires, including Tokyo, if and when it deems it desirable to do so. It may make such arrangements through the Chairman as may be practicable for consultation with the Supreme Commander for the Allied Powers.

2. Each representative on the commission may be accompanied by an appropriate staff comprising both civilian and military representation.

3. The commission shall organize its secretariat, appoint such committees as may be deemed advisable, and otherwise perfect its organization and procedure.

VII. *Termination.*

The Far Eastern Commission shall cease to function when a decision to that effect is taken by the concurrence of at least a majority of all the representatives including the representatives of the four following powers: United States, United Kingdom, Union of Soviet Socialist Republics and China. Prior to the termination of its functions the commission shall transfer to any interim or permanent security organization of which the participating Govts are members those functions which may appropriately be transferred."

Sent to Canberra, Paris, The Hague, Ottawa, Wellington and New Delhi.⁶⁴

ACHESON

⁶⁴ As telegrams 131, 6053, 216, 119, 448, and 986, respectively.

740.00119 FEAC/12-2945

*The Acting Secretary of State to the Philippine Resident
Commissioner (Romulo)*

WASHINGTON, December 29, 1945.

MY DEAR GENERAL ROMULO: Acting on behalf of the Governments of the United States, United Kingdom, Union of Soviet Socialist Republics and China, I have the honor to extend to the Commonwealth Government of the Philippines, through you, an invitation to participate in the establishment and functioning of a Far Eastern Commission to take the place of the Far Eastern Advisory Commission of which the Commonwealth Government is now a member.

The terms of reference for the Far Eastern Commission are as follows:

[Here follows text as quoted in telegram 131, December 28, *supra*.]

Sincerely yours,

DEAN ACHESON

740.00119 FEAC/12-3145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 31, 1945—2 p. m.

[Received December 31—11:17 a. m.]

7433. Department's 6053, December 28.⁶⁵ The Foreign Ministry has asked urgently for clarification of the following paragraph of our invitation for the French to participate in the Far Eastern Commission: Paragraph in question is Roman Numeral II, A, subparagraph 3 which begins "to consider such other matters as may be assigned, et cetera".

The French specifically wish to know whether the phrase "other matters" refers to Japan alone or to other Far Eastern questions. (They obviously have Indochina in mind.) Since our invitation is to be taken up in Cabinet meeting Wednesday a reply from the Department prior to that meeting should serve to avoid delay in French reply.⁶⁶

CAFFERY

⁶⁵ See footnote 64, p. 895.

⁶⁶ In telegram 6094, December 31, 4 p. m., to Paris, the Department replied: "In the absence of agreement on part of participating Governments to enlarge the scope of the commission, 'other matters' is intended to include matters relating to the control of Japan." (740.00119 FEAC/12-3145)

740.00119 Control (Japan)/12-3145

The Australian Minister (Eggleston) to the Secretary of State

No. 544/45

WASHINGTON, 31 December, 1945.

SIR: I have the honour to refer to your note⁶⁷ in reply to my communication of 20th October relative to the participation of British Commonwealth Forces in the occupation of Japan.

The statement of general principles proposed by the United States Government has been noted, and has been the subject of consultation between the British Commonwealth Governments concerned. Discussions on this matter have also taken place between General MacArthur and Lieut. General Northcott, Commander-in-Chief of the British Commonwealth Occupation Force.

We have been advised by General Northcott of the arrangements which have been agreed upon between General MacArthur and himself concerning the British Commonwealth Occupation Force. These arrangements which, in the view of the British Commonwealth Governments concerned, are the practical application of the general principles proposed by the United States Government, are recorded in a memorandum signed at Tokyo on 18th December, 1945, and it is understood that the text of the memorandum has been communicated to the United States Government by General MacArthur.

The Australian Government, acting on behalf of the other British Commonwealth Governments concerned, now desires to inform you that these Governments welcome the arrangements agreed between General MacArthur and Lieut. General Northcott as a logical outcome of the general principles set out in the United States Government's letter under reply. We propose that the arrangements, as set out in the memorandum referred to, be accepted and placed on record as the agreed basis on which the British Commonwealth Force will proceed to and participate in the occupation of Japan, subject, however, to further detailed consideration of matters such as the internal organisation of the Forces, the supply of stores, and financial arrangements.

While the detailed order of battle and organisation of the British Commonwealth Occupation Forces have not yet been finalised, the bulk of the forces are now concentrated. To enable arrangements for their move to be made the Australian Government would appreciate early advice as to whether the basis of participation, as indicated in paragraph 4 above, is acceptable to the United States Government.

I have [etc.]

F. W. EGGLESTON

⁶⁷ December 7, p. 879.

III. Apprehension and punishment of Japanese war criminals⁶⁸

740.00116 PW/1-645: Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, January 6, 1945—9 a. m.

[Received 1:33 p. m.]

17. As Department is aware, I am having almost daily conferences with Generalissimo,⁶⁹ Soong,⁷⁰ Wedemeyer⁷¹ and others on matters of immediate importance. These conferences have made it impracticable of late for me to attend meetings of the War Crimes Commission Sub-Commission⁷² or committees and this situation will probably continue for some time. Atcheson⁷³ who previous to my assumption of office as Ambassador was Government's representative on Sub-Commission has been attending Sub-Commission and committee meetings on my behalf. While Sub-Commission is still in organization and beginning stage and has not yet come to the most serious problems which will confront it, I believe that it would be advisable for Atcheson to be designated alternate representative in order that he may have regular status in my absence from meetings, vote in my behalf and generally be in position to represent me with authority.⁷⁴

HURLEY

740.00116 PW/1-645: Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, January 6, 1945—2 p. m.

[Received January 6—12:53 p. m.]

20. War Crimes Commission. Embassy's despatch 3213, December 9.⁷⁵ At meeting of Sub-Commission January 5 at which Atcheson

⁶⁸ Records of the proceedings and exhibits of the International Military Tribunal held at Tokyo, May 3, 1946—November 12, 1948, comprise nearly 50,000 mimeographed pages produced during the period of the trial and not published in book form. Copies of these records were deposited with the Offices of the Adjutant General and the Judge Advocate General of the Department of the Army, the Library of Congress, the Harvard University Law School, the University of California at Berkeley, and the Hoover Institute and Library on War, Revolution, and Peace at Stanford University.

⁶⁹ Chiang Kai-shek, President of the National Government of the Republic of China.

⁷⁰ T. V. Soong, Chinese Minister for Foreign Affairs.

⁷¹ Lt. Gen. Albert C. Wedemeyer, Commanding General, U.S. Forces in China Theater, and concurrently Chief of Staff to Generalissimo Chiang.

⁷² See despatch 3213, December 9, 1944, from Chungking, *Foreign Relations*, 1944, vol. I, p. 1399.

⁷³ George Atcheson, Jr., Counselor of Embassy in China.

⁷⁴ By telegram 61, January 11, 7 p. m., to Chungking, the Department designated Mr. Atcheson as alternate representative on the War Crimes Sub-Commission (740.00116 P.W./1-645).

⁷⁵ *Foreign Relations*, 1944, vol. I, p. 1399.

represented me, question was again raised as to date on which war is to be considered as having begun in China.

No report of decision having been made by Main Commission, London, has reached us. Hurst⁷⁶ in personal message to our Chairman⁷⁷ has suggested "preliminary discussion" of question here and only crimes Chinese Commission has so far put forth for consideration occurred after outbreak of hostilities in 1937.⁷⁸

While not fully acquainted with the reasons behind Australian suggestion that events in China prior to December 1941 be made subject of a special commission we feel strongly that we should not by any means permit possibility that Jap war criminals responsible for thousands of the most brutal and unspeakable atrocities in months after July 1937 may escape punishment through legalistic consideration that war in China was "undeclared war". Those atrocities were committed not only on Chinese but on Americans and British and other foreigners and we believe that the purpose of the Sub-Commission will be largely vitiated unless date of commencement of the war is regarded as July 8, 1937 especially as number of atrocities susceptible of proper consideration which have occurred in China since 1941 December appears to be comparatively small. In addition we feel that we should support the Chinese point of view in this respect as a matter of general policy.

We respectfully and urgently recommend that steps be taken to expedite decision in this most important question.

HURLEY

740.00116 PW/1-645 : Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, January 16, 1945—4 p. m.

82. Your telegram 20, January 6, 2 p. m. In instruction no. 19 of July 15, 1944 to our member on War Crimes Commission, London,⁷⁹ Department took position that for Commission purposes war in Far East started July 7, 1937. Matter is being called to attention of our deputy member on London Commission⁸⁰ who will be in London shortly and who will endeavor to expedite decision by Commission.

GREW

⁷⁶ Sir Cecil Hurst, British Chairman of the United Nations War Crimes Commission, London.

⁷⁷ Wang Chung-hui, former Chinese Minister for Foreign Affairs and former Chinese member of the Court of International Justice at The Hague.

⁷⁸ For documentation on the beginning of the undeclared war between Japan and China in July 1937, see *Foreign Relations, Japan, 1931-1941*, vol. I, pp. 313 ff., and *Foreign Relations, 1937*, vol. III, pp. 128 ff.

⁷⁹ Herbert C. Pell; for instruction, see *Foreign Relations, 1944*, vol. I, p. 1333.

⁸⁰ Lt. Col. Joseph V. Hodgson.

740.00116 PW/2-645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 6, 1945—2 p. m.
[Received February 6—11:05 a. m.]

1285. From Hodgson. At meeting Far East and Pacific Committee of War Crimes Commission held February 5 Committee decided to recommend to Commission that Chungking Subcommittee be advised that it was deemed unnecessary to fix definite date for beginning of China-Japanese war and that Subcommittee should consider each case on its merits and determine whether it occurred during a state of war or was incident to an act of war. Australian representative stated Australian Government now agreed that no competence of Subcommittee should extend to war crimes committed before December 1941. In view of Chinese objection and the procedure followed by London Commission the Committee believed that it was inadvisable to fix July 7, 1937 as commencement of the mentioned war as proposed by myself. Commission will consider Committee's recommendation on February 7.

Repeated to Chungking as 1. [Hodgson.]

WINANT

740.00116 PW/2-845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 8, 1945—8 p. m.
[Received February 8—4:55 p. m.]

1381. From Hodgson. Reference is made to Embassy cable No. 1285 to Department and No. 1 to Chungking, February 6. War Crimes Commission at its meeting on February 7, after considering the statement made by the Australian member that Australia had no objection to the Sub-Commission's handling Japanese war crimes committed before December 1941, decided to advise the Sub-Commission that it should not restrict its work to war crimes committed after a specified date, and that it should consider each case on its merits.

Repeated to Chungking as 2. [Hodgson.]

WINANT

740.00116 P.W./5-2345: Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, May 28, 1945—6 p. m.

805. U.S. Commissioner, War Crimes Commission, London,⁸¹ requests that you be informed that on May 22 Committee II of the Commission took under consideration a proposal that there be established a war crimes agency for the investigation of war crimes and the perpetuation of evidence inside Japanese territory. It was decided, upon the request of the Acting Chinese representative, Ambassador Wunsz King, to hold the question in abeyance for 2 weeks, and first through the Chinese Government to ask for the views of the Chungking sub-commission. The request for these views will be made not for the guidance of the governments but for that of the War Crimes Commission. It is the belief of the Committee referred to above, which is composed of representatives of most of the members of the Commission, that there is urgent need that such an agency be established and maintained. The Committee hopes that the question will be immediately submitted to and acted on by the sub-commission in Chungking. The Commission in London will probably act at the end of two weeks.

U. S. Commissioner requests that Department call your attention to Commission document C. 30 which is applicable only to Europe.

GREW

740.00116 P.W./7-2845: Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, July 28, 1945—11 a. m.

[Received July 29—11:05 a. m.]

1237. On July 27th the Far Eastern and Pacific Subcommittee of the United Nations War Crimes Commission listed approximately 100 Japanese military men, including a number of general officers, as war criminals. These were the first Japanese war criminals listed by the Subcommittee here. As the Chinese National Office has now been reorganized and is functioning more efficiently, it is expected that the work of listing war criminals will be expedited.

The People's Political Council on July 17 passed a resolution designating the Japanese Emperor as a war criminal, and during the past month there has been considerable editorial comment in the local press advocating that the Emperor be treated as a war criminal. It seems possible that the question of listing the Japanese Emperor

⁸¹ Lieutenant Colonel Hodgson had succeeded Herbert C. Pell.

as a war criminal will be raised in the Subcommission, and the Embassy would accordingly appreciate receiving the Department's views on the position to be taken by the American delegate in this event.

HURLEY

740.00116 P.W./8-445 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, August 4, 1945—9 a. m.

[Received 12:10 p. m.]

1284. Far Eastern and Pacific Sub-Commission of United Nations War Crimes Commission on August 3 approved recommendation concerning establishment in Japanese territory of an agency to investigate war crimes set forth in London Commission's documents C. 30, June 13, 1944 and C. 122 of June 12, 1945 (page 467). This matter was mentioned in Department's 805, May 28.⁸²

Sub-Commission here on August 3 listed approximately 30 additional Japanese military war criminals.

I should appreciate an early reply to our telegram 1237, July 28, requesting views of Department on position to be taken by American delegate in event question of listing Japanese Emperor as war criminal is brought up in Sub-Commission.

HURLEY

740.00116 PW/8-645

The United States Commissioner, United Nations War Crimes Commission (Hodgson), to the Secretary of State

No. 185

LONDON, August 6, 1945.

[Received August 17.]

SIR: I have the honor to report that at the meeting of the United Nations War Crimes Commission held on August 1, 1945, the Chairman of the Commission⁸³ requested my views regarding the preparation of recommendations in respect of Japanese war criminals.

In response to the Chairman's request it was stated that it would be well for the members of the Commission and its committees to consider the preparation of such recommendations. It was also said that the subject should be given immediate attention.

Mr. Oldham⁸⁴ supported this suggestion and said that at least two Governments felt that the Commission had not given sufficient attention to the Far East and Pacific. He hoped that definite recom-

⁸² Not printed.

⁸³ Lord Wright, representative for Australia.

⁸⁴ John E. Oldham, assistant to Lord Wright.

mendations would be made and that they would include the setting up of a system such as Crowcass⁸⁵ in the Far East and Pacific areas. He felt that the subject should be referred to Committee II.

M. de Baer⁸⁶ said that he was surprised to hear that two Governments believed that the Commission had neglected the Japanese war. It was for the Governments carrying on the Pacific war to submit information and cases. The Commission first needed information and cases about Japanese war crimes before it could formulate reliable recommendations. Only one Government—Australia—had furnished cases. How then, could the Governments feel dissatisfied with the attention given by the Commission to the Pacific war? They, not the Commission, should be held responsible.

Mr. Oldham said that he agreed with General de Baer, but urged the advantage of action.

The Chairman said that he also agreed with General de Baer, and observed that apart from the Australian cases no cases concerning Japanese atrocities had come before Committee I. He intimated that the Governments had failed to furnish the basic information, and he asked Mr. Oldham if Australia was acting for the United Kingdom and the Netherlands in war crimes matters in the Pacific.

Mr. Oldham stated that Australia was acting for the United Kingdom in the South, South-West and West Pacific, but not elsewhere in the Pacific or Far East. Australia did not act for the Netherlands.

The Chairman then inquired as to the reason for the failure of the Governments to file cases against the Japanese.

Sir Torick Ameer Ali replied that India had some cases ready, but had not decided whether to submit them to the Commission or the Sub-Commission at Chungking.

Dr. Liang⁸⁷ said that he had been assured that the bulk of Eastern and Pacific cases would be presented to the Sub-Commission at Chungking, although, of course, the Governments were free to present such cases to the Commission in London. Chinese cases, he believed, had been presented to the Sub-Commission, and to the best of his knowledge the Sub-Commission was proceeding with its work. He said that he wished to support the suggestion that the Commission should proceed to formulate recommendations, and believed that there should be a full discussion about the apprehension and trial of Japanese war criminals. In this regard he wished to remind the Commission that the Sub-Commission had no right to make recommendations.

The Chairman said that the time had come for a full and clear statement of the work of the Sub-Commission to be supplied to the

⁸⁵ Central Registry of War Criminals and Security Suspects (in Europe).

⁸⁶ Marcel de Baer, representative for Belgium.

⁸⁷ Liang Yuen-li, Counselor of the Chinese Embassy in the United Kingdom and assistant to the representative for China, Ambassador V. K. Wellington Koo.

Commission. He then pointed out that the Moscow Declaration⁸⁸ did not apply to Japanese war criminals, hence no principles had been laid down concerning their disposition. He felt that action was needed, that in addition to recommendations, the Commission should have particulars concerning the Japanese who should be considered "key-men" and should prepare a list of Japanese holding "key" positions similar to Lists 7 and 9.

Dr. Liang said the Chinese Embassy had only information contained in the minutes of the Sub-Commission which had been circulated to the Commission, but he had the impression that the Sub-Commission's work was proceeding according to plan and not more slowly than circumstances warranted. The beginning stage of the Sub-Commission's work should be compared with the beginning stage of that of the main Commission. If desired, the Embassy would be glad to ask the Sub-Commission for a statement. The main Commission had only recently taken up the question of major criminals. When its attitude was clearly defined, the Sub-Commission would do the same. It was easy to ask the latter to investigate evidence and establish lists of major criminals.

Mr. Oldham said that at the National Offices Conference Colonel Goff⁸⁹ and he himself had suggested that the drawing up of a list of Japanese major criminals, guilty of offences against the Chinese, should become one of the urgent tasks of the Sub-Commission. China had had two excellent representatives at the Conference and he had been expecting the suggested list to be forthcoming. The minutes of the Sub-Commission gave no information about cases having been presented to it.

Dr. Liang repeated that the proper course was to address an inquiry to the Sub-Commission, which the Embassy would be very glad to forward. A responsible statement as to its work could only come from the Sub-Commission. He would consult the minutes of the National Offices Conference and ask the Sub-Commission to take up the listing of major war criminals.

On August 3rd the Acting United Kingdom representative referred to the mentioned discussion at the meeting of the Commission, and inquired concerning the omission of the United States to file any cases and, in particular, Japanese cases. He intimated that the absence of Japanese cases may be the subject of further discussion in the Commission.

⁸⁸ Joint Four Nation Declaration on General Security, signed at Moscow, October 30, 1943; *Foreign Relations*, 1943, vol. I, p. 755.

⁸⁹ Col. Abe McGregor Goff, U.S. representative.

Information is requested whether the United States Government intends to file any cases concerning Japanese war crimes with the Commission in the near future.

Respectfully,

JOSEPH V. HODGSON
Lt. Col., JAGD, AUS

740.00116 PW/8-645

The Under Secretary of State (Grew) to the Secretary of State

[WASHINGTON,] August 7, 1945.

Ambassador Hurley in his telegram of August 4 requested the views of the Department on the position to be taken by the American delegate on the Far Eastern and Pacific Sub-Commission of United Nations War Crimes Commission, now sitting in Chungking, in the event that the question of listing the Japanese Emperor as a war criminal is brought up in the Sub-Commission.

Mr. Hackworth,⁹⁰ in his appended memorandum of August 6,⁹¹ brings up the point that the Department would probably be subjected to considerable criticism if the impression should go out that we are hedging or are not clear in our own minds with respect to the Emperor. He feels that our decision can be taken now as well as later. He recognizes the fact that political expediency might have to be taken into account but he feels that in the administration of justice we should not be influenced by expediency.

I have given a good deal of thought to this subject and am inclined to feel that if Japan refuses to heed the Potsdam Proclamation⁹² and declines to surrender unconditionally, necessitating our invasion of the main Japanese islands by force and the inevitable loss of life which will occur among the Allied forces in the event of such invasion, the Emperor of Japan might well be treated as a war criminal in order that full justice should be done. The listing of the Emperor does not mean that he will be convicted. This will depend upon the evidence, part of which will relate to the question whether the Emperor has taken part in the planning and carrying on of the war with all of its atrocious aspects or whether he is a mere puppet without power to control or influence his military leaders.

In this particular problem, however, I do not think that we can afford to disregard the factor of political expediency. We have good reason to believe that important elements in Japan, including some of

⁹⁰ Green H. Hackworth, Legal Adviser.

⁹¹ Not printed.

⁹² For text of proclamation issued on July 26 by President Truman, President Chiang Kai-shek of China, and British Prime Minister Winston S. Churchill, see *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945*, vol. II, p. 1474.

their elder statesmen as well as high officers in the Army and Navy, are trying to bring about an acceptance of the terms proposed in the Potsdam Proclamation. We know, for instance, from secret but unimpeachable information, that Sato, the Japanese Ambassador to Moscow, formerly Minister of Foreign Affairs, has been earnestly recommending this course⁹³ and we believe it possible although by no means certain that this movement may gain headway to a point where the advocates of peace will be able to overcome the opposition of the military extremists and their present control of the Emperor. If they succeed in persuading the Emperor to issue an Imperial Rescript, which is regarded throughout Japan as a sacred document, ordering all Japanese armies to lay down their arms for the future good of the country, the war might thereby be brought to an end. Short of fighting to the last ditch within Japan itself it is not believed that the war is likely to come to an end in any other way as it is improbable that the Japanese armies in China, Manchuria and elsewhere would obey such an order from any Japanese Government without the sanction of the Emperor.

If it now becomes known that we have agreed to the listing of the Emperor as a war criminal—and if we take such a position it will almost certainly leak to the public in short order—the effect in Japan would in all probability be to nip in the bud any movement toward unconditional surrender and peace. The result, in all probability, would be to consolidate the determination of the Japanese people as a whole to fight on to the bitter end. Our decision therefore will be of prime importance and many thousands of American lives may depend on its nature.

I have not had an opportunity, owing to their absence from Washington, to discuss this question with Mr. Stimson and Mr. Forrestal⁹⁴ but from what I know of their thinking I believe that they will probably share my views. I believe that in any case you will wish to discuss this matter with them as well as with the President. In the meantime I recommend that the appended telegram⁹⁵ be sent to Ambassador Hurley directing him to inform the Department if the question of listing the Emperor as a war criminal is raised in the Sub-Commission and expressing the Department's desire that the American delegate should not himself raise this question.

JOSEPH C. GREW

⁹³ For correspondence between Ambassador Naotake Sato in Moscow and Foreign Minister Togo in Tokyo, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1248–1298, *passim*.

⁹⁴ Henry L. Stimson, Secretary of War, and James V. Forrestal, Secretary of the Navy.

⁹⁵ *Infra*.

740.00116 PW/8-445 : Telegram

The Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, August 8, 1945—8 p. m.

1225. Your 1284, Aug. 4. We would regard raising of question at this juncture in Sub-Commission as unfortunate and we desire that you exert every effort as discreetly as possible to prevent it. If nevertheless question is raised in Sub-Commission inform Dept. and instructions in matter will be sent.

BYRNES

740.00116 PW/8-945

The United States Commissioner, United Nations War Crimes Commission (Hodgson) to the Secretary of State

No. 190

LONDON, August 9, 1945.

[Received August 18.]

SIR: I have the honor to report that at the meeting of the United Nations War Crimes Commission held on August 8th, the Chairman inquired of me whether the Commission should not proceed to discuss recommendations concerning the apprehension and trial of Japanese war criminals.

In reply it was stated that it was felt that this subject should be considered as soon as possible, and it was suggested that the matter be referred to a committee to formulate proposals, instead of being made the subject of a general debate which might not result in any precise recommendations.

The Chinese and Dutch representatives supported this view and, after a discussion regarding the committee which should be charged with the work, it was decided to appoint a special committee composed of the representatives of Australia, Canada, China, France, India, Netherlands, New Zealand, the United Kingdom and the United States.

Respectfully,

JOSEPH V. HODGSON
Lt. Col., JAGD, AUS

740.00116 PW/8-1545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 15, 1945—6 p. m.

[Received 6:50 p. m.]

8279. From Hodgson.

"Lord Wright, Chairman of War Crimes Commission, informed me on Aug 14 that he believed that Commission should immediately

prepare and adopt list of major Jap war criminals responsible for plans and policies which resulted in war crimes such as attack on Pearl Harbor. He deplored lack of information and said that at meeting of Commission to be held on Aug 15 at 3 in afternoon he intended to move that name of Hirohito, Emperor of Japan, be placed on Commission's list of Japanese war criminals.⁹⁶ He said that it was urgent that this action be taken immediately. However, he desires views of US Govt in this regard and while he made no promises he indicated that he would give those views great weight and might be governed accordingly. I feel that he is acting at instance of Australian Govt. Instructions are requested on the proposed motion and the views that should be given to Lord Wright.

Lord Wright also inquired whether the US Govt has prepared a list of the major Jap war criminals mentioned above. He said that it would be of great assistance to the Commission if the US would transmit such a list for adoption by the Commission at an early date for he feels that it is urgent that Commission take action. He is greatly disturbed over this situation and extremely anxious that US submit such a list. Information is requested in this regard.

Throughout conversation Lord Wright indicated that he desired to follow views of US Govt and was very anxious to receive them. He urged me to request instructions and information and said that while I might not be free to divulge any instructions which might be received, my vote on his motion would give him a lead as to the action which US believed the Commission should take.

Commission will probably adopt recommendations concerning investigation, apprehension, trial and punishment of Jap war criminals at special meeting of Commission to be held on Aug 17." [Hodgson]

After reading this message (No. 8279) which was brought to the Embassy Tuesday ⁹⁷ of this week for forwarding, I at once got in contact with the FonOff and asked that it intervene to prevent Lord Wright carrying out his suggestion to call a meeting in order to put the Jap Emperor and other Japs on the list of war criminals. The Four Powers were waiting at that time to get the reply from Tokyo announcing the Jap surrender.

Please read Embassy's 8280, Aug 15 from Hodgson in which Wright states he does not propose to list the Emperor's name and said he would await US action.

WINANT

⁹⁶ See telegram 8280, August 15, 6 p. m., from London, *infra*.

⁹⁷ August 14.

740.00116 PW/8-1545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 15, 1945—6 p. m.

[Received August 15—4:40 p. m.]

8280. From Hodgson. Lord Wright informed me Aug 15 that he will not propose to put Emperor's name on list. He said he would await US action. He expressed similar views in respect preparing and adopting list of major Jap war criminals. His assistant Oldham confirmed these views and said Lord Wright had been misunderstood. [Hodgson.]

WINANT

740.00116 PW/8-1645 : Telegram

The Chief of Staff (Marshall) to the Commander in Chief, Army Forces, Pacific (MacArthur), at Manila

WASHINGTON, 16 August, 1945.

50368. Reference urad⁸⁸ C 33573 dated 14 August 1945 signed Warcos.⁸⁹ Directive to you as Supreme Commander in Japan for Allied Powers covering war crimes now being prepared and will be forwarded soonest. Pending receipt, you may continue to be guided by section IV of annex A to appendix B of JCS 1023 on apprehension and detention war criminals.¹

[MARSHALL]

740.00116 PW/8-1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 16, 1945—5 p. m.

[Received August 16—3:40 p. m.]

8298. From Hodgson. Special Committee of War Crimes Commission composed of representatives of Australia, Canada, China, France, India, Netherlands, New Zealand, UK and US considering recommendations, concerning investigation, apprehension and trial of all classes of Jap war criminals, on draft basis of discussion prepared by myself which contains principles similar to those set forth

⁸⁸ Your radiogram.

⁸⁹ War Department, Chief of Staff; radiogram not found in Department files.

¹ For directive on the identification and apprehension of persons suspected of war crimes or other offenses and trial of certain offenders, despatched to the Commander in Chief, United States Forces of Occupation in Germany, in July, see *Conference of Berlin (Potsdam)*, vol. 1, p. 580.

in Moscow declaration² and Jackson report to President for European War criminals,³ the agreement recently negotiated by Justice Jackson⁴ and Commission documents C.46, 52 (1), 59, 86, 105 (1) and 122. Copies are being forwarded.⁵ Committee's next meeting on Aug 21. [Hodgson.]

WINANT

740.00116 PW/8-1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 16, 1945—5 p. m.

[Received August 16—3:41 p. m.]

8299. Refer despatch 145 dated June 23.⁵ From Hodgson. War Crimes Commission adopted Commission document C. 122 at meeting of Aug 15. Chinese representative informed Commission that Chungking Subcommission approved the document. [Hodgson.]

WINANT

740.00116 PW/8-1645 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 23, 1945—1 p. m.

7163. Urtels 8298, August 16, and 8279 and 8280 of August 15. For Hodgson. List of major Japanese war criminals now in preparation for State-War-Navy Coordinating Committee for inclusion as annex to the directive on war criminals to be issued to MacArthur.⁶ This list will be limited to individuals whose offenses are described in Category A, Article 6 of Charter of International Military Tribunal.⁷ List will be sent for your information as soon as available.

BYRNES

² October 30, issued November 1, *Foreign Relations*, 1943, vol. I, p. 755.

³ Report by Associate Justice Robert H. Jackson of the U.S. Supreme Court as U.S. Chief Counsel for the prosecution of Axis war criminals; see White House press release of June 7, Department of State *Bulletin*, June 10, 1945, p. 1071.

⁴ Agreement between the United States, France, the United Kingdom, and the Soviet Union respecting the prosecution and punishment of the major war criminals of the European Axis, signed at London August 8, 1945; for text, see Department of State Executive Agreement Series No. 472, or 59 Stat. (pt. 2) 1544, or United Nations Treaty Series No. 279.

⁵ Not printed.

⁶ General MacArthur as Supreme Commander, Allied Powers, Japan.

⁷ For text of Charter, see annex to agreement signed at London on August 8, 1945. Article 6, (a) reads as follows: "Crimes against peace: namely, planning, preparation, initiation or waging of a war of aggression, or a war in violation of international treaties, agreements or assurances, or participation in a common plan or conspiracy for the accomplishment of any of the foregoing."

740.00116 PW/9-145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 1, 1945—4 p. m.

[Received 6:33 p. m.]

8941. From Hodgson. Refer Embassy cable 8298 of August 16 and Department's cable 7493 of August 31.⁸ At meeting of War Crimes Commission held on August 29 Commission unanimously adopted recommendations contained in document SFEC 1 as revised by Special Committee subject to proviso that they may require reconsideration by Commission if terms of surrender should be found to be inconsistent with them. Copies of document adopted by Commission (C. 145 (1)) being forwarded today.⁹ Australia urged action. I opposed immediate action by Special Committee and requested postponement of its meetings but did not feel justified in absence of Department's view in further opposing action by it and Commission. Copies of draft sent to Judge Advocate General of Army on August 16. [Hodgson.]

WINANT

740.00116 PW/9-145

The United States Commissioner, United Nations War Crimes Commission (Hodgson), to the Secretary of State

No. 217

LONDON, September 1, 1945.

[Received September 13.]

SIR: I have the honor to transmit the following document for the information of the Department:

Document C.145 (1), 29th August, 1945.

SUMMARY RECOMMENDATIONS CONCERNING JAPANESE WAR CRIMES AND ATROCITIES.

Reference is made to Commissioner's Despatch 196 and Embassy's cable 8298 of August 16 and Department's cable 7493 of August 31.¹⁰

Document SFEC I, which is the draft basis of discussion, was considered preliminarily by a Special Committee appointed for that purpose on August 13th. H. E. Dr. V. K. Wellington Koo was elected chairman of the Committee. The committee adjourned its consideration of the document until August 16th, with the view of finally adopting proposals and presenting them to the Commission for adoption at

⁸ Letter not printed.

⁹ See despatch 217, *infra*.

¹⁰ Despatch 196 and telegram 7493 not printed.

a special meeting of the Commission to be held on August 17th. At my request this plan was abandoned and the committee's meeting was postponed until August 21st. Thereafter, I again proposed postponement of action and the committee's meeting fixed for August 21st was cancelled. When I was informed that a meeting of the committee would be held on August 27th, I opposed this action upon the ground that the committee should wait until the final surrender terms were made known and the Commission could act with knowledge of such terms. Furthermore, that most of the recommendations in the draft basis of discussion had already been incorporated into general recommendations, such as documents C-52(1) and C-122, which were as applicable to the Far East and Pacific as to Europe. However, Lord Wright and his assistant Mr. Oldham insisted that the document be considered at a meeting to be held on August 27th and the former called the meeting and placed the subject on the agenda. Both appeared to fear criticism unless the Commission acted and the latter intimated that he was acting at the instance of his Government. In the absence of instructions from the Department, I did not feel justified in formally moving for a postponement at the meeting of the committee held on August 27th or of the Commission held on August 29th. After revising the draft it was adopted by the Committee. It was reported to the Commission on August 29th by H. E. Wellington Koo who moved its adoption.

Paragraphs I to III of the enclosed document concern general policy, while the balance of the document relates to the mechanics of placing the policy recommendations into execution.

The first three paragraphs are an adaptation of the principles stated in the Moscow declaration of November 1st, 1943. These principles have been followed by the Commission throughout its existence, and were formally adopted in document C-52 (1).

Paragraph IV is generally the same as document C-122. There are certain amplifications and changes, the noteworthy ones being incorporated into subparagraphs *d*, *e*, *f* and *h*.

Paragraph V was substantially modified by the committee. The last two sentences of the draft were deleted upon my motion so that the ten Governments mentioned in the draft will not be entitled to appoint prosecutors should the recommendation be favorably considered by the Governments.

Likewise, paragraph VI was radically revised by deleting most of the details concerning the proposed International Tribunal. These details, at my insistence, were left to the discretion of the Supreme Commander to be taken care of by rules.

It will be noted that the recommendation contained in paragraph VI gives no proportion for the representation on the tribunal. Thus,

its members may be appointed in any proportion which the Supreme Commander believes advisable. Inasmuch as the recommendation provides for a five member court and ten Governments are named, in my opinion the Supreme Commander may select them from the forces of the mentioned Governments in any proportion.

It will also be noted that in subparagraph (b) or Paragraph VI it is recommended that the law to be applied should be "generally" the law in respect to crimes against peace and crimes against humanity defined in the Inter Allied Agreement.¹¹ This wording was suggested by Ambassador Koo.

The note of the Secretary-General otherwise explains the document.

Respectfully,

JOSEPH V. HODGSON
Lt. Col., JAGD, AUS

[Enclosure]

United Nations War Crimes Commission Document

C. 145 (1)

[LONDON,] 29 August, 1945.

**SUMMARY RECOMMENDATIONS CONCERNING JAPANESE WAR CRIMES
AND ATROCITIES**

Note by the Secretary General

In circulating the attached Recommendations the Secretary General, on instructions from the Commission, begs to call attention to the explanations and observations made by His Excellency Dr. Wellington Koo in his oral report to the Commission on 29th August. This report was in the following terms:

"The Special Far Eastern and Pacific Committee has completed its examination of the document which I mentioned in my oral report to the Commission on 15th August. It has drawn up the recommendations circulated in Document C.145, which as Chairman of the Committee I now submit for the Commission's approval.

These recommendations are expressed in summary form. This is partly because the authorities to whom they are addressed must obviously be responsible for the details of their application. It is also due to the fact that the recommendations do not contain entirely new proposals. They embody with appropriate changes proposals made by the War Crimes Commission for the European theatre of war, measures taken by the military authorities in that theatre and provisions contained in the Inter-Allied Agreement of 8th August 1945, for the Prosecution and Punishment of Major War Criminals of the European Axis.

The Committee submits the recommendations with the proviso that having been drawn up without knowledge of the terms of sur-

¹¹ Agreement signed at London on August 8, 1945.

render to be imposed on Japan, they may require reconsideration by the Commission if those terms should be found to be in any way inconsistent with them.”

[Subenclosure]

SUMMARY RECOMMENDATIONS CONCERNING JAPANESE WAR CRIMES
AND ATROCITIES

Adopted by the Commission on 29th August, 1945

The Governments of the United Nations have repeatedly protested against and denounced the monstrous crimes and atrocities of which the Japanese are guilty, and have declared that those responsible shall not escape retribution.

The United Kingdom, the United States and China in the ultimatum issued at Potsdam on July 26, 1945,¹² stated:

“. . . stern justice will be meted out to all war criminals, including those who have visited cruelties on our prisoners.”

These crimes and atrocities consist not alone of individual outrages. They are crimes and brutalities deliberately planned and systematically perpetrated throughout the Far East and Pacific areas. In consummation of their evil plan, the Japanese treacherously launched wars of aggression without ultimatum or declaration. They openly and flagrantly violated the solemn obligations which States, including their own, had undertaken by treaty or custom. They refused the ordinary protection of the law to the inhabitants of the countries they invaded. They did not respect family honour, the lives of persons, as well as religious convictions and practices. Inhabitants of countries which they overran have been ruthlessly tortured, murdered and massacred in cold blood; rape, torture, pillage, and other barbarities have occurred where their forces have operated; and cities have been wantonly destroyed and entire countrysides devastated for no military purpose. Despite the laws and customs of war and their own assurances, prisoners-of-war and other nationals of the United Nations have been systematically subjected to brutal treatment and horrible outrages calculated to exterminate them. These barbarities include massacre, murder, torture, starvation and other ruthless oppressions.

Having in view the foregoing, and in order to effect the practical measures to bring to justice the persons responsible, the Commission recommends:

¹² *Conference of Berlin (Potsdam)*, vol. II, p. 1474.

I

That those Japanese who have been responsible for the plans or policies which resulted in these abominable crimes and atrocities should be surrendered to or apprehended by the United Nations for trial before an international military tribunal. These individuals and officials should include those in authority in the Government, in the military and police establishments, in the secret societies and other criminal associations, and in the financial and economic affairs of Japan who by all civilised standards are provable to be war criminals. The case against these major criminals is that they have devised, set in motion and carried out the criminal plans and enterprises which incited or resulted in the aggressions, cruelties and brutalities which have outraged the civilised world. All of these barbarities are flagrant violations of international law, including the laws and customs of land and naval warfare. The persons to be charged should be determined by the rule that all who participate in the formulation or execution of a criminal plan involving multiple crimes are liable for each of the offences committed and responsible for the acts of each other.

II

That those Japanese holding key-positions in the civil, military or economic life of Japan who, perhaps, did not devise or set in motion plans which resulted in these crimes and barbarities, but nevertheless directed the carrying out of such plans within Japan or in the territories of more than one of the United Nations, should be surrendered to or apprehended by the United Nations for trial before an international military tribunal. This category of criminals includes those individuals and officials, usually in key-positions in the Government, who have willingly planned the details of and put into execution the monstrous schemes of the Japanese leaders. It also includes those brutal and ruthless criminals who, both inside and outside Japan, have been guilty of mass criminality towards the nationals of many of the United Nations. Among such persons were those in charge of certain prisoner-of-war and civilian internment camps where the people of many nations have been starved, tortured, murdered or otherwise atrociously maltreated.

III

That those Japanese who have been responsible for, or have taken a consenting part in the crimes or atrocities committed in, or against the nationals of, a United Nation should be apprehended and sent back to the countries in which their abominable deeds were done or against whose nationals crimes and atrocities were perpetrated in

order that they may be judged in the courts of those countries and punished.

IV

That a Central War Crimes Agency be established and maintained in Japan by the military authority and adequately staffed with investigators, detectives, lawyers and other technicians selected from the United Nations, to perform the following duties:

(a) To investigate all war crimes planned, directed or perpetrated inside Japanese territory;

(b) To gather all evidence inside Japanese territory relating to Japanese war crimes and atrocities wherever committed;

(c) To transmit to the United Nations War Crimes Commission or its Sub-Commissions evidence of war crimes detected by it, evidence of war crimes committed by persons whose names are not yet on the lists of the Commission or its Sub-Commissions, or evidence of crimes which point to the existence of a general enterprise or pattern;

(d) To establish and maintain a register of all Japanese war criminals wanted or apprehended by it or any United Nation, or tried by any United Nation or the International Military Tribunal. Each United Nation should promptly notify the Agency of all war criminals wanted, apprehended or tried by it, and the Agency should circulate to each Government and the United Nations War Crimes Commission and its Sub-Commissions lists of such criminals. The register should be similar to that maintained by the Central Recording Office of War Criminals and Security Suspects in the European Theatre of Operations;

(e) To establish and maintain a Central War Crimes Evidence Centre to which should be sent all evidence of war crimes secured by any Government or Agency. The evidence should be indexed and be open to the examination of the representatives of any interested United Nation Government. These representatives should be given free access to the records and should be permitted to make certified copies of such papers as they may require;

(f) To arrange for the apprehension and detention of all Japanese war criminals in Japan whose names or identifying data are discovered by it or are furnished by the United Nations War Crimes Commission and its Sub-Commissions or any United Nation Government;

(g) To notify the United Nations War Crimes Commission and its Sub-Commissions and the Governments of all war criminals so apprehended;

(h) To arrange for the surrender to the interested Governments any of the Japanese war criminals mentioned under III above, who

are apprehended in Japan and whose surrender is requested by a United Nation Government. In case a war criminal is wanted by two or more Governments, the Agency should decide the terms of surrender;

(i) To co-operate with the United Nations War Crimes Commission and its Sub-Commissions, the Central War Crimes Prosecution Office and the interested United Nation Governments in all matters regarding Japanese war crimes;

(j) To maintain branch offices throughout the Far East and Pacific areas to receive evidence and other information concerning war crimes and war criminals, and to co-ordinate its work with that of the National War Crimes Offices.

Representatives from each of the National Offices concerned, acting as liaison officers, should, if desired, be attached to the Central War Crimes Agency or to any branch. They would be invited to take charge, and, in conjunction with the Central War Crimes Agency, to investigate war crimes committed in or against the nationals of their own countries.

All of the military forces and other agencies of the Governments should co-operate with and assist the Central War Crimes Agency in the discharge of its duties.

V

That a Central War Crimes Prosecution Office should be established and maintained in Japan, adequately staffed to prepare and file the charges, to collect, analyse and sift the evidence, and to present to an International Military Tribunal the cases of the war criminals mentioned under I and II above.

VI

(a) That the Supreme Commander of the United Nations military forces or any Control Council or other Authority in Japan should appoint one or more International Military Tribunals for the trial of the war criminals mentioned under I and II above, each of which Tribunals should be composed of five members. The members should be selected and appointed on each Tribunal, after designation by their respective Governments, from the military forces of Australia, Canada, China, France, India, the Netherlands, New Zealand, the Union of Soviet Socialist Republics, the United Kingdom and United States. The Appointing Authority should adopt rules for its procedure.

(b) The Tribunal should have jurisdiction to try any of the war criminals mentioned under I and II above, who are charged with any of the crimes and atrocities which the Japanese have perpetrated.

The law to be applied by the Tribunal should be the laws and customs of war, and generally the law in respect to crimes against peace and crimes against humanity defined in the Inter-Allied Agreement of August 8th, 1945, applicable to the major war criminals of the European Axis.

VII

That the war criminals mentioned under III above, upon apprehension, should be promptly surrendered to the countries in which or against whose nationals they committed their crimes unless they are wanted as accused or witnesses in any trial before an International Military Tribunal. In the latter event, their surrender should be deferred until the conclusion of such trial or immediately effected upon such terms as may be agreed upon.

VIII

That His Majesty's Principal Secretary of State for Foreign Affairs in the United Kingdom¹³ be requested to convene as soon as possible a conference to carry out such of the foregoing recommendations as may require implementation.

740.00116 PW/9-545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 5, 1945—9 p. m.
[Received 10 : 12 p. m.]

9099. From Hodgson. Due to reports released and published about American war crimes investigations in Japan and rapidly increasing newspaper inquiries about War Crimes Commission work regarding Japanese, Chairman of Commission stated at September 5 meeting that it was imperative that Commission issue press statement in order to avoid pending criticism. He proposed that Public Relations Committee prepare statement on September 6 to be considered by Commission on September 7. He also proposed that Commission consider releasing substance of recommendations in document C.145(1).¹⁴ It was stated by me that while some general statement might be advisable it was inadvisable and dangerous to make any statement referring to specific recommendations, names, or numbers of names on lists or similar matters until after occupation of Japan was substantially complete and until after Govts had received and considered recommendations in C.145 (1). Course followed by Com-

¹³ Ernest Bevin.

¹⁴ Document quoted in despatch 217, September 1, *supra*.

mission in Europe as well as safety of military forces was used by me as basis of argument. Finally agreed that Far East and Pacific Committee of which Ambassador Koo, Chairman, should prepare general statement on September 6 to be considered by Commission on September 7. China and India supported my view that no mention should be made of names or numbers of names on lists or of recommendations contained in C.145 (1) and I believe no reference will be made to those matters. Draft statement will probably distinguish between functions of Commission and functions of the national offices, refer to Chungking Sub-Commission and mention that recommendations have been sent to governments without giving contents. [Hodgson.]

WINANT

740.00119 Control (Japan)/9-645

*Memorandum by the Director of the Office of Far Eastern Affairs
(Ballantine)*¹⁵

[WASHINGTON,] September 6, 1945.

The Department's representatives on the SWNCC¹⁶ subcommittee for the Far East find it necessary to take a position on the question of the policy which should be followed in the trial of war criminals. I feel that this is a matter which should be decided by the policy officers of the Department and I attach a memorandum prepared by Dr. Quincy Wright setting forth the issue before the committee and his recommendations in regard thereto, in which I concur. You will note that he states that it would be desirable to have a decision on this matter by Friday morning, September 7.

I would therefore appreciate your indicating whether you concur in the recommendation or whether you desire that some other position be taken.¹⁷

J[OSEPH] W. B[ALLANTINE]

[Annex]

*Memorandum by the Consultant of the Office of Far Eastern Affairs
(Wright), to the Director of the Office (Ballantine)*

[WASHINGTON,] September 6, 1945.

Subject: Directive Concerning Prosecution of War Criminals in Japan

1. The question has arisen in a special Sub-committee of SWNCC concerning the policy which should be followed in the trial of war

¹⁵ Addressed to the Under Secretary of State (Acheson) and the Legal Adviser (Hackworth).

¹⁶ State-War-Navy Coordinating Committee.

¹⁷ Notation by Mr. Hackworth: "Agree GHH."

criminals. Every one in the special Sub-committee has agreed upon the procedure to be followed in regard to war criminals other than major war criminals. There is, however, disagreement in regard to the prosecuting agency and tribunals to deal with major war criminals such as those charged with the initiation of aggressive war.

2. It has been suggested that a directive should be sent with approval of the Joint Chiefs of Staff to the Supreme Commander for the Allied powers to establish a prosecuting agency to prepare cases against such major war criminals and to establish international military tribunals consisting of officers or civilians from Allied countries as well as from the United States for the trial of such major war criminals.

3. In support of this suggestion it is contended that such a procedure would eliminate the delays and difficulties which have been encountered in Europe in establishing and conducting a prosecuting agency and a tribunal by international action. It is also contended that such a procedure would assist in establishing the authority of the Supreme Commander to act in all matters for the Allied powers.

4. On the other hand it is contended that our Allies might feel that when dealing with a matter of obvious international importance directives to the Supreme Commander for the Allied powers ought to be approved by all the powers for which he acts, and furthermore that it would be of great advantage if the tribunal which tries major war criminals acted directly under international authority. Such a tribunal would command greater respect in establishing precedents and in impressing the Japanese people, and would also take some of the onus, certain to attach to the trial of major war criminals, from the shoulders of the United States.

5. With the above considerations in mind the Department of State representatives on the special Sub-committee would like to take the following position:

(a) No directive should be sent to the Supreme Commander in the matter of the international prosecuting agency and the international tribunal for major war crimes until cleared by our principal Allies.

(b) The policy should be adopted of establishing a unified agency under the Supreme Commander for prosecuting war criminals. On the other hand the tribunal for the trial of such war criminals should be established by agreement among the principal Allies and should act under their authority.

(c) A note stating these policies should at once be sent to Great Britain, China, the Soviet Union and perhaps other Allied countries asking for their approval of these policies.

(d) As soon as that approval has been obtained a directive should be sent to the Supreme Commander to organize the prosecuting agency and steps should be taken to establish the tribunal.

6. We would appreciate knowing whether this procedure has your approval, if possible before the meeting of the special Sub-committee Friday morning, the 7th September.

740.00119 Control (Japan)/9-645

The Under Secretary of State (Acheson) to the Director of the Office of Far Eastern Affairs (Ballantine)

[WASHINGTON,] September 6, 1945.

MR. BALLANTINE: I have had the benefit of Justice Jackson's views on this point.¹⁸ I wish that the Committee would consider the practicality of the following suggestions:

(1) It is most important that there should be a unified prosecuting staff operating upon a single set of instructions regarding the preparation and presentation of cases. I think, therefore, that General MacArthur should set up this staff, give it its instructions and, if he thinks best, invite nationals of other Allied nations concerned to join it. Justice Jackson concurs in this view.

(2) It is most important that the procedure and principles of the tribunal, as well as the definition of crimes, should harmonize with those adopted for the prosecutions in Germany. Would it, therefore, be practicable for General MacArthur to set up a tribunal of procedures, principles and definitions of crime closely following those adopted for Germany, state that this had been done, and ask the other principal United Nations involved to appoint judges? Justice Jackson's opinion is that the difficulty of working out with the other nations concerned (China was not concerned in the European negotiations and therefore he knows nothing about difficulties which might come from the Chinese side) an agreement setting forth principles, procedures and definitions would not be too great or time-consuming although he believes that it would take appreciably longer than it would if General MacArthur took the steps mentioned above.

I incline toward the desirability of having General MacArthur do the whole thing, particularly as this preserves the principle of his authority and does not put us in the position of being the first to question them. I should like to know the Committee's views on the suggestions which I have made.

DEAN ACHESON

¹⁸ See memorandum by the Director of the Office of Far Eastern Affairs, *supra*.

740.00116 PW/9-745

The Assistant Secretary of War (McCloy) to the Acting Secretary of State (Acheson)

WASHINGTON, 7 September, 1945.

DEAR DEAN: I understand that there is some disagreement between your working group on the Far Eastern war criminals matter and the Army and Navy people. The War and Navy working members feel very strongly that General MacArthur should be given power

1. to set up international military courts to try all Far Eastern war criminals (in cases where they should be tried by an international court as opposed to a military court of a single nation). This would include the major Far Eastern criminals as well as the lesser fry;

2. to prescribe rules of procedure and to define the applicable principles of substantive law to be applied by the courts so created. In the case of the major war criminals these rules of procedure and applicable principles of law would be entirely harmonious with those in force in Europe as arranged by Mr. Justice Jackson;

3. to appoint himself, the members of the court upon nominations obtained by him from members of participating nations.

The working members from the two service departments feel that the power of appointment should rest in General MacArthur upon *nomination* by the governments concerned (preferably through their local military commanders) rather than having it committed to the governments themselves. I understand that a memorandum of the reasons supporting this conclusion has been submitted to you. I attach an extra copy (Tab "A"), and I agree with the views so expressed.

I think the State Department working group, which seems to prefer having the members of the court appointed directly by the governments concerned, places entirely undue weight upon the importance of such direct appointment. A court appointed by General MacArthur as Supreme Allied Commander would be, and could be publicized as being, an international court in every sense. If well selected, its decisions would have just as much weight in establishing precedents and in impressing the Japanese people as a more cumbersome court appointed directly by the governments concerned. As an international court, it would be fully as effective in spreading over several nations the responsibility for trial of the major Japanese war criminals.

I hope you will go along with the War and Navy Department working groups' recommendation in this respect.

Sincerely,

JOHN J. McCLOY

I think it will save us many of the delays and vexations which Jackson encountered in Germany.

[Enclosure]

Memorandum for the Acting Secretary of State

The Service representatives believe that appointment of the judges by General MacArthur upon nominations received by him from the several nations, is advantageous for the following reasons:

a. It will expedite appointment of courts. If nominations are not received, he may proceed without participation by a particular nation.

b. It will permit negotiation on a military level for the appointment by the nations concerned of judges, having legal training and language abilities which will minimize the practical obstacles resulting from differences in language, juristic background and similar matters.

c. It will enable General MacArthur to perform more effectively the functions with respect to war criminals as to which world opinion will charge him with responsibility.

d. In the opinion of the Service representatives, a court, appointed by General MacArthur upon nominations of the several governments concerned (preferably acting through their local military commanders), will be an international military tribunal of the same quality, type and established to apply the same principles and in the same manner as the international Military Tribunal appointed to deal with the subject in Europe, as arranged by Mr. Justice Jackson. It is believed by the Service representatives that the proposed court so appointed by General MacArthur would in all respects act in a manner consistent with the European precedent.

740.00116 PW/9-945 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, September 9, 1945—8 a. m.

[Received 1 p. m.]

1559. Department's 1397, September 5.¹⁹ Before reorganization Chinese National Office in June, slow progress was made by Chungking Sub-Commission, but since then National Office has been functioning efficiently and listing of war criminals by Sub-Commission now proceeding rapidly. First war criminals were listed July 27 and to date 342 persons named. At 11th meeting Sub-Commission September 7 there were listed 82 Japanese war criminals holding key positions, all Generals or Lieutenant Generals, including such notorious characters as Yamashita, Homma, Doihara, Terauchi, Matsui, and Honjo.

¹⁹ Not printed.

Ordinary cases are filed by National Office with Sub-Committee on facts and evidence which after examination presents them to Sub-Commission. Key criminals presented by National Office directly to Sub-Commission for final action. So far only nation filing cases with Sub-Commission is China.

Dutch and Australian members of Sub-Commission are prone to quibble over minor details, thus to some extent handicapping Chinese National Office.

Secretary General of Sub-Commission recently informed Smyth²⁰ confidentially that Chinese appreciated very much helpful and co-operative attitude of American members and assistants (Major West has given much time and advice to National Office) in contrast to carpingly critical attitude of some foreign members.

HURLEY

740.00116 P.W./9-1145

The United States Commissioner, United Nations War Crimes Commission (Hodgson), to the Secretary of State

No. 226

LONDON, September 11, 1945.

[Received September 21.]

SIR: I have the honor to refer to Commissioner's despatches numbered 168, 185 and 188 of July 26th, August 6th and August 9th, respectively,²¹ Embassy's cables 8279 and 8280 of August 15th, and Department's cable 7163 of August 23rd, and to report that, as advised in Embassy's cable 8280, the United Nations War Crimes Commission is awaiting the filing by the United States of pertinent information or lists concerning the major Japanese war criminals before preparing and adopting a list of such war criminals. As pointed out in the mentioned despatches, in the absence of any information upon this subject, it is considered necessary that the Commission first receive the basic information from the Governments.

The substance of my conversations with Lord Wright, Chairman of the Commission, and Mr. Oldham, his assistant, concerning Lord Wright's proposal to place the name of the Emperor upon the Commission's lists and to compile and adopt a list of major Japanese war criminals is outlined in the two mentioned Embassy cables, as well as in a telephone conference initiated on August 15th by Brigadier General John M. Weir, Director, War Crimes Office, Office of The Judge Advocate General. In view of H. E. Ambassador Winant's intervention to prevent Lord Wright carrying out his suggestion to put the Emperor and other Japanese on the Commission's lists of war criminals (Embassy's cable 8279 of August 15) and the War Depart-

²⁰ Robert L. Smyth, Counselor of Embassy in China.

²¹ Despatches 168 and 188 not printed.

ment's cable (War 49639)²² stating "strongly urge that no action be taken on the Emperor" and that "no action should be taken on listing major Japanese criminals until after formal surrender has become effective", no action has been taken in the mentioned regard, but Lord Wright has made it clear that in view of American objections to his proposals, the responsibility for the absence of the names of the major Japanese war criminals, including the Emperor's, from the Commission's lists rests upon the United States. I believe that if there is inquiry or criticism he intends to make this clear.

When I talked with Lord Wright on August 15th he said that he had made the proposals and that he felt that he had fully discharged his duty to the Commission, the Governments and the public. If any action to list the Emperor or to prepare and adopt a list of major Japanese war criminals was to be taken in the future it would have to be at the instance of a Government, and, inasmuch as the United States was the principal Government concerned, at the instance of the United States Government. He also said that perhaps there would be criticism for not having listed the Emperor or for not having adopted a list of major Japanese war criminals. If criticism did occur, responsibility would have to rest on the United States and not on the Commission or Australia. In addition, he said that the United States, while it was the principal prosecutor of the Japanese war and unquestionably in possession of much information concerning Japanese war crimes, had not furnished information, filed cases or compiled and transmitted for adoption a list of major Japanese war criminals. He concluded that the adoption of such a list, although urgent, would be held in abeyance until the United States furnished the necessary list or information.

Since then no action has been taken to list the Emperor or to prepare a list of major Japanese war criminals.

London newspapers have recently carried accounts of purported statements of American officials to the effect that a list of major Japanese war criminals had been prepared by the United States Government. This was also indicated in Department's cable 7163 of August 23rd.

In view of the foregoing, it is my opinion and recommendation that the United States should forward, as soon as possible, for consideration and adoption by the Commission, a list of Japanese considered by it to be major war criminals. Even if incomplete, in my opinion, it should be forwarded for consideration and adoption with the understanding that it is incomplete and that additional names may be added at a later time.

It is also strongly recommended that the United States furnish information to the Commission about Japanese war crimes and file

²² Latter not found in Department files.

with the Commission, as soon as possible, American cases involving alleged Japanese war criminals. With the cessation of hostilities in the Japanese war, the principal reason for withholding Japanese cases would seem to have disappeared. It is well recognized by the Commission that while the United States may not have suffered from war crimes in Europe to the same extent as the European nations, it has been one of the principal victims of Japanese war crimes. It is also known, as indicated by the Secretary's recent statement,²³ that the United States has gathered much evidence in this regard. Consequently, the Commission relies principally upon the United States for information and cases about Japanese war crimes. If these are withheld much longer it will probably be taken as a reflection upon its avowed support of the Commission.

In connection with the foregoing it should be borne in mind that the United States has filed no information concerning European war crimes or cases against European war criminals. Yet, the British press carries stories of American trials of such war criminals. In this regard it was stated in the memorandum about the United States War Crimes Office, transmitted in Department's despatch No. 54 of April 23, 1945,²⁴ that cases would be presented to the Commission after all possible sources of information had been investigated. It is, of course, obvious to members of the Commission that, if cases are being tried, the investigations are complete.

It is my belief that it would be highly advantageous to the United States, the other Governments and the Commission if all cases, European and Japanese, and all other information concerning war crimes were filed immediately with the Commission. In view of present circumstances, I feel that I cannot underline this recommendation too strongly.

Respectfully,

JOSEPH V. HODGSON
Lt. Col., JAGD

740.00116 P.W./10-345

*Report by the State-War-Navy Coordinating Subcommittee for the Far East*²⁵

SWNCC 57/3

[WASHINGTON, September 12, 1945.]

THE PROBLEM

1. To determine the policy of the United States in regard to the apprehension and punishment of war criminals in the Far East.

²³ For Department's statement on September 5, see Department of State *Bulletin*, September 9, 1945, p. 343; see also documentation printed *ante*, pp. 316 ff.

²⁴ Not printed.

²⁵ Approved by the full Committee on October 2, 1945.

2. To prepare a directive on the subject to the Supreme Commander for the Allied Powers.

FACTS BEARING ON THE PROBLEM

3. See Appendix "A" for "Facts Bearing on the Problem."

DISCUSSION

4. See Appendix "B" for "Discussion."

CONCLUSIONS

5. Appendix "C" should be approved as the policy of the United States in regard to the apprehension and punishment of war criminals in the Far East.

6. Steps should be taken by the United States to secure the agreement of China, Great Britain and the Soviet Union, along with such other nations as might be agreed upon, to the principles contained in Appendix "C".

7. Pending agreement on Appendix "C" by the nations concerned, the directive at Appendix "D" should be approved and dispatched to the Supreme Commander for the Allied Powers.

RECOMMENDATIONS

8. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff with a request for their comments from the military point of view as a matter of priority;

b. Upon approval by the State-War-Navy Coordinating Committee of the "Conclusions" in paragraphs 5, 6 and 7, including the policy at Appendix "C" and the directive at Appendix "D", this report be transmitted to the Joint Chiefs of Staff and to the State, War and Navy Departments for their guidance and, where appropriate, for implementation; and

c. After final approval by the State-War-Navy Coordinating Committee, the United States National War Crimes Office be requested by the State-War-Navy Coordinating Committee to furnish the appropriate lists of war criminals to General MacArthur forthwith.

[Enclosure 1]

APPENDIX "A"

FACTS BEARING ON THE PROBLEM

1. The United Nations from time to time have made declarations of their intention that war criminals should be brought to justice.

In the tripartite declaration to Japan issued by the U.S., U.K., and China at Potsdam on 26 July 1945²⁶ and subsequently adhered to by the Soviet Union, it is stated that "stern justice shall be meted out to all war criminals".

2. During the progress of hostilities the Allied Commanders in the various theaters possessed and exercised authority, by virtue of their command, to appoint international military courts for the trial of various war criminals. The U.S., U.K., U.S.S.R. and France have also established an International Military Tribunal²⁷ for the just and prompt trial and punishment of major war criminals of the European Axis nations. The agreement establishing that Tribunal defines the crimes set forth in paragraph 1 of the attached directive (Appendix "D") as within its jurisdiction. Consideration has been given to that agreement in preparing this report.

3. U.S. policy with reference to the apprehension, extradition and trial of war criminals in Europe, to the extent that such policy is to be executed by military commanders in Germany, is stated in IPCOG 13 (J.C.S. 1023/10), to which consideration has been given in the preparation of this report.

4. Consideration has also been given to the U.S. "Directive on United Nations' Renegades and Quislings" issued to the Commander-in-Chief, U.S. Forces in Germany (J.C.S. 1349).

5. The United Nations War Crimes Commission at London, in response to a query from its Far Eastern and Pacific Sub-Commission in Chungking, instructed the Sub-Commission on February 7, 1945 as follows:

"Considering the question in the light of its own practice, the Commission feels that the Sub-Commission should not limit its investigations to war crimes committed after a particular date, and that each case should be considered on its own merits."

6. The report submitted June 7, 1945 to President Truman by Justice Jackson, Chief of Counsel for the United States, in the prosecution of the European Axis War Criminals,²⁸ contains the following passage concerning the treatment of suspected war criminals in the custody of United States forces:

"I asked the War Department to deny those prisoners who are suspected war criminals the privileges which would appertain to their rank if they were merely prisoners of war; to assemble them at convenient and secure locations for interrogation by our staff; to deny them access to the press; and to hold them in close confinement ordi-

²⁶ *Conference of Berlin (Potsdam)*, vol. II, p. 1474.

²⁷ See annex to agreement signed at London, August 8, 1945, Executive Agreement Series No. 472, or 59 Stat. (pt. 2) 1544.

²⁸ See White House press release, June 7, Department of State *Bulletin*, June 10, 1945, p. 1071.

narily given suspected criminals . . . Our choice is between treating such prisoners as honorable prisoners of war with the privileges of their ranks, or to classify them as war criminals, in which case they should be treated as such. I have assurances from the War Department that those likely to be accused as war criminals will be kept in close confinement and stern control."

[Enclosure 2]

APPENDIX "B"

DISCUSSION

1. In various respects the policies and, to some extent, the procedures concerning the apprehension and treatment of war criminals as set forth in the Directive to the Commander in Chief of the U.S. Forces of Occupation in Germany (J.C.S. 1023/10) and in the Charter for the International Military Tribunal for Europe will be suitable for the Far East also. However, the propensity of the Japanese for suicide as an honorable escape from a dishonorable or hopeless position, and the tendency of the Japanese public to martyrize perpetrators of the most atrocious crimes if the accused pleads patriotic motives for his act, indicate the need for special precautions. In order that Japanese war criminals may not escape the ignominy of punishment for their offenses, and in order that the Japanese people may be impressed with the fact that such persons are really criminals and not patriots, suicides should be kept to a minimum. To that end, suspects' names should be kept secret until the moment of their arrest. The Japanese authorities should not be charged with direct responsibility for seizing suspected war criminals, as this procedure would afford increased opportunity for suicide or escape, although they may be required to give such assistance as the occupation authorities consider necessary and advisable. No public announcement should be made of the suspect's arrest and, once in custody, he should be afforded no opportunity through the press or by other means to plead his case before the Japanese public.

2. Similarly, the procedures and policies contemplated or already being applied in Europe relating to the trial and punishment of war criminals will be generally applicable in the Far East. Military and civil courts in the colonial countries of Southeast Asia, employing the same judicial procedures and legal codes as in the metropolitan countries, should be capable of trying and punishing war criminals sent back to the scenes of their crimes in that region. The Chinese courts should also be adequate for the purpose.

3. The advantages of an international military tribunal or tribunals for the trial of major criminals charged with offenses under paragraph

1. A. of the directive (Appendix "D"), and of organizations whose members are collectively charged with criminal acts, for example, the Japanese Army and Navy General Staffs of recent years and the leading ultra-nationalistic societies, are as apparent in the case of Japan as in the case of Germany.

4. The charter of the International Military Tribunal for Europe provides for a committee for the investigation and prosecution of major war criminals to be composed of a chief prosecutor from each of the signatory powers. This committee will, in general, determine the major war criminals to be tried by the International Tribunal, approve indictments, recommend rules of procedure, investigate and collect evidence prior to trial, secure witnesses and act as prosecutor at the trials. It is believed that a similar committee or agency should be established for Japan under the authority of the Supreme Commander for the Allied Powers. Experience in Europe has shown the desirability of a unified prosecuting agency.

[Enclosure 3]

APPENDIX "C"

POLICY OF THE UNITED STATES IN REGARD TO THE APPREHENSION AND PUNISHMENT OF WAR CRIMINALS IN THE FAR EAST

[Here follow paragraphs 1 through 5, which are substantially the same as similarly numbered paragraphs in Appendix D, *infra*.]

6. The Supreme Commander for the Allied Powers (a) should promptly establish an agency, acting under his Command to investigate reports of war crimes, to collect and analyze evidence, to arrange for the apprehension and prompt trial of suspects, to prepare, supervise and conduct the prosecution of individuals and organizations before international military courts or tribunals, and to recommend to the Supreme Commander which individuals and organizations should be prosecuted, before what courts they should be tried and what persons should be secured as witnesses, and (b) should provide, after discussion with the local representatives of the nations involved, and in a manner consistent with efficient administration, for equitable inclusion in the membership of such agency of suitable representatives of the United States, China, Great Britain and the Soviet Union and of other United Nations. This agency should advise the Supreme Commander and other Military commanders for the Allies on matters relating to war criminals. This agency should attach importance to the investigation of the evidence that offenses of the type described in paragraph 1.A. above have been committed, should collect and analyze the evidence of such offenses and should recommend to the

Supreme Commander a plan as indicated in paragraph 5 above for the appointment of an international court for the trial of such offenses and the charges to be preferred. This agency should also maintain a central record and information office of Japanese war criminals and war crimes, the records and files of which should be available to any interested United Nation.

7. The military command of any nation (including the United States) participating in the occupation of areas previously dominated by Japan may upon the authorization of the Supreme Commander for the Allied Powers establish special national military courts to deal with war criminals not held or requested by the Supreme Commander for trial by an international military court or tribunal of the types referred to in paragraph 6 above. Such courts should be separate from courts which may be set up to deal with current offenses against the occupation or infractions of military discipline.

8. Military commanders of forces of occupation in the Far East should promptly comply with a request by the government of any one of the United Nations or Italy for the delivery to it of any person who is stated in such request to be charged with a war crime, subject to the following exceptions:

(1) Persons who have held high political, civil or military positions in the Japanese Empire or in one of its allies, co-belligerents or satellites, should not be delivered, pending decision whether such person should be tried before an international military court or tribunal. Suspected war criminals desired for trial before such a court or tribunal or persons desired as witnesses at such trials will not be turned over to the nation requesting them so long as their presence is desired in connection with such trials.

(2) Where persons are requested by more than one of the Governments above mentioned for trial of a war crime, the military commanders concerned should make their determinations based on all the circumstances, including the relative seriousness of the respective charges against such a person and the national interests involved, and should deliver the requested person to a particular United Nation or Italy accordingly.

9. Compliance with any request for the delivery of a suspected war criminal should not be delayed on the ground that other requests for the same person are anticipated.

10. Delivery of a suspected war criminal to a requesting government should be subject to the condition that if such person is not brought to trial, tried and convicted within six months from the date he is so delivered, he will be returned to the authority who made delivery if he has been requested for trial by any of the other United Nations or Italy.

11. Military commanders should take under their control, pending subsequent decisions as to its eventual disposition, property, real and

personal, found in areas of their respective jurisdiction and owned or controlled by persons taken into custody pursuant to the provisions of paragraph 3 above.

12. Such measures as are deemed necessary should be taken to insure that witnesses to war crimes will be available when required.

13. The execution of death sentences should be deferred if there is reason to believe that the testimony of those convicted would be of value in the trial of other war criminals.

14. Any national of any United Nation who may be requested, or who there is reason to believe may be desired, by his government as a renegade or quisling, should be arrested. Such persons should normally be turned over as soon as practicable to their government.

15. Military commanders having custody of alleged offenders requested under paragraphs 8 and 14 above, if in doubt as to whether such persons should be turned over to the demanding nation for trial, should consult their government and, in appropriate cases, leave the matter to be dealt with through diplomatic channels. Within the main islands of Japan, the Commander in Chief, U. S. Army Forces in the Pacific [*Supreme Commander for the Allied Powers*²⁹], will have custody of such alleged offenders and should consult the Joint Chiefs of Staff in cases of doubt.

[Enclosure 4]

APPENDIX "D"

DRAFT JOINT CHIEFS OF STAFF DIRECTIVE ON THE IDENTIFICATION, APPREHENSION AND TRIAL OF PERSONS SUSPECTED OF WAR CRIMES

This directive is issued to you as Supreme Commander for the Allied Powers.

1. The term "war crimes" as used herein, includes:

A. Planning, preparation, initiation or waging of a war of aggression or a war in violation of international treaties, agreements or assurances, or participation in a common plan or conspiracy for the accomplishment of any of the foregoing.

B. Violations of the laws or customs of war. Such violations shall include but not be limited to murder, ill-treatment or deportation to slave labor or for any other purpose of civilian population of, or in, occupied territory, murder or ill-treatment of prisoners of war or internees or persons on the seas or elsewhere, improper treatment of hostages, plunder of public or private property, wanton destruction of cities, towns or villages or devastation not justified by military necessity.

C. Murder, extermination, enslavement, deportation and other inhumane acts committed against any civilian population, before or

²⁹ As amended by the full Committee on October 2, 1945.

during the war or persecutions on political, racial or religious grounds in execution of or in connection with any crime defined herein whether or not in violation of the domestic law of the country where perpetrated.

2. The offense need not have been committed after a particular date to render the responsible party or parties subject to arrest, but, in general, should have been committed since, or in the period immediately preceding the Mukden incident of September 18, 1931. The preponderance of cases may be expected to relate to the years since the Lukouchiao incident of July 7, 1937.

3. You will, in the areas subject to your jurisdiction, take all practicable measures to identify, investigate, apprehend and detain all persons whom you suspect of having committed war crimes as defined in paragraph 1, subparagraphs B and C above, and all persons whom any one of the United Nations or Italy notifies to you as being charged with such crimes. You will similarly apprehend and detain the persons deemed to be liable under paragraph 1.A. above, who are named in any list which may be sent you by the United States National War Crimes Office and such other persons against whom you have probable cause for charging under paragraph 1.A. upon the basis of evidence available to you. In executing these tasks you will require from the Japanese such assistance as you deem necessary.

4. You will hold suspected war criminals in close confinement, without access to the press or other media of public information, and without distinction as to rank or position, as befits ordinary criminals.

5. As Supreme Commander for the Allied Powers, you have power (a) to appoint special international military courts (which term shall be held to mean tribunals of any kind), composed of military or naval officers or civilians of two or more of the United Nations, for the trial, under any applicable law, domestic or international, including the laws and customs of war, of Far Eastern war criminals where the alleged offenders are, in the Supreme Commander's opinion, appropriately to be tried by an international court; and (b) to prescribe or approve rules of procedure for such tribunals. The appointment of any such international court will be discussed by the Supreme Commander or his designated representative in advance with the appropriate local officers or representatives of each nation to be represented upon such a court and fair arrangements will be made for³⁰ appropriate representation of each such nation upon the court. No such officer or civilian will be appointed to serve upon such a court without the approval of the local commander of the forces of his nation or such other official as any nation may prescribe to give such approval

³⁰ From this point through first sentence of paragraph 8 as revised by the full Committee on October 2, 1945.

for its own nationals. In the appointment of any such international court and in all trials before it, the international character of the court and of the authority by which it is appointed should be properly recognized and emphasized, particularly in dealings with the Japanese people. Until further authorization by the Joint Chiefs of Staff, no international court for the trial of persons charged with offenses of the type described in paragraph 1.A. above will be established by the Supreme Commander. In submitting any plan for the appointment of such a court, you should specify the particular offenses and alleged offenders to be tried before the court and the nature of the coordination of the plan effected by you on a military level with representatives of the nations to be represented upon the court.

6. You will have (a) the responsibility for carrying out the judgments of any international courts or tribunals and (b) the power to approve, reduce or otherwise alter any sentence imposed by such a court or tribunal, but not to increase the severity thereof.

7. You may authorize the military command of any nation participating in the occupation of Japan, including the United States, to establish special military courts to deal with war criminals not held or requested by you for trial before an international court or tribunal. Such courts should be separate from courts which may be set up to deal with current offenses against the occupation or infractions of military discipline.

8. Subject to the provisions of paragraph 16, you will promptly comply with a request by the Government of any one of the United Nations or Italy for the delivery to it of any person who is stated in such request to be charged with a war crime, subject to the following exceptions:

(1) Persons who have held high political, civil or military positions in the Japanese Empire or in one of its allies, co-belligerents or satellites, will not be delivered, pending decision whether such persons should be tried before an international military court or tribunal. Suspected war criminals desired for trial before such tribunal, or persons desired as witnesses at trials before the tribunal, will not be turned over to the nation requesting them so long as their presence is desired in connection with such trials.

(2) Where persons are requested by more than one of the Governments above mentioned for trial of a war crime, you will make your own determination based on all the circumstances, including the relative seriousness of the respective charges against such a person and the national interests involved, and will deliver the requested person to a particular United Nation or Italy accordingly.

9. Compliance with any request for the delivery of a suspected war criminal should not be delayed on the ground that other requests for the same person are anticipated.

10. Delivery of a suspected war criminal to a requesting government shall be subject to the condition that if such person is not brought to trial, tried and convicted within six months from the date he is so delivered, he will be returned to you if requested for trial by any of the other United Nations or Italy.

11. You will take under your control, pending decision by higher authorities as to its eventual disposition, property, real and personal, found in areas subject to your jurisdiction and owned or controlled by persons taken into custody pursuant to the provisions of paragraph 3 above.

12. You will take such measures as you deem necessary to insure that witnesses to war crimes will be available when required.

13. The execution of death sentences should be deferred when you have reason to believe that the testimony of those convicted would be of value in the trial of other war criminals.

14. You will arrest any national of a United Nation who is requested, or whom you believe may be desired, by his government as a renegade or quisling. Subject to the provisions of paragraph 16, such persons should normally be turned over as soon as practicable to their government.

15. You should (a) promptly establish an agency, acting under your command, to investigate reports on war crimes and to collect and analyze evidence, to arrange for the apprehension and prompt trial of suspects, to prepare, supervise and conduct the prosecution of individuals and organizations before appropriate international military courts or tribunals, and to recommend to you which individuals and organizations should be prosecuted, before what courts they should be tried and what persons should be secured as witnesses, and (b) should provide, after discussion with the local representatives of the nations involved and in a manner consistent with efficient administration, for equitable inclusion in the membership of such agency of suitable representatives of the United States, China, Great Britain and the Soviet Union and of other appropriate United Nations. This agency should advise the Supreme Commander and other military commanders for the Allies on matters relating to war criminals. This agency should attach importance to the investigation of the evidence that offenses of the type described in paragraph 1.A. above have been committed, should collect and analyze the evidence with respect to such offenses and should recommend to you a plan for the trial of such offenses and the charges to be preferred. Any such plan should provide for the use of rules of procedure and the application of principles in accord with those adopted for use by the International Military Tribunal for Europe established by the agreement executed 8 August 1945, except where change is necessitated

by differing circumstances in the Far East. Such plan should also provide that, for the trial of persons charged with offenses of the type described in paragraph 1.A. any international court appointed by the Supreme Commander should be selected by him from persons nominated by the appropriate military commanders of the several nations to be represented upon such court. This agency should also maintain a central record and information office of Japanese war criminals and war crimes, the records and files of which should be available to any interested United Nation.

16. Military commanders having custody of alleged offenders requested for trial under the provisions of paragraphs 8 and 14 above, if in doubt as to whether such persons should be turned over to the requesting nation for trial, may consult their government and in appropriate cases leave the matter to be dealt with through diplomatic channels. Within the main islands of Japan, you as the Commander in Chief, U.S. Army Forces in the Pacific [*Supreme Commander for the Allied Powers*], will have custody of such alleged offenders and will consult the Joint Chiefs of Staff in cases of doubt.

17. You will take no action against the Emperor as a war criminal pending receipt of a special directive concerning his treatment.

740.00119 PW/8-2545

The Acting Secretary of State to the Australian Minister (Eggleston)

WASHINGTON, September 14, 1945.

MY DEAR MR. MINISTER: I acknowledge the receipt of your note of August 25, 1945 (No. 401/45)³² with which you enclosed the full text of a press statement issued by Dr. Evatt on August 24, 1945.³³ Your letter states that the Australian Government is most anxious to secure immediately from the Japanese not only complete lists of Australian and other Allied prisoners of war and civilian internees but also records and evidence of their treatment during custody.

I have brought your letter to the attention of the appropriate United States authorities and requested them to be sure that all information which comes into their hands about Australian prisoners of war and civilian internees and their treatment be furnished to the Australian authorities in the field or be given to the Department of State for transmission to you.

You may be sure that any evidence of atrocities or other violations of international conventions and breaches of the rules of warfare will be made available to the officials of the United Nations who are responsible for the prosecution of war crimes.

³² *Ante*, p. 693.

³³ Enclosure not printed.

Thank you very much for giving me the full text of the press statement of August 24, 1945.

Sincerely yours,

[DEAN ACHESON]

740.00116 PW/9-2145 : Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, September 21, 1945—3 p. m.
[Received September 21—12:45 p. m.]

9773. From Hodgson. Please refer to Commissioner's despatch No. 226 of September 11th. Secretariat of War Crimes Commission has inquired whether this office has received list of major Japanese war criminals who General MacArthur was directed to apprehend. Strongly recommend that this list be sent as soon as possible for release to Commission. [Hodgson.]

WINANT

740.00116 PW/9-2545 : Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, September 25, 1945—6 p. m.
[Received September 25—6 p. m.]

9939. From Hodgson. At meeting of Executive Committee of War Crimes Commission held on Sept. 25, Chairman of Commission stated that he felt that new Sub-Commission was needed at Tokyo to consider such Japanese cases as may be submitted by any member government. He explained that organization of new Sub-Commission would not interfere with Chungking Sub-Commission which would continue at Chinese capital to consider Chinese and other cases submitted to it. He asked members of Committee to consider matter. Chinese representative was not present. [Hodgson.]

WINANT

740.00116 P.W./9-2145

*The Acting Secretary of State to the United States Commissioner,
United Nations War Crimes Commission (Hodgson)*

No. 17

WASHINGTON, September 27, 1945.

The Acting Secretary of State refers to the Commissioner's telegram 9773 of September 21, 1945 and transmits for the information of the Commissioner a list of major Japanese war criminals prepared by the National War Crimes Office in consultation with certain offi-

cers of the Department and communicated to the Supreme Commander for the allied forces.³⁴

It should be noted that the list is not complete and that names are being added and withdrawn from time to time.

In view of the specific request from the Supreme Commander, the Department, in consultation with the War Department, does not authorize the release of this list to the Commission. Nevertheless, it is being communicated for the Commissioner's personal information in order that it may be in his hands when release to the Commission is authorized.

740.00116 P.W./10-345

Memorandum by the Acting Chairman of the State-War-Navy Coordinating Committee (Matthews) to the Secretary of State

SWN-3339

WASHINGTON, 3 October, 1945.

Subject: Request for Assignment of Officers and Civilians on International Military Courts

Reference: SWNCC 57 Series.

At the twenty-sixth meeting of the State-War-Navy Coordinating Committee, a policy and a directive respecting the Apprehension and Punishment of War Criminals (Japan) were approved (see SWNCC 57/3 enclosed herewith³⁵).

Pursuant to the terms of the policy and the directive, the Supreme Commander for the Allied Powers has power to appoint special international military courts composed of military and naval officers, or civilians, of two or more of the United Nations for the trial of Far Eastern war criminals (see paragraphs 5 of the policy and of the directive).

Under date of 24 September 1945, General MacArthur requested the War Department to ask interested Allied Nations to designate suitable officers for membership on such courts and to direct them to report for duty to the Supreme Commander for the Allied Powers at the earliest convenient date. He advised that no such officers were presently available in Tokyo. He was informed that, upon final approval of the directive in this matter, the State Department will be asked to request the Chinese, Soviet and United Kingdom Governments each to assign five (5) individuals qualified for membership on the military courts (and, if the State Department desires, also the Netherlands, Australian, Canadian, French, Philippine and New Zea-

³⁴ List not attached to file copy; a list dated September 14, 1945, was sent to SCAP, Tokyo, and includes as major Japanese war criminal suspects the names of 45 persons.

³⁵ September 12, p. 926, as amended October 2, 1945.

land Governments each to assign three (3) persons for membership on such courts). These designations (military and/or civilian) should be made at the earliest convenient date in order to permit the Supreme Allied Commander to appoint suitable members for the international military courts from among those representatives assigned by the several governments.

It is accordingly requested that the Chinese, Soviet and United Kingdom Governments (and, if the State Department desires, the Netherlands, Australian, Canadian, French, Philippine and New Zealand Governments) be requested to assign at their earliest convenience, to the Supreme Commander, suitable officers or civilians from whom the Supreme Commander may select judges for these international courts. It is also requested that in approaching these governments the State Department point out that administrative and practical advantages will ensue from the assignment of officers or civilians who speak English. In this manner the language difficulties of the type encountered in Europe may be minimized. It is considered desirable furthermore that there should be civilian representatives on these courts and it is requested that the governments when approached be urged to consider the assignment of suitable civilian as well as military members.

For your information, the Joint Chiefs of Staff are also being requested to send to General MacArthur a message suggesting that he request the local commanders or representatives of the Allied Powers to seek assignment to them of suitable officers or civilians for these courts.

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS

740.00116 P.W./10-445: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 4, 1945—4 p. m.
[Received October 4—3:30 p. m.]

10327. From Hodgson. Lord Wright informed Executive Committee of War Crimes Commission on October 3, that Colonel Isham, representative of British War Office, had proposed conference between representatives on special Far East and Pacific Committee of Commission and representatives of respective Judge Advocates General of British, Indian, and Australian armies, representatives of the British War Office and special representatives of any government which wished to send them to "informally exchange view" in respect of pres-

ent position concerning Japanese war crimes and the measures which should be taken to investigate, apprehend, surrender and try Japanese war criminals. Assistant Australian representative stated that he believed that recommendations contained in document C.145(1)³⁶ should be considered at meeting as he felt that sufficient time had elapsed for representatives to hear from their governments. He also suggested releasing these recommendations to the press. The proposals of the assistant Australian representative were opposed by me. When pressed by Ambassador Koo as to precise purpose of the conference, Lord Wright said that it would be restricted to an exploratory discussion to merely exchange views which he believed to be urgently needed. Meeting for this purpose was fixed for October 16. [Hodgson.]

WINANT

740.00116 PW/10-545

The Acting Political Adviser in Japan (Atcheson)³⁷ to the Secretary of State

No. 1

TOKYO, October 5, 1945.
[Received October 22.]

SIR: I have the honor to enclose a copy of a war criminals list and an amendment list dated September 28 and October 2 respectively.³⁸ These lists were furnished to us by General MacArthur's headquarters. Copies of further lists will be forwarded as they become available.³⁹

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 P.W./10-845 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, October 8, 1945.

[Received October 11—12: 23 p. m.]

29. It would be helpful to this office if we could be furnished by telegraph with a list, as so far compiled, of suspected Japanese war criminals.

ATCHESON

³⁶ Quoted in despatch 217, September 1, p. 911.

³⁷ Mr. Atcheson was Acting Political Adviser to the Supreme Commander, Allied Powers, Japan, with personal rank of Minister.

³⁸ Neither printed; the lists contained 56 persons of several nationalities.

³⁹ A supplemental list containing 15 additional names was enclosed with despatch 12, October 11, 1945 (740.00116 P.W./10-1145).

740.00116 PW/10-845

*The Acting Political Adviser in Japan (Acheson) to the
Secretary of State*

No. 3

Tokyo, October 8, 1945.

[Received October 22.]

SIR: I have the honor to transmit copy of a memorandum of this date to the Supreme Allied Commander recommending the arrest of Prince Higashi-Kuni, recently premier,⁴⁰ who is listed by the American Government as a suspected war criminal.

While as mentioned in our telegram No. 3 of September 27, 1945,⁴¹ it is considered advisable to proceed with some caution in such matters, I do not perceive reason to wait longer in this instance as Higashi-Kuni is now without office and has served the primary purpose for which he was placed in office. It has been apparent for some time that a number of Government officials have felt handicapped by the possibility that they might be at any time arrested for prosecution as war criminals. For this and various obvious reasons, now that the occupation and demobilization program in Japan is practically accomplished, the sooner the arrests of high officials is completed the better it will be for Japan as well as for the interests of the United States and the other United Nations.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Acheson)

Tokyo, 8 October, 1945.

MEMORANDUM FOR: SUPREME COMMANDER AND CHIEF OF STAFF.⁴²

1. Now that Higashi-Kuni has left office and (it is understood) the American occupation and Japanese demobilization in Japan are practically complete, we suggest that consideration be given to the question of arresting him as a suspected war criminal after the new cabinet begins to function.

2. While the arrest of Higashi-Kuni may be a shock to the Japanese people because of his blood relationship, the people have so far without serious adverse reaction absorbed a number of what may be regarded as very heavy shocks to Japanese psychology: the subjugation of the Emperor's authority to the authority of the Supreme Allied Com-

⁴⁰ August 17–October 5, 1945; he replaced Adm. Baron Kantaro Suzuki who had been Japanese Prime Minister, April 7–August 15.

⁴¹ *Ante*, p. 724.

⁴² Lt. Gen. Richard K. Sutherland was Chief of Staff to SCAP and Maj. Gen. Richard J. Marshall was Deputy Chief of Staff.

mander; the arrest of former premier Tojo;⁴³ the Emperor's recent call on General MacArthur; the more recent directive to the Japanese Government in regard to freedom of speech including discussion of the Emperor.⁴⁴

3. A strong advantage to be gained from the early arrest of *former high officials* such as Higashi-Kuni is that the sooner such arrests are completed, the more quickly will other high officials and personages who are worried about their own status in connection with war crimes attain a peace of mind to enable them to devote their abilities, such as they may be, to the task of reforming and rehabilitating the government in this country. The advisability of proceeding cautiously is, of course, still obvious; but it is believed it would be feasible to work out a definite program of arrests of *high officials* listed as suspects for completion in a short period with sufficient time in between the arrests to observe the reaction to each with a view to accelerating or retarding the program as circumstances might dictate. The arrest of Higashi-Kuni as the most highly placed in office under the Emperor since the surrender, would also pave the way for the arrest of other persons of importance in the Japanese hierarchy. Upon completion of such program it might be advisable to give public indication that the task of taking into custody high officials under suspicion was "in general" accomplished, thus allaying the fears of the others and leaving them no real excuse for not getting down to business in earnest.

GEORGE ATCHESON, JR.

740.00116 P.W./10-445: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 11, 1945—5 p. m.

9029. For Hodgson. Urtel 10327, Oct 4. While Dept does not perceive what it is hoped to accomplish in Oct 16 meeting it is not felt that you should formally oppose such discussion and exchange of views. Dept is not in position at this time to say whether our military authorities will wish to be represented.

Publicity at this time regarding Far Eastern War Crimes matters would not contribute to satisfactory solution of problems involved and you should continue opposition to publicity.

BYRNES

⁴³ Gen. Hideki Tojo, Japanese Prime Minister, October 18, 1941–July 18, 1944.

⁴⁴ For text of October 4 directive, see Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan, September 1945 to September 1948* (Washington, Government Printing Office [1948]), appendix B:2d, p. 463.

740.00116 PW/10-1345 : Telegram

*The Chargé in the United Kingdom (Gallman) to the Secretary
of State*

LONDON, October 13, 1945—3 p. m.

[Received 4:40 p. m.]

10706. From Hodgson. Please refer Dept's cable 9029, October 11. Believe that War Crimes Commission will not sponsor meeting concerning Japanese war criminals mentioned in Embassy cable 10327 of October 4. However, cancellation of meeting not finally decided as yet.

Instead of mentioned meeting British War Office has organized meeting for October 16 at 3 in afternoon at War Office to discuss Japanese war crimes. Agenda is as follows:

- (1) Japanese major war criminals, present position.
- (2) Japanese minor war criminals. *a.* Policy. *b.* Proposed organization in Southeast Asia. *c.* Procedure for military courts. *d.* Handing over of war criminals policy and procedure.
- (3) Collection and disposal of reports made by former prisoners of war.

Following organizations have been invited to send representatives: Admiralty, Air Ministry, Foreign Office, Dominions Office, Colonial Office, India Office, Burma Office, British National Office, Brit Treasury Solicitor, British Judge Advocate General, British War Crimes Executive, British Prisoners of War Offices and United Nations War Crimes Commission.

Unless instructions received to contrary, will not attend meeting and will oppose sending representatives of Commission. However, believe that Australia, New Zealand, India, Canada, UK, Netherlands and French representatives will desire to attend and will insist that special Far East and Pacific Committee be represented at meeting. They will be interested in British views and plans concerning Japanese war crimes and particularly those relating to Southeast Asia. Lord Wright will probably feel that circumstances require acceptance of invitation.

Dr. Liang, deputy Chinese representative, informed me that Chinese Foreign Minister⁴⁵ feels that War Crimes Commission is not the most appropriate body to consider Japanese war crimes. [Hodgson.]

GALLMAN

⁴⁵ Wang Shih-chieh.

740.00116 PW/10-845: Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 15, 1945—3 p. m.

30. Urtel 29, October 8. U.S. National War Crimes Office general list of Japanese war criminals and a special list of major criminals was sent to Supreme Commander, September 14.⁴⁶ These lists were agreed by State, War, and Navy Departments. Colonel Goff of National War Crimes Office carried certain additions to lists to Supreme Commander's headquarters and is proceeding to Tokyo. Suggest you discuss matter with Colonel Carpenter, Captain Robinson, and Colonel Goff.

BYRNES

740.00116 PW/10-1345: Telegram

*The Secretary of State to the Chargé in the United Kingdom
(Gallman)*

WASHINGTON, October 15, 1945—6 p. m.

9132. For Hodgson. Urtel 10706 Oct 13 and your telephone conversation with General Weir⁴⁷ October 15. No objection your attendance at War Office meeting October 16.

War Department with Depts concurrence replied to Commanding General, United States Forces, India Burma Theater, October 15 in part as follows:

"The opinion that ALFSEA⁴⁸ military tribunal has jurisdiction to try war criminals for crimes committed against nationals of United States and other allied countries is concurred in. It is suggested that the War Crimes Branch continue forwarding names of suspected Japanese to Headquarters SEAC,⁴⁹ or other supreme authority in areas where the United States is not participating in occupation. Recommend that trial of such Japanese war criminals as may be apprehended by or delivered to you proceed before ALFSEA courts if British authorities are agreeable to this. Approval of United States War Crimes Office or United Nations War Crimes Commission will not be required before reference for trial. Policy is that a court of other allied nations may proceed to try a war criminal for an offense against a national of one of such nations who is also guilty of a crime against a United States national, with your office tendering full cooperation. If appropriate, you may request your office be represented in the prosecution. Suggest consideration be given to problems arising if death

⁴⁶ See footnote 34, p. 938. Two supplemental lists, dated September 21 and 28, named 16 persons.

⁴⁷ Brig. Gen. John M. Weir, Assistant Judge Advocate General, Director of War Crimes Office.

⁴⁸ Allied Land Forces, Southeast Asia.

⁴⁹ Southeast Asia Command.

sentence is imposed by ALFSEA or India Burma Theater on war criminals who may be wanted as witnesses or defendants in trials held in Tokyo or in other locations.”

BYRNES

740.00116 P.W./10-1545

The Secretary of the Navy (Forrestal) to the Secretary of State

Serial 572113

WASHINGTON, 15 October, 1945.

SIR: Reference is made to the letter from the Department of State, SWP, of 14 September 1945,⁵⁰ transmitting a copy of a note from the Australian Minister dated 25 August 1945,⁵¹ with enclosure,⁵⁰ wherein the Australian Government states that it desires to obtain immediately from the Japanese complete lists of Australian and other Allied prisoners of war and civilian internees, together with full records of evidence of their treatment during custody.

The United States War Crimes Office has taken steps to secure the desired information from its branch office under the Army Theater Judge Advocate and all American prisoners who have been released are being interrogated either in the Theater or in the United States as to their treatment. A Central Record and Information Office of Japanese war criminals and war crimes is being established under the Supreme Commander in Japan. All records and files of this Central Office will be available to any interested United Nation.

Brig. General John M. Weir, U.S. Army, Assistant Judge Advocate General, and Director, War Crimes Office, under date of 28 September 1945 communicated to the Theater War Crimes Office the desire of the Australian Government for information requested with instructions to make such information available to Australian authorities in the field.

Respectfully,

FORRESTAL

740.00116 P.W./10-1745 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 17, 1945—7 p. m.
[Received October 17—6:45 p. m.]

10874. From Hodgson. Refer Emb cable 10706, October 13 and Department's 9132, October 15. According to report of Acting Secretary General of War Crimes Commission who attended meeting at

⁵⁰ Not printed.

⁵¹ *Ante*, p. 693.

War Office with Lord Wright on October 16, Major General Viscount Bridgeman⁵² informed about 20 persons who attended meeting as representatives of British and Dominion offices concerning US plans for the trial of major Japanese war criminals. Bridgeman stated that information was received from British Military Mission in Washington. British and Dominion Offices were to prepare lists of major Japanese war criminals which lists will be combined and made an Empire list. Representative of Foreign Office submitted tentative Foreign Office list of 20 major Japanese war criminals all of whom were generals or admirals with one exception.

Meeting tentatively decided that with exception of major Japanese war criminals who will be charged before International Military Tribunal all other Japanese war criminals should be classified minor war criminals. Attorney General wanted at least 500 minor cases to be finally disposed of before July 31, 1946. Meeting decided that trials of minor cases should proceed without delay as soon as accused were in custody and cases were ready.

Establishment of a central registry similar to Crowcass was discussed and it was tentatively decided that such a registry should be established at Singapore or Manila. It was also decided either to send Colonel Palfrey of Crowcass to Orient to set up Japanese central registry or to have Palfrey train group of British officers at Crowcass for this purpose. It was believed that UK and Dominions should actively participate in setting up and running Japanese registry and that Crowcass system should not be completely adopted for Japanese registry inasmuch as codes and indexes would have to be different and one of principal values of Japanese registry would be in keeping records of witnesses who had departed.

Mentioned decisions of meeting are tentative and subject to change. Other meetings will be held soon but no dates have been set. Did not attend meeting. Acting Secretary General and Lord Wright represented War Crimes Commission.

Information about meeting indicates that UK and Dominions are preparing in London single plan for Japanese war criminals. In case it is considered advisable before mentioned plans are finally fixed to attempt to mold and coordinate them with US plans or in any event to fully acquaint British with US plans it is recommended that either sufficient information be forwarded to permit of informal and separate discussions of all phases of subject with several British offices or that representative in possession of requisite information proceed to London to informally talk with interested British and Dominion offices about subject.

⁵² British Deputy Adjutant-General.

Full report also being cabled to the Judge Advocate General of the Army.⁵³ [Hodgson.]

GALLMAN

740.00116 PW/10-345

*The Secretary of State to the Chinese Ambassador (Wei)*⁵⁴

WASHINGTON, October 18, 1945.

The Secretary of State presents his compliments to His Excellency the Chinese Ambassador and has the honor to enclose a memorandum concerning the policy of the United States in regard to the apprehension and punishment of war criminals in the Far East.⁵⁵

The Supreme Commander for the Allied Powers who has received a directive in accordance with this statement of policy, has requested the designation by the interested Allied Nations of suitable individuals for appointment to the international courts to be established for the trial of Far Eastern war criminals.

Accordingly, the Government of the United States is requesting the Governments of China, the United Kingdom and the Soviet Union each to designate five, and the Governments of Australia, Canada, France, the Netherlands and New Zealand to designate three, military officers or civilians qualified for membership on the international military courts described in the first four sentences of paragraph 5 of the enclosure, in order to permit the Supreme Commander for the Allied Powers to appoint suitable members. It is considered desirable that there should be civilian representatives on these courts and it is accordingly suggested that the selection of suitable civilians as well as military members be considered. The designation of individuals who speak English would make for substantial administrative and other practical advantages.

Although it is expected that the apprehension and trial of Far Eastern war criminals will be a subject for discussion in the Far Eastern Advisory Commission, it is hoped that the Chinese Government may see fit promptly to designate personnel for appointment to the international military courts in order that there may be as little delay as possible in this matter.

⁵³ Maj. Gen. Myron C. Cramer.

⁵⁴ Identical notes were sent on the same date to Chiefs of Mission in Washington from Australia, Canada, France, the Netherlands, New Zealand, the Soviet Union, and the United Kingdom.

⁵⁵ The memorandum consisted of Appendix C (enclosure 3) to SWNCC 57/3, September 12 (as amended October 2), p. 926.

740.00116 PW/10-2045 : Telegram

The Chargé in China (Robertson) to the Secretary of State

CHUNGKING, October 20, 1945—5 p. m.

[Received October 20—8:33 a. m.]

1837. Foreign Office handed Embassy this afternoon following list 12 Japs which Gmo (Generalissimo)⁵⁶ has approved for listing as major Japanese war criminals: (1) Honjo, Shigeru, (2) Doihara, Kenji, (3) Tani, Hisao, (4) Hashimoto, Kingoro, (5) Itagaki, Seishiro, (6) Hata, Rokujin [*Shunroku*,] (7) Tojo, Aiki [*Hideki*,] (8) Wachi, Takaji, (9) Kagesa, Sadaaki, (10) Sakai, Takashi, (11) Isogaya [*Isogai*], Rensuke, (12) Kita, Seiichi.

Foreign Office requests Embassy ascertain whether US Government has any objection to above Japanese being listed as major Japanese war criminals. If not, Chinese Government will telegraph General MacArthur as Supreme Allied Commander and request that these men be arrested and detained as major Japanese war criminals.

Foreign Office would appreciate reply as soon as possible.

ROBERTSON

740.00116 PW/10-2045 : Telegram

The Secretary of State to the Chargé in China (Robertson)

WASHINGTON, October 26, 1945—11 a. m.

1745. Urtel 1837, October 20. List of major Japanese war criminals considered a most valuable contribution and has been referred to National War Crimes Office for transmission by Joint Chiefs of Staff to Supreme Commander.⁵⁷ List will be transmitted as Chinese Foreign Office list with request that Foreign Office be informed of arrests and detentions of listed individuals. This procedure believed preferable in present circumstances to communication of list to Supreme Commander directly by Chinese Government.

BYRNES

740.00119 P.W./10-1245

The Under Secretary of State (Acheson) to the Australian Minister (Eggleston)

WASHINGTON, October 27, 1945.

MY DEAR MR. MINISTER: I refer to my letter of September 14, 1945, and to your note of August 25, 1945 (No. 401/45)⁵⁸ with regard to the

⁵⁶ President Chiang Kai-shek.

⁵⁷ In a letter of November 29, the Secretary of War (Patterson) informed the Secretary of State that instead of sending list through the Joint Chiefs of Staff it had been sent directly to General MacArthur with instructions for him to inform the Chinese Government of arrest or detention of persons appearing on the list (740.00116 P.W./11-2945).

⁵⁸ Printed on pp. 936 and 693, respectively.

desire of the Australian Government to secure immediately from the Japanese not only complete lists of Australian and other Allied prisoners of war and civilian internees but also records and evidence of their treatment during custody.

The desire of the Australian Government has been communicated to the Theater War Crimes Office with instructions to make available to the Australian authorities in the field the information which you have requested.

The American military authorities have taken steps to secure as complete information as possible with regard to the treatment of Allied prisoners of war and civilian internees while in Japanese custody. A Central Record and Information Office of Japanese war criminals and war crimes is in the process of establishment under the Supreme Commander in Japan. The records and files of this office will be available to your representatives.

Sincerely yours,

DEAN ACHESON

740.00116 P.W./11-145: Telegram

*The Ambassador in the United Kingdom (Winant) to the
Secretary of State*

LONDON, November 1, 1945.

[Received November 1—6:10 a. m.]

11417. From Hodgson. Late on October 30th I was notified that consideration of following draft letter to United Kingdom Secretary for Foreign Affairs⁵⁹ had been added to the agenda of War Crimes Commission meeting of October 31st:

“On August 29th the United Nations War Crimes Commission adopted and decided to refer to member governments certain recommendations regarding the measures which might most usefully be taken to ensure that Japanese war criminals, both major and minor, are brought to a speedy and just trial. These recommendations were based on the views expressed by delegates from the respective national war crimes offices at the United Nations Conference which met in London on May 31st, as well as on the practical experience of the military authorities in the European theatre and the provisions contained in the inter-Allied agreement of August 8th for the prosecution and punishment of the major criminals of the European Axis.

“Members of the Commission are agreed upon the desirability of bringing Japanese war criminals to justice with the least delay and are anxious to see the fullest cooperation between the United Nations to this end.

“Therefore and in accordance with the above mentioned recommendations they have asked me as their Chairman to request that His Majesty’s Government in the United Kingdom should convene as soon

⁵⁹ Ernest Bevin.

as possible an inter-governmental conference to consider carrying out such of the Commission's recommendations as may require implementation."

Draft letter was received with above notice. Please refer to Commissioner's despatch No. 217 of September 1st. Upon receipt of draft letter and notice, I inquired of Chairman about proposal and was informed that it was proposal of Australian Government which he desired War Crimes Commission to consider at once. He insisted on matter being considered at October 31 meeting. At meeting on October 31, Chairman offered following alternative for last paragraph of draft letter:

"Therefore and in accordance with the above mentioned recommendations, they have asked me as their chairman to request that His Majesty's Government in the United Kingdom should arrange as soon as possible for consideration to be given at an inter-governmental conference to the question of carrying out such of the Commission's recommendations as may require implementation."

At meeting I stated that due to shortness of time I was unable to take position upon the merits of the proposal and believed that it should be referred to special Far East and Pacific Committee for study. I proposed that consideration by Commission should be postponed until after Committee had studied it. This view was supported by Ambassador Wellington Koo. Lord Wright stated that Australia wanted action at once and he opposed both reference to Committee and postponement. He was supported by New Zealand representative. United Kingdom representative suggested postponement for 1 week. This was supported by Netherlands representative. French and Indian representatives said they were prepared to proceed at meeting but did not oppose postponement. It developed that China, United Kingdom, Netherlands and United States representatives had not received views of their Governments on recommendations contained in document C.145(1).⁶⁰ Matter was finally postponed until meeting of Commission set for November 7th and representatives were requested to secure views of their governments on (1) recommendations contained in document C.145(1) and (2) draft letter quoted above. Instructions are requested upon both matters. [Hodgson.]

WINANT

⁶⁰ United Nations War Crimes Commission document, August 29, p. 913.

740.00116 PW/11-545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 5, 1945—8 p. m.
[Received November 5—6 : 20 p. m.]

11594. Embtel's 11417, November 1 and 11534, November 3 from Hodgson.⁶¹ At Foreign Office meeting this afternoon British asked if Dept's memorandum October 18⁶² enclosing memorandum US policy punishment Far East war criminals (which just reached British Govt from its Embassy Washington) was sent other interested Govts. Please advise Embassy.

Foreign Office meeting considered position Craigie⁶³ should take at Commission meeting November 7. This position would be that matter should be deferred pending completion consideration subject through diplomatic channels. He will state view that British agree in general with recommendations in C-145 (1) on minor war criminals but are still studying question major criminals.

Hodgson hopes receive before Commission meeting Wednesday Dept's instructions which will determine his position at meeting and might affect British position since way left open for further discussion between Hodgson and Craigie.

WINANT

740.00116 PW/11-545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, November 6, 1945—6 p. m.

9753. For Hodgson. Urtel 11594, November 5. Depts instruction 19, October 23⁶⁴ contained copy of memorandum of United States policy and copy of the identic note of October 18, communicating memorandum to signatories of Japanese surrender document.

Dept considers proposals of C-145(1) very close to United States policy as formulated by SWNCC, but does not believe it would be appropriate to request FonOff to take action in accordance with Article 8 of that document. British Embassy has informed Dept that FonOff has expressed hope that United States Govt will not commit itself in any public declaration to recommending repetition of European procedure in the case of major Far Eastern war criminals and that British Govt is considering a means of securing a simpler procedure for dealing with Far Eastern war criminals problem. In

⁶¹ Latter not printed.

⁶² See footnote 54, p. 947.

⁶³ Sir Robert L. Craigie, British Ambassador in Japan, 1937-1941.

⁶⁴ Not printed.

view of this FonOff attitude, and appearance of subject of apprehension and punishment of war criminals as item 9 on tentative agenda now before Far Eastern Advisory Commission for its consideration, Dept suggests you associate yourself with position Craigie proposes to take and that action on C-145(1) should be deferred pending consideration of subject through diplomatic channels.

BYRNES

740.00116 PW/11-645

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 37

TOKYO, November 6, 1945.

[Received November 15.]

SIR: I have the honor to enclose a copy of a self-explanatory "Top Secret" memorandum of identic date to General MacArthur recommending the completion of the arrests of the major Japanese war criminal suspects.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Atcheson)

TOKYO, November 6, 1945.

MEMORANDUM FOR: THE SUPREME COMMANDER.

Subject: Arrest of War Criminals.

In connection with our recent discussion with Mr. McCloy⁶⁵ of certain questions relating to Japanese war criminals, you may be interested in some of the political aspects which have occurred to me in regard to the problem in general.

While the question of the setting of trials of some of the major war criminals depends in part on the time of the establishment of the projected International Tribunal, the question of the timing of the arrests of the major suspects already listed seems to lie within your discretion as Supreme Commander.

The Japanese people at present show evidence of being in a mood for reform and change. They are now thoroughly disillusioned and there is wide and outspoken criticism of the men who misled them and brought disaster upon the country. I believe it is correct to say that the Japanese people today *expect* the American authorities to make more arrests and that, on the part of the great majority, they will not resent those arrests.

⁶⁵ John J. McCloy, Assistant Secretary of War, had visited Tokyo.

But this attitude may not last indefinitely. As the economic suffering of the people deepens, particularly during this coming winter and spring, some of their resentment will inevitably turn against us. With that turn may come, at the very least, a diminishing of their present repudiation of their old leaders. Accordingly, from the point of view of the attitude of the Japanese people, it would seem that the sooner the arrests of most of the major suspects are accomplished the better.

What may be another reason for early action is that, we are told by Japanese, a number of moderate political leaders both in and out of the Government are hesitant to come forward because of uncertainty whether they may be listed as suspected war criminals.

At the same time, there is a possibility—if arrests are too long delayed—that some men listed will decide to enter the political arena. If we wait until they are running for office or have built up a political following, we will be certain to meet some criticism. It would seem important on both these counts to have the arrests generally completed and the political atmosphere clarified before the coming elections.

As regards the question of reaction on the present Government, while there may be some adverse effect, it is also possible that the resultant release of tension and uncertainty may have a salutary effect by giving the Cabinet greater confidence—unless, of course, Cabinet members are arrested.

There is also, of course, the question of the interest of the American public in the matter. While that should not be a determining factor, it is believed that American public opinion would be generally allied with Japanese public opinion in supporting action at this time or in the near future.

GEORGE ATCHESON, JR.

894.00/12-1345

*Memorandum of Conversation, by Mr. Max W. Bishop, of the Office of the Political Adviser in Japan*⁶⁶

[Tokyo,] November 6, 1945.

Participants: Prince Konoye;⁶⁷
Mr. Ushiba, (who acted as interpreter);
Mr. Bishop.

Subject: Background of political developments in Japan before
“Pearl Harbor”.

The following is a résumé of remarks made by Prince Konoye to Mr. Bishop in a personal interview on the above date.

⁶⁶ Copy transmitted to the Department by the Acting Political Adviser in Japan in despatch 98, December 13; received January 3, 1946.

⁶⁷ Prince Fumimaro Konoye, Japanese Prime Minister, June 1937–January 1939, July 1940–October 16, 1941; Minister without Portfolio, August 17–October 9, 1945.

Prince Konoye said that he would be glad to discuss informally on a personal basis and to explain from his own private notes and papers such political developments in Japan as were known to him. He said that he had no intimate knowledge of the activities of the Japanese Government or Cabinet after his resignation as Prime Minister in middle October, 1941. Prince Konoye added that the broad scope of developments could hardly be covered in one interview but would require considerable time, but that he would be glad to devote as much time to it as was desirable. He said that many important developments and situations in Japan were well known to him and that he could give the full background.

With regard to the opening of the "China Incident" in 1937, Prince Konoye said that in reading excerpts from Mr. Grew's book "Ten Years in Japan" he had learned for the first time of the American and British offers of mediation and that strange as it may seem, the Japanese Foreign Minister had neglected to report to the Prime Minister these offers of mediation. (The Foreign Minister at that time was Mr. Hirota Koki.)

Speaking generally of developments during 1941, Konoye said that it was practically a race between his government and the military; the one attempting to make progress in diplomatic conversations with the United States and to forestall the activities of the military and the other to dispose its forces and to achieve a position of preparedness. Konoye added that because of military activities, the Cabinet and the Japanese Government were given the impression in the eyes of the United States of being insincere, if not dishonest, in attempts to reach a peaceful settlement and that on the other hand, failure to make progress in the conversations was used by the military as a reason for the necessity for further military dispositions.

Prince Konoye said that he did not know the details of the discussion in the Japanese Cabinet of the "November 26 (1941) note"⁶⁸ which was handed by the Secretary of State to the Japanese Ambassador in Washington; but that when the note had been presented to the Privy Council by the Cabinet it was described by Tojo as an ultimatum from the United States Government and as the final American word in the conversations. Prince Konoye went on to say that during the discussion, certain members of the Privy Council had pointed out that the document was marked "tentative" and that therefore it could not be considered as the "final word" or as an ultimatum; but the Japanese Cabinet strongly argued for its interpretation of the note as an American ultimatum. According to Prince Konoye, the decision finally reached by the Privy Council was that whether the note was an ultimatum was a matter for individual interpretation.

M[AX] W. B[ISHOP]

⁶⁸ *Foreign Relations, Japan, 1931-1941*, vol. II, p. 766.

894.00/12-1345

*Memorandum of Conversation, by Mr. Max W. Bishop, of the Office
of the Political Adviser in Japan*⁶⁹

[TOKYO,] November 7, 1945.

Participants: Prince Konoye;
Mr. Ushiba, who acted as interpreter;
Mr. Bishop.

Subject: Some political developments in Japan in 1941.

The following is a résumé of remarks made by Prince Konoye to Mr. Bishop in a personal interview on the above date.

Prince Konoye discussed the events preceding his resignation as Prime Minister in the Fall of 1941, especially the proceedings of the Imperial Conference on September 6, and subsequent developments in Japanese High Policy. He explained that at the conference the decision was reached that the conversations with the United States should be continued, but that if by the first part of October, 1941, progress had not been made in the American-Japanese conversations, and if it appeared impossible for the Japanese to reach an agreement with the United States on minimum Japanese demands, Japan should immediately reach the decision to undertake preparations for war against the United States and the implementation of war plans.

Prince Konoye continued that on October 12 the Japanese Government held a conference to discuss whether in accordance with the above decision taken at the Imperial Conference on September 6, the Japanese Government should then decide that it was no longer reasonable to expect that agreement with the American Government could be reached on minimum Japanese demands and whether, if that decision were affirmative, the Japanese should not take the decision to prepare for war with the United States and discontinue the conversations which had been in progress until that moment. As Prime Minister, Konoye said that he firmly believed that an agreement with the United States was still possible and that the conversations should be continued in order to achieve that agreement. It was also his belief that if an agreement for the withdrawal of Japanese troops in China could be made, the whole problem of American-Japanese relations could be amicably settled. Prince Konoye added that the War Minister, General Tojo, was diametrically opposed and argued that there was no longer any possibility of arriving at an agreement with the United States and that Japan should at once take the decision to prepare to go to war with the United States.

⁶⁹ Copy transmitted to the Department by the Acting Political Adviser in Japan in despatch 98, December 13; received January 3, 1946.

Prince Konoye said that the fundamental disagreement between himself and the War Minister hinged on the problem of withdrawal of troops from China. According to Konoye, General Tojo contended that although he appreciated the Prime Minister's difficult task and his unquestionable sincerity, it was not possible for Japan to agree to the withdrawal of troops from China for the reasons that it would utterly destroy the morale of the Japanese Army and people, that once Japan had yielded to American pressure, the United States would resort to more and more stringent and arrogant measures against Japan and in the end nothing would be left for Japan to do except to defend itself by arms which would be difficult with morale destroyed, that even though a temporary settlement of the "China Incident" were worked out, relations between Japan and China would again break down within two or three years, and that there were internal weaknesses in both the United States and Japan and accordingly, it was the best time for Japan to make up its mind to prepare for war against the United States. Prince Konoye added that there were four subsequent conversations between the Prime Minister and the War Minister, and that failure to reach an agreement with the War Minister during these talks forced Prime Minister Konoye to resign.

In explaining that General Tojo when he became Prime Minister, in spite of the views which had just been revealed continued the conversations with the United States and gave the appearance of seeking a peaceful settlement of pending problems, Konoye stated that in this connection the position of the Navy was highly important. He said that prior to his resignation as Prime Minister, the Japanese Navy had taken the stand that it would agree to whatever course Prime Minister Konoye decided upon: If the decision were to continue the conversations with the United States, the Navy would give wholehearted support; but if the Prime Minister were to decide to undertake preparations for war, the Navy would not oppose that course.

Prince Konoye then gave the following description of developments:

Through informal but entirely reliable information, the Prime Minister learned that the Japanese Navy was far from confident of Japanese ability to wage a successful war against the United States and that the real desire of the most important leaders in the Japanese Navy was to avoid war. The Army and General Tojo were also informed of this basic attitude on the part of the Navy. On October 13 or 14, 1941, the *Gummu Kyoku Cho* (Chief of the Military Affairs Bureau) of the Army went to the Chief Secretary of the Cabinet and told the latter that the Army would not give up its idea of preparing for war immediately against the United States if such were

merely the wish of the Prime Minister. However, the Army would consent to give up this program if the Navy were formally to express its opinion that the Japanese Navy was not prepared for war against the United States. The Army therefore asked the Chief Secretary of the Cabinet to obtain formally the official views of the Navy Ministry. Consequently, the Chief Secretary called upon the Chief of the Military Affairs Bureau of the Navy and asked him to present formally the official views of the Navy. The Naval Chief of Military Affairs refused to consent to this proposal and stated that the Navy, officially and formally, would go no further than to agree to leave the entire matter in the hands of the Prime Minister and to support whatever decision the Prime Minister should reach. The Army continued to oppose the views of the Prime Minister and the Cabinet was forced to resign.

With regard to the question of a successor, it was proposed at one time that Prince Higashi-Kuni should form a Cabinet in which the Army and the Navy would be able to discuss the whole matter with complete frankness and come to an agreement. The Emperor was reluctant to accept this proposal and thereupon Marquis Kido⁷⁰ recommended General Tojo as Prime Minister. It was Marquis Kido's confident belief that Tojo having been informed of the real views of the Navy and thoroughly realizing that Japan could not reasonably undertake a Pacific war with the Navy fundamentally opposed, would be forced to reconsider his view of a possible war with the United States and exert every effort to continue the conversations with the United States to a successful conclusion. The Emperor himself, when he commanded Tojo to form a Cabinet, expressed his serious desire that General Tojo should make a "clean slate of the whole matter", reconsider the questions from a new angle, and continue the conversations at all costs. In the light of these circumstances, Prince Konoye was also confident, *at that time*, that Tojo was sincere in continuing the conversations with the purpose of avoiding war. In view of Tojo's interpretation which he expressed before the Privy Council of the November 26 (1941) note as an American ultimatum it then became apparent that the Tojo cabinet had given up further hope of successfully continuing the conversations.

Prince Konoye said that he could not offhand think of specific or direct occasions in the gradual widening divergence between the United States and Japan; but it seemed to him to be the result of an accumulation of bad feelings and misunderstandings ever since the Manchurian Incident of 1931. He did feel, however, that on several occasions both governments could have exerted more effective efforts to come to an understanding.

⁷⁰ Marquis Koichi Kido, Japanese Lord Keeper of the Privy Seal.

Prince Konoye said that, for example, he believed that his proposal for a meeting with the President of the United States in 1941,⁷¹ was one occasion when an understanding might have been reached and the question of withdrawal of Japanese troops from China could have been satisfactorily solved. He explained that it was his intention to meet the President in person and then by telegraph to ask the Emperor to take a decisive step and to order the withdrawal of troops from China. Prince Konoye went on to say that this was the type of decision which the Emperor had made when Japan decided to surrender. Prince Konoye concluded that he believed confidently that through the direct intervention of the Emperor the problem could have been solved at that time although he fully anticipated that he would have been assassinated upon his return to Yokohama.

M[AX] W. B[ISHOP]

740.00116 PW/11-945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 9, 1945—7 p. m.

[Received 7:18 p. m.]

11796. From Hodgson. ReEmbs cables 11417, November 1; 11534, November 3,⁷² and 11594, November 5, and Dept's 9753 of November 6. At special meeting of War Crimes Commission held on November 8 Chairman stated Commission should consider draft letter concerning recommendations contained in document C.145(1).^{72a}

Australian representative said that sending of letter to United Kingdom Foreign Office was an urgent matter because recommendations might be shelved and there was no central inter-governmental agency to coordinate evidence being collected by investigating teams. He insisted matter be put to vote.

In reply to Chairman's question as to views of United Kingdom Government, Craigie stated he had received an interim reply but he preferred to make a detailed statement at meeting to be held on November 14.

In reply to Chairman's question concerning views of Chinese Govt, Ambassador Koo stated that speaking generally views of his Govt were favorable. He added however that since conversations were proceeding between govts principally interested in subject Chinese Govt wondered whether time was opportune for taking a decision. If

⁷¹ See memorandum of August 8, 1941, of a conversation between the Secretary of State and the Japanese Ambassador (Nomura), *Foreign Relations, Japan, 1931-1941*, vol. II, p. 550.

⁷² Telegram 11534 not printed.

^{72a} Document quoted in despatch 217, September 1, from London, p. 911.

Commission should consider it opportune he would be authorized to express definite views.

In reply to similar question it was stated by me that US Govt had studied the recommendations and had found them of assistance and in a number of respects very close to its own policy. However, in view of its desire for swift punishment for Japanese war criminals discussions through diplomatic channels had already begun with govts especially concerned with subject. It was not felt therefore that it would be appropriate to request United Kingdom Foreign Office to take action and it was believed action upon recommendations should be deferred.

When queried by Chairman, French representative stated that his position was same as mine. He said subject was being considered by his Govt also and he would find it difficult to give any information at this time. It was difficult to participate in a decision of the Commission upon a subject being considered on a diplomatic level.

New Zealand representative said he had no definite instructions but felt Far Eastern Advisory Commission⁷³ might appreciate receiving views of War Crimes Commission set forth in document C.145 (1). He felt his Govt would wish recommendations to be brought to attention of the Far Eastern Advisory Commission.

Canadian representative stated that his Govt considered the Chairman's proposal inopportune at the present time inasmuch as Canada and other govts were considering the proposals of the Far Eastern Advisory Commission. His Govt however generally supported the suggestion that the War Crimes Commission should acquaint the Far Eastern Advisory Commission with its recommendations.

Craigie then stated discussions were taking place between the govts and that they were very much on the lines of the Commission's recommendations because there was a proposal for International Military Tribunals, for a Central Registry and for the early detention and trial of prisoners. The British had already taken steps to detain prisoners and set up courts. He was sure question was being considered as matter of urgency and that it would be preferable for Commission to await developments. He suggested that Commission confine itself to advising govts that matter was of greatest urgency and expressing hope that detailed answers would soon be sent to Commission.

Chairman then stated that the matter would be left in abeyance for 1 or 2 weeks.

Dept's despatch No. 19 of October 23⁷⁴ contained copy of identic note of October 18 but did not contain a copy of the memorandum of US policy. After meeting of November 8 French representative in-

⁷³ This Commission began meeting in Washington on October 30.

⁷⁴ Not printed.

formed me he was studying mentioned memorandum for his Govt and believed that International Military Tribunal should be established by an agreement. Dr. Liang telephoned on November 9 and inquired whether this office had copy of memorandum which French representative had mentioned to him. He said that French representative had mentioned matter and he believed Tribunal should be established by agreement. [Hodgson.]

WINANT

740.00116 PW/11-945

Memorandum by the Acting Chairman of the State-War-Navy Coordinating Committee (Matthews) to the Secretary of State

SWN-3508

WASHINGTON, 9 November, 1945.

Subject: Apprehension and Punishment of War Criminals (Japan).

References: a. SWNCC 57/6/D.⁷⁵

b. SWNCC 57/7/D.⁷⁶

By informal action on 8 November 1945, the State-War-Navy Coordinating Committee agreed that the attached message should be sent by the Joint Chiefs of Staff to the Commanding General, U.S. Army Forces in the Pacific.⁷⁷

The Secretary, Joint Chiefs of Staff, has been requested to forward this message, after approval by the Joint Chiefs of Staff.

It is requested that the Department of State make further representations to speed action by the other governments interested (so that, if such action proves not to be possible within a reasonable time, trial before U.S. Military Commission may later be authorized).

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS

[Annex]

Draft Message for General of the Army Douglas MacArthur

Further to Warx 81029 and CA 54138.⁷⁸

Position of U.S. Government is that Tojo, his cabinet and other persons charged with crimes in category A in paragraph 1 of Appendix C of JCS 1512⁷⁹ should be tried by an international tribunal.

Other Allied signatories to Japanese surrender document have been requested to nominate panel of their nationals for appointment by you

⁷⁵ October 31, not printed.

⁷⁶ November 2, not printed.

⁷⁷ Gen. Douglas MacArthur.

⁷⁸ Latter presumably is quoted in SWNCC 57/7/D, not printed.

⁷⁹ See SWNCC 57/3, September 12, p. 926.

as members of such international tribunal. Transmission to Allied governments of U.S. policy contained in JCS 1512 commits the U.S. to afford such governments a reasonable opportunity to participate in trials by international tribunal. State Department is making further representations to expedite action by other signatories. If the latter delay unduly or do not desire to participate, it is probable that the U.S. will proceed on unilateral basis along lines suggested by you.

Subject to the above, you are already fully authorized to proceed immediately with trial of war criminals for offenses in categories B and C of paragraph 1 of Appendix C of JCS 1512. Such trials should be held as soon as possible.

740.00116 P.W./11-1045 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

Tokyo, November 10, 1945.

[Received November 10—3 p. m.]

105. CA 54543. We are preparing for General MacArthur a list of major war criminals suspects we consider should be arrested at this time. Please telegraph urgently whether War Crimes Office has briefed or compiled evidence to form basis of trials on individuals named on its lists of September 13th, September 21st, and September 28th, prepared with Department's assistance. While principal points of historical evidence sufficient for arrests are known to us in most cases, it would be desirable to have the supporting authority of the Government's specialists in this matter and to know so far as possible the details of what those specialists consider the most important desiderata.

ATCHESON

740.00116 PW/11-1345

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 52

Tokyo, November 13, 1945.

[Received November 21.]

SIR: I have the honor to refer to this office's despatch no. 37, November 6, 1945, enclosing a copy of a memorandum addressed to General MacArthur recommending the completion of the arrests of the major Japanese war criminal suspects, and to our telegram no. 121, November 13, 1945,⁸⁰ listing the names of thirteen suspects for immediate arrest as guilty of crimes against peace.

⁸⁰ Telegram 121 not printed.

There are now enclosed copies of the following :

Memorandum from the Chief of Staff, November 7, 1945, in reply to our Memorandum to the Supreme Commander of November 6, 1945 ;

Memorandum to the Supreme Commander, November 12, 1945, listing the thirteen names mentioned above, with brief biographical data.

The thirteen names in question were taken from the War Crimes Office lists prepared with the Department's assistance.⁵¹ We are proceeding, on the basis of those lists, to draw up further lists for submission to General MacArthur. We understand that, as a result of our memorandum of November 6, he has instructed the Counter Intelligence Section of General Headquarters to prepare lists of suspects who should be arrested at this time, and we accordingly may expect that some action will be taken in the matter.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure 1]

Memorandum by Major General R. J. Marshall, Acting Chief of Staff to the Supreme Commander for the Allied Powers, Japan, to the Acting Political Adviser in Japan (Atcheson)

[Tokyo,] 7 November, 1945.

1. The Supreme Commander has considered your memorandum of November 6, on the subject of the arrest of war criminals. He has directed me to reply. The main difficulty is to determine just who are the war criminals in that directives to the Supreme Commander have been couched in such broad and general terms that he is unable to determine those individuals that the American Government or the Allied Governments wish to prosecute. In Germany the problem, so far as the military was concerned, was comparatively simple. Everyone accused of Naziism or that could be identified as a member of the Nazi Party was to be arrested and confined. Here, however, no such line of demarcation has been fixed. On the contrary, the Potsdam Declaration outlined that the Japanese Armed Forces, except those individuals definitely charged with some offense, were to be returned to their homes.

2. The Supreme Commander has asked the Government to define just what is desired, but to date has been unable to find out what is wanted. Secretary McCloy, in discussing the matter, also stated that they desire more arrests. An indefensible position under future review might well result if we seized and incarcerated men under the

⁵¹ A list dated September 14 and sent to SCAP, Tokyo, included the names of 45 persons as major Japanese war criminal suspects ; two supplemental lists, dated September 21 and 28, named 16 persons.

indefinite term of "war criminals" to find that we had no case against them, resulting in their ultimate release without trial. Such action might set up a dangerous precedent for the future as it would be in violation of present national and international codes. The Supreme Commander has no hesitancy whatever and is anxious to arrest and confine everyone against whom we can lodge a valid complaint, but as yet he has no basis except general directives which are inadequate to guide in wholesale arrests. The CIC⁸² is working day and night, but as you know it is a very small staff with a very definite limitation upon its potentialities due to the early discharge of most of its personnel.

3. The Supreme Commander would be glad to have you list those individuals who, in your view, should be arrested at this time with basis of evidence which would support a trial.

R. J. MARSHALL

[Enclosure 2]

Memorandum by the Acting Political Adviser in Japan (Atcheson)

TOKYO, November 12, 1945.

MEMORANDUM FOR: SUPREME COMMANDER AND CHIEF OF STAFF.

Reference your memorandum of November 7, 1945, suggesting that we list major Japanese war criminals suspects who, in our opinion, should be arrested at this time.

Enclosed is a list containing thirteen names of such major war criminal suspects, together with biographic data concerning each, which we consider sufficient evidence to support their arrest for trial under Section II, Article 6 (a), of the Four Power Agreement on War Crimes Trials:

"(a) Crimes against peace: Namely, planning, preparation, initiation or waging of a war of aggression, or a war in violation of international treaties, agreements or assurances, or participation in a common plan or conspiracy for the accomplishment of any of the foregoing."

Some of the persons listed are, of course, also guilty of war crimes (violations of the laws or customs of war) as defined in Section II (b) of the Agreement in question. These persons are believed, with others, to have been responsible through the policies which they advocated and the influence which they exerted for the initiation and carrying on of the attacks launched by Japan on Manchuria in 1931,⁸³ and on

⁸² Counter Intelligence Corps.

⁸³ See *Foreign Relations*, 1931, vol. III, pp. 1 ff., and *Foreign Relations*, Japan, 1931-1941, vol. I, pp. 1 ff.

China proper in 1937,⁸⁴ and on the United States, Great Britain and others of our Allies in 1941.⁸⁵

The list specifies only thirteen of the more than fifty major suspects listed by the State, War and Navy Departments. Subsequent lists of persons believed to share responsibility with those named and of persons considered responsible for specific violations of laws or customs of war will be submitted to you in due course.

GEORGE ATCHESON, JR.

[Subenclosure]

LIST OF MAJOR JAPANESE WAR CRIMINALS

- ARAKI**, Sadao, Baron and General (retired). Education Minister 1938-39, completely reforming educational system along ultra-nationalistic lines. Super militarist. Powerful in military circles. Reported an important influence behind Tojo. An ardent nationalist. Born 1877. Address: 63 Hatagaya Hon-Machi, 1-Chome, Shibuya-Ku, Tokyo.
- HONJO**, Shigeru, Baron and General. Commanding Officer, Kwantung Army 1931-35. Believed to have conceived and executed Mukden Incident without reference to Tokyo. Privy Councillor. Adviser, New Asia Movement of Imperial Rule Assistance Association, 1944. Has been termed "ring-leader of the Japanese war lords." Born 1876. Address: 8 Henchara, Nakano-Ku, Tokyo.
- ITAGAKI**, Seishiro, General. Commander-in-Chief Korea 1941-45. War Minister 1938. A leader of the so-called "Young Officers group." Took major part in the Manchurian Incident of 1931. Close friend of Tojo. Commanding Officer Singapore 1945. Reported a Black Dragon.⁸⁶ Born 1885.
- KANOKOGI**, Kazunobu, Black Dragon. Councillor of Imperial Rule Assistance Association. Chairman, Board of Directors of Press Patriotic Association, 1942. Long involved in secret society and nationalistic activities. Reported close associate of Mitsuru Toyama. Born 1884. Address: 617, Jomyo Ji, Kamakura.
- KOISO**, Kuniaki, General. Premier of Japan 1944. An ardent imperialist, one of most enthusiastic proponents of Japanese expansion, both on continent and in South Seas. Former Chief of Staff of Kwantung Army 1932-35, and a leader in Manchurian

⁸⁴ See *Foreign Relations, 1937*, vol. III, pp. 1 ff., and *ibid.*, Japan, 1931-1941, vol. I, pp. 313 ff.

⁸⁵ See *Foreign Relations, 1941*, vol. IV, pp. 728 ff., and *ibid.*, vol. V, pp. 374 ff.; also *ibid.*, Japan, 1931-1941, vol. II, pp. 786 ff.

⁸⁶ The Black Dragon Society (*Kokuryukai*) was founded by Mitsuru Toyama who died in October 1944.

occupation. Governor General of Korea 1942, where known as "The Tiger." Born March 1880. Address: 271-Chome, Morimoto-Cho, Azabu-Ku, Tokyo.

KUHARA, Funanosuke. Prominent politician, industrialist. Close friend and supporter of Baron Tanaka,⁸⁷ General Araki. Advocate of strong policy toward China. Involved in Incident of February 26, 1936.⁸⁸ Ardent nationalist, closely associated with military circles and aims.

KUZUU, Yoshihisa. Head of Black Dragons since 1937. Director, Imperial Rule Assistance Association 1944. Reported right hand man of Mitsuru Toyama.

MATSUOKA, Yosuke. Foreign Minister and a leading expansionist in 1941. The Tripartite Axis Pact was signed shortly after he became Foreign Minister in 1940.⁸⁹ Anti-American. Popular with Army and patriotic societies. Born 1880. Address: 381, Sendagaya, 2-Chome, Shibuya-Ku, Tokyo.

MATSUI, Iwane, General (retired). Leading Army extremist. In command during rape of Nanking, bombing of *Panay*, and attempted bombing of British gunboat and shelling of *HMS Ladybird*.⁹⁰ Long active exponent of "Asia for the Asiatics," "Japan's Divine Mission." Director General, Great East Asia Headquarters of Imperial Rule Assistance Association 1944. President, Great Japan New Asia Society 1945. Born 1878.

MAZAKI, Jinzaburo, General. Army extremist, close associate of Koiso, Araki. Leader of "Young Officers", reported to have inspired Young Officers Revolt,⁹¹ their candidate for Premier. Inspector General, Military Education 1934-38. Member, Supreme War Council 1936. Military Adviser to Japanese Expeditionary Forces in China 1944. Born 1876.

MINAMI, Jiro, General. Privy Councillor. Oppressive rule as Governor General of Korea 1936-42. President, Political Association of Greater Japan, March 1945. War Minister during the Manchurian Incident in 1931. Prominent member Army clique. Born August 1874.

SHIRATORI, Toshio. Foreign Office Adviser, Koiso Cabinet, also in 1940 and 1941. An ardent nationalist. Has been described as

⁸⁷ Gen. Baron Giichi Tanaka, Japanese Prime Minister, April 1927-July 1929.

⁸⁸ For documentation on the assassinations in Japan, February 26, 1936, see *Foreign Relations*, 1936, vol. iv, pp. 719 ff.

⁸⁹ For Three Power pact of assistance signed at Berlin, September 27, 1940, by Germany, Italy, and Japan, see League of Nations Treaty Series, vol. cccv, p. 387, or *Documents on German Foreign Policy, 1918-1945*, series D, vol. xi (Washington, Government Printing Office, 1960), p. 204. For negotiation of treaty, see *Foreign Relations*, 1940, vol. i, pp. 647 ff.

⁹⁰ See *ibid.*, 1937, vol. iii, pp. 781 ff., and *ibid.*, vol. iv, pp. 485 ff.; also *ibid.*, Japan, 1931-1941, vol. i, pp. 517 ff.

⁹¹ February 26, 1936.

"the most rabid of all the militarists." Declared to press in March 1941 that Japan's true aim was to drive the white race out of Asia.

YAMADA, Otozo, General. Ardent expansionist. Close associate Doihara,⁹² Sugiyama,⁹³ Tojo. Commanding General, Kwantung Army 1944-45. Inspector General, Military Education and Supreme War Councillor 1939-44. Commanding General, General Defense Headquarters 1941. Reported favorable Young Officers clique. Top policy maker.

740.00116 PW/11-1045: Telegram

The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)

WASHINGTON, November 14, 1945—4 p. m.

116. Urtel 105, November 10. Dept. informed by War Crimes Office that biographical statements which accompanied lists of major war criminals were intended to assist identification. Very little information this type available in Washington additional to above and to Dept's despatch no. 3 of October 17.⁹⁴

Dept. understands that War Crimes Office has organized its information by particular offenses or types of offense and that this material contains additional information on many of the major war criminals. Bulk of this information probably in Manila. It is not presently planned to reexamine and assemble in Washington this information as evidence to form basis of trials of listed individuals.

In as much as trial of major war criminals will probably be only trial to include charges under category 1-A of JCS 1512 (SWNCC 57/3)⁹⁵ it is believed you should emphasize necessity of securing evidence in Tokyo to substantiate such charges. Question of inclusion of particular individuals on list you are preparing should take into account whether inclusion at present time will be of assistance in obtaining such evidence.

BYRNES

⁹² Gen. Kenji Doihara, already arrested as suspected war criminal.

⁹³ Field Marshal General Sugiyama, who committed suicide after the Japanese surrender.

⁹⁴ Despatch not printed; it listed information forwarded to Tokyo (894.00/10-445).

⁹⁵ September 12, p. 926.

740.00116 PW/11-1645

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 57

Tokyo, November 16, 1945.

[Received November 27.]

SIR: I have the honor to refer to this Office's despatch No. 52, November 13, 1945, enclosing a copy of a memorandum addressed to General MacArthur recommending the arrest of thirteen major Japanese war criminal suspects, and to our telegram No. 136, November 15, 1945,⁹⁶ reporting the transmission to General MacArthur of a second list of twenty-two additional major war criminal suspects, with supporting biographic data.

There is now enclosed a copy of our memorandum of November 14, 1945 to General MacArthur together with the above mentioned second list of suspects recommended for immediate arrest as guilty of crimes against peace or violations of the laws or customs of war. As mentioned in the reference telegram, all the names except one (Shoriki, Matsutaro, which was included on the basis of evidence compiled here), were taken from the War Crimes Office lists prepared with the Department's assistance and it is our intention to submit additional names as evidence which would warrant further arrests is compiled. We understand that the lists submitted by the Counter Intelligence Section of General Headquarters coincide closely with ours.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Atcheson)

Tokyo, November 14, 1945.

MEMORANDUM FOR: SUPREME COMMANDER AND CHIEF OF STAFF.

Reference our memorandum of November 12, 1945, enclosing a list of thirteen major Japanese war criminal suspects, together with biographic data concerning each which we consider sufficient evidence to support their arrest for trial for crimes against peace or violations of the laws or customs of war, as defined in Section II, Article 6 (a) and (b) of the Four Power Agreement on War Crimes Trials.

The two lists thus far submitted comprise, we believe, the most outstanding Japanese who, in our opinion, on the basis of evidence now available to us, should be immediately apprehended.

GEORGE ATCHESON, JR.

⁹⁶ Telegram not printed.

[Subenclosure]

MAJOR JAPANESE WAR CRIMINALS

(Second List)

- AIKAWA, Yoshisuke.** Member, Cabinet Advisory Board, Koiso Cabinet.⁹⁷ Brother-in-law and close associate of Fusanosuke Kuhara. Industrialist who worked in close cooperation, and to his great profit, with aggressive elements of Army and Government.
- AMAU, Eiji.** Career diplomat. Vice Minister of Foreign Affairs, July–October, 1941. Succeeded Tani as President, Bureau of Information under Tojo. Foreign Office spokesman 1933–37. Author of “Amau Statement” (warning other Powers to keep hands off China) of April 17, 1934.⁹⁸ Ardent nationalist. Reported associate of Shiratori. Close Army connections.
- ANDO, Kisaburo,** Lieutenant General (retired). Home Affairs Minister, April 1943–July 1944 under Tojo. Supreme Military Councillor, 1941. Said to be an intimate friend of Tojo. Leading member Army clique. Address: 9, Shimizu-Cho, Suginami-Ku, Tokyo.
- AOKI, Kazuo.** Career Finance Ministry official, important in Japan’s program of continental expansion. Minister Greater East Asia Affairs under Tojo. Adviser to the Greater East Asia Ministry since August 1944. Reported close to Tojo and “a favorite of the Kwantung Army clique”.
- GOTO, Fumio.** Bureaucrat, nationalist, influential supporter of the Army and its policies. Leader of Fascist *Shin-Nippon Domei*. Vice President of Imperial Rule Assistance Association April 1943–July 1944. Minister without Portfolio in Tojo Cabinet. President, Youth Corps, Imperial Rule Assistance Association, 1944. Address: 29 Konno-Cho, Shibuya-Ku, Tokyo.
- HATA, Shunroku,** Field Marshal. Supreme Military Council 1944; Supreme Commander of Japanese Forces in China February 1941–1944. One of foremost advocates of expansionist, totalitarian policies. Close friend of Koiso. Address: 122 Taishio, Setagaya-Ku, Tokyo.
- HIRANUMA, Kiichiro,** Baron. President of Privy Council 1936–1939, 1945. Premier 1939. Minister Without Portfolio and Home Minister in second Konoye Cabinet.⁹⁹ Vice Premier and Minister Without Portfolio in third Konoye Cabinet.¹ Member of the *Jushin* (Council of elder statesmen with responsibility for select-

⁹⁷ July 1944–April 1945.⁹⁸ See *Foreign Relations*, 1934, vol. III, p. 112, and *Foreign Relations*, Japan, 1931–1941, vol. I, p. 224.⁹⁹ July 1940–July 1941.¹ July–October 1941.

- ing prime ministers). Close to Konoye. One of top behind the scenes policy makers of last ten years.
- HIROTA, Koki.** Minister of Foreign Affairs June 1937–May 1938. A staunch nationalist closely connected with reactionary patriotic organizations favored by Army. High in councils of Black Dragon Society. Disciple of Mitsuru Toyama, Chairman committee to arrange his funeral, October 1944. Born February 1878. Address: 170, 2–Chome, Harajuki, Shibuya-Ku, Tokyo.
- HONDA, Kumataro.** Ambassador to Nanking, 1940–1942. Adviser New Asia Movement of Imperial Rule Assistance Association, September 1944. Extremely active behind the scenes. Close relations fighting services, imperialist opinions. Pro-Axis.
- HOSHINO, Naoki.** Bureaucrat, Chief Cabinet Secretary in Tojo's Cabinet 1941–1944. Leading role in building up war industries in "Manchukuo". Close collaborator with Army there, known as "Manchukuo's dictator". Reported founder Concordia Society, modeled on Nazi Party, in "Manchukuo". Strong pro-Axis, totalitarian views and activities.
- KONOYE, Fumimaro,** Prince. Premier when Japan attacked China, adopted the National Mobilization Law, entered the Tri-Partite Alliance with Germany and Italy, dispatched troops to Indo-China, and dissolved the old political parties. Established Imperial Rule Assistance Association and was its first president. Of great value to the militarists because of his close ties with the Throne and ability to reconcile conflicting elements among the ruling groups. Believed to have favored and sponsored continental expansion.
- NISHIO, Toshizo,** General (retired). Supreme Military Councillor 1941. Commander-in-Chief Japanese Expeditionary Forces in China, September 1939–February 1941. Address: 67, Tansu-Machi, Azabu-Ku, Tokyo.
- OSHIMA, Hiroshi,** Lieutenant General (retired). Former Ambassador to Berlin.² A strong pro-Nazi and influential member of the military clique. One of the "Big Four" in the negotiation of the Pact with Germany and Italy in 1940. (Reported being brought back to Japan from the United States).
- SHIOTEN, Nabutaka,** Lieutenant General. Director Imperial Rule Assistance Association since August 1944; Vice President of Great East Asia League. Member of Black Dragon Society. Reported Fascist, anti-Semitic leanings and an active militarist.
- SHORIKI, Matsutaro.** President *Yomiuri-Hochi* newspaper. Councillor to Cabinet Information Board under Tojo 1943. Appointed Privy Councillor 1944. Adviser to Koiso Cabinet. Director of IRAA and IRAPS. Councillor to Board of Information 1945.

² 1938–39 and December 1940–May 1945.

- Former Chief of Criminal Department of Metropolitan Police Board, distinguishing himself in thought control work. Long advocated aggressive policies, closer ties with Axis, through the *Yomiuri*. Close personal ties with Army, German Embassy. Now resisting efforts by junior staff to remove him from control of *Yomiuri* because of pro-military record.
- SUMA, Yakichiro. Career diplomat, active supporter of military leaders and programs, and one of Japanese diplomats regarded as "acceptable" to the military. Involved in diplomatic intrigue preceding and accompanying Japanese invasion of China. Followed chauvinistic pattern of Shiratori and Amau as Foreign Office spokesman 1939-1940. Minister to Spain 1940-1945. (Reported interned in Spain May 1945; believed still there.)
- TADA, Hayao, General. Supreme Military Councillor 1941. A leading expansionist of Military Clique. Commander-in-Chief Japanese Forces in Northern China 1939-1941. Worked with General Doihara in North China in 1935 and 1936.
- TAKAHASHI, Sankichi, Admiral. Adviser to Imperial Rule Assistance Association; member of Supreme Military Council; Councillor GHQ New Asia Movement. Influential among younger naval officers. Reported advocated war against the United States and Britain. Address: 83, Shirokane Imazato-Cho, Shiba-Ku, Tokyo.
- TANI, Masayuki. Foreign Minister, President, Board of Information, and Ambassador to Nanking under Tojo. Reported associate of Shiratori and a leader of the military inclined clique of the Foreign Office. Long advocate of strong policy toward China. Described as "arrogantly nationalistic" and "one of the Army's most trusted servants".
- TOYODA, Soemu, Admiral. Commander-in-Chief Combined Fleet 1944; Supreme Military Councillor 1942; Chief of Navy General Staff May 29, 1945. Reported extremely nationalistic and anti-foreign. Address: 518 Shimouma, 3-Chome, Setagaya-Ku, Tokyo (1940).
- UMEZU, Yoshijiro, General. Chief of Army General Staff upon fall of Tojo Cabinet July 1944; Commander of Kwantung Army for previous four years; Supreme Military Councillor July 1944. Reported one of most influential men in the Japanese Army. Signed surrender document on behalf of Imperial General Headquarters on September 2, 1945.
- USHIROKU, Atsushi (Jun), General. Supreme Military Council 1944. Commander-in-Chief South China 1940. Chief of Staff Japanese Forces in China 1941. Vice Chief, Army General Staff, 1943. A close friend of Tojo and one of most active participants in aggressions in China and Manchuria.

740.00116 PW/11-1745

The Political Adviser in Japan (Atcheson) to the Secretary of State

No. 58

Tokyo, November 17, 1945.

[Received November 27.]

SIR: I have the honor to refer to my telegram 136, November 15,³ and despatch No. 57, November 16, 1945, in regard to major Japanese war criminal suspects whom we have recommended be arrested at this time for trial, and especially to the case of Prince Fumimaro Konoye.

There is enclosed a memorandum⁴ on the subject of Konoye's war guilt prepared by Mr. E. H. Norman, a Canadian national, author of *Japan's Emergence as a Modern State* who is in Tokyo as representative of the Canadian Department of External Affairs and who is temporarily acting as chief of the Research and Analysis Section of the Office of the Chief Counter Intelligence Officer of General Headquarters. This memorandum comprises, in our opinion, a very able presentation of the political case against Konoye and is of special interest at this time because, we understand, there is considerable reluctance in some quarters to arrest Konoye along with the other major suspects still at large. The memorandum was originally written by Mr. Norman for Allied General Headquarters.

In his "Conclusion" Mr. Norman states in part:

"The most valuable service which Konoye performed on behalf of Japanese aggression was one which he alone could have accomplished—namely the fusing of all the dominant sections of the ruling oligarchy, the Court, Army, Zaibatsu and bureaucracy. His prestige with the Army and his unassailable position at Court uniquely equipped him to reconcile personal differences among the various leaders, to remove the frictions between the Army cliques, to quiet the fears of the more timorous business leaders, to show the Army intransigents the need for appeasing the Zaibatsu, to choose from the higher bureaucracy those men most suitable to administer the war program.

In only the final event does Konoye escape full responsibility, namely, for the launching of the attack on Pearl Harbor. This is a very considerable exception and one of which the Prince with his able coterie of henchmen including journalists, courtiers, and young brain trusters is making the most by direct and indirect propaganda. Yet he was the Prime Minister and continued to be Prime Minister through July 1941 until mid-October during which months the question of a war with the United States was fully canvassed and fairly faced both in the Cabinet and at least in the Imperial conference.

In other words, Konoye set in motion those policies and alliances which could only lead to a collision with the Western powers. Even though he stepped aside in favor of Tojo in October 1941, he still bears

³ Not printed.

⁴ Dated November 5, not printed.

a heavy responsibility both moral and legal (if he had a serious change of heart in October 1941), since he made no move such as summoning an Imperial conference while still Premier to prevent the coming Japanese attack upon the United States and Britain".

As is well known, Konoye was Prime Minister when Japan attacked China, entered the Tri-Partite Alliance with Germany and Italy, invaded French Indochina, adopted the National Mobilization Law⁵ which laid the foundation for the command economy for total war, and abolished the old political parties. He created the Imperial Rule Assistance Association and was its first president. While there is some question as to what effect his arrest might have upon the present Government, the widespread criticism of him and his past policies in the press suggest that the effect would not be adverse. The question of his nobility, i. e. his closeness to the Throne and whether his arrest would raise the question of the war guilt of the Emperor, is one for which there is even a Japanese solution in the thesis, which is being publicized in the Japanese press these days, that political responsibility rests in the Emperor's advisers but never in the Emperor because the Emperor acts only in accordance with the recommendations of his advisers. It seems entirely inappropriate that a man with Konoye's political history should escape formal investigation as a war criminal suspect and that he should continue to participate in important governmental activities.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 PW/11-1945: Telegram

*The Acting Political Adviser in Japan (Atcheson) to the
Secretary of State*

TOKYO, November 19, 1945.

[Received November 19—11:40 a. m.]

147. Orders were issued by the Supreme Commander to the Japanese Government under date of November 17 to effect the arrest of persons listed in our 121, November 13⁶ except Itagaki and Yamada who are understood to be out of the country. According to press, Matsuoka recently attempted suicide.

ATCHESON

⁵ It was promulgated on April 1, 1938.

⁶ Not printed, but see despatch 52, November 13, p. 961.

740.00116 P.W./11-1945

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 62

Tokyo, November 19, 1945.

[Received November 27.]

SIR: I have the honor to refer to my despatch no. 58, November 17, 1945, in regard to the question of the war guilt of Prince Konoye, and to enclose a copy of a memorandum¹ in regard to the war guilt of Marquis Kido, presently Lord Keeper of the Privy Seal, written by Mr. E. H. Norman of the Canadian Legation. As mentioned in the despatch under reference, Mr. Norman, who is author of *The Emergence of Japan as a Modern State*, is serving temporarily as head of the Research and Analysis Section of the Office of the Chief Counter Intelligence Officer of General Headquarters. His memorandum was prepared for Headquarters and has been submitted to General MacArthur.

Marquis Kido's position as Lord Keeper of the Privy Seal at the time of the selection of General Tojo as Prime Minister and his continuance in office following the attack on Pearl Harbor would seem to be sufficient to establish his responsibility in connection with the war against the United States, Great Britain and the Netherlands.

As previously reported, a plan is now underway in the Government for the abolition of the position of Lord Keeper of the Privy Seal and Marquis Kido has publicly indicated his intention of divesting himself of his title of nobility and of "descending" to the status of a "commoner." Following the abolition of his position we shall expect, unless strong reasons to the contrary develop out of the anticipated early arrest of some thirty-five Japanese war criminal suspects, to recommend to General MacArthur that Kido be arrested for investigation and trial as one of the Japanese leaders guilty of crimes against peace.

Respectfully yours,

GEORGE ATCHESON, JR.

¹ Dated November 8, not printed.

894.00/11-2645

*Report by Mr. Robert A. Fearey, of the Office of the Political Adviser in Japan*⁸

[Extract]

V. WAR CRIMINALS

The arrest of 39 war criminals suspects, headed by General Hideki Tojo and including the entire "Pearl Harbor" Cabinet, was ordered by General MacArthur on September 11. General Tojo was placed under the care of the U.S. Army Medical Corps after attempting suicide. Others on the list who were immediately arrested or gave themselves up shortly after were: General Masaharu Homma, commander in the Philippines at the time of the Bataan death march; General Shigenori Kuroda, successor to General Homma as commander-in-chief in the Philippines; Colonel Suzuki, formerly in command of the Shinagawa War Prisoners Camp; and Colonel Kingoro Hashimoto of Panay Incident fame. Among others later ordered apprehended were General Kenji Sawada, Major Hata and Lt. Wamitsu, arrested October 15 reportedly because of their connection with the execution near Shanghai of three Doolittle⁹ flyers, and Genki Abe, Home Minister in the Suzuki Cabinet, arrested on October 22. A spokesman for the Legal Section of General Headquarters stated on October 22 that the total number tried for war crimes committed in the Pacific might reach 4000.

On November 17 the Japanese Government was ordered to arrest and deliver to the Sugamo Prison Camp the following major Japanese war criminal suspects: Sadao Araki, Shigeru Honjo, Kazunobu Kanokogi, Kuniaki Koiso, Fusanosuke Kuhara, Yoshihisa Kuzuu, Yosuke Matsuoka, Iwane Matsui, Jinzaburo Mazaki, Jiro Minami and Toshio Shiratori. These men, believed to have been among those primarily responsible for the aggressions of 1931, 1937 and 1941, will be held (except Shigeru Honjo who committed suicide on November 20) with others earlier arrested, or who may be apprehended in future, for trial by an international tribunal.

⁸ Copy transmitted to the Department by the Acting Political Adviser in Japan in despatch 73, November 26; received December 6. Mr. Atcheson described the report as a review of developments in Japan from time of entry of U.S. forces to November 20, prepared principally for the record, together with a chronological appendix.

⁹ Brig. Gen. James H. Doolittle commanded squadron which raided Japan, including Tokyo, on April 18, 1942.

740.00116 PW/11-945

*The Secretary of State to the Chinese Ambassador (Wei)*¹⁰

The Secretary of State presents his compliments to His Excellency the Chinese Ambassador and has the honor to refer to the Department's note of October 18, 1945 concerning the apprehension and punishment of Far Eastern war criminals and requesting the designation of personnel for appointment to international military courts to be established in the Far East.

In view of the fact that the Supreme Commander for the Allied Powers considers it urgently necessary promptly to create appropriate tribunals for the trial of Japanese war criminals, with which the Government of the United States agrees, an early reply to the Department's note of October 18 would be appreciated.

WASHINGTON, November 21, 1945.

740.00116 PW/11-2745

The Director of the Office of Far Eastern Affairs (Vincent) to the Under Secretary of State (Acheson)

[WASHINGTON,] November 27, 1945.

Subject: Designation of Judges to the Court for Trial of Japanese War Criminals

With reference to our conversation last week with Judge Keenan,¹¹ I have talked to the Chinese Ambassador and with Sir George Sansom with regard to the designation of judges to the court for the trial of "Class A" Japanese war criminals. Both Ambassador Wei and Sir George stated that they knew of no reason for the delay in replying to our previous communications on this subject and said that they would get off telegrams today, urging their respective foreign offices to give replies.

I told them that it would be sufficient for our purpose now if they simply put forward the name of one judge and an alternate, rather than endeavoring to name a panel. I explained that Judge Keenan was drawing up regulations, rules, etc. for the prosecuting agency and that it was essential that in doing so he have some idea of the constitution of the court. I also explained that, in connection with the original request for a panel of judges, it was intended to have sev-

¹⁰ Identical notes were sent on the same date to Chiefs of Mission in Washington from Australia, Canada, France, the Netherlands, New Zealand, the Soviet Union, and the United Kingdom.

¹¹ Joseph B. Keenan, former Assistant to the Attorney General, was appointed on November 30 as Chief of Counsel for prosecution of war crimes charges against major Japanese leaders.

eral courts to try Class A, B, and C war criminals but that we were anxious to move forward with the trial of "Class A" criminals and that the designation of a single judge and alternate would be sufficient for that purpose.

J[OHN] C[ARTER] V[INCENT]

740.00116 PW/11-3045

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 79

TOKYO, November 30, 1945.

[Received December 11.]

SIR: I have the honor to refer to this Mission's despatch no. 52, November 13, 1945, and no. 57, November 16, 1945, enclosing copies of memoranda addressed to General MacArthur recommending the arrest of thirteen and twenty-two major war criminal suspects, respectively,¹² and to our telegram no. 164, November 27, 1945,¹³ reporting the transmission to General MacArthur of two further lists of major war criminal suspects, with supporting biographic data, the first for arrest at this time, and the second, at a suitable time in the future.

There is now enclosed a copy of our memorandum of November 27, 1945, to General MacArthur, together with the above-mentioned third and fourth lists. As stated in the reference telegram, our first three lists include all those suspects named in the United States War Crimes Office lists, prepared with the Department's assistance, not already arrested, in Allied hands or reported dead, against whom evidence fully warranting recommendation of arrest is available in this Mission. It has just been learned, however, that Prince Fushimi Hiroyasu, reported dead in the War Crimes Office list, is alive, though ill, and Abe Nobuyuki, whom we had been informed had been arrested, is at large. Inasmuch as there is not available in this Mission evidence which would warrant recommending their arrest, it is requested that their names be added to the others in this category cited in the reference telegram and that biographic data concerning them be furnished us.

According to the best available information, Kimura Heitaro, Itagaki Seishiro, and Terauchi Hisaichi are in British hands in Burma or Malaya; Otozo Yamada [*Yamada Otozo*] is in Russian hands in

¹² On December 6 the Japanese Government was directed to apprehend 9 major war crimes suspects by December 16; these included Prince Konoye and Marquis Kido. On December 15 Prince Konoye committed suicide prior to his arrest.

¹³ Not printed.

Manchuria; and Tatekawa Yoshitsuga, Anami Korechika, Suetsugu Nobumasa and Sugiyama Gen are dead. Doihara Kenji was arrested in Japan on September 23, and Muto Akira is being held in the Philippines. Togo Shigenori is under house arrest in Tokyo.

It is our intention to submit further lists of major war criminal suspects to General MacArthur as sufficient evidence is compiled.

Respectfully yours,

GEORGE ATCHESON, JR.

[Enclosure]

Memorandum by the Acting Political Adviser in Japan (Atcheson)

TOKYO, November 27, 1945.

MEMORANDUM FOR : THE SUPREME COMMANDER.

Reference our memoranda of November 12 and November 14, 1945, enclosing lists of major Japanese war criminal suspects, who, in our opinion, should be arrested at this time and held for trial.

We are now enclosing two further lists as follows :

(1) A list containing two further names of major war criminal suspects (Fujiwara and Nakajima), together with biographic data concerning each which we consider sufficient evidence to support their arrest at this time and trial for crimes against peace as defined in Section II, Article 6 (a) of the Four Power Agreement on War Crimes Trials; and

(2) A sheet containing one name (Yonai) who we feel should be listed *but who should not, in our opinion, be arrested at this time* because he is a member of the present Cabinet and his arrest might cause the Cabinet to fall. As regards Yonai's guilt and responsibility, we believe that from the history of his official life he is clearly subject to trial for crimes against peace as defined, and that, as he was Navy Minister in 1937 when China was attacked and Japanese Navy planes bombed Nanking and other Chinese cities, he is chargeable with violation of the laws and customs of war, specifically under Article 1 of the Hague Convention.¹⁴ We believe that he should be arrested at a suitable time in the future.

The names on these and previous lists submitted by this Mission include all those major war criminal suspects believed to be in Japan, whose names appear in the lists furnished by the National War Crimes Office in Washington or who are otherwise under consideration, against whom we now have available evidence for recommendation that they be arrested. Further names will be submitted as necessary evidence is compiled.

GEORGE ATCHESON, JR.

¹⁴ Convention IV signed October 18, 1907; *Foreign Relations*, 1907, pt. 2, pp. 1204, 1205, 1207.

[Subenclosure]

MAJOR JAPANESE WAR CRIMINALS

(Third List)

FUJIWARA Ginjiro. Leading industrialist with a record of active collaboration with the military in positions of major responsibility. Former posts include: Commerce and Industry Minister in Yonai Cabinet, 1940; member of Greater East Asia Co-Prosperity Sphere Establishment Administration, 1942; Adviser to Naval authorities in Occupied Areas of South Pacific, 1942; Adviser to Cabinet Advisory Council Wartime Economic Council, 1943; Minister without Portfolio in Tojo Cabinet, 1943; Munitions Minister in Koiso Cabinet, 1944; Councillor Imperial Rule Assistance Political Society, 1945; and Adviser to Manchukuo War Industries Administration, 1945; Founder and Chairman of Oji Paper Company (Mitsui enterprise). Member House of Peers. On list of major Japanese war criminal suspects prepared by United States War Crimes Office in Washington.

NAKAJIMA Chikuhei. Leading aircraft manufacturer (founder and president Nakajima Aircraft Company), war profiteer and politician. Described as "closely bound up with and devoted to the developing of Japan's war machine since before the last war." Former posts include: President, *Seiyukai* Party, 1930-1940; Railways Minister, 1937-1939; Member Cabinet Advisory Council, 1940; Member Greater East Asia Co-Prosperity Sphere Establishment Administration, 1942; Councillor of Imperial Rule Assistance Political Society, 1942-1945; Adviser Imperial Rule Assistance Association, 1944; Adviser Japan Political Association, 1945; Munitions Minister in Higashi-Kuni Cabinet, 1945. Informally excluded from membership in the present Progressive Party of Japan because of military taint. On list of major Japanese war criminal suspects prepared by United States War Crimes Office in Washington.

(Fourth List)

YONAI Mitsumasa. Top Navy policy maker since 1937. Former posts include: Navy Minister in Hayashi Cabinet, 1937; Navy Minister in first Konoye Cabinet, 1937-1939; Navy Minister in Hiranuma Cabinet, 1939; Member Supreme War Council, 1939; Premier, 1940; Deputy Premier and Navy Minister in Koiso Cabinet, 1944-1945; and Navy Minister in Suzuki Cabinet, 1945. Serving as Navy Minister in the present Cabinet.

740.00116 PW/12-145

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 80

Tokyo, December 1, 1945.

[Received December 11.]

SIR: I have the honor to enclose a copy of a list of war crimes suspects detained in Japan and the Philippine Islands provided by the Legal Section of Headquarters.¹⁵ Additions to the list will be reported periodically. It will be noted that five Americans and two Japanese-Americans charged with broadcasting Japanese propaganda are being held at Sugamo Prison, Tokyo.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 PW/12-445

The Legal Adviser (Hackworth) to the Solicitor General (McGrath)

WASHINGTON, December 4, 1945.

MY DEAR MR. McGRATH: Referring to your telephone communication of yesterday regarding steps that are being taken by counsel for General Yamashita¹⁶ who is now on trial as a war criminal before a military court in Manila, I attach a brief memorandum of suggestions which may be useful to you.

Sincerely yours,

GREEN H. HACKWORTH

[Enclosure]

Memorandum by the Legal Adviser (Hackworth)

[WASHINGTON,] December 4, 1945.

ALLEGED FAILURE TO OBSERVE THE PROVISIONS OF THE GENEVA PRISONERS OF WAR CONVENTION OF 1929¹⁷ IN THE TRIAL OF YAMASHITA IN MANILA AS A WAR CRIMINAL

On the point that, in the trial of General Yamashita as a war criminal, the United States has not complied with the Prisoners of War Convention of 1929 regarding the giving of notice to the protecting power at the opening of judicial proceedings directed against a prisoner of war, the following observations would seem to be pertinent.

¹⁵ Not printed; it listed 133 persons of various nationalities in Japan and 95 in the Philippines.

¹⁶ Gen. Tomoyuki Yamashita, Japanese Commander in Chief in the Philippines at the end of the war and previously in Malaya.

¹⁷ Signed July 27, 1929; *Foreign Relations*, 1929, vol. I, p. 336.

Japan is not a party to the Prisoners of War Convention. However, in December 1941 the Department of State informed the Japanese Government through the Swiss Government of the intention of this Government to apply the provisions of the convention to Japanese prisoners of war and expressed the hope that the Japanese Government would likewise apply the provisions of the convention to American prisoners of war.¹⁸

Japan replied in February 1942 that although not bound by the convention, it would apply "*mutatis mutandis* provisions of that convention to American prisoners of war in its power".¹⁹

Despite this undertaking, which is somewhat vague, it is a known fact that Japan did not observe provisions of the convention. Members of the Doolittle squadron of aviators who fell into Japanese hands after the raid on Japan on April 18, 1942 were tried and some of them were executed without any notice whatsoever to Switzerland, the protecting power. The convention was constantly violated by Japan in other respects throughout the period of military operations. In these circumstances the United States was free to depart from the undertaking to apply, with respect to Japan, the provisions of the convention.

But aside from these considerations it is to be noted that Article 60 of the convention relates to the trial of "prisoners of war" and that General Yamashita is being tried as a war criminal. There is a question as to whether he has at any time occupied the status of a prisoner of war in the true sense of that term. He surrendered subsequent to the capitulation of Japan and after the Emperor had issued instructions to the Commanders of all Japanese forces to surrender unconditionally themselves and all forces under their control. But even assuming that Yamashita was held as a prisoner of war, as distinguished from a war criminal, and assuming that provisions of the convention were still operative as between the United States and Japan, both of which it is believed would be rash assumptions, the fact remains that failure of American authorities to give notice of the trial would not vitiate the proceedings in as much as the giving of notice is not a prerequisite to trial and has no bearing upon its legality. Certainly it is not a matter which can be availed of by the defendant. It relates to an undertaking between the two Governments and any complaint of failure to observe the undertaking should be considered, if at all, on the political level. Were Japan in a position to contend that she had been observing the convention under the arrangement reached in 1941-1942, *supra*, she might complain that the United States had violated the understanding, but she could not contend, with reason, that because of such violation the trial should as a matter of law be set aside.

¹⁸ See telegram 331, December 18, 1941, to Bern, *Foreign Relations*, 1942, vol. I, p. 792.

¹⁹ See telegram 398, February 4, 1942, from Bern, *ibid.*, p. 796.

Attached are: (1) a copy of the Prisoners of War Convention of 1929, (2) copies of the communications exchanged between the United States and Japan in 1941-1942, and (3) a copy of the Department of State *Bulletin* dated July 22, 1945 on pages 125 and 126 of which are set forth communications exchanged between the Department and the Swiss Legation regarding representation by the latter of Japanese interests in the United States.

740.00116 PW/12-645

The French Embassy to the Department of State

[Translation]

No. 964

The French Embassy presents its compliments to the Department of State and referring to the notes which it was good enough to address to the Embassy on October 18²⁰ and November 21,²¹ has the honor to call its attention to the following points:

After examining the Department's proposal for the establishment of an international military tribunal for the punishment of war crimes committed in the Far East, the French authorities would be disposed, in principle, to designate three representatives for the proposed tribunal.

At the same time, the acceptance by the French Government of participation in the proposed organization does not carry with it any limitation, with the exception of decisions taken by common agreement, on the judicial and repressive action which the French authorities are in a position to take directly against Japanese or other war criminals in Indochina by virtue of the sovereign rights which France possesses in the territories of the Union.

Furthermore, the French Government would like to know if liaison will be established between the proposed organization and the War Crimes Commission sitting in London and what will be its nature and purpose.

The Embassy would appreciate it if the Department would be good enough to make known its views with reference to the two points mentioned above.

The Embassy takes the occasion of this note to renew to the Department the assurances of its highest consideration.

WASHINGTON, December 6, 1945.

²⁰ See footnote 54, p. 947.

²¹ See footnote 10, p. 975.

740.00116 PW/12-645

The Secretary of State to the French Ambassador (Bonnet)

The Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and has the honor to refer to the French Embassy's note no. 964 of December 6, 1945 concerning the proposed establishment of an international military tribunal for the trial of war criminals in the Far East.

As regards the first point concerning which the Embassy requests the Department's views, it is not believed that the acceptance by the French Government of participation in the proposed organization would carry with it any limitation, with the exception of decisions taken by common agreement, on the judicial and repressive action which the French authorities are in a position to take directly against Japanese or other war criminals in Indo-China by virtue of the sovereign rights which France possesses in the territories of the Union.

As for the second point the Department understands that although no definite arrangements have been made with regard to the liaison between the proposed organization and the United Nations War Crimes Commission sitting in London, it is expected that the lists of war criminals prepared by the Commission and its Sub-Commission in Chungking will be brought before the proposed organization and will be fully utilized by it.

WASHINGTON, December 11, 1945.

740.00116 PW/12-1245

The British Embassy to the Department of State

2407/41/45

AIDE-MÉMOIRE

With reference to the Secretary of State's note to Lord Halifax of the 18th October (740.00116 P.W./10-1845)²² regarding the trial and punishment of Japanese war criminals, His Majesty's Government in the United Kingdom find the United States proposals generally acceptable, subject to certain reservations mentioned below. His Majesty's Government attach the greatest importance to the earliest possible opening of the trials and they would like to avoid long drawn-out preliminaries such as were involved in connection with the Nuremberg trials. They are therefore prepared to leave questions of procedure and the arrangements for the staffing of the proposed prosecuting agency to the United States Government, except on any

²² See footnote 54, p. 947.

specific points to which they or the other governments interested may attach special importance.

2. In areas subject to British command His Majesty's Government expect to make their own arrangements for the trial of war criminals and to remove any possibility of misunderstanding on this point they would suggest the amendment of paragraph 7 of the United States statement of policy accordingly.

3. His Majesty's Government in the United Kingdom consider that participating governments should be invited to nominate equal panels of judges and suggest that the number nominated should be three in each case. The Government of India may wish to nominate some judges and if so, His Majesty's Government in the United Kingdom would strongly support their desire to be represented.

4. His Majesty's Government in the United Kingdom, before proceeding to appoint its members of the bench, would be grateful for further clarification of the proposals of the United States Government. The purpose envisaged in the suggestion that panels of judges should be appointed is not clear to them unless, indeed, it is intended to hold simultaneous trials in more than one court. They could hardly be expected to appoint judges who might never be called upon to serve as members of courts and they doubt whether it is intended to leave the selection of judges from the panels to the Supreme Commander.

5. His Majesty's Government in the United Kingdom agree that members of the court or courts should be both military and civilian. They propose that the United Kingdom members should have the rank of Major-General in the Army or its equivalent. Since the Royal Air Force is separately organized from His Majesty's Army and Navy they would request that provision be made in paragraph 5(a) of the United States Statement of Policy for the inclusion of Air Force officers.

6. His Majesty's Government are anxious that the United States proposal should be discussed as soon as possible by the Far Eastern Commission with a view to reaching an agreement on general principles, though some way must be found of associating the Soviet Government with the final conclusions. They are doubtful whether the Joint Chiefs of Staff would be the appropriate body to co-ordinate the plans for the holding of the trials and feel that some other body might better be entrusted with this task.

7. It is desirable in the view of His Majesty's Government to reach agreement among the participating powers, prior to the trials, on the list of major war criminals to be tried and His Majesty's Government will communicate their suggestions to the United States Gov-

ernment as soon as possible. In the view of His Majesty's Government the list of major war criminals should be fairly short and might extend to about 20 names selected on much the same basis as the major German war criminals now being tried at Nuremberg.

8. His Majesty's Government in the United Kingdom suggest that an advisory board should be established, with representation of the interested governments, to advise the Supreme Commander for the Allied Powers on the reduction or modification of judgments pronounced by the courts.

WASHINGTON, 12 December, 1945.

740.00116 PW/12-1745 : Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, December 17, 1945.

[Received January 5, 1946—5 p. m.]

213. It is understood from Mr. Keenan²³ that Department's invitation to Allied Governments to participate in establishment of an international tribunal for the trial of major war criminal suspects has met with little or no concrete response.

In the light of the political situation here I submit the following comments:

The general mood of the Japanese people, insofar as it may be said to be reflected in the Japanese press and in speeches and interpretations by Diet members, is strongly in the mood of fixing war responsibility on the major suspects.

Bitterness on account of Japan's defeat and an apparently growing realization that Japan should not have undertaken aggressive warfare has created strong resentment against Japanese leaders. How long this mood will endure with a changeable and unpredictable people is a matter for speculation.

It is conceivable that with increase in economic stress in the coming months the present Japanese feeling may change, and it accordingly seems to me highly desirable to start the trials and get them over with as soon as possible during this period when the prosecution will, as regards the majority of those listed, receive popular support.

While I realize fully the advantages inherent in trying the suspects before an International Tribunal and thus diffusing responsibility therefor, it is my considered opinion that it would be a grave error to delay the trials unduly and I accordingly recommend that, if there

²³ Joseph B. Keenan, American Chief of Counsel for prosecution of war crimes charges in Japan.

is no prospect of establishing an International Tribunal within a very short time, the trials be conducted by a purely American Tribunal with a view to their conclusion at the earliest date practicable.

ATCHESON

740.00116 P.W./12-1845

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 112

ТоКГО, December 18, 1945.

[Received January 4, 1946.]

SIR: I have the honor to refer to this Mission's despatch no. 37, November 6, 1945, recommending the desirability of completing as soon as possible, the arrest of highly placed Japanese suspected of being war criminals.

There is now enclosed a copy of a memorandum dated December 11, 1945, to the Supreme Commander for the Allied Powers²⁴ suggesting, because of the apprehension now current among high Japanese officials and Diet members, that the Prime Minister or other appropriate Japanese official be informed orally that while no commitment can be made, the listing of major suspects chargeable with crimes against peace is, so far as local American military authorities are concerned, in general completed.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 PW/12-1945

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

No. 115

ТоКГО, December 19, 1945.

[Received January 4, 1946.]

SIR: I have the honor to enclose²⁵ a copy of a memorandum to Brigadier General Thorpe, Chief Counter Intelligence Officer of the Supreme Command for the Allied Powers, giving the comments of this Mission on a memorandum, of which a copy is also enclosed, recommending the arrest of six members of the Tojo Cabinet still at large, which was referred to this Mission by General Thorpe for our criticisms and suggestions.

It appears to this Mission that although the six (Hatta Yoshiaki, Yuzawa Michio, Ishiwata Sotaro, Nomura Naokuni, Shigemitsu Mamoru and Yamazaki Tatsunosuke) should of course be arrested if Mr. Keenan decides to try the Tojo Cabinet *en bloc*, their individual

²⁴ Not printed.

²⁵ Enclosures not printed.

records, with the possible exception of Nomura Naokuni, so far fail to reveal evidence sufficient to warrant their apprehension and individual trial under the Jackson formula.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 PW/12-2045

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

No. 117

TOKYO, December 20, 1945.

[Received January 4, 1946.]

SIR: I have the honor to refer to this Mission's despatch No. 80, December 1, 1945, and No. 91, December 11,²⁶ enclosing lists of Japanese war crimes suspects detained or ordered detained by General MacArthur's headquarters, and to enclose copies of the texts of two directives issued to the Japanese Government on December 3 and December 15, 1945,²⁷ ordering the arrest and delivery to Sugamo Prison of eight and sixty-nine additional war crimes suspects, respectively, who are alleged to have committed atrocities and offenses against the persons of United Nations nationals while confined in prisoner of war camps, internment camps or hospitals in Japan, Manchuria and elsewhere.

Respectfully yours,

GEORGE ATCHESON, JR.

740.00116 PW/12-2645

Memorandum by the State-War-Navy Coordinating Committee

SWN 3661

WASHINGTON, 26 December, 1945.

MEMORANDUM FOR THE SECRETARY OF STATE:

Subject: Trial of War Criminals.

References: a. SWNCC 211/1.
b. SWNCC 211/2.
c. SWNCC 211/3.

By informal action on 22 December 1945, the State-War-Navy Coordinating Committee approved SWNCC 211/1,²⁸ as amended by SWNCC 211/2.²⁹

²⁶ Latter not printed; it reported a directive to the Japanese Government to arrest 57 additional war crimes suspects accused of atrocities and other offenses (740.00116 PW/12-1145).

²⁷ Neither printed.

²⁸ November 5, 1945.

²⁹ December 12, 1945.

In approving SWNCC 211/1 as amended, the Committee amended the conclusions in paragraph 2 therein in order to make them consistent with the directive as amended by the Joint Chiefs of Staff.

A copy of the paper as amended (SWNCC 211/3)³⁰ is forwarded for guidance and appropriate implementation.

A copy of this paper has been forwarded to the Joint Chiefs of Staff for transmittal of the directive at the Appendix to the addresses listed therein.

Copies of this paper have been forwarded to the War and Navy Departments for their guidance and appropriate implementation.

For the State-War-Navy Coordinating Committee:

JAMES CLEMENT DUNN
Chairman

[Annex]

*Memorandum by the State-War-Navy Coordinating Subcommittee
for the Far East*

TRIAL OF WAR CRIMINALS

[SWNCC 211/3]

[WASHINGTON, December 26, 1945.]

1. SWNCC 211/D³¹ directed the Subcommittee to recommend whether directives should be issued by the Joint Chiefs of Staff to the Commanding General, U.S. Forces, India-Burma Theater, and to the Commanding General, U.S. Forces, China Theater, authorizing the trial of war criminals by courts convened by them respectively, and to prepare drafts of such directives if deemed necessary.

2. It is concluded that:

a. Primary responsibility for the apprehension, trial, and punishment of war criminals in India rests with the Government of India.

b. Primary responsibility for the apprehension, trial and punishment of war criminals within the boundaries of the Southeast Asia Command rests with the Supreme Allied Commander, Southeast Asia Command, or upon such United Nations Governments as assume responsibility in any area of Southeast Asia Command.

c. Primary responsibility for the apprehension, trial, and punishment of war criminals in China rests with the Chinese Central Government.

d. The United States may, however, at its option elect to prosecute in any case in these areas where a war crime has been committed against an American national.

e. The Commanding General, U.S. Forces, India-Burma Theater, and the Commanding General, U.S. Forces, China Theater, should provide evidence, information and appropriate assistance with respect to war criminals to the authorities indicated above.

³⁰ Approved December 22, 1945; printed as annex below.

³¹ October 14, 1945, amended November 5 as SWNCC 211/1.

f. In the case of war criminals who have committed crimes against U.S. personnel and who it is considered should be tried by a U.S. or international tribunal, full report should be made to the Joint Chiefs of Staff.

g. War criminals returning to Japan from India, the Southeast Asia Command and China are subject to seizure and trial in Japan by the Supreme Commander for the Allied Powers.

h. It is contemplated that certain war criminals may be tried by international tribunals according to the procedure indicated in SWNCC 57/3.³²

3. It is also concluded that a directive substantially as indicated at the Appendix be approved for issuance to the appropriate Commanders.

4. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff for comment from a military point of view; and

b. Upon approval by the State-War-Navy Coordinating Committee of the conclusions in paragraph 2 above and of the draft directive at the Appendix, this paper be transmitted to the Joint Chiefs of Staff for implementation and to the State, War and Navy Departments for guidance.

740.00116 PW/12-2845

*The Department of State to the Australian Legation*³³

MEMORANDUM

The Acting Secretary of State refers to the Department's note of October 18, 1945³⁴ regarding the trial and punishment of Japanese war criminals.

Inasmuch as this Government considers the constitution of an international military tribunal for the trial of individuals charged with crimes against peace a matter of immediate importance, the Department urgently requested the Supreme Commander's views on the subject and now sets forth the following clarification of certain points raised by several of the interested governments.

It is proposed that the international military tribunal to be appointed by the Supreme Commander for the trial of major war criminals will consist of not more than nine nor less than three judges. The Supreme Commander will designate not more than one judge of

³² September 12 (amended October 2), p. 926.

³³ Similar communications were sent on December 28 to the Missions of Canada, France, the Netherlands, New Zealand, and the United Kingdom (740.00116-PW/12-2845) and on December 29 to the Soviet Embassy (740.00116 PW/12-2345); sent also on December 28 to the Chinese Embassy except that the request was not made for Chinese nominations, the latter having already been received.

³⁴ See footnote 54, p. 947.

any one country from among the nominees of the signatories of the surrender instrument. The Supreme Commander has urged that there shall be no alternates in view of the problems of accommodation, transportation and the difficulties of local arrangements. The President of the Court will be designated by the Supreme Commander. It is suggested that the rank of the nominee approximate that of a Major General in the United States Army or higher.

The jurisdiction of the Court will be the trial of individuals charged with "Planning, preparation, initiation or waging of a war of aggression or a war in violation of international treaties, agreements or assurances, or participation in a common plan or conspiracy for the accomplishment of any of the foregoing". Those individuals so indicted who are not now under the control of the Supreme Commander will be requested from the Allied Commander concerned. It is proposed that the Court and its rules of procedure will be established by the Supreme Commander. The rules including those relating to the admissibility of evidence will follow the Nuremberg pattern so far as it is appropriate in the Far Eastern Theater.

It is suggested that the prosecution staff will consist of Mr. Joseph B. Keenan, who has already been designated Chief of an International Prosecution Section at the Supreme Commander's Headquarters, and his present staff, with the addition of associate prosecutors and assistants to be designated by the Supreme Commander from nominations submitted by the participating powers, the Philippines, and India.

The Supreme Commander has indicated that the earliest date for the return of the indictment has now been estimated for February 1, 1946. Accordingly, the Government of the United States urgently requests the Australian Government to nominate a judge and an associate prosecutor by January 5, 1946 because of the urgent necessity of proceeding with the trials at the earliest possible moment.

WASHINGTON, December 28, 1945.

IV. War claims and reparations³⁵

740.00119 P.W./6-2845

The Secretary of State to the British Chargé (Balfour)

The Secretary of State presents his compliments to the British Chargé d'Affaires ad interim and refers to the Embassy's note dated

³⁵ For report of Edwin W. Pauley, Personal Representative of President Truman on Reparations (with rank of Ambassador), see Department of State publication No. 3174, Far Eastern Series No. 25: *Report on Japanese Reparations to the President of the United States, November 1945 to April 1946* (Washington, Government Printing Office [July 1948]).

June 28, 1945 enclosing a copy of a note dated May 15, 1945 from the Royal Norwegian Government³⁶ on the subject of Norway's claims for reparation by Japan, and requesting the views of this Government as to what answer to the Norwegian note would now be appropriate.

This Government considers that it would be inappropriate at this time and in view of all circumstances to make any commitment to the Norwegian Government beyond assurances already given that account would be taken of the claims of that Government against Japan when claims of the United Nations came to be assessed.³⁷

While it is currently impossible to foresee the basis on which claims for loss suffered by United Nations in the war against Japan will be compensated, experience thus far in dealing with reparations to be paid by Germany³⁸ suggests the complications that will arise in this connection. The United States Government is of the opinion, therefore, that it would be undesirable to make an additional commitment in this regard pending further clarification of procedure to be followed with respect to claims of United Nations against Germany. This Government is, moreover, not prepared to say at this time whether it will be possible to make such a commitment to the Norwegian Government in the future.³⁹

WASHINGTON, August 23, 1945.

800.515/8-2845 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, August 28, 1945—6 p. m.

1923. 1. As wartime measure US, the other American republics, UK and probably most other nations at war with Japan have immobilized those assets within their jurisdictions which were owned or controlled by Japanese or by any persons within Japanese occupied areas. In last few days US and UK have requested neutral countries to freeze and take a census of all public and private assets included in foregoing. This action has resulted in extension by neutrals to Japanese assets of all controls already established for German assets.⁴⁰

³⁶ Neither printed.

³⁷ This was done on April 12.

³⁸ For documentation regarding reparations from Germany, see vol. III, pp. 1169 ff.

³⁹ The Spanish Embassy in its note 190, August 23, 1945, expressed its Government's desire to submit a claim in due course for reparations from Japan, and the Department took note of this claim in its reply of October 3 (740.00119 PW/-8-2345).

⁴⁰ See vol. II, pp. 852 ff.

2. US will instruct Supreme Commander⁴¹ to require Japanese Govt to immobilize and take a census of (a) any property taken from Japanese occupied territory or from United Nations nationals by duress, wrongful acts of confiscation, looting, etc.; (b) all Japanese public and private foreign exchange and external assets of every kind and description, wherever the property or its owners may be located; (c) all assets located in Japan owned or controlled by persons in areas occupied by Japan at any time since 1894; (d) all assets public and private located in Japan and owned or controlled by Germany, Rumania, Bulgaria, Hungary, Finland or nationals thereof.

3. This program must now be implemented by similar controls in the areas liberated from Japanese domination. Accordingly, you are requested to inform the Govt to which you are accredited of foregoing and to invite it to instruct its field commanders and other authorities in liberated territories to issue or have issued freezing and census regulations immobilizing (a) Japanese owned or controlled assets located in zones under their supervision; (b) all assets owned or controlled by any person whatever residing within such liberated areas where the assets are located in Japan or in any other place outside of the particular liberated area from which they are owned or controlled; and (c) all German and German satellite public and private assets located within the area.

Liberated areas in this connection include Manchuria and Inner Mongolia, Korea, Formosa and Ryukyus, Karafuto, Hongkong, leased territory of Kwantung, Burma, Thailand, French Indo-China (Empire of Vietnam), Malay States, Dutch East Indies, Portuguese Timor, Sarawak, Brunei and North Borneo, Philippine Islands, Japanese Mandated Islands.

Repeated to Lisbon as 1409, Chungking as 1350, Paris as 4072 and The Hague as 122, and to London as 7384 for action and to Manila as 563 for information.

BYRNES

800.515/9-745 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, September 7, 1945—9 a. m.
[Received 6:10 p. m.]

1537. Following is substance of note received from Foreign Office under date September 3:

China has suffered very large losses since September 18, 1931, incident because of Japanese aggression. Chinese Government has de-

⁴¹ General of the Army Douglas MacArthur, Supreme Commander, Allied Powers, Japan (SCAP).

cided, with view to satisfying part of such losses, to confiscate all Japanese enterprises operated in China, as well as all Japanese property, public and private, in China.

United States Government is requested to extend its support and, prior to taking over of such Japanese property by Chinese Government, it is requested that United States forces stationed in liberated areas in China be instructed temporarily to give protection to such Japanese property, private or public, as well as Japanese operated commercial enterprises, workshops, plants, communication lines, mines, telecommunications, and all other resources, in order to make sure that none of the properties are removed, concealed or destroyed by Japanese.

Foregoing has been communicated by Chinese Government to Soviet Government with request that Soviet military in liberated areas be informed thereof. (*End note*)

Embassy has transmitted copy of Foreign Office note as well as substance of Department's 1350, August 28,⁴² to General Wedemeyer⁴³ for his information.

We would appreciate prompt instructions from Department. Department's 1350, August 28, which was received at about same time as Foreign Office note and which has been communicated to Foreign Office, would seem to require clarification in view of Foreign Office note in question.

HURLEY

800.515/9-1945

The British Embassy to the Department of State

Ref: 2705/ /45

AIDE-MÉMOIRE

His Majesty's Government have been considering, in respect of territories liberated from the Japanese, the problem of United Nations assets seized by Japanese or Puppet Authorities, Japanese and Puppet assets and the assets of other enemies. In the view of His Majesty's Government these assets need to be identified and recorded as soon as possible, in order that they can be restored to their United Nations owners (in cases where no machinery exists for direct restoration) or included in reparations settlements. This is an urgent requirement and one which cannot appropriately be dealt with through bilateral diplomatic channels, since it will require coordinated action between all the Allied Powers concerned. No existing Inter-Allied machinery is adequate for this purpose and it would therefore

⁴² See last paragraph of telegram 1923, August 28, 6 p. m., to Moscow, *supra*.

⁴³ Lt. Gen. Albert C. Wedemeyer, Commanding General, U.S. Forces in China Theater and concurrently Chief of Staff, China Theater.

seem desirable to establish an *ad hoc* organization composed of representatives of the Powers concerned, whose duty would be to receive and collate information about the assets.

2. Much intelligence material will be available in this connection from Japanese authorities in Japan (which will serve in many instances as a check on corresponding information received from the liberated territories) and it would thus seem desirable that the organization should be situated in Tokyo.

3. Such an organization would have no executive powers in respect of the disposal of the assets but would be authorized by the Allied Powers to collect information from:—

- a) The Japanese Central authorities in Japan;
- b) Any remaining Japanese local authorities in liberated territories as long as these continued to exist;
- c) The theatre commanders in liberated territories; and
- d) The authorities to which the control or administration of the territories was in due course transferred. If they considered it desirable, the Allied Governments could also send to their representatives on the organisation particulars for record of claims which they had received from their Nationals relating to assets in these territories.

4. In respect of information to be obtained from Japanese authorities it would be necessary that facilities for the work of the organisation should be afforded by the Supreme Commander for the Allied Powers, while information from Non-Japanese sources would be supplied to it by the theatre commanders and Governments concerned.

5. The proposed organisation could, in the first instance, be subordinated to and report to whatever body was established to deal with Inter-Allied consultation in regard to the liberated territories, and could eventually be emerged into the Inter-Allied body charged with settling the details of reparations by Japan.

6. It is realised that such an organisation would not succeed in obtaining full records of the assets in question but even incomplete records would limit subsequent controversy between the Allied Powers over restitution and reparations. It is felt, therefore, that much would be gained by the compilation of as complete lists as possible of:—

- a) United Nations assets seized in liberated territories by Japanese or Puppet authorities (which may subsequently have been handed over by those authorities to other ownership);
- b) Japanese assets in liberated territories (which may have been transferred to or cloaked by Non-Japanese ownership);
- c) Assets of Non-Japanese enemies in liberated territories.

WASHINGTON, September 19, 1945.

894.30/10-1745 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 17, 1945—11 a. m.

2175. Please deliver the following message from me personally to Mr. Molotov: ⁴⁴

"While in London ⁴⁵ I advised you that the United States Government desired to sink the units of the Japanese fleet which were surrendered to the United States Navy and that I had requested that this action be delayed until I could inform you and Mr. Bevin ⁴⁶ of our plan. You did not then present any views.

I am writing now to say that the Navy again has communicated with me, and if you care to express any views with reference to this plan, I should like to hear at an early date so that I can advise the officials of our Navy.

With best wishes."

BYRNES

894.30/10-1845 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the Secretary
of State*

Moscow, October 18, 1945—8 p. m.

[Received October 18—2: 45 p. m.]

3594. ReDept 2175, October 17. I took the occasion of my call on Molotov today to hand him your personal message regarding sinking of the Japanese Fleet.

Molotov, after reading your message, stated that he would have to study it and consult with his naval authorities before making a reply. He inquired whether it was a question of sinking the entire fleet, both surface and submarine. I told him that I had no further information other than that contained in your message, which I interpreted to indicate the entire fleet. He asked whether I had any information as to the number, character and condition of the Japanese Fleet in addition to what I had given Stalin ⁴⁷ in August. He referred to an estimate which the Navy Dept had sent me on August 31 for transmission to Stalin at his request. I explained that I had no further informa-

⁴⁴ Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

⁴⁵ Mr. Byrnes attended the first session of the Council of Foreign Ministers at London from September 11 to October 2; for documentation on this Conference, see vol. II, pp. 99 ff.

⁴⁶ Ernest Bevin, British Secretary of State for Foreign Affairs.

⁴⁷ Marshal Iosif Vissarionovich Stalin, Chairman of the Council of Commissars (Premier) of the Soviet Union.

tion but that his naval authorities might have received later information through the Soviet representatives in Japan.

HARRIMAN

894.30/10-2045 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 20, 1945—8 p. m.

2197. Please deliver the following message to Molotov :

“Replying to your message of October 19,⁴⁸ I agree to the disposition of the Japanese fleet suggested by you and am advising the foreign ministers of the United Kingdom and China⁴⁹ of your suggestions and my agreement with your suggestions.

With reference to the merchant marine of Japan, I am advised that what is left of the merchant marine of Japan is necessary for the evacuation of Japanese from the islands they sought to conquer and from the mainland of China to Japan. The available ships will probably be needed for some time. No plans have been made for the disposition of the Japanese merchant marine and we will be glad to discuss with you and our other Allies plans for a long range distribution of these ships.”

BYRNES

894.30/10-2145 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the Secretary
of State*

Moscow, October 21, 1945—7 p. m.
[Received October 21—1 : 25 p. m.]

3617. ReDepts 2197, October 20, 8 p. m. It would be most helpful as background if I could be informed of Molotov's suggestion of October 19 regarding disposition of Japanese Fleet to which you have agreed.

Message contained in above-mentioned telegram delivered to FonOff today.

HARRIMAN

⁴⁸ See telegram 2199, October 22, noon, to Moscow, p. 996.

⁴⁹ Ernest Bevin and Wang Shih-chieh, respectively.

894.30/10-2145 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, October 22, 1945—noon.

2199. Reurtel 3617, October 21, 7 p. m., following is text of Molotov's communication to me of October 19:

"I have received your message regarding the Japanese fleet on October 18th.

Having considered the proposal of the Government of the United States regarding the scuttling of the vessels of the Japanese fleet, the Soviet Government is ready to agree that the large vessels of the Japanese navy such as battleships and cruisers as well as Japanese submarines be scuttled. As regards the remaining part of the Japanese navy the Soviet Government has claim that one-fourth of the vessels of this Japanese fleet, beginning with destroyers and floating vessels of lesser tonnage be transferred to the Soviet Union.

The Soviet Government would also like to receive information as to how it is proposed to handle the Japanese merchant marine."

BYRNES

894.30/10-2645

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to the Secretary of State*

[WASHINGTON,] October 26, 1945.

At the request of Mr. Matthews,⁵⁰ this morning I told the Chinese Ambassador Dr. Wei Tao Ming and Sir George Sansom⁵¹ of the British Embassy of our decision with regard to the disposition of the remaining vessels of the Japanese Fleet. I said that we had decided to destroy all large vessels of the Japanese Navy, such as battleships and cruisers, as well as Japanese submarines; and that destroyers and floating vessels with lesser tonnage would be divided equally among the four powers, that is, the U.S.S.R., U.K., China and the U.S. In imparting this information I made no reference to our discussions of the subject with the Soviet Union.

Neither Dr. Wei nor Sir George made any comment other than to say they would notify their Governments.

J. C. V[INCENT]

⁵⁰ H. Freeman Matthews, Director of the Office of European Affairs.

⁵¹ British Minister.

740.00119 Control (Japan)/10-3145 : Telegram

The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)

WASHINGTON, October 31, 1945—9 p. m.

71. Chinese Embassy in Washington has communicated informally to Department desire of Ministry of Education to explore possibility of making good losses sustained from enemy action by obtaining scientific books and equipment found in defeated countries.

Kindly indicate your impression whether such material still exists in Japan in important amounts, and advise whether plans are being made for disposition. Do you know of any direct approach to this question made there by Chinese Government?

Except for items identifiable as looted from China, any such request must, of course, be handled as purchase by Chinese or as reparations to be decided upon by inter-governmental agreement.

BYRNES

Tokyo Embassy Files, 711.9

*Statement by Mr. Edwin W. Pauley, Personal Representative of the President on Reparations*⁵²

[WASHINGTON,] October 31, 1945.

U. S. REPARATION POLICY FOR JAPAN

(Preliminary Statement)

All Eastern Asia has been damaged, and set back in its economic progress, as the result of a war started by Japan. All Eastern Asia needs to be put back on the road to political stability and peaceful progress. This requires a tolerable economic life, capable of further improvement. While Japan should have the last priority in getting back on that road, Japan is not to be barred from getting back on it.

To put it the other way round, we, as a nation, are concerned to see that Japan is not to be pauperized, but neither is Japan to be allowed to rehabilitate her economic life in a form which will allow her to gain control, or to secure an advantage, over her neighbors.

The American policy will therefore be:

(a) Industrial disarmament of Japan to insure that Japan will not again become a menace to the peace of the world;

(b) Allocation to countries entitled to reparations of Japanese industrial plants which will help them round out their own economies in accordance with a broad and consistent economic program for East

⁵² Parenthetical notation at top of paper: "Pauley policy statement approved by President".

Asia. In such a program Japan will not be left with any plant which represents a key phase in the processing of the raw materials of any of her neighbors;

(c) Japan will be left with industries which do provide her with a minimum of export goods, for the purpose of obtaining exchange for necessary and approved imports, such as food; and

(d) Emphasis will be given to the diversification and increase of food production and food processing in Japan.

To sum up: the problem of Japanese reparations is a problem of contributing to the economic stabilization and thereby to the political stabilization of East Asia as a whole. It is therefore not the main purpose to get a postwar dividend, in the form of compensation, out of a defeated Japan. For America, anything that Japan could pay in money, goods, industrial plants or services would not compensate for the lives expended [*expended*] in the common effort to put an end to Japanese militarism, once for all. Consequently, in the American view, we must aim at the rehabilitation of East Asia. In a rehabilitated Asia there will be a place for Japan, though no longer a place of leadership or control.

740.00119 Control (Japan)/11-1345

The Chinese Ambassador (Wei) to the Secretary of State

WASHINGTON, November 13, 1945.

SIR: I have the honor to refer to the question of the disposal of the Japanese naval fleet, which I have had occasion to discuss with the officials of your Department.

It will be recalled that in the memorandum on China's desiderata relating to Japanese reparations, which formed the enclosure of a letter addressed to you by the Chinese Minister for Foreign Affairs, Dr. Wang Shih-chieh, on September 13 last,⁵⁴ was stated the desire of the Chinese Government, among other things, to be accorded a liberal percentage of Japan's reparations to the Allies and a liberal priority in their delivery. This position was based on the extent of the losses sustained by the Chinese people in consequence of their long drawn-out resistance to Japanese aggression. In your reply dated September 15, you were good enough to express your sympathy with the Chinese point of view.

That Japanese ships and vessels of all kinds would constitute one form of Japanese reparations was clearly indicated in the above-mentioned memorandum. Because of the total destruction of the Chinese fleet during the war, the Chinese Government stands today

⁵⁴ Not found in Department files; Dr. Wang and Mr. Byrnes were in London for the meetings of the Council of Foreign Ministers.

in especially urgent need in this regard. It is, therefore, earnestly hoped that the Government of the United States will take into consideration the tremendous losses incurred by the Chinese navy and see its way to subscribe to the allotment to China of a larger share of the balance of the Japanese fleet than is apportioned to the other leading Allies, namely, the United States, the Union of Soviet Socialist Republics and the United Kingdom.

If the other Allied Governments should feel that the existence of special circumstances may render it difficult for them to comply with China's wishes in full, the Chinese Government would be disposed to accept, as an alternative, the allocation to China of whatever balance there may be after the vessels have been divided among the Four Powers. It is, however, to be understood that the above arrangement will not constitute a precedent so far as the future determination of other forms of Japanese reparations is concerned.

I should be grateful if you would be good enough to give early and favorable consideration to the above request.

I avail myself [etc.]

WEI TAO-MING

740.00119 PW/11-2045

Mr. H. D. Maxwell, Member of the United States Reparations Mission to Japan, to Mr. Justin R. Wolf of Mr. Pauley's Washington Office ⁵⁵

[Tokyo,] 17 November, 1945.

CA 54884.⁵⁶ "Following discussions with the Supreme Commander and his staff we have delivered the following letter ⁵⁷ outlining information needed now for development U.S. reparations policies in Japan:

1. As I have already said to you, I deeply appreciate the efficient and constructive assistance which my staff and I have received from your whole organization since our arrival here in Tokyo. You have set a high standard of service and cooperation, and I hope that, in turn, the work of the reparations mission, by clarifying reparations policy as rapidly as possible, may facilitate your work as Supreme Commander. This work in developing the broad aspects of the U.S. reparations policy for Japan consistently with our policies elsewhere is closely related to, and in many ways dependent upon, your responsibility as the Supreme Commander for the Allied Powers in Japan. I therefore doubly appreciate this opportunity of working in complete understanding with you.

2. In further development of the matters which we discussed on 14 November, and in order that we may carry out the terms of the

⁵⁵ Copy of telegram transmitted by Mr. Wolf in his letter of November 20 to the Director of the Office of Far Eastern Affairs (Vincent).

⁵⁶ Quoted portion of this document signed by Mr. Pauley.

⁵⁷ Dated November 16.

Potsdam and Cairo declarations,⁵⁸ I wish to ask your headquarters to furnish me the following statements:

(a) It is, as you know, the policy of the government of the United States to eliminate or restrict the productive capacity of Japanese industry which constitutes a war potential. To guide us in developing a reparation program which will help to achieve this end, I will need as much information as can be made available concerning the industrial economy of Japan, including:

(1) A list of plants designed and devoted to the production of arms, ammunition and implements of war, including naval combat ships, aircraft, and aviation engines.

(2) Industry studies covering the following categories: iron and steel, coal, other mining, light metals, other non-ferrous metals, shipbuilding, machine tools, railroad equipment and rolling stock, automotive machinery, electric machinery, other machinery, electric power, chemicals, food processing, petroleum (natural and synthetic), forest products, cement and other building materials, rubber and products (including synthetic), textiles and leather, fisheries products, ceramics, communications and communications equipment, handicraft, cultured pearls, tea, and other items of export significance.

(3) In addition, it would be helpful to me and valuable for the U.S. Government to have any specific recommendations or suggestions which your [*you or*] qualified members of your staff may care to offer with reference to the methods of getting at and restricting or eliminating those Japanese industries or processing stages which serve to give Japan a position of control in East Asia. In providing these studies, any combination or further division which meets your convenience will, of course, be acceptable.

(b) My second request is for an overall import-export program for Japan proper (excluding imports for occupation forces) for the year 1946, broken down by quarters or in such other way as you find convenient. May I also have the same material for 1947 as soon as this can be assembled? Both imports and exports should be specific, indicating the items as well as the values involved. In preparing this program it will, of course, be necessary to make certain assumptions of a policy nature. To the extent that the statement is prepared for my use, the following guiding assumptions are to be made:

(1) There will be an immediate removal or destruction of all plants to be included in the mandatory removal list referred to in sub[-]para[graph] (a) (1) above.

(2) There is to be no production of iron or steel in Japan for export, though limited amounts will be available for fabrication in light equipment and gadgets for export, with emphasis on products absorbing a large amount of labor. An estimate of annual steel capacity of some two million tons would seem adequate, based on the 1926-1930 average.

⁵⁸ July 26, 1945, and December 1, 1943, respectively; see *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945*, vol. II, p. 1474, and *Foreign Relations, The Conferences at Cairo and Tehran, 1943*, p. 640.

(3) Metal working capacity is to be restricted to a basis commensurate with allowed steel capacity.

(4) Japanese living standards in food and textiles consumed domestically are to be computed at figures no higher than those of comparable populations of neighboring allied peoples who were overrun and pillaged by the Japanese.

(5) Imports required to meet such living standards and internal costs of occupation in Japan proper are to be chargeable against available exports ahead of reparations from current production.

(6) Japan is to be given access to raw materials required for the restricted peac[e-]time economic activities contemplated above under rigid control by SCAP.

(7) Japan is to be permitted to export commodities and to establish credits to finance approved imports, under rigid control by SCAP.

(8) There is to be no increase of the Japanese merchant marine by Japanese construction beyond the completion of ships, not to exceed 5,000 tons, designed primarily for inter-island and short haul trade now under construction or available through repair.

(9) Agriculture is to be developed to a maximum with self sufficiency as the objective, allowing for the manufacture of the necessary fertilizers.

(10) In both imports and exports the policy will be such as will, as far as possible, give economic aid to the allied countries injured by Japan and will, at the same time, involve minimum danger of Japanese control over the economies of others.

The assumptions here listed are for purposes of computation in developing the requested import-export program. The nature of the balance sheet thus developed will serve to guide the final policies determined upon. I shall wish to discuss the import-export picture with you as soon as the approximate figures become available.

(c) My staff reports that your headquarters is already gathering and making available to my mission complete listings of Japanese foreign investments, Imperial assets, and so forth. These are most helpful. In this area I shall need full information concerning the following:

(1) Stocks of gold, silver, precious metals and stones now on hand in Japan and an estimate of the future production of the same.

(2) Foreign currencies and foreign deposits on hand and under control of the Japanese government or its nationals.

(3) As complete and detailed data as possible concerning all property of any nature located outside Japan proper, in which the Japanese Government or its nationals have an interest, direct or indirect.

(4) A complete inventory of the assets of the Imperial household.

(5) All available data concerning the 15 largest Zaibatsu, including, to the extent possible, a physical inventory of their holdings within Japan proper and abroad.

(6) A summary statement (estimated, if necessary) of stocks of industrial raw materials and operating supplies, including fuels, on hand in the home islands as of some recent date.

(d) In order to compute the availability of resources for distribution as reparations, I shall need an estimate or summary of anticipated occupation costs, so classified as to show separate imports of occupational forces, other than munitions, and internal expenditures in Japan other than pay of troops. This material may be arranged in any way most convenient for you.

'3. Would it be unreasonable to hope for the materials requested above by December 1st? We will appreciate the receipt of material as it is developed, even in tentative form.

'4. Though I have made this letter comprehensive, you will recognize that it is preliminary in that it reflects my needs as I see them now. If, as I proceed further, additional information becomes necessary, I trust that I may similarly call on you for assistance. If any elements of my requests for information require further clarification, my staff and I are at your service.' Signed: Edwin W. Pauley."

Most of this information already available as excellent preparations already made before our arrival.

You should inform SWNCC,⁵⁹ Edward Martin⁶⁰ and others immediately concerned.

740.00119 Control (Japan)/11-1345

The Secretary of State to the Chinese Ambassador (Wei)

WASHINGTON, November 23, 1945.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of November 13, 1945, in regard to the question of the disposal of the Japanese naval fleet. Consideration will be given to the request, contained in your note, in regard to the allotment to China of Japanese vessels, after which I shall expect to send you a further reply.

Accept [etc.]

For the Secretary of State:
DEAN ACHESON⁶¹

740.00119 P.W./11-2745

The Australian Minister (Eggleston) to the Secretary of State

No. 517/45

WASHINGTON, 27 November, 1945.

SIR: I have the honour to refer to a report which appeared in the press on November 24th, that by order of the Supreme Commander

⁵⁹ State-War-Navy Coordinating Committee.

⁶⁰ Edwin M. Martin, Chief of the Division of Japanese and Korean Economic Affairs.

⁶¹ Under Secretary of State.

for the Allied Powers in Japan, five cyclotrons located in Tokyo and other Japanese cities, were being destroyed.

I have been instructed by my Government to enquire whether this report is true, and if so on what grounds such action was taken.

Australia, as a major belligerent in the Pacific war, has a deep interest in the question of reparations from Japan. Pending the development of appropriate machinery for the consideration of reparation claims, my Government feels that all practicable steps should be taken to preserve scientific and industrial equipment which Australia, and other United Nations which participated in the defeat of Japan, may wish to secure.

My Government is therefore concerned at the reports of the destruction of cyclotrons by United States forces. By arrangement with the Supreme Commander the advance party of an Australian Scientific Mission arrived in Tokyo in mid-November for the purpose of investigating the possibilities of securing cyclotrons and other scientific equipment as part of Australian reparations claims.

It appears, however, that if the report to which I have referred is correct, valuable equipment which would be extremely useful for scientific research in Australia has been destroyed without an opportunity being given to the Australian Government to express its reparations interest.

I have to add that my Government is anxious that there should be the fullest possible consultation, through the political adviser to the Australian Military Mission and the Scientific Mission in Tokyo, regarding the disposition of all scientific and industrial equipment, bullion and other goods which might have reparations value.

I have [etc.]

F. W. EGGLESTON

740.00119 Control (Japan)/12-545

The British Ambassador (Halifax) to the Secretary of State

No. 604

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to inform him that Mr. Bevin was informed by Mr. Byrnes when he was in London that General MacArthur had a Japanese battleship, two Japanese cruisers, and some Japanese submarines which he was proposing to sink. General MacArthur intended to delay a decision as to whether to sink them until the views of His Majesty's Government in the United Kingdom, the French Government, and the Soviet Government had been obtained.

2. His Majesty's Government in the United Kingdom have consulted His Majesty's Governments in the Dominions and they agree in the following expression of views:—

(a) They consider that the United States Government is entitled to determine the policy for the disposal of the Japanese fleet.

(b) Their chief desire is to have the opportunity for making a technical investigation of some of the Japanese ships and to have access to technical and other naval intelligence.

(c) They strongly support the proposal to scrap the submarines.

(d) They are equally in favour of scrapping the surface fleet.

(e) They consider however that if the United States Government consults the Russian and other Allied Governments they are likely to meet with pressure for the fleet to be divided between them. His Majesty's Government in the United Kingdom would greatly prefer that all the ships should be sunk but if it is necessary to divide them, whether the surface fleet alone or both the surface fleet and the submarines, they would wish, after consultation with His Majesty's Governments in the Dominions, to claim their due share.⁶²

WASHINGTON, December 5, 1945.

740.00119 PW/12-645 : Telegram

*Mr. Edwin W. Pauley, Personal Representative of the President on Reparations, to President Truman*⁶³

TOKYO, December 6, 1945.

The following letter was delivered to General MacArthur, 1800, 6 December, Tokyo time:

Tokyo, Japan, 6 December, 1945.

General of the Army Douglas MacArthur
Supreme Commander for the Allied Powers

Dear General: 1. On the basis of all the material available, including the Japanese figures assembled for me by the Economic and Scientific Section of your Headquarters, I have now been able to come to some decisions on interim reparations policy and interim removals from Japan on reparations account.

2. My decisions fall within the following very simple framework:

(1) In preparation for war, in aggression in China, and in war against the United Nations, Japan built up the most diversified and over expanded industrial economy in Asia.

(2) In spite of extensive destruction, especially in the closing phases of the war, Japan retains more industrial capacity than she needs or has ever used for her civilian economy.

(3) The removal of the surplus, especially to neighboring Asiatic countries, will help to raise their industrial standards

⁶² On December 12 an official of the British Embassy informed an officer of the Department that, although the British note of December 5 did not so indicate, the British Government was aware of the U.S. Government's position regarding disposition of the Japanese Navy and that he assumed further exchanges on this subject would probably be on a technical level between Navy Department officials and the British Joint Staff Mission (894.30/12-1245).

⁶³ Copy transmitted to the Department by the White House on December 6, 1945.

and all living standards without depressing the standards of Japan, since only excess capacities are at the moment in question.

(4) Interim removals will, in most cases, be below the total quantities that may eventually be allocated to reparations.

(5) A program of interim removals should be announced to other claimant nations immediately, and the successive actions of seizure, inventory, packing and shipment should follow in the shortest possible time, in order to make both the framework of policy and the course of action uncompromisingly clear.

3. Accordingly, I am recommending to our Government that plants and equipment be made available as soon as possible under a program of interim deliveries as follows:

(1) Half of the capacity for the manufacture of machine tools. I believe that this could most conveniently be done by seizing the 27 most important machine-tool manufacturing plants, which produce almost exactly half of Japan's total. The list of these plants, which you may wish to examine before making your own decision on plants to be seized, is attached to this letter on a separate sheet.⁶⁴

(2) All tools and equipment located as follows:

a. In army and navy arsenals, except for equipment useful solely for making arms, ammunition, and implements of war, which will be destroyed. It is estimated that these seizures should bring in not less than 70,000 machine tools, as well as other kinds of equipment.

b. In the entire aircraft industry of Japan. It is estimated that this should bring in 220,000 machine tools.

c. In all plants manufacturing ball and roller bearings.

d. In all plants manufacturing aircraft engines.

(3) All equipment and accessories in 20 shipyards, to the extent that it is not needed for the repair of shipping essential to the occupation. (A list of 29 leading strategic shipyards is separately attached.⁶⁵)

(4) All steel making capacity in excess of 2,500,000 tons per year. Japan's admitted present steel capacity is in excess of 11,000,000 tons, as compared with 1930, when Japan produced 2,300,000 tons of ingot and consumed only 1,700,000 tons of finished steel.

(5) A recommendation on pig iron will be sent to you later.

(6) All facilities for the production of magnesium, for the preparation of alumina and reduction to aluminum, other than those required for processing scrap, and all machinery and equipment used exclusively for finishing magnesium and aluminum such as strip mills, rolling mills and extrusion presses.

(7) Half of the thermal (coal []) electric generating plants of Japan. In selecting the half of the plants of this character which

⁶⁴ Not transmitted with telegram: for list, see Edwin W. Pauley, *Report on Japanese Reparations to the President of the United States*, Schedule A, Reference 3-c.

⁶⁵ Not transmitted with telegram.

are to be left, I suggest that the thermal electric generating plants left to Japan should be selected primarily for their value as stand-by plants to supplement hydro-electric energy in areas of high consumption.

(8) All contact process sulfuric acid plants, except those necessary to recover waste gases from zinc, lead, copper, and other heavy metal smelters.

(9) The most modern large Solvay process soda-ash plant in Japan. (According to Japanese information made available by the Economic and Scientific Section, there are four of these from which to choose.)

(10) Twenty of the most modern large plants for the production of caustic soda and chlorine, either in diaphragm or in mercury cells. (According to the Japanese information relayed to me by your Headquarters, there are 41 plants under this classification.)

4. In view of the bearing that these recommendations may have on the formulation of policy in Washington, I am passing on my conclusions to you at this stage in order to keep you fully informed, and in expectation that you may wish to take them into consideration in carrying out your responsibilities as Supreme Commander. I am aware that the steps I am recommending may bring up for reconsideration the process, which is at present rapidly going on, of conversion from war production throughout Japan, the trend of which would logically result eventually in a strong Japanese export economy. Reports from your office, confirmed by recent observations of my staff in various parts of Japan, indicate that not only conversion by the rebuilding of heavy industries is going forward with an apparent expectation of [on] the part of the Japanese that they will be given an opportunity to maintain a level of industrial capacity far beyond that which the Allied Governments will in fact be willing to permit.

5. I am sure that you will agree with me that, in the interest of disarming and demilitarizing Japan, as well as in order to avoid unnecessarily dislocating the Japanese economy when later removals become necessary—a situation which could easily be exploited to make Japanese workers feel that we are destroying peaceful industry—the sooner the reconversion program is geared into what may reasonably be anticipated as definitive reparations policy, the better will be our chances of successfully attaining all our objectives.

6. Under the policy now being pursued by the Japanese, I am inclined to think that the giant corporations will take over the country in spite of our program of breaking up the Zaibatsu, and that it will be next to impossible to pry loose those machine tools which should be removed as a disarmament measure. If this happens, a most important sector of the Japanese war potential will remain functioning, integrated, and in the hands of those who ran it during the war.

7. The foregoing program of interim removals is, of course, well below that [what] we can anticipate will eventually be removed from Japan. However, once this program gets under way we can feel that a good start has been made. Further interim deliveries and the setting of ultimate limits will thus be much easier to determine.

8. As you know already, I am planning to leave on December 10 in order to make my interim report to President Truman. Mr. H. D. Maxwell will be in charge of the mission which I am leaving in Tokyo for the time being. I need hardly assure you that he and his staff will be at your service after my departure, in case any discussion or clarification of details should be needed.

9. In departing may I thank you again, not only for the many courtesies which have been extended to me personally, but also for the assistance which has already been extended to my entire mission.

Sincerely yours,

EDWIN W. PAULEY

STATEMENT BY AMBASSADOR EDWIN W. PAULEY, PERSONAL REPRESENTATIVE OF THE PRESIDENT OF THE UNITED STATES AND HEAD OF THE UNITED STATES REPARATIONS MISSION TO JAPAN

(For advance transmission to editors of A.P., U.P., I.N.S. and Reuters, for release in morning newspapers of December 7, 1945, west longitude date.)

Four years ago today Japan attacked Pearl Harbor. America will never forget the attack. Japan will never forget the consequences.

The civilized world now faces two duties with regard to Japan. First, we must make impossible a militaristic comeback. There must never be another Pearl Harbor. Second, a way must be opened up for the development, in the future, of a self-respecting Japan, economically stable and committed politically, without reservations, to a democratic way of life. The work of the reparations mission entrusted to me by President Truman has been directed to the achievement of these two aims.

General MacArthur has thrown open to me all the material available. After study of this material, consultation with members of his staff, and extensive personal observations by myself and my staff, I have come to some firm conclusions.

First and foremost, it is necessary to recognize that the equipment built up in Japan during the past generation consisted of plants for the purpose of waging wars of aggression. It was further over-expanded during the aggression in China, and was finally turned loose against the United Nations four years ago today.

In the course of the war, we damaged these war plants sufficiently to force Japan to surrender unconditionally. Because Japan surrendered without a last ditch stand, many people have assumed that she is now helpless industrially. The superficial appearance of many bombed cities encourage[s] this easy view. The fact is that Japan's industrial equipment was overwhelmingly designed for war. Despite all the destruction, Japan still retains, in workable condition, more plant and equipment than its rulers ever allowed to be used for civilian supply and consumption even in peaceful years. That surplus must be taken out. To complete the demilitarization of Japan by taking it out will not mean the complete deindustrialization of Japan. I want to be very emphatic on that point. Figures concerning one key industry will show what I mean. In steel, and in machine tools and other machinery made from steel, Japan's own figures show that she

still has, in workable condition, more than twice the facilities that she had when she invaded Manchuria in 1931.

The removal of this surplus, especially to neighboring Asiatic countries, and also to other countries whose war effort and sacrifice entitle them to reparations, will help to raise their living standards without depressing the standards of Japan, since only excess capacities are in question. Lowered standards in Japan are primarily a question of political and administrative disorganization naturally resulting from a thoroughly deserved military defeat. It is up to the Japanese to elect themselves a government which will clean up that part of the mess.

In reparations, I am recommending to President Truman an interim program of removals, to be begun as soon as apportionment and shipment can be supervised by Allied observers. These interim removals will probably be below the total sum which the Allied Governments will eventually allocate to reparations. The interim removals should remove all doubts on the subject of policy, and set the pattern for implementing action.

I am recommending that the following quantities of plant and equipment, in the following categories, be designated for interim removal:

Machine tools

1. Half the capacity for the manufacture of machine tools.
2. All equipment in all Japanese Army and Navy arsenals (except for equipment useful solely for making arms, ammunition, and implements of war, which will be destroyed), in the entire aircraft industry, in all plants making ball bearings and roller bearings, and in all plants making aircraft engines. I estimate that the interim plan will remove from Japan between 350,000 and 400,000 machine tools.

Shipyards

3. All equipment and accessories in 20 shipyards to the extent it is not needed for the repair of shipping essential to the occupation.

Steel

4. All steel working capacity in excess of 2,500,000 tons per year. Japan's admitted present steel capacity is in excess of 11,000,000 tons, as compared with 1930 when Japan produced 2,300,000 tons of ingot and consumed only 1,700,000 tons of finished steel.

Electric power

5. Half of the coal-burning electric generating plants in Japan. This will leave enough for stand-by use to supplement hydro-electric plants.

Chemical industry

6. All contact process sulphuric acid plants, except those necessary to recover waste gases from zinc, lead, copper and other heavy metal smelters; the most modern of Japan's four large Solvay process soda-ash plants, and 20 out of 41 of the most modern large plants for the production of caustic soda.

Light metals

7. All capacity for producing magnesium and alumina, and for the reduction of alumina to aluminum, except facilities for processing scrap, and all strip mills, rolling mills, extrusion presses, etc., used in finishing magnesium and aluminum.

I have also made several other recommendations to President Truman, listed below :

External assets

8. Deprive all Japanese, including the Japanese Government, the Emperor and the Imperial Household, and the Zaibatsu, of the ownership or control of any assets located outside Japan proper, including Formosa, Korea, the Manchurian and other provinces of China, Malaya, and the Netherlands East Indies, as well as other Allies and neutral countries. All Japanese financial and economic penetration of other countries must be wiped out.

Gold and precious metals

9. The bulk of the gold and other precious metals now amassed in Japan should be shipped to the United States Mint in San Francisco, to be held in custody pending decision as to its disposal. The shipment of this treasure will not prejudice any later decision as to its use to pay for occupation costs, imports, reparations, or restitution.

10. To aid in carrying out the policies which General MacArthur has announced for destroying the big holding companies or zaibatsu, I have recommended that in reparations removals from Japan priority be given properties owned or controlled by the zaibatsu. Other factors being equal, a plant owned or controlled by one of the zaibatsu should be taken in preference to one owned by independent private enterprise. When this job has been completed, it will contribute materially to the rehabilitation and stabilization of Eastern Asia as a whole. This program will also open to the Japanese people themselves an honorable, industrious, and peaceful future. We must always remember, however, that in comparison with the people she has overrun, Japan has the last priority.

The above press release was delivered to official press representative for release December 7, Washington time.

[PAULEY]

740.00119 P.W./12-645

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom understand that Mr. Edwin W. Pauley is visiting Japan and other parts of the Far East in his capacity of personal adviser to the President on reparations questions and that Mr. Pauley's findings and recommendations will be embodied in a report to the President.

His Majesty's Government in the United Kingdom venture to suggest the desirability of refraining from giving publicity to Mr. Pauley's report, particularly to any recommendations that he may make in regard to policy, until His Majesty's Government have had an opportunity of offering their observations on this subject to the United States Government.

WASHINGTON, December 6, 1945.

740.00119 P.W./12-845 : Telegram

Mr. Edwin W. Pauley, Personal Representative of the President on Reparations, to President Truman and the Secretary of State

TOkyo, 8 December, 1945—8:51 p. m.

CA 55748. The following letter was delivered today to General MacArthur:

"General of the Army Douglas MacArthur,
"Supreme Commander for the Allied Powers,
"Tokyo, Japan.

"Dear General MacArthur:

"It has been reported to me through your headquarters that there is some uneasiness in Korea as to the possibility that sizable quantities of plant and equipment may be removed from that country as Japanese reparations.

"In order that reparations policy with respect to Korea may be clear, I am today issuing a statement pointing out that the interest of the Reparations Mission is not to take things from Korea. On the contrary, I intend to recommend to the President that we should try to determine what Japanese plants and equipment, formerly used to exploit Korea, could usefully be transferred from Japan to Korea. A copy of my statement is enclosed.

"Sincerely Yours,

Edwin W. Pauley"

The following press release was delivered today to official press representatives for immediate release:

"Statement by Ambassador Edwin W. Pauley, Personal Representative of the President of the United States and head of the United States Reparations Mission to Japan.

"8 December 1945.

"Since issuing my statement of 7 December on Japanese reparations,⁶⁶ I have been asked how our reparations policy will affect Korea. The interest of the Reparations Mission is, of course, not to take things from that liberated country. On the contrary, I intend to recommend to President Truman that the policy should be to determine what Japanese plants and the Korean people, [*sic*] could usefully be

⁶⁶ See telegram of December 6, p. 1004.

transferred from Japan proper to help round out an independent Korean economy.

“Both the American occupation of South Korea and the Russian occupation of North Korea are temporary. Under United Nations policy all Korea will eventually be treated as a unit. I believe therefore that it may prove preferable to postpone allocations and shipments on account of reparations to Korea until the needs of the whole country—and by that I mean the whole people, not the interests of any privileged group—can be considered as a unit.”

[PAULEY]

740.00119 PW/11-2745

The Secretary of State to the Australian Minister (Eggleston)

WASHINGTON, December 10, 1945.

SIR: I have the honor to refer to your note no. 517/45 dated November 27, 1945, concerning the reported destruction of cyclotrons in Japan by order of the Supreme Commander for the Allied Powers. The Department of State is making inquiry concerning the reported action and will reply in full when the facts are in hand.

The Department is in agreement with the expressed view of your Government that all practicable steps should be taken to preserve scientific and industrial equipment in Japan pending inter governmental negotiation of a reparations settlement.⁶⁷

Accept [etc.]

For the Secretary of State:
DEAN ACHESON

740.00119 PW/12-2045: Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, December 20, 1945—11 a. m.

[Received 12:22 p. m.]

2385. BritEmb reports telegram from British Consul, Macao, stating newly arrived Chinese delegate intends take over all Japanese and German property, official and personal.

BritEmb has replied as follows subject to approval FonOff and US concurrence: British Consul should try persuade Chinese delegate treat enemy property Macao as treated Lisbon with responsibility shared by British and Chinese representatives; in Lisbon joint account for Japanese official funds held by US, British, Chinese Missions; Ger-

⁶⁷ On January 29, 1946, the Department further replied by note that “the action taken by the Supreme Commander for the Allied Powers was in accordance with a specific order from the War Department. This order, however, was issued without the matter having been given the thorough consideration which the subject deserved and the action is a matter of regret on the part of my Government.” (740.00119 P.W./11-2745)

man property taken over by US, British, French representing ACC⁶⁸ Germany, hence British Consul should take sole charge German property Macao if any; measures applicable only to official property; for private property list of assets should be prepared and assurance obtained that Portuguese authorities are applying decree law freezing Jap assets.

Does Dept concur or desire add supplementary instructions?⁶⁹

BARUCH

740.00119 PW/12-2145

Memorandum by President Truman to the Secretary of State

WASHINGTON, December 21, 1945.

Suggest that Conference be held between State, War and Ambassador Pauley for the purpose of definitely informing General MacArthur exactly what our reparation policy will be.

I approve Ambassador Pauley's report and it should be implemented as soon as the necessary details can be worked out.⁷⁰

H[ARRY] S. T[RUMAN]

740.00119 PW/12-1345

The Secretary of State to the Netherlands Ambassador (Loudon)

The Secretary of State presents his compliments to His Excellency the Netherlands Ambassador and with reference to his note number 8406 of December 13, 1945,⁷¹ has the honor to inform the Ambassador that on the basis of consultation between the Governments of the United States, the Union of Soviet Socialist Republics, the United Kingdom and China it has been decided to destroy all combat vessels of the Japanese fleet with the exception of destroyers and surface vessels of lesser tonnage. Destroyers and surface vessels of lesser ton-

⁶⁸ Allied Control Commission.

⁶⁹ In telegram 43, January 14, 1946, 7 p. m., the Department gave its concurrence and added that the British Consul at Macao should be instructed to take over Japanese and German property in the name of the U.S. Government as well since he represented American interests there and should be requested to report on action taken (740.00119 PW/12-2045).

⁷⁰ On December 27 the Department transmitted President Truman's memorandum to the State-War-Navy Coordinating Committee and stated: "In order to meet the President's wishes it is suggested that Ambassador Pauley be invited to attend the meeting of the Coordinating Committee at which the report on SWNCC 236/2/D is considered and that the Subcommittee for the Far East be instructed to expedite its consideration of this matter." (740.00119 PW/12-2145)

SWNCC 236/2/D, dated December 21, contained Mr. Pauley's report of December 18 to President Truman; for text of this report, see Edwin W. Pauley, *Report to the President of the United States*, Reference 1-a.

⁷¹ Not printed.

nage will be divided equally among the United States, the Union of Soviet Socialist Republics, the United Kingdom and China.

This decision does not, of course, include Allied naval vessels captured by the Japanese, which will be handled in accordance with general restitution policies. It is suggested that as a preliminary step the Netherland liaison officer in Tokyo approach the headquarters of the Supreme Commander for the Allied Powers with a view to locating and identifying any former Netherlands warships now under the control of the Supreme Commander.

WASHINGTON, December 27, 1945.

740.00119 PW/12-645

The Department of State to the British Embassy

WASHINGTON, December 28, 1945.

The *aide-mémoire*⁷² of His Excellency the British Ambassador conveying the suggestion of the British Government with respect to publicity for the recommendations of the report of Mr. Pauley to the President has been noted and conveyed to the persons directly concerned.

No final position on Japanese reparations policies will be announced by the United States Government without prior discussion with the various other interested Governments. The early receipt of the observations of the British Government will be welcomed.

800.515/9-1945

The Department of State to the British Embassy

MEMORANDUM

1. With reference to the *Aide-Mémoire* of September 19, 1945 (reference 2705/45) from the British Embassy regarding certain assets located within territories liberated from the Japanese, the Government of the United States agrees that it would be highly desirable to obtain as complete records as possible regarding the assets enumerated in paragraph 6 of the Embassy's communication. The plans of the United States for the control of such assets include the requirement of a census in the areas occupied by forces under United States command. This census would require revelation of all property interests, public and private, including intangibles having their situs within territory occupied by United States forces of the following categories: (a) assets owned or controlled by Germany, Rumania, Bulgaria,

⁷² December 6, p. 1009.

Hungary, Finland or the nationals thereof; (b) assets located in Japan owned or controlled by persons residing in areas under Japanese domination at any time since 1894; (c) all foreign exchange and external assets owned by the Japanese Government or Japanese nationals, regardless of where the assets or the owners might be located; (d) property acquired by the Japanese through acts of spoliation.

2. Early in September the American Chiefs of Mission at London, Paris, Moscow, The Hague, and Chungking invited the Governments to which they were accredited to issue parallel instructions to the respective authorities of these governments in other areas liberated from the Japanese.

3. There remains the task of developing a mechanism for coordinating and exchanging the information obtained through investigations along the above lines to be conducted by the various Allied occupation authorities.

4. The United States Government would look with favor upon the exchange of census information and the results of other similar investigations in the areas occupied by the various Allies in the war with Japan. The United States Government agrees that it would be desirable to centralize the exchange of information at Tokyo. The United States Government suggests that the representative of the United Kingdom on the Far Eastern Advisory Commission may wish to raise with the Commission the question of the organization of an appropriate agency to perform this function.

5. The foregoing does not relate to primary responsibility within the various occupied and liberated areas for conducting the investigations, but rather to the exchange of information obtained by the competent authorities within those areas.

6. Copies of this memorandum under cover of appropriate explanatory statements are being supplied the Embassies of the Netherlands, the U.S.S.R., France, and the Chinese Republic.

WASHINGTON, December 28, 1945.

740.00119 P.W./12-2945

The War Department to the Department of State

OPD 336 TS

WASHINGTON, 29 December, 1945.

Attention: Japan—Korea Economics Division

Subject: Request for Information on Cyclotrons in Japan

1. Receipt is acknowledged of your letter of 10 December 1945⁷³ enclosing a copy of dispatch No. 517/45 dated 27 November 1945 from

⁷³ Not printed.

the Minister of Australia⁷⁴ concerning the reported destruction of cyclotrons in Japan by order of the Supreme Commander for the Allied Powers.

2. In reply to your request for information of the facts of the destruction and the justification therefore, the following extract from the press conference of the Secretary of War of 14 December 1945 is quoted:

“PRESS: Mr. Secretary, if no more questions on this, I have one on the destruction of the cyclotrons in Japan. MacArthur said your office ordered that.

MR. PATTERSON: That is quite correct. I personally never saw the message but there was nothing strange about that because hundreds of messages go out of here from the Secretary of War that do not come to my personal notice. In this particular case, I believe that the matter was not handled with the thorough consideration that the matter warranted and that the sending of that particular message was a mistake, but in the theater to General MacArthur it was a directive and he took the proper action based upon the message. I am not certain what the answer would have been if the matter had received the thorough consideration that it should have had.

PRESS: Is anyone being disciplined over it, Mr. Secretary?

MR. PATTERSON: No, I can make argument both ways on that question. You can see it was a case of mistake in the War Department.”

3. The following is suggested as a possible reply to the Minister of Australia:⁷⁵

“General MacArthur was directed to destroy the Japanese cyclotrons in a radio message sent in the name of the Secretary of War. That message was dispatched without having been seen personally by the Secretary and without its having been given the thorough consideration which the subject deserved.

“While the officer who originated it felt that the action directed was in accordance with the War Department’s established policy of destroying Japan’s war potential, the dispatch of such a message without first investigating the matter fully was a mistake, which is regretted by the War Department.”

For the Secretary of War:

R. L. VITTRUP
Colonel, GSC

⁷⁴ *Ante*, p. 1002.

⁷⁵ For Department’s reply on January 29, 1946, see footnote 67, p. 1011.

RELINQUISHMENT BY THE SWISS GOVERNMENT OF REPRESENTATION OF AMERICAN INTERESTS IN JAPAN AND JAPANESE-OCCUPIED TERRITORY

703.5493/8-2545 : Telegram

The Secretary of State to the Minister in Switzerland (Harrison)

WASHINGTON, August 29, 1945—8 p. m.

2640. Am[erican] interests—Far East. Re Fontanel's query urtel 4000 Aug 25 ⁷⁶ Dept anticipates early reopening Am consular offices in areas outside Japan proper and Korea formerly occupied by the Japanese, the first offices probably to be opened in China. Accordingly inform FonOff along following lines:

(1) Swiss should anticipate liquidation representation Am interests and relinquishment those interests to Am consular officers appropriately identified. Reopening of Am consular offices will be progressive rather than simultaneous and details of transfer will of necessity be determined by local conditions on *ad hoc* basis.

(2) Request Swiss representatives in Far East be instructed as were those in Europe to cooperate with Am representative returning to them protection of Am interests in respect of separate functions as may seem most convenient to Am and Swiss representatives in consultation. Dept, appreciative of Swiss services regarding protection Am interests in Far East, desires to capitalize so far as possible upon Swiss experience, records and personnel. Accordingly Dept deems it desirable that Swiss continue to handle routine matters in protection of Am interests Far East to extent their facilities permit until such time as Dept's representatives are able to take over such functions in specified geographical areas and along clearly delimited functional lines. Such transfer of interests should be carefully integrated with the Dept's representatives' ability to take over and Swiss ability to continue handling such interests.

(3) Pending ability of American representatives to accept transfer of services involving disbursement of funds Dept will continue to make funds available to Swiss through Bern.

(4) Dept will endeavor to assure Swiss in Far East of a means of communication re Am interests.

Presumably foregoing procedure would meet Fontanel's needs and at same time accomplish Dept's ends.

Repeated to Manila, Chungking and New Delhi for information of appropriate military authorities.

BYRNES

⁷⁶ Not printed; it stated that Emile Fontanel, Swiss Consul General at Shanghai, desired information as to whether, effective with the signature of peace, he was automatically relieved of representation of United States interests (703.5493/8-2545).

[The relinquishment by the Swiss Government of representation of American interests in the Far East was effected by various formal and informal measures after the surrender of Japan on September 2, 1945.

The process began at Tokyo where the American Embassy Building and annexes and their contents were turned over to American authorities on September 5. A similar transfer of physical properties at Yokohama was effected on November 27. Complete assumption of protective functions in Japan was completed by January 10, 1946.

The Consul General at Shanghai resumed protection of American interests on November 1, 1945. American authorities took over the official premises at Tsingtao, as well as furniture and archives, on November 27. Representation functions at Hankow were relinquished by Swiss authorities on or just prior to December 6 and at Canton on December 19. At Dairen, where there was no Swiss representative then present, the Consul General made a determination that May 20, 1946, was the date of relinquishment of protective functions by the Swiss.

The Consul General at Batavia began protection of the interests of local Americans with his arrival on October 21, 1945, for there were then no Swiss consular representatives in the Netherlands Indies exercising protective functions.

The protocol transferring the compound of the American Consulate General at Seoul, together with furniture and equipment, was signed November 19.

The Chargé at Bangkok notified the Swiss Consul on January 5, 1946, that he was taking over the protection of American interests in Siam.

The Consul General at Singapore reported on February 12, 1946, that he was now able to assume full responsibility for protection of American interests in his jurisdiction.

Memoranda of transfers of representation at Saigon and Hanoi were signed by American and Swiss representatives on March 30 and April 27, 1946, respectively.]

KOREA

POLICIES OF THE UNITED STATES TOWARD KOREA

Interest in the future status of Korea and the question of recognition of a Provisional Korean Government;¹ occupation of southern Korea by United States Forces and of northern Korea by forces of the Soviet Union, with 38th parallel as dividing line; return of expatriate Koreans; unsuccessful attempts by United States Forces to negotiate on a local level with Soviet Forces on problems arising from the establishment of two zones of occupation; proposal by the United States to establish an international trusteeship over Korea; beginnings of self-government in southern Korea; Korean demands for independence; measures affecting Korea taken at the Moscow Conference of Foreign Ministers²

895.01/2-545

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Ballantine)

[WASHINGTON,] February 5, 1945.

Participants: Mr. Shao Yu-lin, Senior Secretary of Generalissimo Chiang Kai-shek³
Mr. Ballantine
Mr. Turner⁴

Mr. Shao called in pursuance of an arrangement made at a previous interview when he had outlined a range of topics he wished to explore in fuller detail. It had been agreed that the discussions were to be on a personal basis without implication of any commitment. The first topic discussed was the Korean Independence Movement. Mr. Shao said there have been for some time a number of Koreans in Free China who have been working for Korean independence. There has been some friction and jealousy between the leaders of these groups. Mr. Shao said that the Chinese Government had, of course, no official relations with any of these groups and that he as an official of the Chinese Foreign Office had no contact with the Koreans. However, after becoming a member of Chiang Kai-shek's Secretariat he had had some dealings with them.

In discussions with the leaders of the Korean Independence Movement in Chungking, Mr. Shao said he had advised them that before

¹ For previous documentation on this subject, see *Foreign Relations*, 1944, vol. v, pp. 1290 ff.

² Held December 16 to 26; for documentation on the Conference, see vol. II, pp. 560 ff.

³ President of the National Government of the Republic of China.

⁴ William T. Turner of the Office of Far Eastern Affairs (FE).

they could expect any form of recognition from the United Nations they would have to compose the differences among themselves and form some kind of effective organization; that they were in a sense on trial and that it was up to them to demonstrate their capacity for responsibility before they should expect concrete assistance from the United Nations. Mr. Shao said that he had suggested to these leaders that they organize an underground movement along the lines of that in France, which would stir up the people of Korea, inform them of developments, and instruct them in methods of resistance. In this connection he had suggested the use of secret agents and of pamphlets to be dropped from airplanes. He had suggested further that Korean troops now in the service of Japan could be told to drop their arms at the proper moment or instructed to desert to the side of the United Nations.

Mr. Shao stated that the Korean Provisional Government has now undertaken a program along the lines of Mr. Shao's suggestions and that among other things they were working with captured Korean troops in Chungking who number about 2,000, with a view to training them for duties as underground agents.

Mr. Shao said that it was his understanding that the attitude of the American Government towards the Korean Provisional Government was the same as that of the Chinese Government, namely of withholding recognition for the present. Mr. Ballantine confirmed this understanding. Mr. Shao inquired whether, in Mr. Ballantine's opinion, it would be possible to obtain military equipment on a lease-lend basis for the arming of Korean troops for use against Japan. Mr. Ballantine replied that this was of course a matter to be decided by the military authorities but that it seemed likely that arms and equipment could be found to supply anyone who would undertake to fight the Japanese. Mr. Shao asked Mr. Ballantine's opinion in regard to the proper channel whereby the Chinese Government might communicate with the American Government in any matter relating to Korean matters. Mr. Ballantine replied that in his opinion such communication should be made through our Embassy.

Mr. Shao inquired in regard to the attitude of the Korean independence leaders in this country. He said that it was his observation that the principal difference in the attitude of his own Government and that of the American Government toward the Korean leaders was that the Chinese Government took more positive steps toward the guidance of such leaders and of the movement. Mr. Ballantine said that some of the Korean spokesmen in this country seemed to be more interested in furthering their personal interests and the interests of their particular group than in furthering the Korean national cause; that some had a great predilection for personal publicity; and that

some seemed to want to maneuver the Department into going on record in their favor; and that it was necessary to proceed with considerable caution in dealing with these men as they seemed to be personally ambitious and somewhat irresponsible.

Mr. Shao stated that upon his arrival in this country he had got in touch with leaders of the Korean Independence Movement and had discovered that there was even more jealousy and lack of cooperation between them than between their counterparts in China. He had pointed out to them that their lack of unity in the face of a common objective simply underscored their unpreparedness to assume responsibility, and had advised them of the necessity of combining into one responsible organization if they were to attain any kind of recognition. He had advised them to establish some form of relationship with the Korean Independence Movement in China, and had informed them that the Chinese and American Governments would act in concert in any matter concerning Korean independence.

J[OSEPH] W. B[ALLANTINE]

895.01/2-1745

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Ballantine)

[WASHINGTON,] February 17, 1945.

Participants: *Chinese Present*: Liu Chieh, Counselor, Chinese Embassy; Dr. Kan Lee, Commercial Counselor; Yang Yun-chu, of the Chinese Foreign Office; T. L. Tsui, First Secretary; King Ching, First Secretary.
FE: Mr. Ballantine, Mr. Stanton,⁵ Mr. Dickover,⁶ Mr. Vincent,⁷ Mr. Williams.⁸

This meeting was requested by Mr. Yang Yun-chu, Director of the East Asia Department of the Chinese Foreign Office and one of the Chinese delegates to the recent IPR⁹ Conference at Hot Springs, to discuss informally some of the general problems relating to the treatment of Korea by the United Nations. Mr. Liu Chieh acted as spokesman for the Chinese and briefly outlined the reasons for the meeting; stating that Mr. Yang had discussed with Mr. Dickover in a series of meetings all the questions included in the draft questionnaire on Korea,¹⁰ and as Mr. Yang was shortly leaving for Chungking he de-

⁵ Edwin F. Stanton, Deputy Director of the Office of Far Eastern Affairs.

⁶ Erle R. Dickover, Chief of the Division of Japanese Affairs.

⁷ John Carter Vincent, Chief of the Division of Chinese Affairs.

⁸ Frank S. Williams, Assistant Chief of the Division of Japanese Affairs.

⁹ Institute of Pacific Relations.

¹⁰ Not printed; but for summary, see *Foreign Relations*, 1944, vol. v, p. 1297, footnote 18.

sired an exchange of general views on Korea with officers of FE to round out his impressions and observations on this subject.

After some general discussion of the number and location of Koreans now residing outside of Korea, the nature and scope of possible contributions these groups might make to the war effort and their potential usefulness in the immediate post-war period, Mr. Liu outlined the Chinese views on the Korean question as follows:

1. The Korean underground movement should be encouraged.

2. Efforts should be made to coordinate all the different Korean groups overseas. Here and all through the discussions particular emphasis was placed by the Chinese on the Provisional Korean Government group in Chungking as being the principal element which should be encouraged. It was apparent that the Chinese would welcome any encouragement from the Department on the matter of official support of this group, not as a *de jure* government but as representing the heart of the Korean resistance movement in China.

3. No matter which army enters Korea, the possible military civilian administration should be undertaken jointly by the three powers, China, the United States and Britain; and Soviet Russia, if it has entered the war against Japan. Mr. Liu was very insistent on this view and repeated the above statement several times.

4. At the earliest possible date there should be set up a non-partisan Korean Government.

No commitments whatever were given to any of the above statements by any of the officers of FE, although Mr. Dickover pointed to the "liberated countries" section of the Yalta statement¹¹ as indicative of our thinking in regard to joint action in liberated areas generally. Mr. Ballantine very carefully explained the difficulties involved in supplying overseas Koreans with military equipment but expressed accord with the Chinese view that Koreans should be used in whatever manner and to whatever extent the Allied military authorities might find practical in the war effort.

Mr. Yang stated that he had hoped to obtain a more definite expression of the Department's views on Korea before his return to assist him and his colleagues in the preparation of the numerous papers on Korea. Mr. Tsui stated that they desired to ascertain "how the wind blows" before compiling their papers. Mr. Ballantine intimated that he did not think Chinese views and our views were very far apart. He emphasized the importance of proceeding with

¹¹ Made on February 11, 1945, by President Roosevelt, British Prime Minister Winston S. Churchill and Marshal I. V. Stalin, Chairman of the Council of People's Commissars of the Soviet Union; for text, see *Foreign Relations, The Conferences at Malta and Yalta, 1945*, pp. 968, 971. Of special relevance to Korea are the briefing book paper on the post-war status of Korea which deals with the questions of military occupation and possible establishment of an interim trusteeship (pp. 358-361), the Minutes of February 8 of discussions between President Roosevelt and Marshal Stalin on trusteeship (p. 770), and a Department telegram of February 5 on Sino-Soviet conversations on Korea (p. 952).

the preparation of study papers on Korean problems as a means first of exchanging views between officers of the Chinese, British and American Governments at an "expert level" and finally of providing policy making officers with recommendations.

From the comments made by the Chinese, it would seem that their papers on Korean questions will not be available for some months.

J[OSEPH] W. B[ALLANTINE]

895.01/2-2045

The Acting Secretary of State to the Ambassador in China (Hurley)

No. 52

WASHINGTON, February 20, 1945.

SIR: The Department has received a letter from Dr. Syngman Rhee,¹² "Chairman of the Korean Commission", in which is included the following paragraph:

"The Chinese government which showed no anxiety in this respect six months ago, is now willing to take the lead in recognizing the Korean Provisional Government provided the United States would follow suit. I hope the United States Government would feel free to cooperate with China regarding the recognition of Korea. The Chinese Government would not move without an understanding with the State Department. If the State Department gives China a tacit understanding that it will cooperate, China will formally recognize the *de jure* status of the Republic of Korea."

There is enclosed for the Embassy's information a copy of a memorandum dated February 5¹³ summarizing a conversation regarding Korean problems held on a personal basis between Mr. Shao Yu-lin, Senior Secretary of Generalissimo Chiang Kai-shek, and officers of the Department. The Embassy will note that Mr. Shao and the officers of the Department were agreed that recognition of the "Korean Provisional Government" should be withheld for the present. The Embassy may in its discretion seek a suitable opportunity to indicate informally to the Foreign Office the content of the paragraph quoted from Rhee's letter and in so doing refer to the conversation with Mr. Shao and affirm that in the opinion of the Department the question of recognition should be left in abeyance and efforts should be directed toward the preparation of basic material relating to the draft questionnaire on post-war Korea. The Embassy may also wish to inform the Foreign Office that, while the illness of an officer directly concerned with the work is causing some delay, the Department is

¹² Dated February 5, to the Under Secretary of State, not printed.

¹³ *Ante*, p. 1018.

proceeding with the preparation of studies based on the questionnaire.¹⁴

Rhee in his letter advances as a reason for immediate recognition of the "Korean Provisional Government" the fear that Soviet Russia might advance into Korea and establish as the government there a "Korean Liberation Committee" allegedly existing in Vladivostok.¹⁵ The Department has been unable to obtain confirmation of reports of the existence of such a committee in Soviet territory and would appreciate any comment or information the Embassy may have on the subject.

Copies of this instruction are being sent to the Embassies at Moscow and at London.¹⁶

Very truly yours,

For the Acting Secretary of State:
JAMES C. DUNN¹⁷

¹⁴ Various research papers on Korean problems were prepared in 1944 and 1945 by the Inter-Divisional Area Committee on the Far East, the Office of Far Eastern Affairs, and the Divisions of Japanese Affairs, Territorial Studies, and International Security and Organization. They include the following: "PWC" papers 124a, 125, and 126, prepared from March to May 1944; "H" papers 200-207 and 209, prepared in November and December 1944; and "K" papers 1-16, prepared from March to November 1945 (Records of the Committee Secretariat Branch of the Executive Secretariat, Lot 52-D478). These papers cover a wide range of subjects on various aspects of political, economic, and security problems in Korea and the capacity of Korea for independence. For "PWC" papers 124a, 125, and 126, see *Foreign Relations*, 1944, vol. v, pp. 1239, 1224, and 1228, respectively.

¹⁵ Mr. Rhee's letter stated: "Ever since December 7, 1941, we have been witnessing along with the authorities of the Department of State, the repeated and unmistakable signs of the danger that the Korean Communist Army maintained in Siberia by Russia might rush into Korea at an opportune moment and overrun the entire Peninsula, before the Korean Nationalist Democratic Government in Exile could find a chance to return to Korea. The people will then have no opportunity to express themselves as to the form of government under which they want to live. This will naturally create a situation detrimental not only to Korea but also the United States and China." In a memorandum of February 12, initialed by Mr. Ballantine, the Division of Japanese Affairs recommended that Mr. Rhee's letter not be answered "because it would be impossible to do so without either (1) risking an undesirable controversy through taking issue with Rhee's implications of bad faith on the part of Soviet Russia, or (2) giving tacit approval of those implications by ignoring them". (895.01/2-545) In a further letter of June 5 to Mr. Grew, Mr. Rhee stated that "further delay in recognizing the Korean Provisional Government would place not only Korea but the United States at a disadvantage. . . . The only possibility of avoiding the ultimate conflict between the United States and the Soviet Republics is to build up all the democratic, not communistic, elements wherever possible now." The letter bears a marginal notation of June 14 by "GM", presumably George M. McCune of the Division of Japanese Affairs, as follows: "Not acknowledged due to character of contents after consultation with FE". (895.01/6-545)

¹⁶ With instructions 451 and 5125, respectively, dated February 20.

¹⁷ Assistant Secretary of State.

895.01/3-145 : Telegram

The Chargé in China (Atcheson) to the Secretary of State

CHUNGKING, March 1, 1945—8 a. m.

[Received 3:46 p. m.]

329. On February 23, Mr. Tjo So-wang, "Minister for Foreign Affairs of the Korean Provisional Government" called at Embassy by appointment to enlist active support of US for his group and made long, rambling statement.

He said Korea was on verge of starvation, that hatred of Japanese rule was intensified by almost universal conscription and that time was ripe for action. He stated that as his government was strongest and best organized group representing Korean people it would be well for the US to deal solely and directly with his government. Specifically, he proposed the following type of cooperation between his government and the US: (1) Korean armies to be trained at a base on one of the Pacific islands and later somewhere along north China coast, (2) military supplies and financial assistance to be made available by US under some such arrangement as a lend-lease agreement with Provisional Government, (3) Korean agents to be utilized for intelligence purposes and (4) propaganda leaflets to be prepared by Provisional Government for distribution by American planes over Korea. He asked that Provisional Government be invited to send representatives, now available in the US, to United Nations Security Conference in San Francisco.¹⁸

He also said he wished personally to visit US in near future and asked that preliminary steps be taken to expedite issuance of a visa.

Embassy informed Mr. Tjo that substance of his conversation would be reported to Washington.

According to press statement Korean Provisional Government declared war on Germany February 28.

Please instruct by telegraph in regard to question of visa for Tjo. Despatch follows.¹⁹

ATCHESON

895.01/3-145 : Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, March 20, 1945—7 p. m.

473. Reurtel 329, March 1, 8:00 a. m. You may inform Tjo So-wang as follows:

¹⁸ The United Nations Conference on International Organization met from April 25 to June 26, 1945.

¹⁹ Despatch 194, March 3, not printed.

(1) That the matter of the utilization of Koreans in the war effort against Japan is one for consideration by the military authorities and that any proposals which he may wish to bring forward for participation in the war effort by Koreans in China might appropriately be taken up by him with the commander of that theatre.

(2) That by agreement among the sponsoring powers invitations to the San Francisco Conference were extended only to those nations which were United Nations on March 1, 1945. Provision is not being made for observers from other nations.²⁰

For your confidential information: It is not clear to the Department what useful purpose would be served by the proposed visit of Tjo So-wang to this country. If, however, after exploring the situation with the applicant and, in your discretion, with the Chinese Foreign Office, it appears that the visit would contribute in some appreciable way to the war effort, you may issue him a three (two) visa as a private Korean citizen and not as an official of the "Korean Provisional Government".

GREW

895.01/4-945 : Telegram

The Chargé in China (Atcheson) to the Secretary of State

CHUNGKING, April 9, 1945—11 a. m.

[Received April 11—2 p. m.]

596. French Ambassador²¹ has handed me a copy of a statement, which he said he had sent to the Foreign Office to the effect that he had made known to Tjo So-wang on February 26 his Government's instructions to his Embassy unofficially to maintain *de facto* relations with the Korean "Provisional Government" and that he had further informed Tjo of France's sympathetic interest in efforts to liberate Korea and of his Government's determination that Korea should promptly regain its independence.

[In] further explanation, General Pechkoff said that it is his Embassy and not the French Government, which would have *de facto* relations with the Korean Provisional Government and he indicated that he personally did not think that this Korean group should be given recognition for the reasons stated in our 560, April 2, 2 p. m., second sentence of the second paragraph.²²

ATCHESON

²⁰ In a letter of March 28, 1945, the Secretary of State replied to a letter of March 8 from Dr. Syngman Rhee requesting admittance of Korea to the forthcoming United Nations Conference at San Francisco. The reply stated that the Department of State was not in a position to give favorable consideration to the request for reasons set forth in this paragraph. (500.CC/3-845)

²¹ Gen. Zinovi Pechkoff.

²² Telegram not printed; this sentence stated: "Neither the group here nor any group outside of Korea were really representative of the Korean people as none of them had been in Korea for a great many years." (895.01/4-245)

895.01/4-945

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 22279

LONDON, April 9, 1945.

[Received April 19.]

SIR: I have the honor to refer to the Department's secret instruction no. 5125 of February 20, 1945,²³ regarding the request of the "Korean Provisional Government" for recognition, and to enclose herein a copy of a letter from the Foreign Office²⁴ on this subject.

It will be noted that the Foreign Office agrees with the State Department that there is no present reason to contemplate recognition of the "Korean Provisional Government" and that the notes addressed to the Foreign Office by Mr. Kim Koo and Mr. Tzo So-wang, which were mentioned in this Embassy's telegram no. 7246 of September 5 (1944), 5 p. m.,²⁵ will remain unanswered. The Foreign Office letter also states that it has no information about a "Korean Liberation Committee" alleged to exist in Vladivostok.

Respectfully yours,

For the Ambassador:

JOHN M. ALLISON

Second Secretary of Embassy

895.01/4-1745: Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 17, 1945—5 p. m.

[Received April 18—2: 15 a. m.]

1210. In answer to Department's instruction 52, February 20, 1945 to Chungking following repeated from Vladivostok:²⁶

56, April 9, 12 a. m. All Koreans of either Soviet or Jap citizenship were removed from Primore area²⁷ in 1937, latter group (presumably small) reputedly having option of returning to Korea. Those who were Soviet citizens are reported to have been transplanted into Soviet Kazakhstan and it appears unlikely that any civilians of Korean race remain in Primore. Embassy will be aware of reported presence of over 20,000 Koreans (presumably possessing Soviet citizenship) in Red army. Reurtel March 2 [28], midnight.

Consulate has heard neither report nor rumor of existence in Vlad on [of] so-called Korean Liberation Committee and it appears unlikely that an organization of that sort would be created in such obviously

²³ Not printed; but see footnote 16, p. 1023.

²⁴ Not printed.

²⁵ Not printed; but for summary, see *Foreign Relations*, 1944, vol. v, p. 1296, footnote 16.

²⁶ Presumably from Consul General O. Edmund Clubb.

²⁷ Primorye territory (Primorsky kray), the Maritime provinces.

unnatural surroundings. Since aforementioned transplanted Primore Koreans were presumably nearly all if not all Soviet citizens and their present place of residence so far as known is moreover distant from Korea itself it also appears improbable that this group would provide material for formation of such a committee. Suggest that any potential rival to Korean Provisional Government located in Chungking would probably make its first appearance in Northwest China region controlled by Chinese Communists at some later date when (1) conquest of Korea might be near and (2) cleavage of Chinese Communist Party and Kuomintang by hypothesis should have become more aggravated with improvement in political military position of former group. Chientao district of eastern Manchuria and Korea itself would then presumably provide fertile ground for further developments.²⁸

Embassy will appreciate that analysis tentatively offered above is predicated upon basic proposition that present political relationship of USSR to war in the Pacific theatre will be maintained unaltered.

Sent Department as 1210, repeated to Chungking as 26.

KENNAN

500.CC/4-2045

*The Chairman of the Korean Commission in the United States (Rhee)
to the Secretary of State*

WASHINGTON, April 20, 1945.

SIR: Further with regard to my letter of March 8th,²⁹ may I respectfully call to your attention the admission of Argentina, Syria and the Lebanon to the United Nations Conference in San Francisco on April 25, 1945.

In your letter of March 28th,²⁹ you stated that "Only those nations which were United Nations on March 1, 1945, were eligible to receive invitations to the San Francisco Conference, in accordance with an agreement which was arrived at by the sponsoring nations."

The inclusion of the above-mentioned nations since March 1st prompts me to ask whether or not the official delegation of the Korean Provisional Government might not now be permitted to participate in the San Francisco Conference. If the Department of State still remains adamant, may I be permitted to respectfully request that, because of the admission of Argentina, Syria and the Lebanon since March 1st, the nations participating in the San Francisco Conference be permitted to receive the request of the Republic of Korea for in-

²⁸ In telegram 37, April 17, 4 p. m., to the Consul General at Vladivostok, not repeated to the Department, the Chargé in the Soviet Union stated: "For your information there has been established in Chinese Communist territory a Korean liberation organization in addition to the Japanese Peoples Emancipation League." (Records of the Moscow Embassy, Lot F96, 800 Korea)

²⁹ Not printed; but see footnote 20, p. 1025.

clusion in their number and, through democratic processes (i.e., a vote) record their wishes on this vital subject.

With my highest esteem,
Respectfully yours,

SYNGMAN RHEE

500.CC/5-1545

*The Chairman of the Korean Commission in the United States (Rhee)
to President Truman*

SAN FRANCISCO, May 15, 1945.

MY DEAR PRESIDENT TRUMAN: The recent discovery of a secret agreement at Yalta contrary to the Cairo Declaration³⁰ regarding Korea was doubtless just as startling to Your Excellency as it was to me. Your Excellency will recall that it is not the first time Korea was made a victim of secret diplomacy.

The first secret agreement by which Korea was sold to Japan in 1905³¹ was kept secret until twenty years later. Fortunately, this Yalta agreement has been uncovered right here in the midst of the United Nations Conference. We have to appeal to Your Excellency to intervene. For that is the only way to rectify the past wrong and to prevent the further enslavement of the thirty million people.

We have presented to the Membership Committee of the United Nations Conference our request for a rightful seat in the Conference.³² Your Excellency's instruction alone can open the door for us and then Korea will have a voice in the assembly.

Mr. President, allow us to renew our offer which we have repeatedly made in the past. We now offer again our tremendous manpower to serve in the Armed Forces and in various underground activities. The Koreans are the most bitter enemies Japan has. They have continued their fight single-handed and unaided for the last forty years. They want to participate in this war on a larger and more effective

³⁰ Made by President Roosevelt, Generalissimo Chiang Kai-shek, and Prime Minister Winston S. Churchill and released by the White House December 1; for text, see *Foreign Relations, The Conferences at Cairo and Tehran, 1943*, p. 448.

³¹ The reference is presumably to the "agreed memorandum" between Secretary of War William Howard Taft and Japanese Prime Minister Count Katsura, a copy of which was sent from Tokyo by Secretary Taft to Secretary of State Elihu Root on July 29, 1905. This copy is in the custody of the National Archives, among the "Miscellaneous Letters of the Department of State, July (Part III) 1905". The memorandum was first published, with commentary, by Tyler Dennett in *Current History*, vol. XXI, No. 1, October 1924, pp. 15-21. This version deleted the name of Secretary Taft, "so as not to embarrass" him, and the last six sentences, as they dealt with a different subject. The full text of the telegram appears in an article by John Gilbert Reid in *The Pacific Historical Review*, vol. IX, No. 1, March 1940, pp. 66-68.

³² "Korean Memorial to the United Nations Conference on International Organization at San Francisco, California, April 25, 1945.", not printed. The memorial was signed by Mr. Tjo So-wang by direction of the Provisional Government of the Republic of Korea. (895.01/4-2545)

scale, especially since the Pacific warfront is drawing nearer to the Japanese Islands and the Allied Armies will need the cooperation of the Korean underground forces. They can help defeat Japan sooner and reduce the number of American casualties.

We count on you, Mr. President, to say the word that will give Korea the human rights for which the United Nations are fighting this war.

With my highest esteem,
Respectfully yours,

SYNGMAN RHEE
Chairman, Korean Delegation

500.CC/5-1545

The Acting Secretary of State to the Chairman of the Korean Commission in the United States (Rhee)

WASHINGTON, June 5, 1945.

MY DEAR DR. RHEE: The White House has referred to the Department your letter of May 15 to President Truman in which you comment upon the alleged discovery of a secret agreement regarding Korea assertedly made at Yalta which, you claim, is contrary to the Cairo Declaration. Furthermore, in your letter you appeal to the President to support your request for a seat in the San Francisco Conference and suggest that Korean manpower might be more effectively utilized in the war effort.

In view of the statement to the press made by your colleague in Chungking on May 26,³³ I am sure that you no longer give credence to the unfounded reports that commitments were entered into at the Crimea Conference in regard to Korea which are inconsistent with the Cairo Declaration. You will also doubtless recall that responsible officials of the Department have from time to time reiterated that Korea will be liberated from Japan and that the intentions embodied in the Cairo Declaration will be carried out. As recently as March 24, 1945, for example, Assistant Secretary of State Archibald MacLeish on a radio discussion program, stated that "the Koreans will get their independence 'in due course', which presumably means as soon as they are in a position to govern themselves."

As you have repeated your request for a seat in the San Francisco Conference, it may be pertinent at this time to review certain basic considerations which have guided the Department in this connection and which have been made known to you in previous correspondence or orally. The United Nations which are represented at the San

³³ In telegram 865, May 29, the Ambassador in China reported that a spokesman of the Korean Provisional Government had issued a statement to the Central News Agency on May 26 denouncing as "a groundless rumor" talk of a secret agreement reached at Yalta about Korea's position after the war (895.01/5-2945).

Francisco Conference all have legally constituted governing authorities, whereas the "Korean Provisional Government" and other Korean organizations do not possess the qualifications requisite for obtaining recognition by the United States as a governing authority.

The "Korean Provisional Government" has never had administrative authority over any part of Korea nor can it be considered representative of the Korean people of today. Its following even among exile Koreans is limited. It is the policy of this Government in dealing with groups such as the "Korean Provisional Government" to avoid taking action which might, when the victory of the United Nations is achieved, tend to compromise the right of the Korean people to choose the ultimate form and personnel of the government which they may wish to establish. Such a policy is consistent with this Government's attitude toward all people under Axis domination or liberated therefrom. For these reasons, then, among others, the Department has not recognized the "Korean Provisional Government".

I am sure you will realize that the foregoing review of the Department's position in this connection carries no implication whatsoever of a lack of sympathy for the people of Korea and their aspirations for freedom. The officers of the Department have spent a great deal of time in studying the problems relating to Korea and have talked at length with you and with other individuals interested in the welfare of Korea and the Koreans and have endeavored to explain this Government's responsibility in such matters and to give a clear indication of the lines along which this responsibility is being fulfilled.

In regard to your reference to the use of the Korean manpower in the war against Japan, you may be assured that the military services of this nation have not neglected to examine carefully the potentialities of the Korean people in this regard. It is a matter of record that many Koreans have been serving unselfishly and devotedly in the forces of the United Nations. As the war against Japan progresses, the Korean people may be placed in a position to play an increasingly important role in the defeat of Japan.

The Department hopes that the foregoing discussion of this Government's intentions³⁴ with respect to Korea will serve to dispel the doubts which you have entertained, based upon false rumors.

Sincerely yours,

For the Acting Secretary of State:

FRANK P. LOCKHART

Acting Director

Office of Far Eastern Affairs

³⁴ For Acting Secretary Grew's statement on "Review of Policy regarding Korea" released June 8, see Department of State *Bulletin*, June 10, 1945, p. 1058. In telegram 6639, July 2, 2 p. m., the Ambassador in the United Kingdom (Winant) reported that the British Foreign Office was "in full agreement" with Mr. Grew's statement (711.95/7-245).

[For the Department's estimate of conditions in Korea at the end of the war and a statement of United States policy in regard to this region, see Policy Paper of June 22, Section III, *ante*, page 561.]

895.01/7-2145 : Telegram

*The Chairman of the Korean Commission in the United States (Rhee) to President Truman*³⁵

WASHINGTON, July 21, 1945.

The Korean Commission official representative at Washington of the Korean Provisional Government exiled in Chungking respectfully petitions Your Excellency and through you the Premiers of Great Britain and Soviet Russia now at the Conference to issue a joint statement pledging to repudiate any secret international agreement or understanding affecting the future political and administrative sovereignty and territorial integrity of Korea, to recognize the Provisional Government of the Republic of Korea now so as to eliminate the possibility of a civil war in Korea after the war between the Communists and Nationalists which will inevitably disturb international peace and disrupt friendly relations between Russia and Korea and to give the Koreans a chance to do their share of fighting on a larger scale against the common enemy Japan. With the cooperation of Allied Powers to this extent the Korean Provisional Government will be in a position to assume the responsibility, 1st, to furnish all manpower necessary to help speed the Allied victory and to reduce number of Allied casualties, 2d, to assist in policing Japan in checking all possibilities of secret preparation for another war, 3d, to hold a national election within one year after our return to Korea and establish a Democracy [*sic*] form of Government according to the Seoul Proclamation of 1919,³⁶ and 4th, to restore and promote the former friendly relations and collaboration with the United Nations in the interest of world peace. So far Korea the seventh largest in population among the United Nations fighting on the Allied side is the only nation that has received no aid or recognition in her 40 years struggle against Japan while continued rumors persist and prevail that Korea may be

³⁵ President Truman was then attending the Tripartite Conference at Berlin which met near Potsdam from July 17 to August 2, 1945. The Heads of Government of the United States, China, and the United Kingdom, in paragraph 8 of their Proclamation issued at Potsdam on July 26, announced that "The terms of the Cairo Declaration shall be carried out", *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1474, 1475. For other documentation on Korea at this Conference, see index entries under "Korea", *ibid.*, vol. I, pp. 1573, 1574, and under "Japan: Operations in and near China and Korea," and "United Nations Organization: Trusteeship for Italian colonial territories and Korea", *ibid.*, vol. II, pp. 1624, 1642.

³⁶ The Proclamation of Independence, March 1, 1919; for text, see United Korean Committee in America, *Korean Liberty Conference*, p. 32. The Korean Liberty Conference met at Washington from February 27 to March 1, 1942.

again a victim of international power politics. To keep the 30 million people proud of an independent history of over 4,000 years disappointed and rankling with resentment would not contribute to the cause of international peace guaranteed by the San Francisco Charter.³⁷ However the Koreans still have, we assure you, unshaken with [*faith in?*] the American sense of justice and fairness. At this dawn of a new world order we beseech you to uphold the sanctity of international agreements by fulfilling the pledge made to Korea in 1882³⁸ thus bringing Korea back to her rightful place in the family of civilized nations but even more important it will be redeeming the faith of uncounted millions in the details [*ideals?*] for which this war is being fought.³⁹

SYNGMAN RHEE

895.01/7-2545

*The Chairman of the Korean Commission in the United States (Rhee) to the Acting Chief of the Office of Far Eastern Affairs (Lockhart)*⁴⁰

WASHINGTON, July 25, 1945.

MY DEAR MR. LOCKHART: I sincerely appreciate your kind letter of June 8 [5] and also the statement made public by the Under Secretary of State, Honorable Joseph C. Grew, regarding the reported secret agreement of Yalta. The denial of the existence of such an agreement affecting the future status of Korea should be considered sufficient under ordinary circumstances. At the same time, I have to confess that our doubts are not entirely dispelled in the light of the following points:

(1) The authenticity of the secret agreement is vouched for by an American of unimpeachable reputation and he will reveal the source of his information.

³⁷ The United Nations Charter, signed June 26, 1945; for text, see Department of State Treaty Series No. 993, or 59 Stat. 103.

³⁸ See Treaty of Peace, Amity, Commerce and Navigation signed in Chosen (Korea), May 22, 1882, Department of State Treaty Series No. 61, or 23 Stat. 720. The second sentence of Article I reads: "If other Powers deal unjustly or oppressively with either Government, the other will exert their good offices . . . to bring about an amicable arrangement, thus showing their friendly feelings."

³⁹ On July 21, the Secretary of State, attending the Berlin Conference, telegraphically summarized Mr. Rhee's telegram and directed the Acting Secretary to "make acknowledgment to Rhee in such informal manner and in such terms as you may consider appropriate". On July 24, the Director of the Office of Far Eastern Affairs replied for the Acting Secretary as follows: "The receipt is acknowledged, by reference from the President, of your telegram requesting that a joint statement be issued by the President, Prime Minister Churchill and Generalissimo Stalin concerning the political, administrative and territorial integrity of Korea, and recognizing the 'Korean Provisional Government'." (895.01/7-2145)

⁴⁰ There is no indication in Department files of any reply to this document.

(2) The Soviet authorities have so far remained ominously silent. We have asked the Soviet Ambassador⁴¹ for clarification but as yet have received no reply.

(3) Prime Minister Winston Churchill declared that there were many topics discussed at Yalta but they could not be revealed at present. He did not say that the Korean question was not among them.

(4) Korea, the country that has fought Japan for the last forty years, offered its tremendous manpower in the service of the United Nations and presented many programs of war efforts that would reduce the number of Allied casualties, if accepted but the United States persistently refused to grant any of our requests. This indicates there was an agreement of a similar nature, either oral or written, long before the Yalta Conference.

(5) Korea was made a victim of secret diplomacy in 1905. It was revealed many years later, too late for the Koreans to protest. Can anyone blame them if they desire some assurances more substantial than diplomatic protestations and denials?

It has been stated more than once that the Korean people are grateful to the late President Roosevelt, Prime Minister Churchill and Generalissimo Chiang Kai-shek for the Cairo Declaration pledging the freedom and independence of Korea. We also appreciate the reassurances given us by the officers of the State Department and rely upon those reassurances made in good faith.

Referring to the recent radio statement made by Assistant Secretary of State, Archibald MacLeish, that the Koreans will get their independence, "in due course," as stated in the Cairo Declaration and further, "which *presumably* means as soon as they are in a position to govern themselves." We desire to know more definitely than presumably.

The statement in your letter, "the United Nations which are represented at the San Francisco Conference all have legally constituted government authorities, whereas the Korean Provisional Government and other Korean organizations do not possess the qualifications requisite for obtaining recognition by the United States as a governing authority," denotes that the Korean Provisional Government is lacking something fundamental. There is no qualification which we know of that the Korean Provisional Government fails to possess for recognition by the United States. Stability, which has been in international law as one of the first prerequisites for recognition, has been proven by it. It has weathered all sorts of storms over a quarter of a century and still stands as the only Korean government.

Another condition required by international law is the support of that government by the people themselves. This condition has also been met by the Korean people. We do not claim a unanimity of

⁴¹ Andrey Andreyevich Gromyko, Soviet Ambassador to the United States.

opinion. But an overwhelming majority of our people, in and out of Korea, are solidly behind us.

And besides, the Korean Government was established at Seoul in 1919 by the representatives of the thirteen Provinces of Korea, not in Shanghai or anywhere else. Enclosed is a copy of the original Seoul Proclamation.⁴² While this government was being organized in Korea, one in Shanghai and another in Siberia came into being simultaneously. However, when the Seoul announcement was received, the other two voluntarily dropped their programs and joined the Seoul Government which was brought into existence at the sacrifice of thousands of Korean lives.

The Chinese Government and the Provisional Government of France have recognized its *de facto* status, at least. The former has been giving us, in addition, all the financial aid it could.

Our coalition cabinet organized in April, 1944, including the Nationalists, Communists and even an "Anarchist," accomplished the unity among all the Korean people in Free China. Yet "the Korean disunity" story has been so widely propagandized, first by the pro-Japanese and later by the pro-Communist elements everywhere in this country, that it has created entirely a false impression on the general public regarding the Korean people. In fact, the "disunity" among the Koreans is no more than the disunity existing in all the democratic nations between the Communist minority and the Nationalist majority. "The other Korean groups" and "the other organizations" which the State Department has been mentioning repeatedly and which the officers of the State Department have been placing on the same level as the Korean Provisional Government are none other than a handful of Korean Communist agitators and pro-Communist groups, whose tendency is to work toward a Lublin Committee⁴³ for Korea. These groups have been and still are receiving the cooperation of some of the officers of the State Department. They are secretly creating the impression that a majority of the Koreans are against the Provisional Government. But among the Korean people they dare not stand openly against it.

If the Korean Nationalist Party, whose declared principle of government is based on that of the United States, has to yield their Provisional Government to the demands of the few Communists in order to meet the *qualifications* required as "requisite for obtaining recognition" we might as well admit that there would be no unanimity among the Koreans just as there is no unanimity among all other democratic

⁴²Not printed.

⁴³The Polish Committee of National Liberation whose establishment was announced in Moscow in July 1944. The Committee, which was to take over the civil administration of liberated Poland, was recognized by the Soviet Union and established its seat at Lublin. On December 31, 1944, the Committee proclaimed itself the Provisional Government of Poland. For documentation on this subject, see vol. v, pp. 110 ff., *passim*.

nations. At the same time, we assure you that all the Koreans in Korea are united with one objective—the independence of their country.

We are particularly grateful to you for revealing at last the fact that “the policy of this Government in dealing with groups such as the ‘Korean Provisional Government’ is to avoid taking action which might when the victory of the United Nations is achieved tend to compromise the right of the Korean people to choose the ultimate form and personnel of the government which they may wish to establish.” This seems to confirm our belief that the State Department has been delaying the recognition of the Korean Provisional Government in order to give the Korean Communists a chance to form a Lublin government. If it is so, this is just what we have been endeavoring to avoid in order to make Korea safe for democracy.

As a matter of fact, there is no Communist problem in Korea. All the problem we have relating to the Korean Communists is only a handful of Communists and pro-Communist agitators in America and Free China. A large number of the Korean population in Siberia are, as we believe, mostly Nationalistic in their sentiment. If, therefore, the United Nations had given their support and cooperation to the Provisional Government of the Republic of Korea, which represents the will of the people, after the Pearl Harbor disaster, it would have been in a position to unify all the dissident elements including the Communists with the result that even the Koreans in Siberia would have become loyal friends of both the Korean and Soviet governments. The delay of action by the State Department has made the situation quite complicated but it is still not too late.

If, on the other hand, the State Department is determined to leave the question undecided until the Korean Communists are in a position to form a government in opposition to the Korean Provisional Government, the inevitable result would be a bloodshed between the Korean Nationalist majority and the Communist minority in Korea. The Soviet Government disbanded some 80,000 Koreans from the Korean Red Banner Army and has been sending them into Korea in civilian garb. The poisonous propaganda will surely create a serious problem in Korea as in China and many of the European countries. In the light of the events which took place in most of the liberated countries in Europe, we assure you the Korean people would have very little chance to have their own choice, if the United States should permit to happen in Asia what has happened in Europe. The good intentions of the United States Government to give the Korean people a fair chance to establish a government of their choice would be impossible under Soviet domination.

In the long run, this policy will place the United States at a disadvantage, to reiterate once more what we have said to the officers of

the State Department. Just as the policy of appeasing Japan since 1905, at the expense of Korea, led to the Pearl Harbor disaster, the policy of appeasing the Soviet Union at the sacrifice of justice to Korea, is bound to result in disaster.

Therefore, we plead with you and other officers of the State Department to take immediate action in support of the Korean Provisional Government, not only for the sake of Korea but for that of the United States as well.

Respectfully yours,

SYNGMAN RHEE

895.01/8-1445 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, August 14, 1945—4 p. m.

[Received August 15—10:10 a. m.]

1356. Mr. Tjo So-wang, "Minister for Foreign Affairs of Korean Provisional Government" called at Embassy August 14. After congratulatory remarks on American share in Japanese defeat, he said that (1) "Provisional Government" wished to cooperate with occupational forces, particularly American, on landing in Korea, (2) "Provisional Government" desired to assist American forces in disarming and disposing of the approximately one million Koreans in Japanese Army scattered through Far East, and (3) Korean revolutionary leaders wished to have a voice where Korean political problems are concerned; he mentioned, as instances, repatriation of several million Koreans from Japan, Manchuria, and Russia, and question of disposal of factories in Korea. It was evident from his conversation that he was apprehensive of Soviet influence and actions in Korea.

Mr. Tjo So-wang was informed that his remarks would be reported to Department.

Sent to Department. Repeated to Moscow.

HURLEY

895.01/8-1845 : Radiogram

*The Chairman (Kim) and the Foreign Minister (Tjo) of the Provisional Government of the Republic of Korea to the Chairman of the Korean Commission in the United States (Rhee)*⁴⁴

CHUNGKING, August 17, 1945.

Please convey following message to President Truman.

[“]We the undersigned in behalf of the Korean Provisional Government and of the Korean people have the honour to congratulate most heartily the five leading Powers—the United States of America,

⁴⁴ Copy transmitted to President Truman by Dr. Rhee on August 18, referred to the Secretary of State by the Executive Clerk of the White House (Latta) on August 21, and acknowledged by the Acting Secretary of State on September 7 (895.01/8-1845).

Great Britain, Soviet Russia, the Republic of France and the Republic of China—on the excessively speedy attainment of Japan's unconditional surrender and thereby ending all aggressive forces and reinstating peace and justice throughout the world through the mighty efforts of the said Allied Powers. Already by numerous statements, declarations and memorandums presented to the Powers the basic desire and aim of the Koreans have been expressed. We trust the Allied Powers are fully cognizant of Korea's historical status and that Korea is by no means a territory now being severed from Japan proper. We reiterate the fact that Korea is now to be liberated from Japan's forcible aggression. Agreeing to the principles declared by the recent Potsdam Conference we desire and are prepared to assist and cooperate in the following ways:

1. The Korean Provisional Government will carry out all pertinent operations ensuing Japan's surrender and to achieve this most effectively we desire to dispatch our Provisional Government's representatives to the responsible and respective Allied council commissions and/or organs for consultation and cooperative execution.

2. Following the signing of the Armistice we desire participation in all Councils affecting the present and future destiny of Korea and Koreans.

3. In the coming Peace Conference and in all official and/or unofficial gatherings such as the UNRRA,⁴⁵ etc. wherever the Korean question is involved we request to be represented. Expressing our most respectful and highest consideration we submit these suggestions.^[7]

KOO KIM
Y. TJO SO-WANG

Records of the State-War-Navy Coordinating
Committee, Lot 52-M45

*Draft Memorandum to the Joint Chiefs of Staff*⁴⁶

[SWNCC 176 Series]

[WASHINGTON, undated.]

Reference is made to SM 3005, dated August 22, 1945 from the Joint Chiefs of Staff⁴⁷ communicating a message from the Commander in

⁴⁵ United Nations Relief and Rehabilitation Administration.

⁴⁶ Prepared by the Assistant Secretary of State (Dunn) as a proposed reply to a message of August 22 from General of the Army Douglas MacArthur to the Joint Chiefs of Staff; circulated by the State-War-Navy Coordinating Committee on August 22. General MacArthur's message stated: "Inasmuch as the occupation of Korea is to be on a quadri-partite basis, it is requested that this headquarters be furnished at earliest with agreements reached with Allied Powers, especially with Russia, regarding direct contact between commanders of occupational forces in contiguous and overlapping areas together with any pertinent instructions thereon pertaining to Korea. Information is urgently required for incorporation in letter of instructions to commanding General United States Army Forces in Korea (Commanding General XXIV Corps)." Lt. Gen. John R. Hodge was Commanding General.

⁴⁷ To the State-War-Navy Coordinating Committee, not printed.

Chief, Army Forces, Pacific, with regard to international agreements relating to the occupation of Korea.

The initial clause of the message from the Commander in Chief reading "in as much as the occupation of Korea is to be on a quadripartite basis", is not understood to be correct. An oral understanding was reached at the Conference of the Three Major Allies at Yalta that the United States, the Soviet Union, the United Kingdom, and China should establish a temporary international trusteeship over Korea. So far as can be ascertained the understanding referred to above is the only international agreement which relates to Korea, and that agreement would relate to a period and to a condition subsequent to the period of occupation of Korea.

The following is for the information of the JCS only:

Although there is no agreed United States view as to the character of administration of civil affairs in Korea, the Department of State believes that it would be politically advisable that, as soon as practicable after the surrender of the Japanese forces is completed, up to which time the administration of civil affairs will be the responsibility of the respective Commanders of the two zones in Korea,⁴⁸ the administration of civil affairs should be combined, so that the whole of Korea would constitute a centralized administrative area. The civil administration might be placed under the control of a council made up of the Commanding Officers of the United States, Soviet, and other forces participating in the occupation of Korea.

Present provisional plans for the setting-up, in accordance with the oral understanding above mentioned reached at Yalta of an international authority in Korea, would provide for the establishment of a temporary trusteeship for Korea by the Four Major Allies, under the supervision of the General Assembly of the United Nations, such trusteeship to become effective as soon as possible.⁴⁹

⁴⁸ In General Order No. 1, issued by the Supreme Commander for the Allied Powers (MacArthur), it was stated that in Korea surrender of Japanese forces north of the 38th parallel would be accepted by the military forces of the Soviet Union and south of that line by the military forces of the United States. The text of General Order No. 1 is printed in Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan, September 1945 to September 1948* (Washington, Government Printing Office, 1949), Appendix B, p. 442.

⁴⁹ In an undated memorandum to the State-War-Navy Coordinating Committee, the Assistant Secretary of War (McCloy) stated that the draft memorandum "is not believed to be an answer to General MacArthur's message, which appears to pertain only to the operational aspects of the occupation of Korea" and submitted his version of a draft message to General MacArthur. This draft, as amended by the addition of the words "In the absence of declared intentions by the United Kingdom, China or other United Nation" at the request of the Department of State on August 24, was approved the same day by the Committee; for text, see p. 1040.

[In a memorandum dated July 12, 1950 (740.00117 Control-(Korea)/7-1250), the then Assistant Secretary of State for Far Eastern Affairs, Dean Rusk, answered an inquiry from the Chief of the Division of Historical Policy Research, G. Bernard Noble, in regard to the 38th parallel in Korea as follows:

“Since I was an ‘eye witness’ to the birth of the 38th parallel perhaps I can add a little more detail:

The suddenness of the Japanese surrender forced emergency consideration by the Department of State and the armed services of the necessary orders to General MacArthur and the necessary arrangements with other allied governments about the Japanese surrender. For this purpose, SWNCC (Mr. Dunn for State, Mr. McCloy for Army, and Mr. Ralph Bard for Navy) held several long sessions during the period August 10–15. Dunn, McCloy and Bard held a meeting in Mr. McCloy’s office in the Pentagon on, I believe, the night of August 10–11, a meeting which lasted throughout most of the night. The subject was arrangements for the receipt of the Japanese surrender. The Department of State had suggested (through Mr. Byrnes) that U.S. forces receive the surrender as far north as practicable. The military was faced with the scarcity of U.S. forces immediately available and time and space factors which would make it difficult to reach very far north before Soviet troops could enter the area.

The military view was that if our proposals for receiving the surrender greatly over-reached our probable military capabilities, there would be little likelihood of Soviet acceptance—and speed was the essence of the problem. Mr. McCloy asked Col. C. H. Bonesteel, III, and me (then a Colonel on the War Department General Staff) to retire to an adjoining room and come up with a proposal which would harmonize the political desire to have U.S. forces receive the surrender as far north as possible and the obvious limitations on the ability of the U.S. forces to reach the area.

We recommended the 38th parallel even though it was further north than could be realistically reached by U. S. forces in the event of Soviet disagreement, but we did so because we felt it important to include the capital of Korea in the area of responsibility of American troops. The 38th parallel became a part of the Army’s recommendation to the Department of State and that line was subsequently agreed internationally. I remember at the time that I was somewhat surprised that the Soviet accepted the 38th parallel since I thought they might insist upon a line further south in view of our respective military positions in the area.

The above is based on memory and not on documents, but might help to throw some additional light on the point.”]

Records of the State-War-Navy Coordinating
Committee, Lot 52-M45

*Memorandum by the State-War-Navy Coordinating Committee to
Brigadier General Andrew J. McFarland, Secretary of the Joint
Chiefs of Staff*

[SWNCC 176 Series] [WASHINGTON,] 24 August, 1945.
Subject: International Agreements as to Occupation of Korea.

1. With reference to your SM-3005, 23 [22] August 1945,⁵⁰ subject as above, the State-War-Navy Coordinating Committee proposes that the Commander in Chief, Army Forces, Pacific, be advised substantially as follows:

In the absence of declared intentions by the United Kingdom, China or other United Nation initial occupation of Korea will be by U.S. and Soviet forces only under the provisions of paragraphs *b* and *e*, Section I, General Order No. 1. An oral understanding with respect to a future temporary multi-partite trusteeship over Korea was reached at Yalta. This understanding does not affect initial occupation and does not necessarily lead to eventual multi-partite occupation. The matter of international arrangements with regard to Korea is under urgent consideration by the State Department.

2. The State-War-Navy Coordinating Subcommittee for the Far East has been directed to prepare a directive to General MacArthur on political, economic and other matters pertaining to Korea, as a matter of priority (SWNCC 176/2/D⁵¹).

For the State-War-Navy Coordinating Committee:

CHARLES W. MCCARTHY
Secretary

740.00119 P. W./8-2445

*Memorandum by the Director of the Office of Far Eastern Affairs
(Ballantine) to the Assistant Secretary of State (Dunn)*

[WASHINGTON,] August 24, 1945.

I have been shown a War Department message from the Commander-in-Chief, Army Forces, Pacific, to the War Department stating that it is considered essential that, in view of international aspects, there be assigned from the State Department liaison personnel to the occupation forces in Korea; and early information as to the desires of the State Department is requested.

⁵⁰ Not printed; but see draft memorandum, p. 1037.

⁵¹ Not printed.

I concur in the view that assignment of such personnel is desirable but hesitate to make any specific recommendations pending decision on the question of similar personnel for Japan Proper.

Later: Colonel Vittrup, War Department Liaison Officer, has just telephoned urging that decision on this matter be made as soon as possible.⁵²

J[OSEPH] W. B[ALLANTINE]

740.00119 PW/8-2645: Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, August 26, 1945—10 a.m.

[Received August 27—9:28 a. m.]

571. At their request Johnson⁵³ yesterday informally conferred with Lieutenant General John Hodge, Commander of the 24th Corps which will carry out the occupation of the portion of Korea assigned to the American forces, and Brigadier General Charles Harris, Military Government Officer of that Corps. It is thought that the Dept should know for its own information only that no JCS (Joint Chiefs of Staff) or other directive with regard to Korea has yet been received here and that it was apparently the plan initially to apply the Japanese directive⁵⁴ *mutatis mutandis* to Korea, that is to utilize the Governor General and his Japanese staff for the administration of the country under the direction of the American Military Governor. Entirely on his own responsibility Johnson pointed out the undesirable aspects of this policy. It is understood that GHQ (General Headquarters) has now telegraphed War Dept requesting that JCS directive including the question of relations between the Russian and American occupied sections of the country be sent immediately. Present plans here do not call for American landings in Korea until September 15th.⁵⁵

STEINTORF

⁵² In a marginal notation the same day, Mr. Dunn suggested H. M. Benninghoff; he was appointed on August 25 as liaison officer and U.S. Political Adviser to the Commanding General, U.S. Occupation Forces, Korea.

⁵³ U. Alexis Johnson, Consul at Manila, detailed to the staff of the Office of the Political Adviser in Japan at Yokohama.

⁵⁴ President Truman's directive to the Supreme Commander for the Allied Powers in Japan (MacArthur), *ante*, p. 647.

⁵⁵ The XXIV Corps, under Lieutenant General Hodge, left Okinawa on September 5 and arrived off Chemulpo on September 8. The headquarters of the Corps moved to Seoul on September 9.

895.01/8-3145 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, August 31, 1945—1 p. m.

[Received 2:59 p. m.]

1485. Representative of "Korean Provisional Government" called at Embassy yesterday (Embassy's 1356, August 14) and left memorandum, substance of which he requested be communicated to Department.

(*Begin summary of memorandum*) 1. Having failed to overthrow Korean Provisional Government, Korean Communists and their allies in Chungking withdrew from Government to demonstrate their party loyalty and to coordinate actions inside and outside Korea.

2. Koreans from Russia and Korean Communists from Yen-an are entering Korea in large numbers. Before leaving Yen-an for Manchuria on way to Korea, Kom Bakyun, President of Korean College in Yen-an, broadcast that they aimed to set up government in Korea according to Communist ideals.

3. In view of foregoing, Korean Democrats, who believe in Anglo-American constitutionalism and who have been fighting for Korean freedom for past 40 years, are losing hope and their chances in Korea are decreasing.

4. Korean revolutionary leaders hope to assist and cooperate with American occupation forces in Korea and wish to mobilize public opinion in favor of Americans in order to keep law and order. These men are more respected by and better known to Koreans than Communist leaders. They hope United States will permit leading members of Korean Provisional Government to enter Korea as assistants to or interpreters for occupation forces or in any other manner suitable to United States. They believe that question of whether Korea develops into a democratic or communistic state depends on what United States does now. Failure to make decision will work in favor of Communists.

5. Korean leaders hope United States will send American missionaries at once to northern Korea which is center of American missionary work and also is area where such activity is in danger of being eliminated. Many Provisional Government members are Christians.

6. If United States could assist Korean leaders and send them to Korea, they would do nothing contrary to wishes of United States occupation forces or State Department.

7. Korean Provisional Government is well aware of State Department's policy of treating all Korean groups alike, but invites attention to what Korean Communists are now doing with outside assistance. (*Summary ends here.*)

HURLEY

740.00119 Control (Korea)/9-745

Proclamation No. 1 by General of the Army Douglas MacArthur

To the People of Korea :

As Commander-in-chief, United States Army Forces, Pacific, I do hereby proclaim as follows:

By the terms of the Instrument of Surrender,⁵⁶ signed by command and in behalf of the Emperor of Japan and the Japanese Government and by command and in behalf of the Japanese Imperial General Headquarters, the victorious military forces of my command will today occupy the territory of Korea south of 38 degrees north latitude.

Having in mind the long enslavement of the people of Korea and the determination that in due course Korea shall become free and independent, the Korean people are assured that the purpose of the occupation is to enforce the Instrument of Surrender and to protect them in their personal and religious rights. In giving effect to these purposes, your active aid and compliance are required.

By virtue of the authority vested in me as Commander-in-Chief, United States Army Forces, Pacific, I hereby establish military control over Korea south of 38 degrees north latitude and the inhabitants thereof, and announce the following conditions of the occupation:

ARTICLE I

All powers of Government over the territory of Korea south of 38 degrees north latitude and the people thereof will be for the present exercised under my authority.

ARTICLE II

Until further orders, all governmental, public and honorary functionaries and employees, as well as all officials and employees, paid or voluntary, of all public utilities and services, including public welfare and public health, and all other persons engaged in essential services, shall continue to perform their usual functions and duties, and shall preserve and safeguard all records and property.

ARTICLE III

All persons will obey promptly all my orders and orders issued under my authority. Acts of resistance to the occupying forces or any acts which may disturb public peace and safety will be punished severely.

⁵⁶ Signed September 2; for text, see Department of State Executive Agreement Series No. 493, 59 Stat. (pt. 2) 1733, or Department of State *Bulletin*, September 9, 1945, pp. 364, 365, which contains a facsimile of the Instrument; for documentation on the surrender of Japan, see *ante*, pp. 621 ff.

ARTICLE IV

Your property rights will be respected. You will pursue your normal occupations, except as I shall otherwise order.

ARTICLE V

For all purposes during the military control, English will be the official language. In event of any ambiguity or diversity of interpretation or definition between any English and Korean or Japanese text, the English text shall prevail.

ARTICLE VI

Further proclamations, ordinances, regulations, notices, directives and enactments will be issued by me or under my authority, and will specify what is required of you.⁵⁷

Given under my hand at Yokohama
this seventh day of September 1945

DOUGLAS MACARTHUR
*Commander-in-Chief, United States
Army Forces, Pacific*

Records of the State-War-Navy Coordinating
Committee, Lot 52-M45

*Memorandum by the Acting Chairman of the State-War-Navy
Coordinating Committee*

SWNNC 176/4

[WASHINGTON,] September 10, 1945.

"The Basic Initial Directive to the Commander in Chief, U.S. Army Forces in the Pacific for the Administration of Civil Affairs—Korea South of 38 Degrees North Latitude" is now before the JCS for their comments from a military point of view. The recent report that the U.S. Commander in Korea has decided temporarily to retain the Japanese Governor-General and other Japanese officials in Korea has already had an unfortunate effect on our position in Korea and is contrary to the general intent and policies outlined in the directive mentioned above.

To expedite the adoption as quickly as possible of policies which will be consistent with the proposed directive and which will further

⁵⁷ Two additional proclamations were issued on September 7 by General MacArthur; No. 2 dealt with crimes and offenses and No. 3 with currency (740.00119-Control (Korea)/9-745). In telegram 88, October 2, to the Japanese Government, the Supreme Commander for the Allied Forces in Japan directed the Japanese Government not to attempt to exercise any administrative authority in Korea and stated the Military Government was the sole authority in Korea. For text of SCAPIN 88, see Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan*, Appendix B, p. 473.

the interests of the United States, it is recommended that the SWNCC approve the attached draft message to the Commander in Chief, U.S. Army Forces in the Pacific, at Appendix, and transmit it to the JCS as a matter of urgency for their comment from a military point of view.

It is further recommended that after approval by SWNCC and the JCS the draft message at Appendix be forwarded by the JCS.

[Appendix]

*Draft Message to General of the Army Douglas MacArthur*⁵⁸

Unfavorable publicity has resulted from recent reports that the U.S. commander in Korea has decided temporarily to retain in office the Japanese Governor General and other Japanese officials in Korea.

~~It is not believed~~ If the report is correct the S.W.N.[C.C.] do not believe that the services of the Japanese officials named below are essential by reason of technical qualifications. (Refer to para. 2 of summary of proposed directive Warx 61967⁵⁹). ~~Furthermore~~ For political reasons it is advisable that you should remove ~~them~~ from office immediately: Governor-General Abe, Chiefs of all bureaus of the Government-General, provincial governors and provincial police chiefs. You should furthermore proceed as rapidly as possible with the removal of other Japanese and collaborationist Korean administrators.

895.01/9-1245 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, September 12, 1945—8 a. m.

[Received 11:25 p. m.]

1573. According to press report in *Chung Yang Jih Pao* September 11 under Seoul dateline September 9, the "new Republican Committee of the Korean Government" was formally inaugurated September 6; 87 councilors were reported elected by more than 1,000 delegates from various places in Korea; councilors included Chin Chiu (Kim Koo), President of Korean Provisional Government, and others.

A representative of Korean Provisional Government called at Embassy September 11 and expressed hope that our army would fly to Korea from Chungking a group of Korean Provisional Government leaders, possibly 10, for conferences with other Korean leaders. He

⁵⁸ Approved by the State-War-Navy Coordinating Committee on September 11. The draft was amended by the Joint Chiefs of Staff on September 14 whereby lined portions were deleted and underscored portions added. The State-War-Navy Coordinating Committee concurred in the amendments on the same day.

⁵⁹ Copy not found in Department files.

said he was aware of American Government's policy regarding Korean groups, but he felt it would be only fair if Korean Provisional Government had opportunity to proceed to Korea to take part in formation of a new Korean Government. He was asked whether Chinese authorities had been approached for transportation; he said this had been done and Chinese stated air transport was controlled by American authorities. In reply to inquiry concerning what Chinese authorities had been approached, he said his organization usually dealt with Chen Li-fu, Chen Kuo-fu⁶⁰ and Wu Teh-chen⁶¹ who he understood had been designated by Generalissimo several years ago to deal with Korean Provisional Government.⁶²

Representative was informed his request for air transportation to Korea would be communicated to State Department.

Representative appeared much concerned over political activities in that part of Korea occupied by Soviet forces.

Sent to Department; repeated Moscow.

HURLEY

740.00119 Council/9-1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 13, 1945—5 p. m.

7974. Secdel 48. For Secretary of State.⁶³ As a result of certain questions raised by the War Department in regard to Korea, it has become apparent that the British Government has not been informed of the plans for a trusteeship in Korea. The matter was mentioned at Yalta and later was discussed with the Russians by Mr. Hopkins⁶⁴ in Moscow,⁶⁵ when a British-American-Chinese-Soviet trusteeship was approved. The President mentioned the matter to Dr. Soong,⁶⁶ who, it is understood, indicated his approval. In an informal discussion of this matter yesterday with an official of the British Embassy, an officer of the Department explained that there have been no official ex-

⁶⁰ Members of the Kuomintang Central Executive Committee.

⁶¹ Secretary-General of the Kuomintang Central Executive Committee.

⁶² In telegram 1605, September 17, 9 a. m., Ambassador Hurley cited Central News Agency reports and editorials in the local press which indicated that the Chinese would welcome the early "return" of the Korean Provisional Government to Korea (895.01/9-1745).

⁶³ Mr. Byrnes was attending the First Session of the Council of Foreign Ministers which met at London from September 11 to October 2, 1945. For documentation on this session, see vol. II, pp. 99 ff.

⁶⁴ Harry L. Hopkins, Special Assistant to Presidents Roosevelt and Truman.

⁶⁵ See memorandum of conversation of May 28, 1945, 6 p. m., *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 41.

⁶⁶ T. V. Soong, President of the Chinese Executive Yuan (Premier) and Minister for Foreign Affairs in June 1945 when his conversation with President Truman took place.

changes between this Government and other interested governments on the subject, and that we had assumed that the British had been informed.

The understanding reached on May 28, 1945, when Mr. Hopkins visited Moscow, is understood to apply to an interim period, between the period of military government which presumably will be set up and the time when a Korean Government can exercise the full functions of independence, and does not necessarily apply to the period of occupation.

A statement has been drafted in the Department for the consideration of the President.⁶⁷ This statement heralds the liberation of Korea; states that such Japanese as may be temporarily retained in the Government are being utilized as servants of the Korean people and of the occupying forces;⁶⁸ confirms agreement on the part of the Big Four that Korea shall become free and independent; and indicates that time and patience will be required before the Koreans can assume the responsibilities of a free and independent nation.

It is contemplated that this statement will be issued coincidentally with instructions from the War Department to MacArthur relating to the removal of Japanese personnel from the governmental structure.

ACHESON

740.00119 PW/9-1445

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] September 14, 1945.

PROPOSED STATEMENT ON KOREA

Upon the occupation of the capital of Korea on September 9, 1945, by the American Forces, the American Commander stated that Japanese officials would be temporarily retained at their posts, but subsequently it was announced that they would be removed as rapidly as possible. In the meantime a directive has been dispatched by the Joint Chiefs of Staff looking to the immediate removal of the Japanese Governor-General and other high officials. A report of the action taken pursuant to the directive is expected at any time.

⁶⁷ *Post*, p. 1048.

⁶⁸ In telegram 9635, September 18, from London, the Secretary of State suggested that the proposed statement would be improved if the words beginning with "such Japanese" were "replaced by something along the line of 'Japanese are being removed from governmental positions as rapidly as possible.'" However, he was informed by Acting Secretary Acheson, in telegram 8281, September 21, 3 p. m., to London, that his "suggestion in regard to the statement on Korea was received in the Department approximately 10 hours after the White House had made the release". (740,00119 Council/9-1845) For information on the release of the statement, see footnote 69, p. 1048.

There has been a very unfavorable reaction both in Korea and in the United States to the original announcement by the American Commander regarding the temporary retention of Japanese officials.

In view of the misunderstandings and unfavorable publicity which have arisen, it is believed that it would be desirable that you issue a public statement reiterating and clarifying the intentions of the American Government in regard to the policies of this Government toward Korea. A draft of a statement, which you may wish to consider for issuance at your early convenience, is attached.

DEAN ACHESON

[Annex]

*Draft Statement Prepared for President Truman*⁶⁹

The surrender of the Japanese forces in Seoul, ancient Korean capital, heralds the liberation of a freedom-loving and heroic people. Despite their long and cruel subjection under the warlords of Japan, the Koreans have kept alive their devotion to national liberty and to their proud cultural heritage. This subjection has now ended. The Japanese warlords are being removed. Such Japanese as may be temporarily retained are being utilized as servants of the Korean people and of our occupying forces only because they are deemed essential by reason of their technical qualifications.

In this moment of liberation we are mindful of the difficult tasks which lie ahead. The building of a great nation has now begun with the assistance of the United States, China, Great Britain and the Soviet Union, who are agreed that Korea shall become free and independent.

The assumption by the Koreans themselves of the responsibilities and functions of a free and independent nation and the elimination of all vestiges of Japanese control over Korean economic and political life will of necessity require time and patience. The goal is in view but its speedy attainment will require the joint efforts of the Korean people and of the allies.

The American people rejoice in the liberation of Korea as the Tae-gook-kee, the ancient flag of Korea, waves again in the Land of the Morning Calm.

⁶⁹ Released on September 18 by the White House. On the same day, in a telegram to President Truman, Syngman Rhee stated: "My dear Mr. President: It is difficult for me to find words to convey to you the inexpressible joy and comfort which every Korean will find in the statement issued by the White House today regarding our nation and its future. You have given every indication, my dear Mr. President, of your devotion to the ideal of human liberty and democracy. Your name and your integrity shall ever be revered by the Korean people. With the deepest gratitude, Believe me, Sincerely yours, Syngman Rhee." (740.00119-PW/9-1845)

740.00119 Control (Japan)/9-1545

*The Political Adviser in Korea (Benninghoff) to the Secretary
of State*

No. 1

[SEOUL,] 15 September, 1945.

[Received September 28.]

SIR: I have the honor to submit a brief analysis of conditions in Korea as seen by this headquarters one week after the first landings by American forces were made at Chemulpo. This analysis is substantially the same as that sent by Lieutenant General John R. Hodge, Commanding the United States Army Forces in Korea (USAFIK), to General Douglas MacArthur.⁷⁰

On the face the Japanese have accepted the terms of surrender. In the area of occupation they have appeared to cooperate in withdrawing and disarming. However, reports are received from southern Korea indicating that they are looting and intimidating the Koreans and otherwise behaving in characteristic fashion. The Koreans do not understand that our occupation is only piecemeal and that USAFIK does not have enough troops to spread over the entire area. Extensive long-range patrols will start as soon as transportation can be arranged, but unless the Japanese forces are sent to Japan soon it will be necessary to put them in concentration camps.

Southern Korea can best be described as a powder keg ready to explode at the application of a spark. It was recently discovered that from the beginning the Korean translation of the term "in due course" in the Cairo Declaration has been the equivalent of "in a few days" or "very soon", and well-educated Koreans expressed surprise when the difference was pointed out to them. Hence the Koreans did not understand why they were not given complete independence soon after the arrival of American troops. There is great disappointment that immediate independence and sweeping out of the Japanese did not eventuate.

Although the hatred of the Koreans for the Japanese is unbelievably bitter, it is not thought that they will resort to violence as long as American troops are in surveillance.

The removal of Japanese officials is desirable from the public opinion standpoint but difficult to bring about for some time. They can be relieved in name but must be made to continue work. There are no qualified Koreans for other than the low-ranking positions, either in government or in public utilities and communications. Furthermore, such Koreans as have achieved high rank under the Japanese are considered pro-Japanese and are hated almost as much as their masters. The two most difficult problems at present are: The Koreans continue

⁷⁰ On September 13.

to be subject to Japanese orders, and conditions in the police department and among the rank and file of the police are bad. It is believed that the removal of the Governor General and the Director of the Police Bureau, both Japanese, accompanied by wholesale replacements of police personnel in the Seoul area will mollify irate Koreans even though the government itself is not strengthened thereby.

There are an unknown number of political parties and groups in Korea, many of which have mushroomed since the Japanese surrender was announced. The long period of oppression and the difficulty of underground activity have prevented the formation of clear-cut political groups. On September 12, General Hodge spoke to representatives of political groups on the basis of two persons from each group. More than twelve hundred attended the meeting. All groups seem to have the common ideas of seizing Japanese property, ejecting the Japanese from Korea, and achieving immediate independence. Beyond this they have few ideas.

Almost all Koreans have been on a prolonged holiday since August 15. To them independence apparently means freedom from work; no thought is given to the future, "the Lord will provide". There has been no show of industry in this area since our arrival and no interest in returning to normal pursuits. General Hodge and others have constantly stressed the necessity for Koreans to stay on the job and to build up their own country, but they find it difficult to reconcile this idea with the fact that the Japanese still own or control most business and industrial establishments. Korea is completely ripe for agitators.

The most encouraging single factor in the political situation is the presence in Seoul of several hundred conservatives among the older and better educated Koreans. Although many of them have served with the Japanese, that stigma ought eventually to disappear. Such persons favor the return of the "Provisional Government" and although they may not constitute a majority they are probably the largest single group.

The monetary system is still a questionmark. The few investigators available to USAFIK are endeavoring to ascertain conditions and present indications are that inflation is underway and may not be controllable. The circulation of Bank of Chosen notes increased from about 3.5 billion yen in March to 7.5 billion yen on September 12. The result has been that wages and prices have skyrocketed beyond immediate control. Labor costs about thirty yen a day, and other prices are similarly high. Although USAFIK was directed to peg prices at the August 15 level, this will be difficult to accomplish and will only strengthen the already well-established black market.

Except in a few instances the Soviets have respected the 38 degree boundary. However, they have not respected the rights of individ-

uals, either Japanese or Korean, and constant reports of indiscriminate rape, pillage and looting are received from all areas occupied by Soviet forces. There is little doubt that Soviet agents are spreading their political thought throughout southern Korea, and several parades and demonstration in Seoul have admittedly been communist-inspired. Communists advocate the seizure *now* of Japanese properties and may be a threat to law and order. It is probable that well-trained agitators are attempting to bring about chaos in our area so as to cause the Koreans to repudiate the United States in favor of Soviet "freedom" and control. Southern Korea is a fertile ground for such activities because USAFIK lacks sufficient troops to expand its area of control rapidly.

Contact has been established between USAFIK and Russian headquarters to the north through the Soviet Consul General here, who never left his post or was interned. No understandings have been reached but definite information may be available soon.

The splitting of Korea into two parts for occupation by armed forces of nations having widely divergent political philosophies, with no common command, is an impossible situation. Southern Korea contains the capital city, which is the center of communications. It also has most of the cereal crops. Northern Korea has most of the coal as well as the sources of electric power.

There are two critical shortages in our area: coal and food cereals. Coal is short because communications to the north have been cut; negotiations on the subject with the Russians have the highest priority. Cereals are short because of large shipments of last year's crop to Japan. This situation should ameliorate when the new and good crop is harvested at the end of October. Food distribution is difficult because the railways are not functioning properly and motor transportation is lacking. USAFIK is doing everything possible to repair Japanese Army transportation facilities to assist in the distribution of food.

In addition to the voluntarily unemployed, as described above, there are thousands of Koreans out of work because of the collapse of Japanese war industries. Manufacturing is at a standstill because of the lack of raw materials, and there is no immediate prospect of converting from a war to a peace footing. This problem, to which is added the release by the Japanese Army of many Koreans utilized by them, will become increasingly difficult as winter approaches.

General Hodge feels that stable conditions cannot be established in Korea until the Japanese Army has been removed to Japan. Demobilization in Korea is impossible, and the army will have to be kept in formed bodies and removed to Japan as soon as its disarming is completed. It cannot be effectively controlled unless put into concentration camps, where it would have to be fed and housed by USAFIK.

USAFIK has requested permission to move the Japanese Army through Fusan at the earliest practicable date.

USAFIK is operating under two great difficulties, neither of which can be corrected at this end. The first is that this headquarters has no information in regard to the future policy of the United States or its allies as to the future of Korea. What is going to happen to the nation and what will be the solution of the now almost complete division of the country into two parts? What will be our general policies beyond immediate military necessity? The second difficulty is that USAFIK is in small strength, and has too few competent military government and other officers that it can operate only in a limited area and with little overall effect. There is urgent need for expansion of areas of control, and although small groups could venture with safety into any part of the country, their presence would be so disturbing that police and governmental functions might break down while the Americans would not have sufficient personnel to take over the control of the area. It is essential that the entire force designated for the occupation of Korea be sent here as soon as possible.

A reconnaissance party will leave for Fusan tonight, for a stay of a few days, and arrangements are being made to send a force to Saishu (Quelpart) Island in a few days to disarm the 60,000 Japanese troops there.

The newspaper correspondents covering Korea as a group have behaved badly. They arrived by air after our landing, most of them from Japan with no knowledge of the local situation and without orientation took advantage of the American uniform to run rampant over the area, committing acts of personal misbehavior. There is reason to believe that by open sympathies with Korean radicals some of them have incited Korean group leaders to greater efforts at agitation for overthrow of everything and to have the Koreans take over all functions immediately. Before they got any glimmer of conditions as they existed, they were highly critical of all policies of the nation, of General Headquarters and of this headquarters relating to the occupation. This latter condition is now rectifying itself slowly as they begin to see the picture. One group arrived by air one afternoon, filed stories that evening and left the next morning, feeling that they knew all about the Korean occupation.

General Hodge has made the following recommendations to General MacArthur:

"It is recommended that:

a. A control group on an international policy level be established at Keijo for the purpose of establishing and announcing international policies concerning the political and economic future of Korea. This group must function on the ground to be worthwhile and effective.

b. Pending consummation of recommendation *a.*, I be given definite instructions as to policy with respect to the future of Korea or that

Washington officials empowered to speak of the future be added to my staff. Recommendation along this line has also been forwarded by my State Department representative.

c. Every effort be made to get high-powered officers for my staff who are experienced in governmental affairs and who know orientals.

d. Consideration be given to returning the Chungking Government in exile to Korea as a provisional government under Allied sponsorship to act as figureheads during occupation and until Korean people stabilize to where there can be an election.

e. The door be opened to American business men who can and will help reestablish Korean business and industry and assist in effecting transfer of Japanese property to Koreans.

f. Early establishment of a new monetary policy abandoning the use of any currency that has formerly been used by the Japanese.

g. Future policy for Korea include removal of all Japanese nationals from the area.

h. International trade be reestablished at an early date."

With reference to recommendations "a" and "b", I should like to call the attention of the Department to the extremely great difficulties under which this headquarters is operating, and to request the urgent transmission of policy directives which will guide USAFIK in its relations with the Russians and in its treatment of the serious political, social and economic problems which continue to mount from day to day.

Respectfully yours,

H. MERRELL BENNINGHOFF

895.01/9-1745 : Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, September 21, 1945—4 p. m.

1510. In regard to applications of Syngman Rhee and other Koreans in United States to be permitted to return to Korea Dept has stated it perceives no objection to such return provided that matter is cleared with theater commander.⁷¹

⁷¹ Letters of September 14 to Mr. Rhee and to J. Kyuang Dunn of the United Korean Committee in America, neither printed. In a memorandum of August 28 to the Secretary of State and to Assistant Secretary of State Dunn, the Director of the Office of Far Eastern Affairs (Ballantine) opposed having an officer of the United States accompany Mr. Rhee "as it might create the impression that this Government is predisposed toward the so-called 'Provisional Government of Korea' as the future government of that country". The Secretary concurred. (895.01/8-1545)

In a memorandum of September 24 to the Director of the Office of Far Eastern Affairs (Vincent), the Chief of the Division of Japanese Affairs (Dickover) stated that "it had been suggested to Dr. Rhee that his travel documents should be returned to the Visa Division for validation. Dr. Rhee is described in his military permit for entry into Korea as 'High Commissioner to the United States returning to Korea' and Colonel Sweeney of J[oint] C[hiefs of] S[taff] indicated last Friday that the permit would be changed to read 'Korean national returning to Korea' or any other phrase the Visa Division cared to use." (895.01/9-2445)

With regard to Koreans in China desiring to return to Korea (Embtels 1485, August 31; 1573, Sept 12; and 1605, Sept 17⁷²), Dept perceives no objection if the theater commanders are consulted and they do not disapprove. It is the Dept's understanding that American military authorities in China will assist these Koreans in obtaining transportation facilities only if (1) Koreans go as private individuals and not as officials of any "provisional government", (2) equal privileges and facilities are accorded all Korean groups, and (3) Army authorities can supply transportation without interfering with important operations.

It is our understanding that American forces in Korea already have interpreters and that more are being sent.

ACHESON

895.01/9-2645

*Memorandum by Lieutenant General John R. Hodge to General of the Army Douglas MacArthur at Tokyo*⁷³

[SEOUL,] 24 September, 1945.

Subject: Conditions in Korea.

1. Reference is made to my letter 13 September 1945,⁷⁴ same subject. This is supplemental thereto. The principal changes in conditions are in the nature of a further unfolding of the picture rather than in the way of any great shifts.

2. There is no change in the attitude of Koreans toward the Japs and/or in their attitude toward independence. In the Jinsen-Seoul (Keijo) area Koreans are beginning to settle on the surface. There are fewer parades and demonstrations and fewer vocal remonstrances. However, there is a growing deep-seated distrust of Allied intentions concerning, and real dissatisfaction with the division of Korea along the 38° line into two occupation zones occupied by forces with such widely divergent policies. Many intelligent Koreans have already reached the conclusion that the Allied Powers have no intention of building up a Korean nation. Older Koreans recall a tentative agreement between Russia and Japan before the Russo-Jap War for division of Korea along same boundary, and believe Russia is again making a bid for its old demand. Based upon policies to date there

⁷² Telegram 1605 not printed, but see footnote 62, p. 1046.

⁷³ Copy transmitted to the Department by the Political Adviser in Korea in despatch 4, September 26; received October 9. The despatch stated that the Political Adviser was "in agreement with General Hodge's observations" and concurred "with his recommendations insofar as they related to other than purely military matters".

⁷⁴ Not printed; it is parallel in substance to despatch 1, September 15, from the Political Adviser in Korea, p. 1049.

is little to encourage them in the belief that the Allied promise of Korean independence is sincere. Information coming out of Northern Korea is along the line of the attached statement presented to me by an Australian news correspondent.⁷⁵

3. There appears to be a growing realization on the part of many Koreans that the widely divergent activities by the multitudinous political parties are undesirable. However, there is no real reduction of these to date except that vocal expression of many is lessening. It is still impossible to get working agreements between factions and to shake out the cross-currents and suspicions of one against the others.

4. I consider the current division of Korea into two occupational zones under widely divergent policies to pose an insurmountable obstacle to uniting Korea into a nation. In my opinion the Allied Powers, by this division, have created a situation impossible of peaceful correction with credit to the United States unless immediate action on an international level is forthcoming to establish an overall provisional government which will be fully supported by the occupation forces under common policy. It appears doubtful if any of the Powers with the exception of Russia has given serious thought to the problems involved. Korea is not and without full Japanese control was never a part of the Japanese Empire, and cannot be so treated without the everlasting enmity of Koreans toward those nations who so treat them. The country is ripe for anything that releases them from the Japanese, but because of past history are now most favorable toward some type of democratic government and particularly toward the United States. During this receptive phase immediately following the breach of Japanese control is the time to unite factions and begin formative education in democracy. Continuation of separation of the country into two parts under opposed ideologies will be fatal. Furthermore, neither of the two sections is in any degree self-supporting without full reciprocity between them. At present there is no reciprocity except that refugees from north of 38° are coming south in considerable numbers and the reverse is not true.

5. Continuing, but so far almost unfruitful effort is being made to establish some sort of workable agreement with the Soviets on a military level. To date the only accomplishment has been to get out the occupants of the Kanko Prisoner of War Camp which was accomplished approximately ten days after negotiations were started and after much backfiring and vacillation on arrangements. I am still awaiting word from Russians on dates and places for reporting of

⁷⁵ Copy not found attached.

exchanged liaison parties. Relationships of contact troops along the 38° line have been without unusual incidents since last report except that electric power was turned off by Soviet forces in an area north of Seoul.

6. It appears at this time that the "Military Government" in Korea will for the time being have to be complete and entire except for minor functions. As we get into the structure of what was the government here, we find that the framework was built primarily for Japanese control and exploitation of a subject people and most of it is unsuitable for democratic rule. . . . As we are able to increase our Military Government personnel and increase our occupation to include all the southern provinces, it is hoped that a clearer picture may unfold.

7. One combat team of the 40th Division arrived at Inch'on on 22 September and is moving light forces by increment by rail to Fusan. The division should close in Korea within ten to twelve days, but unless the port at Fusan is opened, will not be able to complete its movement there for many days later. Rail facilities are limited and to date we have not found any road by which we can move. I am pressing the Navy to open Fusan to LST's at least, in which case I can transship from Inch'on. If coal cannot be obtained soon, the railways will soon be forced to suspend action south of 38°.

8. As soon as the 40th Division establishes control of Fusan, I will start movement of Japanese forces to Japan as rapidly as they can be passed through the port. Because of limitations in land transport this flow may be less than the shipping capacity available.

9. The problem of handling deposed arms and ammunition stores is assuming more and more importance. . . . The guarding of ammunition dumps to keep out saboteurs consumes a considerable number of troops needed for other purposes. It is believed that in Korea munitions should be destroyed except such few items as may have combat intelligence value.

10. The attitude of news correspondents has improved materially. Most of the undesirable juvenile minded ones have moved on to more exciting fields of endeavor. Those remaining are more thoughtful and more mindful of their responsibility as American citizens. There is still a tendency for them to send in Russian stories which if published may jeopardize the American mission here. It is believed USAFPac censors here should be warned by your headquarters to suppress all such as are considered dangerous. Correspondents take the attitude that United States citizens should be informed. I agree in principle, but believe premature critical stories are dangerous now.

Recommendations:

a. Recommendations contained in reference letter are reiterated.

b. It is further recommended that authority be granted for destruction of or rendering permanently useless all arms and munitions taken over in Korea. This will greatly relieve need for United States troops.

JOHN R. HODGE

895.01/9-2545 : Telegram

The Chargé in China (Robertson) to the Secretary of State

CHUNGKING, September 25, 1945—5 p. m.

[Received September 25—8:35 a. m.]

1657. Dr. K. C. Wu⁷⁶ called at Embassy today and stated that Generalissimo⁷⁷ would appreciate being informed concerning American policy in regard to Korea in light of present conditions. Dr. Wu said it had been reported that Soviets are organizing or sponsoring Communistic governmental groups in Soviet-occupied areas of Korea.

In view of this fact, Generalissimo considers it would be advisable that members of Korean Provisional Government in Chungking be flown to Korea as possible appointees to administrative positions in the government. However, as neither China nor the United States recognizes the KPG (Korean Provisional Government) these persons should be sent as private individuals and not as representatives of the KPG (Korean Provisional Government). Dr. Wu remarked that if the United States should recognize the KPG (Korean Provisional Government), the Chinese Government would be glad to do likewise. Dr. Wu said that the Generalissimo had discussed Korean questions with Ambassador Hurley shortly before latter's departure for Washington, and that the Ambassador was familiar with Generalissimo's views on subject. Dr. Wu requests that this message be brought to Ambassador's attention on arrival.

With reference to Department's 1510, September 21, Army here says that if State Department recommends or sponsors sending of Koreans to Korea, Army will be glad to set up planes, if available, for the purpose. Army feels, however, that a mere statement of non-objection by State Department, such as contained in reference telegram, is not sufficient as this would throw responsibility for making a political decision on Army. Army believes that political decisions of this nature should be made by State Department.

Department's instructions would be appreciated.

Sent to Department; repeated to Moscow.

ROBERTSON

⁷⁶ Chinese Minister of Information.

⁷⁷ Chiang Kai-shek.

895.01/9-2645

*Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)*⁷⁸

[WASHINGTON,] September 26, 1945.

Participants: Mr. Acheson, Acting Secretary
Dr. Wei Tao-ming, Chinese Ambassador
FE—Mr. Vincent

The Chinese Ambassador called on the Acting Secretary this morning at 11 o'clock. He expressed interest in plans and developments with regard to Korea, mentioned the Cairo Declaration, referred to what he understood to be President Roosevelt's attitude with regard to Korea, and asked whether there was any alteration in this attitude on the part of President Truman. Mr. Acheson assured him that there had been no change in our policy with regard to the future of Korea; that we looked forward to the establishment of an independent Korea; and that our immediate plans and policies with regard to Korea were for the purpose of achieving that objective.

The Ambassador inquired with regard to our ideas on trusteeship. He was reminded that Dr. Soong had discussed that matter with the President in June and that it was understood that Dr. Soong had agreed to a 4-power trusteeship for Korea as the best means for preparing for Korean independence. Marshal Stalin had agreed to a 4-power trusteeship, the Ambassador was informed, and the British Government had been advised of our ideas along this line. The Ambassador was given a brief account of our own ideas on a trusteeship agreement and was told that we hoped in the very near future to present our ideas to the other three Governments with a view to starting negotiations for an agreement.

The Ambassador mentioned the "Provisional Korean Government" in Chungking and suggested that it might form the basis for an eventual Korean Government. He was told that we planned to facilitate the travel of Koreans in Chungking to Korea, where they would be able as individuals to assist in the formation of Korean administration. The formation eventually of a Korean Government would, it was pointed out, be a matter for discussion among the four powers entering into the trusteeship agreement.

Mr. Acheson informed the Ambassador that we were anxious to substitute as soon as possible for the present 38° latitude division between American and Russian occupation an over-all administration for Korea, and that we hoped that as soon as possible a civilian administration under trusteeship would replace military administration in Korea.

⁷⁸ Initialed by the Acting Secretary of State.

895.01/9-2645

The Political Adviser in Korea (Benninghoff) to the Secretary of State

No. 5

[SEOUL,] September 26, 1945.

[Received October 9.]

SIR: I have the honor to refer to my dispatches No. 1 of 15 September 1945 and No. 4 of today's date ⁷⁹ on the situation in Korea, and to submit further observations and comments on the same subject with especial reference to difficulties with the Soviet Union created by the arbitrary division of the country at the 38th parallel.

The problems presented to this headquarters caused by the division of the country into two zones are of two general categories: (1) urgent problems concerned with the supply of essential commodities, especially coal, and (2) other problems, equally urgent but more long range in character, such as the negotiation of an arrangement for the military government of Korea based on the principle of the essential economic and social unity of the country. Efforts have been made by Lieutenant General Hodge to establish contact with the Soviet commander to the north, and although a group of officers dispatched by him was received with the usual Russian cordiality and entertainment, nothing of substance resulted. At the present time, over two weeks since the first American landing, this headquarters has not even entered into discussions with the Russians on a number of urgent subjects. The group of officers mentioned above outlined the problems to the Russians but there was no discussion.

Under the circumstances, General Hodge dispatched Brigadier General J. R. Sheetz and me to Tokyo to discuss the situation with General Headquarters there. After some discussions with the appropriate officers, an agreement was reached to the effect that the Japanese Government will be instructed to ship 70,000 tons of Kyushu coal a month to Fusan until such time as coal can be obtained in the normal manner from the north. Simultaneously, we discussed the broad question of our relations with the Soviets with the Deputy Chief of Staff, Major General S. J. Chamberlin. We handed him a memorandum recommending that the War Department be informed of the situation with a view to taking the matter up with the Soviet Government at the highest level possible. The Deputy Chief of Staff said that an appropriate communication would be radioed to Washington that day, September 24. I do not know whether that message will be brought to the attention of the Department of State.

I earnestly and urgently suggest that the Department associate itself with or initiate steps designed (1) to cause the resumption of a

⁷⁹ No. 4 not printed, but see footnote 73, p. 1054.

normal supply of coal and other commodities from the north to the south, and (2) to bring about a *rapprochement* between the American and Soviet commands in Korea so that arrangements can be made for the control of the country on a unified basis pending negotiation of a trusteeship agreement as originally contemplated. Unless something of this nature is done in the very near future, the welcome, trust and respect accorded the United States by Koreans may well be transformed into a belief that we have no intention of assisting them along the road to democracy and independence. If this should come about, Korea will be at the mercy of agitators desirous of undermining the goodwill and prestige which the United States now enjoy here.

Respectfully,

H. MERRELL BENNINGHOFF

895.01/9-2545 : Telegram

The Acting Secretary of State to the Chargé in China (Robertson)

WASHINGTON, September 27, 1945—6 p. m.

1569. Embassy's telegram 1657 September 25, 5 p. m. Exit permits are being issued Syngman Rhee, J. K. Dunn and other individual Koreans as such and not as representatives of groups. For your information, such permits from United States validated for entry into Korea are granted on the basis of VD⁸⁰ application form AD-1 to which following statement has been appended:

"I recognize the fact that the area of Korea South of the 39th [*sic*] degree latitude is now subject to Military Government administered by American armed forces and I agree that during my stay in the area, and until military government ceases, my activities will be governed by the laws and regulations of that authority."

Outright support of any one political group presently outside Korea is not contemplated, but because of the chaotic conditions within Korea, elements having constructive ability and willing to work within framework of military government are encouraged to enter, and might be transported by airplanes controlled by the Army when space is available. Clearance of applicants for entry into Korea should be made with Korean theater command using Army channels through MacArthur headquarters. You are authorized within your discretion to communicate above to Chinese Government.⁸¹

ACHESON

⁸⁰ Visa Division.

⁸¹ Information was communicated to the Chinese Foreign Office on October 3.

895.00/9-2945

The Political Adviser in Korea (Benninghoff) to the Secretary of State

No. 6

[SEOUL,] 29 September, 1945.

SIR: I have the honor to submit certain observations and comments in regard to the political situation in Korea at the present time. Although there is still a great deal of confusion, and although it is impossible to determine party lines or individual convictions with any accuracy, certain definite trends have developed which appear to be worthy of note. For most of the factual information contained in this report I am indebted to G-2,⁸² USAFIK, who has a sizeable staff and without whose cooperation it would be impossible for me to acquire any detailed knowledge of current trends.

General. Seoul, and perhaps southern Korea as a whole, is at present politically divided into two distinct groups; each is composed of several smaller components, but each follows its own distinct school of political philosophy. On the one hand there is the so-called democratic or conservative group, which numbers among its members many of the professional and educational leaders who were educated in the United States or in American missionary institutions in Korea. In their aims and policies they demonstrate a desire to follow the western democracies, and they almost unanimously desire the early return of Dr. Syngman Rhee and the "Provisional Government" at Chungking.

On the other hand there is the radical or communist group. This apparently is composed of several smaller groups ranging in thought from left of center to radical. The avowed communist group is the most vocal and seems to be supplying the leadership.

There is no agitation whatsoever for the return of the former Korean dynasty, which is generally considered to have sold out to the Japanese.

Conservative. The largest of the conservative elements is the Democratic Party (Ta Han Min Chu Dang), with which are affiliated such organizations as the Christian Fellowship Association, the Women's National Party and the Korean Patriotic Women's Association. The stated aims of the party are:

1. The firm establishment of a free and independent Korean national state.
2. The adoption of a form of government which is based on the principles of democracy.
3. The promotion of the happiness and welfare of the toiling majority of the people.

⁸² Military Intelligence.

4. The development of Korean national culture as a means of contributing to the advance of world culture.

5. The security of world peace by adherence to the United Nations Charter adopted at San Francisco.

In order to accomplish these aims, the Party has adopted the following policies:

1. Security for all by a certain minimum standard of living.
2. The adoption of a foreign policy of good neighborliness and reciprocity.
3. The freedoms of press, assembly, and religion.
4. Equal opportunity in matters of education and health.
5. The adoption of an economic policy with a view to promoting commerce and industries.
6. State management or control of certain basic industries.
7. The reconstruction of the land-owning system with a view to promoting the happiness of the struggling farmers.
8. The creation of a defense army.

Soon after American troops entered this area, the Korean Democratic Party made the following requests:

1. That all Japanese and Koreans, regardless of organization, be disbanded.
2. That the Democratic Party be permitted to invite the Korean Provisional Government at Chungking to come to Korea, and that the occupation forces authorize and facilitate such a move.
3. That the American occupation forces take the Provisional Government into their confidence and utilize their services as much as possible.

The Democratic Party consists of well educated business and professional men as well as community leaders in various parts of the country. During the war it apparently had an undercover organization with about 1,000 leaders throughout the country. It had a central organization but being prohibited from holding any meetings it perhaps did not then acquire any large popular following.

Soon after August 15 the Democratic Party realized the strength of the more aggressive radical groups and decided to bring together the more conservative democratic elements into what became, on September 13, the National Congress of Korea. The leaders of this organization feel that they represent the great majority of the people, who are stated to have supported and hoped for the success of the exiled Korean Provisional Government for many years. Recently the Congress announced the names of its leaders and the character of its organization in the public press. An analysis thereof will be submitted as soon as sufficient data on the various individuals can be prepared.

Radical. The main strength of the radical groups which are opposed to the Democratic Party and the Congress lies in the organization known as the Korean Provisional Commission (Chosen Keunkook Chumbi Iinkai) which proposes to set up a government known as the Korean Peoples Republic (Chosen Inmin Kongwha Kook). The stated objectives of the organization are as follows:

1. The complete independence of Korea.
2. The establishment of a real democratic government.
3. The radical improvement of the standard of living of the people.
4. The maintenance of public peace in the transition period.

It will be noted that these objectives of the projected Korean Peoples Republic are not as precise as those of the Democratic Party. Nevertheless the radicals appear to be better organized than their Democratic opponents. They were responsible for a number of parades and demonstrations immediately after the American forces arrived, and their publicity material in the press has behind it a definite program and probably trained direction.

The guiding genius of the organization is Yuh Woon Hyung, who was graduated from a missionary school in Seoul and later went to Nanking and Shanghai, where he was regarded as a leader but was not connected with the exiled Provisional Government. He attended the Third Internationale in Moscow in 1926 and has spent various periods in Japanese prisons. The people do not know how to judge him at present, however, because his political beliefs have apparently changed from Christian to communist.

Post-surrender Political Developments. The problem of maintaining law and order after the surrender seemed to appall the Japanese, especially as they at first thought that the whole country would be occupied by the Soviet Russians. They desired to install a government acceptable to the Russians, and asked Song Jin Woo to lead a Korean Provisional Government. After he refused to deal with the Japanese (he now leads the Democratic Party), the Japanese turned to Yuh Woon Hyung, the communist. He accepted, under certain unpalatable conditions which the Japanese were forced to swallow, and formed "The Committee for the Reestablishment of the Korean State." Many of his former anti-Japanese colleagues, such as Song Jin Woo, suspected the Japanese connection and refused to collaborate, whereupon the communist party, eager for power, stepped in. Yuh Woon Hyung and his adherents considered themselves the government; they released political prisoners, and assumed responsibility for public safety, food distribution and other governmental functions. This was perhaps the peak of power enjoyed by the Committee, which rapidly lost influence because of the disaffection of the

more conservative members following the ascendancy of the communist elements.

Meanwhile the Japanese learned that the United States was to occupy southern Korea; they also realized that Yuh was not going to follow their dictates. They transformed the Committee into a Public Safety Committee in order to reduce its power, and added three thousand Japanese soldiers to the police force of Seoul by giving them civil status overnight. (This led to considerable trouble with the police after the American occupation.) Yuh, however, was not to be suppressed. He seized on the American privilege of free political endeavor and on September 6 reconstituted his group as a political party with the object of forming a Korean Peoples Republic.

Present Status. There are, accordingly, the two strongly opposed political groups in southern Korea at present. The less aggressive conservatives, claiming the adherence of a majority of the people, were forced to organize for their own protection and in behalf of their anti-communist pro-democratic beliefs. The radicals, led by Yuh who seems to be a political opportunist with communist leanings, are better organized and more vocal; the nature and extent of actual communist (Soviet Russian) infiltration cannot be stated with certainty, but it may be considerable.

A study of the *announced* aims of the two groups does not bring out any sharp differences in their aspirations for Korea. The conservatives, however, wish to realize their program under the leadership of the Korean Provisional Government at Chungking. Dr. Syngman Rhee has been called by some of them as "the Sun Yat-sen⁸³ of Korea." On the other hand, the radicals make no reference to the Provisional Government, state their aims with less precision, and are vague as to the manner they will receive aid and guidance in rehabilitating their country. It is interesting to note, however, that the prestige of Dr. Rhee is so great in the country that his name, with no mention of the Provisional Government, was included with those of Kim Koo and Kim Kiu Sic⁸⁴ in a slate for the cabinet of the proposed Korean Peoples Government. The positions reserved for them were to be concurrently held by other and communist members of the cabinet; in other words, they were a façade behind which those now in Seoul could operate.

Politics and the American Occupation. The attitude of the American forces toward these political developments is one of aloofness as long as peace and order is maintained. There seems to be no other policy to adopt, as USAFIK cannot afford to support any one par-

⁸³ Provisional President of the Republic of China, January 1, 1912, and regarded as the "father" of the republic.

⁸⁴ Kimm Kiusic, Vice Chairman of the Provisional Government of the Republic of Korea.

ticular group. If Dr. Rhee and others of the Provisional Government return to Korea, the United States may be accused of favoring the conservatives as against the radicals, although a great deal of such criticism could be forestalled by public announcements that any Korean abroad was free to return to his native land regardless of his politics, transportation facilities permitting.

In the meantime, there is little knowledge of the political actions or policies of the Russian occupation forces to the north. They have ejected the Japanese and set up local governments which are strictly on a one-party basis. There is more than a probability that they will sovietize northern Korea as they sovietized eastern Europe. The United States may soon be faced with problems similar to those it faces in Rumania,⁸⁵ Hungary and Bulgaria.⁸⁶ It appears probable that when the situation is clarified, northern Korea will be under communist domination, while southern Korea, under American occupation, will already have a substantial communist following.

Respectfully yours,

H. MERRELL BENNINGHOFF

740.00119 Control (Korea)/10-145

The Political Adviser in Korea (Benninghoff) to the Secretary of State

No. 7

[SEOUL,] 1 October, 1945.

[Received October 17.]

SIR: I have the honor to enclose a copy of a communication⁸⁷ received by the Commanding General, United States Army Forces in Korea, which contains the first authenticated eyewitness report of political activities of Soviet occupational forces in Korea north of the 38th parallel. The two Korean signers of the letter have been questioned at length by Americans familiar with Korea, and there appears to be no doubt of their *bona fides*. In any event, the information submitted is similar in character to many rumors and oral reports of conditions in Soviet territory which this headquarters has received.

The letter in question refers to events in the city of Syn-wi-ju (at the mouth of the Yalu River across from Antung) after August 15, when the surrender of the Japanese forces was announced, with particular emphasis on conditions following the entry of Soviet forces into the city on August 30. It appears that on August 16 the city fathers of Syn-wi-ju organized a "Self-Rule Council" which was expanded on August 25 to administer the affairs of the whole province. This Council was successful, and in spite of the facts that 1400 criminals

⁸⁵ See vol. v, pp. 464 ff.

⁸⁶ See vol. iv, pp. 798 ff. and 135 ff., respectively.

⁸⁷ Not printed.

were set free and the Council had no arms, peace and order were maintained throughout the province. The commander of the Soviet forces, following his entry on August 30, forcibly replaced this Council with a "Peoples Political Committee" in which the dominant position was given to two minuscule Korean communist groups. A Communist Party was then permitted to organize, although an opposition "Democratic Party" was forced to disband. The Soviets appear to be using the radio and press, as well as leaflets dropped from aircraft, for the spread of their doctrines. The informants are of the opinion that Russian forces elsewhere in northern Korea are following similar tactics, and that they are determined to communize the country to the greatest extent possible.

In view of such conditions to the north, the Commanding General of USAFIK does not expect that efforts "at the military level" to bring about collaboration between the American and Soviet zones of occupation will produce the desired results. It is possible that small and strictly military problems susceptible of local solution can be settled satisfactorily, but it seems unlikely that fundamental matters involving questions of broad principle, such as economic or political controls and policies for the country as a whole, will even reach the stage of discussion here unless negotiations at the highest level in Washington and Moscow result in appropriate instructions to the commanders in Korea.

In the meantime, Lieutenant General Hodge continues to try to establish satisfactory relations with the Soviet Commander, General Chistiakov,⁸⁸ with headquarters at Pyongyang (Heijo). In a recent letter he invited the general to a conference to discuss problems of mutual interests; a similar invitation, delivered orally about two weeks ago by an American group of officers which visited Soviet headquarters, has never been accepted or answered.

Respectfully yours,

H. MERRELL BENNINGHOFF

740.00119 PW/10-145

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to the Under Secretary of State (Acheson)*

[WASHINGTON,] October 1, 1945.

A thirteen page telegram from General MacArthur's headquarters to the War Department⁸⁹ quotes a report on conditions in Soviet-occupied North Korea made by a representative of the Australian

⁸⁸ Col. Gen. Ivan Mikhailovich Chistyakov, Commanding General of the Soviet XXV Army in the Far East, in occupation of northern Korea.

⁸⁹ Copy not found in Department files.

Department of Information who accompanied an American prisoner of war recovery unit. The following is a summary:

The Russians are indulging in widespread and indiscriminate looting of both Korean and Japanese property, and are indulging in rape and robbery of both Koreans and Japanese.

In certain sections the Russians are substituting Russian roubles for Korean yen, the substitution being 1 for 1.

The excesses of the Russians are bringing together the Japanese and Koreans for the first time in 40 years.

The Russians are living off the land they have occupied seizing cattle and vegetables without payment, and are using only meager quantities of their own supplies.

Korean communists are taking advantage of the advent of the Russians to further their own ends.

The Russians are bringing south heavy armament and equipment, such as tanks, machine guns and heavy trucks.

Russian occupation is forcing thousands of Koreans and Japanese to flee southward toward the American zone. Another result is seen in the almost complete cessation of industrial enterprises.

American prisoners of war were allowed to run the camp themselves but were given little food by the Russians. The Russians did nothing to repatriate the prisoners until representations were made by the American recovery unit.

J[OHN] C[ARTER] V[INCENT]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea-Soviet: Telegram

*The Chief of Staff (Marshall) to General of the Army
Douglas MacArthur, at Tokyo*

WASHINGTON, 1 October, 1945.

WX 71814. Now before the State-War-Navy Coordinating Committee is a proposal that an international trusteeship should be set up for Korea at the earliest practicable date. The committee has likewise recognized that the present line dividing Korea between United States and Russian Forces is highly artificial, and that for many reasons a single administration for the whole of Korea would be preferable. The proposal before the committee concludes that present liaison on a military level should be strengthened and expanded, with such assistance as may be necessary through governmental negotiations, to the end that measures may be taken at once to minimize as far as possible the disadvantages of this artificial dividing line, and to foster greater centralization in the administration of the coun-

try. Accordingly, the proposal contemplates that the United States Occupation Commander should seek, through such strengthened and expanded liaison, to ensure the greatest possible uniformity of administrative practice in the two zones, United States and Russian. It is also concluded that the administrative structure in southern Korea should be so arranged that it can be readily adapted to extension through the whole of Korea in agreement with the Russians.

Your comments on the foregoing are requested at an early date to assist in consideration of the proposal, particularly as concerns the degree to which military liaison on the ground can be expected to succeed in achieving the objectives set forth above. Request information as to what coordination is now being attempted with Soviet Commanders in Korea, how successful these attempts have been, the prospects for the future, and specific negotiations you recommend be undertaken on a governmental level.

State Department has been consulted in preparing this message and would appreciate inclusion of views of Mr. Acheson⁹⁰ in your answer.

For your information, although there is hope that trusteeship negotiations may begin by early 1946, it may well be a year before an effective quadripartite trusteeship can take over supervision of Korea from the Military Government. This estimate will not be divulged to the Russians.

[MARSHALL]

895.01/10-445 : Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, October 4, 1945.

[Received October 8—4: 15 p. m.]

22. If the directive which will legally separate Japan and Korea could be promulgated in the very near future (the Supreme Commander to have the discretion, of course, as to the exact date of issuance), we feel that it would be a most timely move and would be universally pleasing to the Korean people and would have the effect of assuaging their disappointments. Therefore, it is our suggestion that the directive in question (which was being considered at the time when I left Washington) be completed and telegraphed as soon as possible to GHQ.

ATCHESON

⁹⁰ George Acheson, Jr., Acting Political Adviser in Japan.

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Political Adviser in Korea (Benninghoff) to the Acting Political
Adviser in Japan (Atcheson)*⁹¹

[SEOUL,] 9 October, 1945.

Tfsgc 108. On October 5th Major General Arnold, Military Governor, appointed an Advisory Council composed of 11 carefully chosen prominent Koreans including educators, lawyers, business men, "patriots" as well as the leaders of the two leading political groups (Left Wing or Radical and Conservative). General Arnold told them that they were selected to give him advice on Korean matters on an honest non-partisan basis, having in mind only the good of the country and not personal or party gain. The 11 men accepted appointment on that basis and in secret session chose one of their number, Kig [*Kim*] Sung Soo by name, to act as chairman.

The purpose of the Council, aside from giving advice, is to build up in the consciousness of the Koreans the feeling that they are beginning to participate in their government. In order to accomplish this a carefully planned publicity campaign designed to give the Council "Face" will be necessary. So far the public announcements concerning the creation of the Council have not received much public reaction or comment in the press, perhaps because of similar council under Japanese auspices (recently dissolved) was regarded as a gathering of collaborationists. It is also not impossible that both political elements are lukewarm toward the Council because in giving it active support they would be weakening their own "Provisional Governments" and similar bodies which have been or are being formed.

In this connection the most prominent Korean newspaper published on October 5th an alleged interview with a prominent member of the Left-Wing "Korean Peoples Republic" in which a national election was promised for March 1st, 1946. There have been a number of other occasions when people with political aspirations have issued pronouncements or assumed authority with no basis other than that they represented some "Government". On October 9th General Arnold accordingly instructed all papers to publish a statement to the effect that the Military Government was the sole authority South of the 38th parallel and calling on the Korean people to use their moral influence to put a stop to the irresponsible actions of foolish or venal people. The statement carried a clear implication that force would be used if necessary to put a stop to activities maliciously designed to disturb peace and order.

[BENNINGHOFF]

⁹¹ Marginal notation: "Apparently not sent to Washington."

Records of the Office of the Political Adviser in Japan,
Lot 57-F103. 800 Korea: Telegram

*The Political Adviser in Korea (Benninghoff) to the Acting Political
Adviser in Japan (Acheson)*⁹²

[SEOUL,] 10 October, 1945.

Tfgeg 109. Various messages from this Headquarters have referred to two generally opposing political elements in Seoul, Radical or Communist, and Conservative or Democratic. There is evidence that the former group receives support and direction from the Soviet Union (perhaps from Koreans formerly resident in Siberia). In any event it is the most aggressive party; its newspaper has compared American methods of occupation in a manner that may be interpreted as unfavorable to United States. This comparison makes particular reference to wholesale evictions of Japanese and confiscation of their property north of 38. One of the leaders of the group was quoted in the paper as saying that although he had great respect for the "Provisional Government" at Chungking he did not feel that that organization had any more claim to Korean loyalty than did a number of others. He mentioned particularly a Communistic Korean Independence Group at Yenan China and stated that he had been in contact with it during the past several years. It is the Communist or Radical Group in Seoul which has organized a "Korean Peoples Republic" and poses as a Korean Govt. So far no serious disturbances of the peace have been reported, but that is no guarantee for the future. Groups of Korean ruffians, suspected of being affiliated with the Communists, have forced Japanese in the city out of their homes and businesses and have demanded and received additional bonuses from Japanese employers. The Occupation Forces, widely dispersed, are unable to put a complete stop to such activities. The Conservative Group, which is much less aggressive but which is believed to represent the thought of the majority of thinking Koreans, are willing to cooperate with Mil Govt. Many of them have stated that they realize that their country must pass through a period of tutelage, and that they would prefer to be under American rather than Soviet guidance. Reports of Soviet activities north of 38 have thoroughly frightened them. These are the people who for the most part express loyalty to the "Provisional Government" and who would like to see Syngman Rhee, Kim Koo and Kim Kiu Sic return. Under the circumstances, especially as even the Communists have not completely disavowed the Chungking organization (probably because of its high prestige from the standpoint of patriotism), this Headquarters has recommended that the three persons mentioned above be permitted to return to Korea in their indi-

⁹² Not sent to the Department.

vidual capacities. It is not intended to give them any more recognition than is accorded to other prominent Koreans. They must be prepared to work with Mil Govt and sit on the Advisory Board on the same terms as the present Council members. See our Tfgcg 108. It is requested that Syngman Rhee and the others will be made aware of these conditions before they are permitted to come to Korea. As the news that these people are coming to Korea will probably cause considerable public comment and may even be used by unscrupulous means elements for their own political purposes, it is hoped that the necessary publicity in Seoul, the United States and Chungking will be so timed and correlated that there will be no doubt as to the reasons for their coming. In view of the fact that demands may be made for the return of Koreans from Yen-an or elsewhere, it is suggested that any public release include a statement that Korean leaders are all welcome, but that until the situation clears up and normal transportation facilities become available the Mil Govt finds it necessary for the time being to limit the number of Koreans who can return. The above discussion of the political situation in Seoul has been prepared without reference to the problem posed by the division of the country at 38 parallel. Efforts here to get together with the Soviets to the North are still devoid of results, and the plans and recommendations of this Hq must necessarily be made on a day to day basis without knowledge of the reactions of Moscow or of the progress of negotiations between Washington and Moscow.

[BENNINGHOFF]

895.01/10-445 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Acheson)*

WASHINGTON, October 11, 1945—8 p. m.

22. Concerning legal separation of Japan and Korea, referred to in your telegram 22, Oct 4, the Dept is giving the matter immediate consideration. You will be informed of developments and if positive decision is reached the pertinent directive will be telegraphed to GHQ.

BYRNES

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea-Soviet: Telegram

General of the Army Douglas MacArthur to the Joint Chiefs of Staff

[Tokyo,] 11 October, 1945.

CA 53102. Hodge in Korea has just reported as follows:

"The Soviet Consul to Seoul returned last night from a conference at Soviet 25th Army Headquarters bearing two letters from the Army

Commander to effect that there will be no negotiations on a military level concerning requests I have presented and that there is no prospect of any negotiations until decisions are made and relationships established between our respective governments. The Army Commander is withdrawing his liaison detachment today and has not and probably will not accept my detachment which visited him recently. Based on performance to date this action was not unexpected, and justifies the urgency of my previous recommendations that higher level contacts be made. Am requesting his cooperation to keep telephone and radio communication between our headquarters but I have little expectancy except that status will revert to exactly the relationship existing one month ago. By [*No?*] reasons given other than that all agreements must be after policies are agreed upon between the National Governments. It is understood the conference was attended by political advisors from Moscow."

[MACARTHUR]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea-Soviet: Telegram

*Lieutenant General John R. Hodge to General of the Army
Douglas MacArthur, at Tokyo*

[SEOUL,] 12 October, 1945.

Tfgeg 112. The refusal of the Russians to negotiate locally "on the military level" and their insistence that agreement of basic question of principle be reached by our respective Governments raises the question of the status here of the Soviet Consul General and Staff (our Tfgeg 110⁹³) of about 10 men and a number of women and children.

They were here throughout the war and were interned for only a few days. This Headquarters has been giving them a certain quantity of food supplies, and the Consul General and Vice Consul have participated in discussions with the Soviet Military both here and to the North. Every facility has been accorded to their officials including special train transportation to the north for themselves and families and air transportation to Tokyo and back. In return, this Headquarters, although treated with "correctness", has been rebuffed in all its efforts to reach any kind of an understanding on any subject.

It is considered possible that the Consul General is assisting the Korean Communist movement in Seoul, and is trying behind the scenes in apparent attempts to discredit the United States and its occupation policies in the eyes of the Koreans.

⁹³ Copy not found in Department files; message presumably reported in telegram CA 53102, *supra*.

We are thus in the position of giving them every facility for observation and political activity for which we in return receive absolutely nothing.

This Headquarters does not recommend at this time that the Soviet Consul General be asked to withdraw. Nevertheless the situation should not be permitted to pass unnoticed, and the occasion might be taken to ask for the acceptance of an American official in Manchuria,⁹⁴ having communications facilities. In the meantime this Headquarters would appreciate policy guidance as to the status of consular establishments under conditions which now obtain in Southern Korea.

[HODGE]

Records of the State-War-Navy Coordinating
Committee, Lot 52-M45

*Basic Initial Directive to the Commander in Chief, U.S. Army Forces, Pacific, for the Administration of Civil Affairs in Those Areas of Korea Occupied by U.S. Forces*⁹⁵

SWNCC 176/8

[WASHINGTON, undated.]

1. *The Purpose and Scope of This Directive.*

a. This directive defines the authority which you will possess and the policies which will guide you in the administration of civil affairs in Korea in the initial period after Japanese surrender prior to the establishment of a trusteeship.

b. Korea, as used in this directive, is defined as those areas of Korea occupied by U.S. forces.

c. This directive is divided into Part I: General and Political; Part II: Economic and Civilian Supply; and Part III: Financial.

PART I

GENERAL AND POLITICAL

2. *The Basis and Scope of Military Authority.*

a. By virtue of your military occupation of Korea, you are vested with the conventional powers of a military occupant of enemy territory. In addition, and in order to effectuate the Surrender Instrument executed by command of the Emperor of Japan, the Cairo

⁹⁴ Documentation regarding difficulties in securing acceptance of American officials in this area will be published in vol. VII, pp. 1457 ff.

⁹⁵ The original draft of this paper was prepared by the State-War-Navy Coordinating Subcommittee for the Far East and circulated on September 1 as SWNCC 176/3. Part III was revised by the Subcommittee and circulated on September 27 as SWNCC 176/6. Both drafts were revised and consolidated as 176/8 which was approved by the Committee on October 13. The directive was transmitted to General MacArthur by Lt. Gen. J. E. Hull, Assistant Chief of Staff for Operations, in a memorandum of October 17 (895.01/10-1745).

Declaration and the Potsdam Declaration you are authorized to exercise all power necessary to give effect to those instruments.

b. In conformity with the provisions of the Cairo Declaration your administration of civil affairs will be based upon the treatment of Korea as a liberated country to the maximum extent consistent with the security of your forces. In order to effect the greatest possible economy of military personnel you will utilize Koreans in governmental positions as far as possible. You may also utilize Japanese in accordance with paragraph 5 *f* below. You will also take such steps as are necessary on a military level to effectuate liaison with the Russians. In all your activities you will bear in mind the policy of the United States in regard to Korea, which contemplates a progressive development from this initial interim period of civil affairs administration by the United States and the U.S.S.R., to a period of trusteeship under the United States, the United Kingdom, China, and the U.S.S.R., and finally to the eventual independence of Korea with membership in the United Nations organization. In the exercise of your powers you will be guided by the following general principles.

3. *Basic Objectives of Military Occupation of Korea.*

a. The ultimate objective of the United States with respect to Korea is to foster conditions which will bring about the establishment of a free and independent nation capable of taking her place as a responsible and peaceful member of the family of nations. The achievement of this objective will require the progressive elimination of all vestiges of Japanese control over Korean economic and political life and the eventual substitution of independent Korean governmental, economic and social institutions.

b. As Commander in Chief, U.S. Army Forces, Pacific, you are charged with responsibility for assuring that the Japanese surrender terms are vigorously enforced in Korea and for initiating appropriate action to achieve the objectives of the United States.

c. You will make it clear to the Korean population that your administration of civil affairs in Korea is intended principally:

(1) To insure compliance with the surrender by the Japanese armed forces in Korea;

(2) To effect a complete political and administrative separation of Korea from Japan and to free Korea from Japanese social, economic and financial control;

(3) To facilitate the development of a sound Korean economy devoted to peaceful pursuits; and

(4) To foster the establishment of local self-government and the restoration of a free and independent nation which will conform with the principles expressed in the Charter of the United Nations.

4. *The Establishment of Civil Affairs Administration in Korea.*

a. Upon occupation you will take prompt action to assure the restoration and maintenance of law and order.

b. You will insure immediate compliance with all orders for carrying out the surrender issued by the Emperor and the Japanese Imperial General Headquarters to the Japanese armed forces and to the armed forces under Japanese control in Korea. In this connection you will issue such further orders as may be required.

c. Local, regional and national agencies of governmental administration will be fully utilized after elimination of those whose functions and responsibilities are inconsistent with the purposes of the occupation and after the removal of all Japanese officials, subject to exceptions permitted in paragraph 5 *f* below. The remaining agencies and their personnel will be given maximum responsibility for the administration of government and will be charged with the execution of your policies and directives. At all times, however, and in all circumstances you are empowered yourself to take direct action where required to carry out your objectives.

d. You will establish liaison with the Russians and seek through that liaison to achieve the maximum uniformity of procedures and policies in the control of Korea, consistent with the purposes of this directive.

5. *Political and Administrative Reorganization.*

a. So far as practicable, you will continue the substantive and procedural law existing in Korea at the commencement of your occupation. You will abrogate all laws, ordinances, decrees and regulations which would jeopardize the achievement of the objectives set forth in this directive. You will, in particular, assure the abrogation of all laws, orders and regulations which established and maintained restrictions on political and civil liberties on grounds of race, nationality, creed or political opinion. Agencies charged specifically with the execution of legislation abrogated or to be abrogated shall be abolished.

b. Ordinary criminal and civil courts in Korea will be permitted to continue to function subject to such regulations, supervision and control as you may determine. As rapidly as possible, Japanese judges, other Japanese court personnel and Koreans who collaborated with the former, will be removed. Such officials will be replaced with acceptable and qualified successors. Full power of review will be retained by you over all courts which are allowed to function. You will veto all decisions which are inconsistent with the purposes of your mission. You will take all practicable measures to cause the release of persons held in custody solely under laws or regulations of the type to be abrogated under paragraph 5 *a* above.

c. You will establish such military courts as may be necessary with jurisdiction over offenses against the forces under your command and

over such other acts as you may declare to be offenses against your military occupation and the implementation of the surrender. You will, however, except as otherwise deemed necessary by you, assure that Korean courts exercise an effective jurisdiction over cases not of direct or predominant concern to your military occupation.

d. Criminal and ordinary police agencies, and such others as you may consider proper to be retained under appropriate supervision, will be progressively purged of undependable and undesirable elements, and in particular, of Japanese and Koreans who collaborated with the Japanese.

e. Throughout Korea you will assure the dissolution of all elements of the Political Association of Great Japan, the Imperial Rule Assistance Association (Taisei Yokusankai), the Imperial Rule Assistance Political Society (Taisei Seijikai), their branches, affiliates and agencies or any successor organizations, and all Japanese ultra-nationalistic, terroristic and secret patriotic societies and their branches, agencies and affiliates.

f. Only in exceptional circumstances as determined by you will any Japanese be allowed to hold any position of responsibility or influence in public or important private enterprise, nor will any Korean who has been an exponent of militant Japanese nationalism and aggression, who has been an influential member of any Japanese ultra-nationalistic, terroristic or secret patriotic societies, their branches, agencies or affiliates, who has been influential in the activities of the other organizations enumerated in paragraph 5 *e* above, or who manifests hostility to the objectives of the military occupation, be permitted to hold any office as above. Providing security factors permit, and to the extent that qualified Koreans or other suitable personnel are not available, you may temporarily make use of such Japanese and Koreans who have collaborated with the Japanese as are deemed essential by reason of their technical qualifications. You will make every effort to ensure the recruiting and training of suitable Korean replacements for such last-named personnel at the earliest possible moment. Should use be made of Japanese or non-desirable Koreans as above, care will be taken that the Korean population are informed that such use is temporary.

g. You will provide your forces with information concerning the customs of the Korean people and you will enforce such control over the association of your forces with the Koreans and Japanese as you deem necessary to avoid friction, misunderstanding and undesirable incidents. Your officers and troops should so treat the Korean population as to develop confidence in the United States and the United Nations and their representatives.

h. Representatives of civilian agencies of the U.S. Government or of other United Nations Governments shall not participate or function within Korea except upon your approval, and subject as to purpose, time and extent, to decisions communicated to you by the Joint Chiefs of Staff.

6. *Demilitarization.*

a. You will assure that all units of the Japanese armed forces in Korea, including the *Gendarmerie* (Kempei) (but not the civil police), civilian volunteer corps and para-military organizations, are promptly disarmed. Personnel of such units will not be treated as prisoners-of-war, but as disarmed units under their own officers being held for demobilization in accordance with directives issued or to be issued to you.

b. All elements of military and para-military organizations of Japanese origin found in Korea together with all associations which might serve to keep alive the military tradition of Japan in Korea will be permanently dissolved. You may, however, for a brief period of time, utilize military and naval agencies for the limited purpose of giving effect to the surrender.

c. In accordance with Section IV, SWNCC 58/5⁹⁶ (Annex to Appendix "B" to J.C.S. 1328 as amended by J.C.S. 1328/1), you will seize or destroy all arms, ammunition, naval vessels and implements of war, including military aircraft and aircraft designed for civil use, and stop the production thereof, except that naval combatant and auxiliary vessels and craft of all kinds, both surface and submarine, including those under repair, alteration or construction will not be destroyed or scrapped pending further instructions from the Joint Chiefs of Staff.

7. *Arrest and Internment.*

a. Any of the following found in Korea will be arrested and held as suspected war criminals pending further instructions concerning their disposition.

(1) All members of the Japanese Supreme Military Council, the Board of Field Marshals and Fleet Admirals, the Imperial General Headquarters, and the Army and Navy General Staffs;

(2) All commissioned officers of the *Gendarmerie* (Kempei) and all officers of the Japanese Army and Navy who have been important exponents of militant nationalism and aggression;

(3) All key members of Japanese ultra-nationalistic, terroristic, and secret patriotic societies; and

⁹⁶ Entitled "Disarmament, Demobilization and Disposition of Enemy Arms, Ammunition and Implements of War", not printed. SWNCC 58/5 was approved by the State-War-Navy Coordinating Committee on May 18, 1945.

(4) All persons who you have reason to believe are war criminals or whose names or descriptions are contained in lists of suspected war criminals which have been or may be furnished to you.

b. All persons, regardless of nationality, who have played an active and dominant governmental, economic, financial or other significant part in the formulation or execution of Japan's program of aggression and all high officials of the Political Association of Great Japan, the Imperial Rule Assistance Association, the Imperial Rule Assistance Political Society, and their agencies and affiliates or successor organizations will be interned pending further disposition. You may intern other civilians as necessary for the achievement of your mission.

c. You may, however, for a brief period of time utilize the closely supervised services of the Japanese arrested or interned as above who are absolutely required by you to expedite the demobilization of the Japanese armed forces.

d. You will receive further instructions concerning your responsibility with relation to war criminals, including those who have committed crimes against peace and crimes against humanity.⁹⁷

e. No differentiation shall be made or special consideration be accorded to civilian or military personnel arrested as war criminals either as to manner of arrest or conditions of detention, upon the basis of wealth of [or?] political, industrial, or other rank or position.

f. All nationals of countries except Japan with which any of the United Nations are or have been at war in World War II (Bulgaria, Finland, Germany, Hungary, Italy, Roumania and Thailand) will be identified and registered and may be interned or their activities curtailed as may be necessary under the circumstances. Diplomatic and consular officials of such countries will be taken into protective custody and held for further disposition.

g. Property, real and personal, owned or controlled by persons who have been detained or arrested under the provisions of paragraph 7 will be taken under your control pending directions as to its eventual disposition.

8. *Prisoners of War, United Nations Nationals, Neutrals, and Other Persons.*

a. You will insure that prisoners of war of the United Nations are cared for and repatriated.

b. Nationals of neutral countries will be required to register with the appropriate military authorities. They may be repatriated under such regulations as you may establish. However, all nationals of

⁹⁷ For documentation on the apprehension and punishment of war criminals, see pp. 898 ff.

neutral nations who have actively participated in any way in the war against one of the United Nations will be arrested for disposition in conformity with later instructions. Neutral nationals will be accorded no special privileges of communications or business relationships with their home countries or people resident outside Korea. The persons, archives and property of consular officials of neutrals will be accorded full protection.

c. All civilians who are nationals of the United Nations, resident or interned in Korea will be identified, examined closely, and, if you deem it advisable, may be placed in custody or restricted residence. All such nationals who fall within the provisions of paragraph 7 *b* above shall be arrested and held as suspected war criminals. All other United Nations nationals who have actively participated in any way in the war against one or more of the United Nations will be arrested and held for later disposition. Thereafter, they will be dealt with in accordance with instructions to be furnished you. In general, practical measures will be taken to insure the health and welfare of United Nations nationals and to facilitate their prompt repatriation if they so desire.

d. Within such limits as are imposed by the military situation, you should take all reasonable steps necessary to preserve and protect the property of the United Nations and their nationals.

e. Formosan-Chinese technically may be considered Japanese subjects and may, if necessary, be treated by you as enemy nationals. However, they are not included in the term "Japanese" as used in this directive. Insofar as military security permits, you will treat them as liberated people. Formosan-Chinese may be repatriated if they so desire under such regulations as you may establish. However, priority will be given to the repatriation of nationals of the United Nations.

*f.*⁹⁸ All Korean displaced persons, including those formerly resident in Korea north of 38° North Latitude, found outside Korea should be permitted to return to Korea. You will make necessary arrangements to carry out any agreements made on a governmental level by the United States and the U.S.S.R. for exchange of displaced persons within Korea.

⁹⁸ In SWNCC 176/12, approved on January 15, 1946, the State-War-Navy Coordinating Committee directed that paragraph 8*f* of SWNCC 176/8 be cancelled and that sections *f* through *l* be added. The revised form is printed here. No copy of paragraph 8*f* as originally adopted has been found in Department files. Paragraph 8*f* of SWNCC 176/3 reads as follows: "Civilian Japanese may be allowed to continue their normal activities consistent with the objectives of the military occupation. Steps will be taken to prevent disorders due to any anti-Japanese feeling of the Korean peoples. If necessary, you may segregate Japanese for their protection."

g. You should organize adequate reception facilities for Korean displaced persons to be repatriated from outside Korea or returned from Korea north of 38° North Latitude.

h. All Korean displaced persons formerly resident in Korea south of 38° North Latitude should be permitted to return to their homes.

i. The care and return to their homes or other disposition of internally displaced Koreans should be the responsibility of the local authorities subject to your supervision and control.

j. (1) All Japanese nationals whose place of origin was the main Japanese home islands should be repatriated to Japan with such exceptions as you may deem appropriate, such as those whose presence is temporarily required on grounds of professional or technical abilities.

(2) All repatriations of Japanese should be effected in an orderly and humane manner.

(3) You should determine the rate of repatriation from Korea on the basis of arrangements for reception to be made by the Japanese Government at your direction and subject to your approval.

(4) The movement of Japanese from Korea to Japan should be coordinated with repatriation of Koreans from Japan wherever practicable.

(5) You should take steps to protect the Japanese nationals awaiting transportation from disorders resulting from any anti-Japanese feeling on the part of the Korean people, and if necessary effect the segregation of the Japanese.

k. All expenses incurred by United States authorities in connection with displaced persons operations covered by this Directive shall be considered a part of occupation costs which may be included in the United States claims against Japan.

l. UNRRA and private relief agencies may be used at your discretion wherever available in the care and repatriation of United Nations nationals and those assimilated to them in treatment.

9. Political Activity.

a. The dissemination of Japanese militaristic, National Shintoistic and ultra-nationalistic Japanese ideology and propaganda in any form, especially that which urges continued Japanese control of Korea, will be prohibited and completely suppressed.

b. You will establish such minimum control and censorship of civilian communications including the mails, wireless, radio, telephone, telegraph and cables, films and press as may be necessary in the interests of military security and the accomplishment of the purposes set forth in this directive. Subject to such controls you will facilitate and encourage the distribution of news and information, both domestic and foreign through all channels and media. All available media of

public information will be utilized for the guidance of the Korean people in the attainment of the objectives set forth in paragraph 3 *a* through the dissemination of democratic ideals and principles.

c. You will immediately place under control all existing political parties, organizations and societies. Those whose activities are consistent with the requirements of the military occupation and its objectives should be encouraged. Those whose activities are inconsistent with such requirements and objectives should be abolished. Subject to the necessity of maintaining the security of the occupying forces, the formation and activities of democratic political parties with rights of assembly and public discussion will be encouraged.

d. Encouragement will be given to the development of democratic organizations in labor, industry and agriculture.

e. Freedom of religious worship shall be proclaimed promptly.

f. To the extent that the security of your military occupation and the attainment of its objectives are not prejudiced and, subject to subparagraphs *a*, *b* and *c* above, you will insure freedom of opinion, speech, press, and assembly.

~~*g.*~~ You will not extend official recognition to, nor utilize for political purposes, any self-styled Korean provisional government or similar political organizations, although you will permit the existence, organization and activity of such groups subject to the provisions of paragraph 9 *c* above. You will utilize the services of members of such organizations as individuals when desirable without commitment as to the organizations.

10. *Education, Arts and Archives.*

a. Educational institutions will be permitted to continue or to re-open as soon as possible. As rapidly as possible, all teachers who have been exponents of Japanese militant nationalism and aggression and those who continue actively to oppose the purposes of the military occupation will be removed and replaced by acceptable and qualified Korean successors. To the extent practicable in view of the limited period covered by this directive, you will assure that curricula acceptable to you are employed in all schools and that Japanese influences are eliminated therefrom.

b. You should cause to be preserved for information and use the records of all governmental and quasi-governmental, important Japanese or Japanese controlled, private, financial, industrial, manufacturing and business concerns, and the Japanese organizations referred to in paragraph 5 *e* above.

c. You will, so far as practicable, cause to be protected and preserved, all historical, cultural and religious objects, against depredations by the occupational forces, or others.

PART II

ECONOMIC AND CIVILIAN SUPPLY

A. ECONOMIC

11. *Objectives and Methods of Control.*

a. Such controls will be imposed with respect to Korean economic activities including essential public services, financial, banking, exports, imports, and production and distribution of essential commodities, as may be necessary for the following purposes:

- (1) To meet the needs of the occupying forces;
- (2) To maximize production of all normal surplus items of foods and of goods important to the Korean economy.
- (3) To eliminate all vestiges of Japanese control over Korean economic life;
- (4) To foster conditions that will separate Korea from economic dependence upon Japan.

b. Subject to your control, participation of Korea in world trade relations will be encouraged.

12. You will utilize local, regional, and national agencies of governmental administration after elimination of those whose functions and responsibilities are inconsistent with the purposes of the occupation and after the removal of all Japanese officials subject to exceptions permitted in Part I, paragraph 5 *f* above, for the execution of the economic measures required by your directive. At all times, however, and in all circumstances you are empowered yourself to take direct action where required to carry out your objectives.

13. *Reports and Surveys.*

a. You will institute or assure the maintenance of such statistical records and reports as may be necessary in the carrying out of your objectives or meeting the needs of your military government.

b. You will undertake appropriate surveys as may assist you to achieve the objectives of paragraph 14 *a* and 20 of this directive. Reports based on these surveys will specify condition and capacity of plant and equipment, and the extent of stocks of raw materials, finished goods and goods in process. You will communicate to this government through the Joint Chiefs of Staff the results of such surveys.

14. *Armament Production.*

Pending receipt of a further directive you will

a. Suspend the production, acquisition, development, maintenance or use of all arms, ammunitions and other implements of war, naval vessels, and all types of aircraft, including those designed for civilian use, and all parts, components, and materials especially designed for incorporation therein.

b. Seize and safeguard all facilities used or intended for use in the production of any items covered in this paragraph, pending receipt of further instructions.

c. Permit the production of items enumerated in this paragraph to the minimum extent necessary to met the requirements of the occupying forces.

15. In order to accomplish the objective specified in paragraph 11 a (2), you will encourage the conversion of facilities mentioned in paragraph 14 a, for the production of consumer goods.

16. *Agriculture, Industry and Internal Commerce.*

You will immediately establish liaison with the Commander in Chief of Soviet Forces in the Far East, in order to maintain to the maximum extent the normal flow of goods and the normal operation of transportation and communications between the United States and Russian-occupied zones of Korea.

17. You will use all means at your disposal to maximize the production of foodstuffs (including reactivation of the fishing industry), fuel and other essential goods and to continue or establish as rapidly as possible effective rationing and other machinery for the collection and distribution thereof. You will insure to the maximum possible extent the equitable distribution of goods and services throughout the area of your occupation.

18. You will accomplish emergency repair and construction for the restoration of transportation, communications services, and public utilities essential to meet the objectives and needs of the occupying forces.

19. You will exercise such controls as may be practicable to prevent or restrain inflation of a character or dimension which would endanger the accomplishment of the objectives of your occupation as outlined in paragraph 11 a. You will, in particular, maintain or establish controls of prices and wages and take the fiscal and financial and other measures appropriate to this end.

20. You will protect and maintain for such disposition as is determined by this and other directives, all plants, equipment, patents, books and records, and other significant property of large Japanese industrial and financial companies and trade and research associations, making report of action taken to the Joint Chiefs of Staff.

21. a. You will insure that all laboratories, research institutes, and similar technological organizations are closed immediately except those you deem necessary to the purposes of the occupation. You will provide for the maintenance and security of physical facilities thereof when deemed necessary, and for the detention of such personnel as are of interest to your technological or counter-intelligence

investigations. You will at once investigate the character of the study and research conducted in such closed organizations and as rapidly as possible permit the resumption of those forms of study and research that have an obviously peaceful purpose under appropriate regulations which (1) define the specific type of research permitted, (2) provide for frequent inspection, (3) require free disclosure to you of the results of the research, and (4) impose severe penalties, including permanent closure of the offending institution whenever the regulations are violated.

b. All facilities for research on atomic energy or related matters shall be seized and all persons engaged in such research taken into custody. Prompt report will be made to the Joint Chiefs of Staff with full information regarding the action taken and the results thereof. No research activities on atomic energy or related matters shall be permitted in Korea.

22. *Public Health.*

You will encourage the Koreans to develop as high a level of public health as is possible within means at their disposal. To this end you will furnish such technical advice and other assistance as is available consistent with the provisions of paragraph 25 *c* below.

23. *International Economic Transactions.*

Using the existing governmental machinery to the maximum extent consistent with paragraph 12 above, you will establish control over all Korean trade in goods and services with foreign countries and will take steps to insure that:

a. Persons, corporations and organizations in Korea will be permitted to acquire foreign assets only by our [*your*]⁹⁹ specific approval.

b. No firm in Korea will participate in international cartels or other restrictive international contracts or arrangements and all existing Korean participation in such cartels, contracts or arrangements will be promptly terminated.

24. *Restitution.*

You will take all steps practicable to require full and prompt restitution of all identifiable looted property.

B. CIVILIAN SUPPLY AND RELIEF

25. *Civilian Supply Policy and Standard of Provision.*

a. You will assure that all practicable economic and police measures are taken to achieve the maximum utilization of essential Korean resources in order to limit U.S. responsibility for imports into Korea. Such measures will include production and price controls, rationing,

⁹⁹ Change based on *Corrigendum* of November 29, 1945.

control of black markets, fiscal and financial controls and other measures directed toward full employment of resources, facilities and means available in Korea.

b. To the extent that goods may be available in areas occupied by you in quantities surplus to the needs of the whole of Korea, such surpluses will be made available in the first instance, to meet United States military requirements in Pacific Ocean and Asiatic areas.

c. You will initially be responsible for providing imported supplies only to supplement local resources and only to the extent that supplementation is needed to prevent such serious disease and widespread unrest as would endanger the occupying forces or interfere with military operations. Such imports will be confined to minimum quantities of food, fuel, medical and sanitary supplies and other essential items, including those which will enable local production of such supplies which you would otherwise have to import.

d. If importation of supplies for which you are responsible is necessary, you will utilize to the fullest extent possible surpluses from other areas. To the extent that such surpluses are available in areas under the jurisdiction of other United States commanders, arrangements may be made by you directly with such other commanders. To the extent that such surpluses are available in areas under the jurisdiction of governments other than the United States, or the military commanders of such governments, negotiations necessary to obtain such surpluses will be conducted by or with approval of local United States diplomatic representatives in the areas in question. In the event such diplomatic representatives are not available, you will report the situation, with your recommendations to the Joint Chiefs of Staff.

e. If you deem that, in order to prevent serious disease or widespread unrest or to attain the objectives of your occupation, you should assume responsibility for additional imports, you will submit your recommendations to the Joint Chiefs of Staff accompanied by statements of requirements.

26. Methods and Conditions of Distribution.

You will take all practicable steps to assure the fair and equitable distribution of supplies under uniform ration scales.

27. Imported supplies for the civilian population should, in so far as practicable and desirable and consistent with military expediency, be delivered to such Korean public supply agencies or other consignees as are acceptable to you and under your direct supervision or control. Whenever possible, such deliveries will be at ports of entry, but if necessary, deliveries may take place at appropriate inland centers of distribution.

28. You may make sales directly to wholesalers or other commercial dealers in the event that no satisfactory public supply agency exists or that operational or other reasons render distribution of civilian supplies through such an agency impracticable. In order to limit direct provision and distribution of supplies by you to the civilian population, you will involve the occupying forces in such responsibility to the minimum extent possible. Such direct sales by you as are necessary will be paid for by the purchaser in local currency at prices determined by you to be consistent with the internal economy.

29. Supplies delivered to supply agencies or other consignees will be sold by them through distribution channels and in accordance with distribution policies satisfactory to you and at prices determined by you to be consistent with the internal economy. When military necessity requires, civilian supplies may be made the subject of direct relief issue by you or by supply agencies under your supervision or control.

PART III

FINANCIAL

30. In the administration of financial matters, you will follow the principle that, to the maximum extent possible, without jeopardizing the successful execution of measures required to implement the objectives of the occupation, Korean personnel, authorities and agencies should be used, and if necessary, new Korean agencies should be established, subject to such supervision as is necessary to insure that they carry out their task. For this purpose appropriate authority should be given to Korean agencies and administrative services, subject to strict observance of the provisions of this directive regarding the removal and exclusion from positions of responsibility or influence of all Japanese, pro-Japanese Koreans and other pro-Japanese elements. You may establish administrative machinery not dependent upon the Korean authorities and agencies to the extent necessary to execute or assure the effective execution of the policies and programs in this directive.

31. *a.* You should, in cooperation with your military government administration in Japan, take steps necessary to sever all managerial and other organizational connections of banks, including postal banking offices, and all other financial institutions located in Korea with banks and business enterprises or persons located in Japan.

b. You should remove and exclude from positions of responsibility or influence in all public and private financial institutions, agencies or organizations all Japanese, pro-Japanese Koreans and other pro-Japanese elements and all persons who have actively participated in the organizations enumerated in paragraph 38 *b* (1) below. It may

be generally assumed in absence of evidence to the contrary that any persons who have held key positions in any such institutions, agencies, or organizations are pro-Japanese.

32. *a.* You will use in Korea supplemental military yen currency (Type "A") issued pursuant to military proclamation hereinafter referred to as supplemental yen (Type "A") and Bank of Chosen notes. Supplemental yen (Type "A") will be declared legal tender in Korea and will be circulated therein interchangeably at par without distinction with Bank of Chosen notes. Records will be kept of amounts of currencies used by your forces.

b. Supplemental military yen currency notes (Type "B") Bank of Japan notes, Bank of Taiwan notes and Japanese military yen issued for circulation in territories formerly occupied by Japan will not be legal tender in Korea. The importation of any type of currency into Korea, except for your use, should be prevented by border and other control measures. As soon as practicable, Bank of Japan and Bank of Taiwan notes should be exchanged for Bank of Chosen or supplemental yen (Type "A") on a one for one basis.

c. No Korean governmental or private bank or agency will be permitted to issue banknotes or currency without your authorization.

33. You will not announce, establish or permit the use or publication until receipt of further instructions, of any general rate of exchange between Bank of Chosen notes and supplemental yen (Type "A") on the one hand and the U.S. dollar and other currencies on the other. However, a rate of conversion to be used exclusively for pay of military and naval personnel and for military and naval accounting purposes, i.e., 15 Bank of Chosen and/or supplemental yen (Type "A") equal one U.S. dollar, has already been communicated to you.

34. *a.* A Financial Division should be established within your Military Government Administration which should include in its functions the control of supplemental yen to be used by your forces within the area including receipt, storage, issue, exchange, and shipment of such currency. It should maintain all the accounts and records necessary to indicate the supply, control, and movement of such currency, as well as financial data which may be useful in the determination of occupation costs and other expenditures arising out of operations or activities involving participation of your forces.

b. In so far as operations relate to the provision of supplemental yen for the pay and other cash requirements of military formations of your forces, the Financial Division should draw the necessary resources from its currency reserve and should record the debit against the U.S. forces concerned.

c. In so far as operations relate to the provision of supplemental yen for civil administration, the Financial Division should draw on

its currency reserve and should record the debit against your Military Government Administration.

35. *a.* You will designate the Bank of Chosen, to perform under your direction central banking functions. Simultaneously, all connections between the Bank of Chosen and institutions or persons in Japan should be severed in accordance with paragraph 31 *a* above. When satisfied that this bank is under adequate control, you may make credits available in legal tender currency of Korea, if necessary, to place such bank in a position to finance approved business either directly or through other banks or other financial institutions.

b. In an emergency you are also authorized to make direct advances, only in Korean legal tender currency, to other Korean financial and business institutions.

c. You may designate the head office of the Bank of Chosen under your direction, control and supervision as agent for the Financial Division of your Military Government Administration.

36. You will close and not allow to reopen banks and other financial institutions whose paramount purpose has been the financing of war production or the mobilization or control of financial resources in colonial or other Japanese-occupied territories for the benefit of Japan. These include such offices as may be found in Korea of the

- a.* Bank of Taiwan,
- b.* Southern Development Company,
- c.* Southern Development Bank,
- d.* Central Bank of Manchu,
- e.* Bank of Mongolia,
- f.* Federal Reserve Bank of China,
- g.* Central Reserve Bank of China,
- h.* War Time Finance Bank, and
- i.* National Financial Control Association and its member control associations.

You will take custody of all the books and records of these banks or institutions and you should take measures to ensure in so far as practicable the preservation of books and records of all public and private banks and other financial institutions.

37. You are authorized to take the following steps:

a. To prohibit, or regulate transfers or other dealings in private or public securities or real estate or other property;

b. To close banks, insurance companies and other financial institutions other than those indicated in paragraph 36 above, only where clearly necessary for the purpose of introducing satisfactory control, removing objectionable personnel and taking measures to effectuate the program for the blocking of certain accounts and transfers or the determination of accounts to be blocked. You should reopen any closed banks or financial institutions, except those indicated in para-

graph 36 above, as promptly as is consistent with the accomplishment of the foregoing purposes.

38. With the exception of non-Japanese who served in the armed forces of any of the United Nations or in any other direct way aided the United Nations' victory, you will prohibit

a. The payment of all military pensions, or other emoluments or benefits, except compensation for physical disability limiting the recipient's ability to work, at rates which are no higher than the lowest of those for comparable physical disability arising from non-military causes;

b. The payments of all public or private pensions or other emoluments or benefits granted or conferred

(1) by reason of membership in or services to the Political Association of Greater Japan, the Imperial Rule Assistance Association (Taisei Yokusankai), the Imperial Rule Assistance Political Society (Taisei Sojikai), their affiliates and agencies or any successor or similar organizations, and all Japanese nationalistic, terroristic and secret patriotic societies and their agencies and affiliates, or by reason of any other assistance rendered to Pan-Japanism or Japanese imperialism,

(2) to any person who has been removed or excluded from an office or position in accordance with paragraphs 30 and 31 above, and

(3) to any person arrested and detained in accordance with paragraph 7 of the political directive during the term of his arrest, or permanently, in the case of his subsequent conviction.

39. *a.* You will take such action as may be necessary to insure that all laws and practices promulgated by the Japanese authorities relating to taxation or other fields of finance, which discriminate for or against any persons because of race, nationality, creed or political opinion, will be amended, suspended or abrogated to the extent necessary to eliminate such discrimination. Consistent with the foregoing purposes, the Korean authorities should be required to take such action in the field of taxation as is necessary to assure an adequate inflow of revenues. Any public revenue in Korea collected by the Japanese Government prior to occupation may be used for approved public expenditures.

b. You should exercise general control and supervision over the expenditures of public funds to the extent necessary to achieve the purposes of the occupation and to insure that public expenditures are consistent with the objectives stated elsewhere in this directive.

c. You will promptly institute a survey for the purposes of ascertaining

- (1) the amount of the Japanese Government debt held in Korea,
- (2) the fiscal position of Korea.

40. You will impound or block all gold, silver, platinum, currencies, securities, accounts in financial institutions, credits, valuable papers, and all other assets falling within the following categories:

a. Property owned or controlled, directly or indirectly, in whole or in part, by any of the following:

(1) the governments, nationals, or residents of Germany, Italy, Bulgaria, Rumania and Hungary, including those of territories formerly occupied by them and by Japan;

(2) absentee owners, including United Nations and neutral governments;

(3) any institutions dedicated to public worship, charity, education, or the arts and sciences, which have been used by Pan-Japanese nationalistic, terroristic, or secret patriotic societies to further their interests or to cloak their activities; and

(4) any person subject to arrest under the provisions of paragraph 7 of the political directive and all other persons specified by military government by inclusion in lists or otherwise;

(5) all organizations, clubs or other associations prohibited or dissolved by Military Government.

b. Property which has been the subject of transfer under duress, or wrongful acts of confiscation, disposition or spoliation, whether pursuant to legislation or by procedure purporting to follow forms of law or otherwise; and

c. Works of art or cultural material of value or importance, regardless of the ownership thereof.

You will take such action as will insure that any impounded or blocked assets will be dealt with only as permitted under licenses or other instructions which you may issue. Property in Korea taken from non-Japanese under the conditions stated in *b* above should be restored as promptly as possible, subject to appropriate safeguards to prevent the cloaking of Japanese, pro-Japanese, or militaristic influence.

41. All foreign exchange transactions, including those arising out of exports and imports, shall be controlled for the purpose of achieving the objectives set forth in this directive. To effectuate such objectives you should

a. prohibit, except as authorized by regulation or license, all dealings in gold, silver, platinum, foreign exchange and all foreign exchange transactions of any kind;

b. make available any foreign exchange proceeds of exports for payment of imports necessary to the accomplishment of the objectives set forth in this directive and authorize no other outlay of foreign exchange assets without specific approval of your government through the Joint Chiefs of Staff;

c. establish effective controls with respect to all foreign exchange transactions, including:

(1) transactions as to property between persons inside Korea and persons outside Korea;

(2) transactions involving obligations owed by or to become due from any person in Korea to any person outside Korea; and

(3) transactions involving the importation into or exportation from Korea of any currency, foreign exchange assets or other form of property.

42. You should seek out and take title to all Japanese public and private property interests of any type and description located in Korea. You will provide full reports to your Government, through the Joint Chiefs of Staff, on such property interests which will be held for ultimate disposition in accordance with detailed instructions to be forwarded to you.

43. You will maintain such accounts and records as may be necessary to reflect the financial operations of your military occupation and you will provide the Joint Chiefs of Staff with such information as they may require, including financial data referred to in paragraphs 32 *a* and 34 above, for intergovernmental settlement and other necessary purposes.

895.01/10-1545 : Telegram

*The Acting Political Adviser in Japan (Atcheson) to the
Secretary of State*

TOKYO, October 15, 1945.

[Received October 17—5: 35 p. m.]

46. 1. Syngman Rhee reportedly visited Tokyo October 13 unaccompanied en route to Korea.

2. For some time I have delayed recommending that Dept seriously consider whether situation in Korea is not such that we should commence to use some progressive, popular and respected leader, or small group, to act as a nucleus of an organization which in cooperation with and under the direction of our military government could develop into an executive and administrative governmental agency. Such nuclear organization would not need to be called "The Korean Provisional Government", but might be given some title as "National Korean Peoples Executive Committee", and the Advisory Council which General Hodge has set up could either act as advisers to such committee or, if circumstances should so dictate, might in due course be integrated into the Committee. From what has been reported as to the respect with which Syngman Rhee is held by the Korean people in our zone, such

committee might at least in initial stage be formed around him, Kim Koo and Kim Kiu [*Kimm Kiusic*].

3. I believe the time has come when positive American action, in the political field in Korea, should be taken. I realize that to give open official approval or support to any one leader, group or combination, is contrary to past American thinking. But situation in Korea fully warrants such a step and there is reason to believe that unless positive action is taken to give the Koreans a start in governmental participation and organization, our difficulties will increase rather than diminish, and the Communistic group set up and encouraged by the Soviets in northern Korea will manage to extend its influence into southern Korea with results which can readily be envisaged. If there should develop widespread economic distress in our zone in Korea, the Russians will have a fertile field to work in.

4. General Hodge asked to see me October 13 and after talking with him I do not think he would be opposed to this point of view. As regards any question of democratic principles which might be involved in our lending support to one particular Korean group, the suggested Committee could be set up as adjunct to our military Govt under public announcement that after fair trial of its efficacy and usefulness, the Korean people would be given opportunity to pass judgment on it in the same manner that all agencies of government are subject to the people's approval in democratic countries.¹

ATCHESON

740.00119 Control (Korea)/10-1645: Telegram

The Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, October 16, 1945—10 a. m.

1676. The following quotation is being released to the press by the Department and will be published October 16:

"Military Government exercised in the American zone of control south of the 38° parallel in Korea under American armed forces has initiated a policy of seeking advice on local matters from representative Koreans in their individual capacities.

In line with this policy, the opportunity to return from abroad is now open to Koreans who are interested in rendering service to their countrymen. Applications for exit permits are being received by the Visa Division of the Department of State. Approval for travel to

¹ In telegram 47, October 22, 5 p. m., to the Acting Political Adviser in Japan, the Department stated: "Contents of your 46 October 15 will be carefully considered with Benninghoff and Department's views forwarded as soon after his arrival as possible." (895.01/10-1545) No further reply to telegram 46 found in Department files.

and entry into that portion of Korea now under occupation by American armed forces are matters which are taken up by the Visa Division with the War Department in the course of applications for exit permits. The first applicant has received his permit and is now on his way to Korea.

Return to the area of Korea under American occupation of Koreans who have been resident in China is also recognized as desirable, and transportation for such individuals is subject to arrangements being made in accordance with facilities operated under U.S. Army direction in China.

CinCAFPac² has recommended that Kim Koo and Kim Kyu Sic be permitted to return to Korea south of 38° parallel in their individual capacities. They should be informed that they will be expected to work with the U.S. Military Government in such matters as sitting on Advisory Board on same terms as present council members. War Department has approved recommendation.

War Department suggests that should there be other Koreans resident in China who might be considered useful to USAFIK, their names should be checked through CinCAFPac before transportation is provided."

BYRNES

740.00119 Control (Korea)/10-2245

Report by the State-War-Navy Coordinating Subcommittee for the Far East

SWNCC 79/1³

THE PROBLEM

1. To determine the policy of this Government regarding the structure and composition of a civil affairs administration in Korea prior to the establishment of an international trusteeship for Korea.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. See Appendix "B".

² Commander in Chief, United States Army Forces, Pacific.

³ As amended by SWNCC 79/2, October 20, at the request of the Joint Chiefs of Staff. The report was approved by the State-War-Navy Coordinating Committee on October 22 and a copy transmitted the same day to the Secretary of State with a recommendation "that the report not be communicated to our Allies nor released to the press". (740.00119 Control (Korea)/10-2245)

CONCLUSIONS

4. The present zonal military occupation of Korea by United States and Soviet Forces should be superseded at the earliest possible date by a trusteeship for Korea, as described in SWNCC 101/1.⁴

5. Negotiations for a trusteeship should be initiated at once.

6. Pending the completion of such negotiations, immediate measures should be taken by the United States and the Soviet Governments to abolish the artificially established line between the two military forces and to centralize military occupation in order to lay the ground-work for a trusteeship. In addition to and supplementing these governmental measures, efforts should be made by the Commanding General of United States forces in Korea to attain the maximum possible co-ordination with the Soviet Commander through liaison on a military level. In organizing the administration of southern Korea under the directive previously issued to him, the commanding general should be advised of the desirability of arranging its structure so as to make it capable of being extended to the whole of Korea in agreement with the Russians.

RECOMMENDATIONS

7. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff for comment from the military point of view; and

b. Upon approval by the SWNCC of the "Conclusions" in paragraphs 4, 5 and 6 above:

(1) the report be transmitted to the Joint Chiefs of Staff and to the State, War and Navy Departments for their guidance and, where appropriate, for implementation; and

(2) the report not be communicated to our Allies nor released to the press.

[Enclosure 1]

APPENDIX "A"

FACTS BEARING ON THE PROBLEM

1. General Order No. 1 (SWNCC 21/8), issued by the Supreme Commander for the Allied Powers, states:

"The senior Japanese commanders and all ground, sea, air and auxiliary forces within Manchuria, Korea north of 38° north latitude and Karafuto shall surrender to the Commander-in-Chief of Soviet Forces in the Far East."

⁴ Entitled *A Temporary International Authority in Korea*, dated September 11, 1945. With revisions, it was approved by SWNCC 101/4, p. 1096.

"The Imperial General Headquarters, its senior commanders, and all ground, sea, air and auxiliary forces in the main islands of Japan, minor islands adjacent thereto, Korea south of 38° north latitude, and the Philippines shall surrender to the Commander-in-Chief, U.S. Army Forces in the Pacific."

2. The Cairo Declaration states in part :

"The aforesaid three great powers, (United States, United Kingdom, China) mindful of the enslavement of the people of Korea, are determined that in due course Korea shall become free and independent."

3. The Soviet Union in its declaration of war on Japan on 9 August 1945 states that :

"Loyal to its Allied duty, the Soviet Government has accepted the proposal of the Allies and has joined in the declaration of the Allied Powers of July 26." (Potsdam Declaration).⁵

With reference to the Cairo Declaration, the Potsdam Declaration states :

"(8) The terms of the Cairo Declaration shall be carried out"

4. In May, 1945, Generalissimo Stalin in conversation with Mr. Hopkins agreed to a four-power trusteeship. In June, 1945, it is understood that Dr. Soong, upon being informed by the President of our plan for a four-power trusteeship, gave his agreement. In September, 1945, an officer of the Department of State informed the British Embassy orally of our plans for a four-power trusteeship. No indication of the British Government's attitude in this matter is on record.

[Enclosure 2]

APPENDIX "B"

DISCUSSION

1. SWNCC 101/1 recommends that an international trusteeship for Korea should be established as soon as practicable.

2. The existing division of Korea into two zones north and south of 38 degrees north latitude under control respectively of the Soviet Union and the United States, is the result of a decision reached between the United States and Soviet Chiefs of Staff in regard to operational zones of their respective forces. This division was adopted as an emergency measure for the limited purposes of receiving

⁵ Issued on July 26, 1945, by the Heads of Government of the United States, the United Kingdom, and China; for text, see *Foreign Relations, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1474.*

Japanese surrenders and of disarming and demobilizing enemy forces. Its continuance would severely handicap the establishment of an effective centralized trusteeship having as its objective an independent Korea based on the freely-expressed will of the Korean people.

3. In order to terminate the present division of Korea into two zones and to facilitate the inauguration of a centralized trusteeship for Korea, negotiations for such a trusteeship should be pressed at once. In the event of the unwillingness of any of the powers to participate in such agreement, the agreement should be concluded among the remaining interested powers. Immediate measures should be taken by the United States and the Soviet Union to abolish the artificially-established line between the two forces and to centralize military occupation in order to lay the groundwork for a trusteeship. Such measures should be accomplished so far as possible by liaison on a military level and should also be directly related to the negotiations for a trusteeship. In organizing the administration of southern Korea under the directive previously issued to him, the commanding general should seek so to arrange its structure as to make it capable of having its authority extended to the whole of Korea in agreement with the Russians.

740.00119 Control (Korea)/10-2445

*Report by the State-War-Navy Coordinating Subcommittee for the Far East*⁶

SWNCC 101/4

THE PROBLEM

1. To determine whether there should be an international trusteeship for Korea pending full Korean independence and, if so, the form of such trusteeship and the policies to be followed in connection therewith.

2. To determine the functions and relationships of such a trusteeship with military government in Korea and with the United Nations Organization.

FACTS BEARING ON THE PROBLEM

3. See Appendix "A".

DISCUSSION

4. See Appendix "B".

⁶ Agreed to by the Joint Chiefs of Staff; approved by the State-War-Navy Coordinating Committee on October 24.

CONCLUSIONS

5. Following the termination of Japanese sovereignty and of military government, Korea should be established, in accordance with the provisions of the Charter of the United Nations relating to an International Trusteeship System, as a trust territory, no part of this territory should be designated as a strategic area.

6. The United States, the United Kingdom, the Soviet Union and the Republic of China are the nations which should be regarded as "the states directly concerned" with Korea within the meaning of Article 79 of the Charter of the United Nations. As soon as practicable, these four powers should enter into a trusteeship agreement containing the terms under which Korea will be administered and designating themselves jointly as the "administrative authority" in accordance with Article 79, 81 and other appropriate articles of the Charter of the United Nations.

7. Appendix "C" should be approved as a statement of United States policy with respect to an international trusteeship for Korea.

RECOMMENDATIONS

8. It is recommended that:

a. This report be forwarded to the Joint Chiefs of Staff for comment from the military point of view; and

b. Upon approval by the SWNCC of the "Conclusions" in paragraphs 5 and 6 above and of the policy statement contained at Appendix "C";

(1) The report be transmitted to the Joint Chiefs of Staff and to the War and Navy Departments for their information, and to the Department of State for its guidance and appropriate implementation.

(2) A statement substantially the same as that shown at Appendix "D" be released to the press when considered appropriate by the Department of State.

[Enclosure 1]

APPENDIX "A"

FACTS BEARING ON THE PROBLEM

1. The Cairo Declaration states:

"The three great Allies are fighting this war to restrain and punish the aggression of Japan.

"They covet no gain for themselves and have no thought of territorial expansion.

.

"The aforesaid three great powers, mindful of the enslavement of the people of Korea, are determined that in due course Korea shall become free and independent."

2. The Soviet Union in its declaration of war on Japan on 9 August 1945 stated that:

"Loyal to its Allied duty, the Soviet Government has accepted the proposal of the Allies and has joined in the declaration of the Allied powers of July 26."

With reference to the Cairo Declaration, the Potsdam Declaration of 26 July 1945, issued by the heads of the Governments of the United States, the United Kingdom, and China stated that:

(8) The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.

3. President Roosevelt proposed to Generalissimo Stalin at Yalta that an international trusteeship should be established for Korea, to be administered by the United States, the Soviet Union, the United Kingdom and the Republic of China. On 28 May 1945, Generalissimo Stalin agreed to this proposal in his conversation with Mr. Hopkins.

4. The Charter of the United Nations provides for an International Trusteeship System in Articles 75, 76, 77, 78, 79, 81, 84, 85, and 87. (See Annex "A" ⁷ to Appendix "A").

[Enclosure 2]

APPENDIX "B"

DISCUSSION

1. The United States, the United Kingdom and the Republic of China have stated in the Cairo Declaration that they "are determined that in due course Korea shall become free and independent". The Soviet Union indicated its support of the Cairo Declaration when it declared war on Japan.

2. No time has been set as to when Korea should become independent, but this should, of course, be accomplished as quickly as possible after liberation. The question arises as to whether or not military government in Korea should be extended beyond the period necessary to disarm the Japanese to continue until Korea becomes free and independent. Considerations which militate against such an extension are (a) that military government is not specifically designed to cope with the difficult and complex problems that will inevitably arise in trans-

⁷ Not printed.

forming a former colonial territory such as Korea into an independent state, and (b) that the American people will probably not desire an extended military occupation of Korea beyond the time designated by military necessity. It would therefore seem advisable to terminate military occupation as early as practicable.

3. The United States, by its acceptance of the Charter of the United Nations, favors an international trusteeship system for certain types of territories such as Korea. Both the internal and external factors connected with the liberation of Korea and the establishment of Korean independence are so complex that some form of international trusteeship would seem necessary following military government. It is the policy of the United States, as indicated by the plan suggested by President Roosevelt to Generalissimo Stalin at Yalta, that an international trusteeship should be established for Korea and that such a trusteeship should be administered by the United States, the Soviet Union, the United Kingdom and the Republic of China. This plan was later agreed to by Generalissimo Stalin in his conversations with Mr. Hopkins on 28 May 1945.

4. It remains to be determined, therefore, whether or not all of the four states concerned agree to such a proposal and whether such a four-power trusteeship should be independent of the United Nations Organization or part of it. The strategic position of Korea between China, the Soviet Union and Japan, and the instability of the Korean Government prior to its annexation by Japan made it the scene of rivalry between China and Japan and later between Japan and Russia. Unless prompt agreement is reached among the four major Allies on the form of trusteeship for Korea, rivalry for the control of Korea may again develop.

5. Korea is a territory to which the proposed International Trusteeship System, as provided for in the Charter of the United Nations, is applicable. It is a territory detached from an enemy state as a result of this war and one in which a progressive development toward independence should be promoted. Korea is not one of the United Nations.

6. There would be several advantages to the Koreans in placing Korea under the International Trusteeship System as a trust territory, no part of which is designated as strategic:

a. The Charter provided that the terms of the trusteeship for all areas not designated as strategic shall be approved by the General Assembly. Hence, any trusteeship agreement for Korea made by the powers concerned would be subject to the approval of all the United Nations, thereby increasing the responsibility of all the powers for carrying out the agreement.

b. The Charter further provides that the administering authority shall make an annual report to the General Assembly on the political, economic, social and educational advancement of the inhabitants of the trust area. Consequently, the Korean people would have the benefit of the influence the General Assembly and the Trusteeship Council will be able to exert upon the administering authority.

c. The Charter also stipulates that the Trusteeship Council may accept petitions from any trust area, so that the Korean people would have adequate opportunity to express their criticisms of the administering authority.

d. Furthermore, the General Assembly and the Trusteeship Council may provide for periodic visits to the respective trust territories.

7. The principal advantage to the administering powers lies in achieving stability through joint action in Korea as an alternative to rivalry among the great powers in an area of special danger. Furthermore, the difficulties inherent in the establishment of an international supervisory authority for Korea independent of the Trusteeship System of the United Nations would be avoided, and the duplication that would result from the formation of international machinery charged with the responsibilities similar to those of an organ of the United Nations would be eliminated.

8. The administering authority in Korea should, in accord with Article 84 of the Charter, recruit police forces from the territory for local defense and the maintenance of law and order.

9. It is probable, however, that foreign military forces will be necessary in Korea, especially during the early period of trusteeship before sufficient local forces have been organized. The four administering powers should arrange for such forces.

10. The success of the temporary administration of Korea under the trusteeship would also depend on whether or not the terms of the trusteeship agreement were acceptable to the Koreans. Many of the possible objections of the Koreans to a trusteeship system could be met, and the pledge in the Cairo Declaration that Korea shall become free and independent in due course, could be implemented most effectively by the inclusion in the trusteeship agreement for Korea of provisions substantially as follows:

a. The independence of Korea is recognized subject to the condition that the exercise of the powers of independent government are suspended during the period of trusteeship.

b. The states directly concerned, parties to the agreement, pledge themselves actively to support in the Security Council and in the General Assembly the admission of Korea to full membership in the United Nations as soon as conditions indicate that Korea can accept the responsibilities of independence.

c. The primary purpose of the administering authority for Korea will be to make it possible for the Koreans to undertake the responsibilities of independence and for Korea to become a member of the United Nations at an early date. The Trustee Powers will make every effort to bring about as early as possible the necessary internal conditions in Korea and international arrangements assuring Korea's security to justify the termination of the trusteeship administration and Korea's admission to the United Nations.

d. To these ends the administering authority will:

- (1) Utilize Korean personnel to the fullest possible extent;
- (2) Provide necessary facilities to train the Koreans to assume the responsibilities of an independent state;
- (3) Provide necessary facilities by which the Koreans can determine the form of government under which they will live and to which the administering authority can transfer its powers and responsibilities in such a way as to disturb least the security of the region. Such facilities might include the establishment of a Korean representative assembly and, when the appropriate time arrives, the formulation of a constitutional assembly for the formulation of a national constitution in accordance with the freely expressed will of the people.

e. Exercise such executive, legislative and judicial authority as is necessary for the efficient administration of Korea until a free and independent Korean government is established.

[Enclosure 3]

APPENDIX "C"

UNITED STATES POLICY WITH RESPECT TO AN INTERNATIONAL TRUSTEESHIP FOR KOREA

1. The primary purpose of the administering authority for Korea should be to make it possible for the Koreans to accept the responsibilities of independence and for Korea ultimately to become a member of the United Nations. The independence of Korea should be recognized in the trusteeship agreement subject to the condition that the exercise of the powers of independent government will be suspended during the period of trusteeship. The administering authority should make every effort to bring about as early as possible the necessary internal conditions in Korea and international arrangements assuring Korea's security, to justify the termination of the trusteeship administration and Korea's admission as a responsible member of the United Nations.

2. Following the termination of Japanese sovereignty and of military government, Korea should be established, in accordance with the provisions of the Charter of the United Nations relating to an

International Trusteeship System, as a trust territory, no part of this territory should be designated as a strategic area.

3. There would be several advantages to the Koreans in placing Korea under the International Trusteeship System as a trust territory, no part of which is designated as strategic:

a. The Charter provided that the terms of the trusteeship for all areas not designated as strategic shall be approved by the General Assembly. Hence, any trusteeship agreement for Korea made by the powers concerned would be subject to the approval of all the United Nations, thereby increasing the responsibility of all the powers for carrying out the agreement.

b. The Charter further provides that the administering authority shall make an annual report to the General Assembly on the political, economic, social and educational advancement of the inhabitants of the trust area. Consequently, the Korean people would have the benefit of the influence the General Assembly and the Trusteeship Council will be able to exert upon the administering authority.

c. The Charter also stipulates that the Trusteeship Council may accept petitions from any trust area, so that the Korean people would have adequate opportunity to express their criticisms of the administering authority.

d. Furthermore, the General Assembly and the Trusteeship Council may provide for periodic visits to the respective trust territories.

4. Military government in Korea should terminate as soon as practicable in accord with a joint agreement by the trustee powers, and should be superseded by the administering authority for Korea. The administering authority itself should be terminated, consistent with the trusteeship agreement, when Korea is capable of assuming the responsibilities of independence.

5. The administering authority for Korea should exercise such executive, legislative, and judicial powers as are necessary. It should make arrangements to maintain in Korea forces adequate for the maintenance of law, order and security.

6. The trusteeship agreement for Korea should include, in addition to the provisions necessary to implement the policies listed above, the following stipulations:

a. Korea shall be administered as a single political and economic unit by a central administering authority, which shall be responsible for the promulgation and implementation of political, economic and financial policy throughout the country.

b. Korean personnel to be used to the fullest possible extent in the administration of Korean affairs, and their responsibility to be progressively increased.

c. As far as possible, Koreans returning from outside Korea not to be appointed or retained in official positions by the administering authority if these persons are clearly unacceptable to the Korean people.

d. Adequate facilities to be provided to train the Koreans to assume the responsibilities of an independent state.

e. Adequate facilities to be provided by which the Koreans can determine the form of government under which they will live, these facilities to include a Korean representative assembly to advise the administering authority and, when the appropriate time arrives, a constitutional assembly for the formulation of a national constitution in accordance with the freely expressed wishes of the people.

f. Provisions to be made for the termination of the trusteeship and for the transfer to a Korean government of the rights and responsibilities of the administering authority.

[Enclosure 4]

APPENDIX "D"

STATEMENT FOR THE PRESS

"As indicated by the Cairo Declaration, it is the policy of the United States that Korea in due course shall become free and independent. In order to assist the Korean people in the development of a responsible democratic government that will enable Korea to assume its proper position as a member of the United Nations as quickly as possible, a trusteeship for Korea should be established as soon as adequate agreement can be concluded. Furthermore, since the United States has subscribed to the principles of the United Nations Organization and has ratified the Charter, the Government of the United States believes that such trusteeship for Korea should be brought within the framework of the United Nations Organization. The United States has invited China, the Union of Soviet Socialist Republics, and the United Kingdom to enter into a joint agreement for such trusteeship."⁸

740.00119 FEAC/10-2445

The Acting Chairman of the Korean Commission (Limb) to the Secretary of State

WASHINGTON, October 24, 1945.

MY DEAR MR. SECRETARY: I have the honor to submit to you a request that the interests of the Korean people be represented by a

⁸ A copy of SWNCC 101/4 was transmitted to the Acting Political Adviser in Japan as an enclosure to instruction 9, November 1, with the statement: "For the time being the Department does not expect to issue a statement to the press such as that quoted in Appendix D." (740.00119 Control (Korea)/10-2445)

Korean national at the forthcoming Conference of the Far Eastern Advisory Commission⁹ scheduled to begin October 30, 1945.

Such representation is of paramount importance not only for the welfare of the thirty million people of Korea but also for a more satisfactory adjustment of the problems of the Far East in which Korea plays an important role.

This request is prompted by a desire to cooperate with the Commission and to insure the fulfillment of Allied promises to the Korean people for complete freedom and independence.

With my highest esteem,

Very respectfully,

BEN C. LIMB

740.00119 Control (Korea)/10-2545 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 25, 1945—3 p. m.

59. News items appearing under by-line of Richard J. [H.] Johnston in *New York Times*, date line Seoul, October 17, mentions Syngman Rhee¹⁰ as guest of General Hodge. Same item states Rhee was "outspoken in his hostility of Soviet policy".

Editorial, *New York Times*, October 20, mentions public utterances apparently made by Syngman Rhee since his arrival in Korea regarding division of country by 38 degree parallel and supported his views.

Department understood from Rhee before his departure that his primary objective was to bring together Koreans in cooperation with military government. Unguarded references to international questions made locally are likely to complicate negotiations shortly to be undertaken with Soviets for exchange of goods and services in Korea. (Cm-out 75018,¹¹ 902). Rhee's attention might be drawn to this and his commitments, Dept's 1569, September 27.

Repeat to Polad,¹² Korea.

BYRNES

⁹ For documentation on this subject, see pp. 710-897, *passim*.

¹⁰ Mr. Johnston's article stated Mr. Rhee arrived at Seoul on October 16.

¹¹ Not printed; this message from General Marshall to General MacArthur stated that "it is proposed to open immediate negotiations on diplomatic level with Russians to nullify so far as practicable objectionable economic and governmental features occasioned by 38 degree parallel" and requested figures on import requirements of southern Korea and its surplus resources available for exchange for products of northern Korea (740.00119 Control (Korea)/10-1045).

¹² Office of the Political Adviser.

702.0095/10-2645 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, October 26, 1945—11 p. m.

61. Depts advice to War concerning status of foreign consuls in southern Korea contained in Warx 77671¹³ which you have doubtless received means that such consuls no longer have right to act in their official capacity as consuls in relations with Govts other than their own. They may be placed under such restrictions as military authorities deem essential to success of occupation. So far as consonant with this overall policy consuls should be treated with consideration due to their former position regard being given to probable influence of treatment of foreign consuls by American authorities upon treatment of American consuls in areas subject to jurisdiction or control of certain other Govts. There would be no objection to permitting consuls to continue to exercise functions under the laws of their own country concerning persons of their own nationality, such as registration of births and deaths. Repeat to Polad USAFIK.

BYRNES

740.00119 FEAC/10-2445

*The Secretary of State to the Acting Chairman of the Korean
Commission (Limb)*

WASHINGTON, November 1, 1945.

MY DEAR MR. LIMB: Receipt is acknowledged of your letter dated October 24, 1945 in which you suggest that the interests of the Korean people should be represented by a Korean national at the forthcoming conference of the Far Eastern Advisory Commission.

The statement that this suggestion is prompted by a desire to cooperate with the Commission is appreciated.

Sincerely yours,

For the Secretary of State:
WILLIAM T. TURNER
Chief, Division of Japanese Affairs

¹³ Copy not found in Department files.

740.00119 Control (Korea)/11-245 : Telegram

*Lieutenant General John R. Hodge to General of the Army
Douglas MacArthur, at Tokyo*

[SEOUL,] 2 November, 1945.

Tfgecg 138. Communistic activities are reaching point where they may gain control unless positive action is taken. Am sure most radical elements are Russian instigated but cannot get positive proof.

Activities are hampering efforts to establish sound Korean economic system and a foundation upon which there can be established an independent government. Communist propaganda is so insidious and well handled as to have influenced materially American press at times in criticism of US efforts in southern Korea. When it becomes necessary to take drastic action, it may be expected it will be followed by a flood of wails both by Korean and Russian Communists and by American press against discrimination, suppression of "civil liberties" etc.

My observation leads me to believe that Koreans basically do not favor or want Communism and that the great majority are actually nationalists. The entire activity has the smell of being agitated by a well trained group of outside experts. Am doing all I can to avoid a real crack down but may be forced to such action.

New subject: Information revealed here strengthens belief that Soviets are forming a Korean army north of 38 degrees arming with Japanese weapons.

[HODGE]

740.00119 Control (Korea)/11-345 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*¹⁴

WASHINGTON, November 3, 1945—6 p. m.

2278. Commanding General, U.S. Forces in Korea (Hodge), has reported that, while he has been accorded full authority to negotiate with Soviet forces on a local, military level regarding problems arising from establishment of two zones in Korea, he has found the Soviet Commander unauthorized to negotiate on such problems. Consequently, the 38 degree parallel has become in reality a closed border with result that Korean national life has been greatly disrupted. Unless agreement is reached in near future on many vital issues, execution of commitments of this Government and U.S.S.R. that all Korea shall be independent in due course will be seriously jeopardized.

¹⁴ Repeated as No. 82 to the Acting Political Adviser in Japan for repetition as No. 2 to the Acting Political Adviser in Korea.

Hodge has asked through MacArthur that negotiations be started immediately with Soviet Gov to bring about agreement on points enumerated under (1) to (6) immediately below. This Government believes that, even prior to discussion of a trusteeship arrangement, all possible steps should be taken to abolish restrictions on Korean life resulting from division of Korea into separate zones and to permit normal development of country and preservation of its political, social and economic unity.

Consequently, you are instructed to approach Soviet government with a view to obtaining its agreement in principle to following:

- (1) assurances of adequate, regular delivery to American zone from Soviet zone of coal and electric power;
- (2) resumption of railroad traffic and other means of communication between two areas;
- (3) adoption of uniform fiscal policies throughout Korea;
- (4) resumption of coast-wise shipping;
- (5) orderly settlement of displaced persons including repatriation of Japanese to Japan;
- (6) resumption of normal trade in minimum commodities needed in both areas.

Hodge has been authorized to settle details covering above points, but has informed us that in recent interchanges with Soviet Commander no agreements could be reached as result of professed lack of authority on part of Soviet Commander to act. Hodge has submitted following specific requirements which it is considered Soviets should be pressed to agree to under general terms outlined from (1) through (6) above.

- (1) delivery of minimum of 240,000 tons of coal per quarter to Southern area;
- (2) assurances of continued production and delivery to Southern area of electric power;
- (3) resumption of railroad traffic across 38 degree boundary and provision for interchange of rolling stock, maintenance and repair of equipment, crew and engine changing and checking stations;
- (4) adoption of uniform fiscal policies in respect to methods of handling financial institutions; restrictions and rates of foreign exchange, inter-area deposit transfers and trading in credits, exchange and commodities; standard currency for entire country;
- (5) adjustment of present 38 degree line to conform to administrative local sub-divisions, permitting reestablishment of normal governmental activities in rural areas. (All of Kyonggi-do should be in U.S. zone and all Hwanghae-do should be in Soviet zone. In addition, if Soviets will not relinquish Northern Kangwon-do, line should follow by local agreement, established political sub-divisions nearest 38th parallel.);
- (6) provision for uninterrupted exchange of telephone, telegraph and postal services with mutual acceptance of postage and reciprocal collections and apportionment of fees;

(7) resumption of coast-wise shipping, which will necessitate agreement on port control, navigation, and other regulations;

(8) assurances that such Japanese as are to be repatriated in Soviet zone will be sent direct to Japan without transit through U.S. zone;

(9) permission for free movement of Korean refugees and displaced persons, and those engaged in normal business activities;

(10) delivery of following commodities urgently needed in U.S. zone for first quarter 1946:

Soy beans 1,076,946 bushels, wheat 1,310,206 bushels, barley 19,852 bushels, metric tons as follows of salt 37,500, steel 1,050, pig iron 1,400, aluminum 80, ferro molybdenum 15, ferro tungsten 60, special fertilizer 4,500, super phosphate 2,980, ammonium sulphate 200,000, calcium cyanide 3,000, apatite ore 37,000, pyrite ore 25,000, borax 50, copper sulphate 300, caustic soda 1,250, liquid chlorine 250, nitrate acid 625, hydrochloric acid 500, ammonia 5,500, sulphuric acid 8,500, rails 75 lb. weight 300, railroad coupling parts 50, coal tar 3,000.

Foregoing are to be considered as maximum estimated requirements which it is hoped will be obtained through your negotiations. They are set forth in detail for bargaining purposes. It is considered essential however that we receive Soviet minimum concurrence on items (1) through (4) in addition to salt and liquid chlorine listed in paragraph (10).

Should agreement be reached on any or all of the above points, assurances should be received that instructions will be issued Soviet Commander in Korea empowering him to act under terms of agreement. Provision should also be included in his instructions directing him to implement details of delivery by mutual agreement with Hodge on the spot.

On his part, Hodge is prepared to carry out reciprocal arrangements for a basic unification of Korea by making available to Soviet zone substantial amounts of commodities from South. For your information and possible use in negotiations, Hodge has estimated following items and amounts for first quarter 1946 may be available;

4 to 5,000,000 bushels of rice, metric tons as follows of molybdenum concentrates 80% 125, amorphous graphite mineral 3,750, asbestos mineral 500, zinc metallic 750, lead metallic 375, copper metallic 375, fluorite mineral 5,000, manganese ore 50% 2,550. Manufactures such as mining machinery and other capital goods normally produced in South will be available to North depending on supplies of raw materials such as coal and metals listed in (10) above.

Figures in this telegram are based on information available in U.S. zone and, except for coal and electricity needs, should be considered as tentative estimates of requirements and of supplies available.

For your information and background in approaching Soviet Gov, reference is made to copies of directives issued Hodge which have

been forwarded to Military Mission in Moscow. As you are aware, this gov favors termination of military government Korea as soon as possible and establishment of an international trusteeship pending complete independence. U.S.S.R. has agreed to future Korean independence by adherence to Potsdam Declaration. Stalin has also stated on several occasions that U.S.S.R. favored an international trusteeship for Korea with U.S., U.S.S.R., China and Great Britain as trustees. Dept assumes that such a trusteeship will be within framework of UNO.¹⁵ Dept is now in process of drafting an agreement for such a trusteeship. Latest draft is being sent you by airgram for your information. It is anticipated that separate negotiations will be undertaken soon with interested govts on trusteeship arrangements, and you will receive later instructions on this matter.

In view of immediate importance of problems facing occupation authorities in Korea it is felt negotiations on these matters should be undertaken immediately with Soviet govt prior to negotiations on trusteeship. You will have noted that present untenable situation in Korea resulting from division of country and occupation by two forces without liaison is creating growing unfavorable press and public comments here.

It may be useful to you in these negotiations to know that a Soviet Consul General and a considerable staff under him have been permitted by our Military authorities to continue to function in U.S. zone. You may in your discretion point this out to Soviets either in these negotiations or in connection with request that Clubb be permitted to proceed to Manchuria. (ReDeptel 2252, Oct 31).¹⁶

Should you deem it advisable, Benninghoff, FSO, Political Adviser attached to Hodge and now in Washington for consultation, could be temporarily detailed to Moscow to assist you in negotiations before his return to Korea.

Although these Korean matters are urgent Dept leaves to your discretion time and manner of presenting them to Soviets in order not to complicate prompt action on proposals you have already presented regarding Allied organizations for Japan.¹⁷

BYRNES

¹⁵ United Nations Organization.

¹⁶ Not printed.

¹⁷ See telegram 3707, October 30, midnight, from Moscow, p. 810.

895.01/12-445

*Resolution of the Korean Congress of Political Parties*¹⁸

We speak to you with the common voice of the 30 million Korean people. To be sure, different parties have sprung up in Korea since the surrender of our common enemy and there are differences of opinion among us. But that is only normal in the development of democracy. That is the way the American people, too, have developed and improved their institutions. However, we are now all united, and all the political parties existent in Seoul, representing the entire people of Korea, are joined in the United Central Council to work out our own problems. We are all one in our one common aim: *We want our independence.* We demand our right to restore our territorial, political and administrative prerogatives as a sovereign nation.

The most serious blunder of partitioning Korea in two occupied zones was not of our making. It was imposed upon us. Our country is divided in two disconnected halves, the north above 1.38 N. occupied by the Russian forces and the south below it by the American. It is charged that we Koreans are divided among ourselves and therefore unfit to be free. We say to you: We have been divided by forces outside ourselves, like a body cut in half. How can such a sundered body survive and function properly? We must be allowed to have an opportunity to organize our national life as a unified whole, so as to meet the requirements set forth in the Cairo Declaration.

We have come to know that neither Gen. MacArthur nor Lt. Gen. Hodge, nor the Military Governor, Major Gen. Arnold knew anything about this division policy. Naturally enough, they were misunderstood and unjustly criticized for the situation of which they were not even cognizant. We regret this and do not hold these military commanders responsible. In fact, we know that they regard our cause and our aspirations with fairness and goodwill. We desire to know who are responsible for this situation. We ask you for a clear statement of a fact so important in determining the fate of Korea. We have patience. But each day the harmful economic and political effects of the division grow deeper and spread wider.

While we are eagerly awaiting an early deliverance from this unhappy condition, we are informed of a joint trusteeship proposed for the control of Korea. This news has caused shock and consterna-

¹⁸ Addressed to the Four Allied Powers and, through the press, to the American public. Copy transmitted to the Department on December 4 by Ben C. Limb, Acting Chairman of the Korean Commission in the United States, who inquired whether the resolution had been received and whether it had been sent to the British, Soviet, French, and Chinese Governments. The Department's acknowledgment of December 11 stated: "To date, no communication has been received in the Department from any group or individual in Korea transmitting a copy of the resolution under reference." (895.01/12-445)

A copy was also transmitted to the Department by the Acting Political Adviser in Japan in his despatch 81, December 1; received December 11.

tion of a most profound nature throughout the entire Korean Peninsula. With due respect and in a sincere friendly spirit, we desire to point out that it would be a grave mistake in the Korea policy of the U.S. For nearly forty years, the American Far Eastern policy was based on misinformation obtained chiefly through Japanese and pro-Japanese sources, resulting in the Pearl Harbor disaster. Even after Dec. 7, 1941, the gentlemen in the State Department refused to listen to us. The present chaos and confusion are largely, if not solely, due to their miscalculation. They had been repeatedly warned of this danger by Korean leaders and American friends of Korean independence, but they turned a deaf ear to these friendly warnings. Somehow or other, most of these gentlemen have left that Department and a new set of statesmen have taken their places. With President Truman and Secretary of State Byrnes, we hope the U.S. will open the way for a better understanding between our two countries.

The following facts are here submitted as highly important for you to know :

(1) We can set our house in order within a year, if we are left alone to work it out. With foreign advisers and technicians together with appropriate material aid, we shall be able to return to a peaceful normal life in a comparatively short time. Anyone who believes the contrary is one of those who are still under the influence of Japanese propaganda stories.

(2) We will cooperate with the United Nations in friendly relations and do our part towards the maintenance of peace in the Far East.

(3) We will hold national election within one year after our Provisional Government has been fully recognized by the Allied Powers. We will uphold the democratic principle of government proclaimed by the signers of the Declaration of Independence in Seoul in 1919.

It is our earnest desire to remind you of the fact that the Allied Powers have not conquered Korea, since the Koreans never fought them. On the contrary, we fought Japan, our common enemy, for 40 years. If we failed to participate in the war on a larger scale, it was due to the fact that we received not a dollar from the lend-lease aid nor a simplest weapon from the arsenals of democracy. We resent to be treated like a conquered enemy as a flagrant injustice.

We ask you for an opportunity to prove ourselves capable of working out our own destiny. For fairness' sake, please judge us by what we do and not by what others say about us. We are unanimously against a joint trusteeship or any other measure short of complete independence. We are irrevocably dedicated to winning our freedom. We respectfully and eagerly wait for your reply.

Respectfully,

SYNGMAN RHEE
Chairman, United Central Council

SEOUL, November 4, 1945.

740.00119 Control (Korea)/11-545 : Telegram

*General of the Army Douglas MacArthur to the Chief of Staff
(Marshall)*

TOKYO, 5 November, 1945.

CA 54311. Following radio from ComGen XXIV Corps has been received:

"The presence of Doctor Syngman Rhee in Korea appears to be having favorable influence toward consolidation of various political parties and toward coalition of ideas. The primary wish of all Koreans is to be independent and have self rule which is also helping in coalition. Kim Koo is believed to have been cleared for movement to Korea. Upon his arrival,¹⁹ he is expected to cooperate with Dr. Rhee in further consolidation. I plan to utilize the services of Dr. Rhee and Kim Koo to help screen additional Koreans to be brought to Korea, to get public support fully behind the economic rehabilitation plans of the current Military Government and to establish a representative and expanded coalition advisory council to aid in renovating Government machinery and placing suitable and representative Koreans in responsible Government positions both as working members and as titular heads below the top of the Central Government. If this can be done effectively, it is believed that a titular AIB Korean Administration satisfactory to most Koreans can be established under our supervision for trial and be followed after reasonable time be [by] selection of a popular government by general plebiscite.

"This line of action can be expanded at any stage to include Korean territory not now under United States occupation provided it is released. However, it is pointed out that this command does not have a current or projected strength to take over control of additional territory under current or expected conditions."

[MACARTHUR]

740.00119 Control (Korea)/11-745 : Telegram

*The Secretary of State to the Ambassador in the Soviet Union
(Harriman)*

WASHINGTON, November 7, 1945—8 p. m.

2304. Cable report from ComGen USAFIK (Hodge) reports employees of Korea Power Company informed him that orders had been received from Soviets Nov 7 to move out all generators and water-

¹⁹ In an unnumbered telegram, December 1, the Acting Political Adviser in Korea reported that Kim Koo and a party of 13 arrived at Seoul on November 23 (740.00119 Control (Korea)/12-145).

wheels of Yalu River power plants. Overhead cranes being put in condition to start stripping by Nov 8, on orders alleged to have been received from Red Army. Removal of such equipment would affect 50 per cent of total power production in Korea. While these reports are unconfirmed similar reports concerning the removal of other heavy machinery and equipment are current. In your discretion you should point out that actions such as those outlined above, may prejudice the commitments of the two govts with regard to Korea, particularly in view of the vital importance of equipment such as Yalu power plants to the economic life of the country as a whole. In view of urgency of this matter your action should not be unduly delayed.

BYRNES

740.00119 Control(Korea)/11-745

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to Colonel Russell L. Vittrup, War Department*

WASHINGTON, November 7, 1945.

Reference CG USAFIK's telegram Tfgcg 138 of November 2 and SCAP's CA 54311 of November 5, the Department of State is of the opinion that instructions should be sent to General Hodge to the effect that:

(1) This Government is well aware of the difficulties and complexities of the political situation which confronts General Hodge and is fully in favor of his efforts to use qualified Korean personnel to the fullest extent possible. This Government also realizes that there is need for some kind of responsible Korean leadership to counter-balance the activities of the Communist elements in the American zone.

(2) The fundamental policy of this Government with respect to Korea is (a) that an agreement should be reached with the Soviet Union as quickly as possible on specific problems arising from the establishment of the 38° parallel line of demarkation between the Soviet and American zones, (b) that military government be terminated as soon as possible, (c) that it be succeeded by an International Trusteeship with the U.S.S.R., Great Britain, China and the United States as the administering authority for Korea, and (d) that such a trusteeship be placed under the United Nations Organization when that Organization begins to function.

(3) To achieve these objectives this Government is (a) negotiating with the U.S.S.R. on problems concerning the opening of the border created by the 38° parallel and (b) planning to begin negotiations with the U.S.S.R., Great Britain and China in the immediate

future to reach an agreement on an International Trusteeship for Korea.²⁰

(4) The U.S.S.R. and China have already agreed in principle to a trusteeship for Korea and though Great Britain has made no reply we feel that it will likewise approve.

(5) This Government has consistently advocated a policy that nothing be done by this Government or by the Commander in Korea to give any Korean group, such as the Kim Koo Group arriving from Chungking, or any Korean individual, such as Dr. Rhee, the impression that we were supporting such a group or individual as against any other Koreans. Such support, prior to an opportunity being given the Korean people to express their choice as to their future leaders, might greatly complicate the political problems facing military government, as well as encourage the Soviet Commander to sponsor a similar group in his zone and thus postpone the establishment of a unified Korea. The use, as suggested by General Hodge, of "the services of Dr. Rhee and Kim Koo to help screen additional Koreans to be brought to Korea" would seem to be indirect support at least of those individuals. General Hodge should be urged, therefore, to refrain from any such action.

(6) The success of the negotiations now in progress regarding the opening of the 38 parallel and the proposed negotiations regarding trusteeship might well be jeopardized by the types of action discussed in both the above mentioned telegrams.

(7) General Hodge's telegram of November 2 does not adequately describe the objectionable Communistic activities referred to, nor does it indicate the course of action which, for military reasons, he may find it necessary to take. The Department of State would appreciate detailed information on both points, if possible, before such action is taken. He should be urged to postpone action on this matter as long as possible.

²⁰ Seven drafts of a trusteeship agreement for Korea, identified as PR-30 and PR-30, Preliminary *a* to Preliminary *e*, were prepared in the Department between October 8 and November 8. The last of these, PR-30, November 8, stated: "The United States, China, the United Kingdom, and the Union of Soviet Socialist Republics have resolved to place Korea within the trusteeship system pending the full exercise by Korea of the powers of independent government, to assume the responsibilities of administering authority for Korea and to agree upon terms of trusteeship. . . ." The draft agreement contained 38 articles dealing with the establishment of the trusteeship, the form of administration, the relationship of the administering authority to the Koreans, the United Nations and members of the United Nations, the purpose of the administering authority and the amendment, termination and ratification of the agreement. Appended to the draft agreement was a protocol "to be signed the same day". (Records of the Executive Secretariat, Lot 52-D478, PR Documents 23-32)

895.01/11-745

*The Acting Chairman of the Korean Commission (Limb) to the
Director of the Office of Far Eastern Affairs (Vincent)*

WASHINGTON, November 7, 1945.

DEAR MR. VINCENT: Pursuant to our conversation concerning the procedure of restoring self-government and independence to the people of Korea, I have communicated with Dr. Syngman Rhee, who is now working with the political leaders in Korea as well as with the United States Military Government there and the Korean Provisional Government, for the establishment of an independent Korean Government. Allow me to present herewith the principles collectively enunciated by the leaders of the Korean people and in which they, under the guidance of their revered spokesman, Dr. Rhee, are determined to achieve immediate self-government:

1. That the capability for self-government can be demonstrated by a nation only by the actual practice of self-government.

No one is now in a position to assert that the Koreans are unable to govern themselves because no one has any proof to support that assertion—until the Korean people have an opportunity to administer their affairs.

Therefore, it is imperative that the Government of Korea must be turned over to the people of Korea by holding a national election at once.

2. The military occupation of Korea was instituted for the purpose of facilitating the surrender of the Japanese military forces there. Now that the task has been accomplished, the military forces of Russia will best be withdrawn from Korea by a mutual arrangement between the United States and Russia.

3. Such withdrawal is essential for:

(a) The unification of the nation both economically and politically, which is manifestly impossible under the arbitrary division of the land as at present;

(b) The freedom of communication and unhampered procedure for a nation-wide election for a government.

4. The fact that Korea was under an enemy domination for thirty-five years is not a valid reason for denying her immediate self-government. Other nations have amply proved their ability to administer themselves as exemplified by Bulgaria after the War of 1877 and by Poland after the World War.

5. Korea has maintained an independent nationhood for over forty centuries during which she has contributed much to the civilization of the world. She can at once resume her self-government as soon as she is given a chance to do so. Any idea calculated to apply inter-

national trusteeship over Korea is destructive to the true interests of the Korean people, for such a trusteeship by its very nature will divide up the people and country and make unity and independence impossible. Article 73 of the United Nations charter is obviously intended for uncivilized colonial peoples. Korea, with a history of forty centuries, is one of the most highly civilized and most homogeneous and literate nations on the continent of Asia. Any trusteeship is most definitely inapplicable to Korea if the spirit of the United Nations Charter is to be honestly respected.

6. The commanders of the American occupation forces in Korea have repeatedly expressed their pleasure in having the cooperation and ability of the Koreans in the task of governing the country. The aspiration of the whole population, the thirteenth largest in the world, is definitely and unanimously for self-government for their nation.

7. The Chinese Government has always advocated immediate independence for Korea. The President and the people of the United States have unmistakably stood for the same end. Russia also has come out for it. Korea is ready, eager and able to take up self-government. There is no reason whatsoever why self-government should not be accorded to Korea at once.

8. The sacred pledged word of the American Government to the Korean people—as exemplified in the Korean-American Treaty of 1882, the Cairo Declaration of 1943, the Potsdam Proclamation of 1945 and President Truman's declaration of September 18, 1945—must be redeemed without any delay whatsoever, so that all the peoples of Asia may not lose their faith in the integrity of international pledges and in the national conscience of the great powers.

9. The Korean people have ably governed themselves for many millenniums among great warring powers; they have determinedly fought against the rule of terrorism of the Japanese; they will never submit to any foreign rule or trusteeship; they will fight to the last to regain their absolute independence and self-government.

In the words of Generalissimo Chiang Kai-shek at Chungking, November 14 [4], 1945, "Peace for East Asia and the world hinges upon the speedy achievement of independence for Korea. All East Asia is watching the fate of Korea."²¹

If there is to be peace in the Far East, therefore in the world, Korea must be allowed to administer her own independent government. Any other arrangement by which Korea is prevented from attaining the paramount will of her 30,000,000 people will surely lead to another world war. Human consideration must prevail over

²¹ For an account of the Generalissimo's statement to Korean Nationalist leaders and members of the Central Executive Committee of the Kuomintang, see the *New York Times*, November 5, 1945, p. 8, col. 5.

expediency and all other considerations. Appeasement in any form and sacrifice of justice invariably leads to war. Immediate independence and peace in Korea will greatly strengthen democratic institutions and peace in the world.

Leaders of Korea's political parties adopted a resolution addressed to the Allied powers on November 2 [4], 1945, at Seoul, declaring that they would refuse joint trusteeship of Korea or any other measure short of complete independence.

In his foreign policy speech of October 27, 1945, President Truman pledged the United States to twelve fundamentals of foreign policy.²² One of these is: Self-government for all peoples prepared for it without interference from any foreign source.

Korea will present an acid test of the application of this policy.

Very respectfully,

BEN C. LIMB

740.00119 Control (Korea)/11-845: Telegram

The Acting Political Adviser in Japan (Acheson) to the Secretary of State

TOKYO, November 8, 1945.

[Received November 14—12: 10 p. m.]

101. When may we expect directive concerning Korea requested in our 22, October 4, and referred to in Department's 22, October 12 [11]? We offer our opinion that it is important that action in this matter be taken.

ATCHESON

740.00119 Control (Korea)/11-845: Telegram

The Acting Political Adviser in Korea (Langdon)²³ to the Secretary of State

SEOUL, [undated].

[Received November 8, 1945—11: 35 a. m.]

We have noted with satisfaction instructions sent to Embassy Moscow and trust we shall be kept currently informed of progress of negotiations. In this connection and with a view to strengthening our position here, we wish to know whether the Dept has any objection to our telling the Korean people now of the initiation of the negotiations and of their scope in broad outline. Should the Dept prefer

²² Department of State *Bulletin*, October 28, 1945, p. 653.

²³ William R. Langdon served as Acting Political Adviser in Korea from the time of his arrival at Seoul on October 20, Mr. Benninghoff having returned to the Department for consultation, and was designated as Political Adviser in Korea on December 18.

to control this news, we would appreciate being informed beforehand of the Dept's proposed statements so that we may have time and word our statements accordingly.

Sent Chungking; repeated to Dept.

LANGDON

895.6463/11-945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 9, 1945—4 p. m.
[Received November 9—11:52 a. m.]

3809. Department's 2304, November 7. Removal by Soviet authorities of equipment from Yalu River power plants.

I wrote to Vyshinski²⁴ on November 8 making representations on this case.

Department, please repeat to Tokyo and Seoul.

HARRIMAN

740.00119 Control (Korea)/11-945 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 9, 1945—8 p. m.

2317. Later information from ComGen USAFIK re Dept tel 2304 Nov 7 indicates that Russian officers and 100 Russian soldiers appeared at Yalu River Plant Nov 6 and issued orders to remove starting Nov 8 two transformers and two generators, each 100,000 KVA,²⁵ and two water turbines. Normally 50 percent of power produced by this plant used in Korea and 50 in Manchuria. August 1945 consumption figures indicate plant furnished 30 percent of power used in present American zone.

Full plant capacity unused since Japanese surrender due to shut down of industry and two units slated for removal are therefore in stand-by status but their removal would have extremely serious future consequences.

In view of important bearing of this matter on commitments of both US and USSR in connection with future Korean development you should, if you have not already done so, make immediate and strong representations in the premises.

²⁴ Andrey Yanuaryevich Vyshinsky, People's Vice Commissar for Foreign Affairs of the Soviet Union.

²⁵ Kilovolt-amperes, a measure of capacity of electrical power equipment.

Above information being transmitted to American Embassy, Chungking²⁶ for informal and confidential transmittal to Chinese Foreign Office.

BYRNES

740.00119 Control (Korea)/11-945: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 9, 1945—7 p. m.
[Received November 9—2 p. m.]

3813. Department's 2278, November 3. Problems arising from division of Korea into USSR and USA zones.

General issues listed by Department have been conveyed to Soviet Government in letter to Molotov dated November 8.²⁷ Letter concluded with statement that we wished to learn whether Soviet Government will authorize Soviet Commander in Korea to negotiate with Hodge or whether it desires that these problems be discussed by two Governments.

If Soviet Government wishes discussion and if talks are to take place at Moscow, we shall welcome detail of Benninghoff here. He would not only be of great assistance in such negotiations but would also gain useful background experience in operation of Soviet bureaucracy at its source, which should prove helpful in his subsequent contacts with Soviet officials in Korea.

HARRIMAN

740.00119 Control (Korea)/11-1245: Telegram

*The Acting Political Adviser in Japan (Atcheson) to the Secretary of State*²⁸

[Tokyo,] 12 November, 1945.

CA 54678. Reurad WX 80353²⁹ following is Korean summary for 2 weeks ending November [7]. Will send weekly report hereafter.

1. *Internal Situation:*

Minor violence and direct action continued but was aimed at Japs, pro-Japs and local appointees of Military Government rather than at plant ownership or MG.³⁰ US troops intervened in seven incidents

²⁶ Telegram 1829, November 9, 8 p. m., not printed.

²⁷ Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs. For text of letter of November 8, see vol. II, p. 627.

²⁸ This report was prepared by the Acting Political Adviser in Korea and transmitted to the Acting Political Adviser in Japan on 10 November.

²⁹ Radiogram dated November 2, not printed.

³⁰ Military Government.

easily quelling trouble. Instigators in most cases were youth groups affiliated with Korean Peoples Republic which still is best organized and determined of four major parties. On October 30 MG issued national emergency decree for dealing with interference with labor, with profiteering and hoarding, and with unregistered publications. There was no important press comment on the decree but conservative elements held view that it was not drastic enough to deal with current turbulence. On November 2 the Central Council for Rapid Realization of Independence, presided over by Doctor Rhee and composed of representatives of three of the four major parties (Democratic, Communist and National), met in Seoul to deliberate on what all Koreans consider their main national problems: Delayed independence, the 38th parallel and the threat of trusteeship. After tumultuous proceedings meeting adopted resolution nominally addressed to four Allies³¹ but externally addressed to US stating Korean attitude toward these questions and urging recognition of provisional government. Resolution held up later for rewording by Communist leader Pak³² on ground that it was offensive to Korean real liberators the US and Russia. In [apparent omission] parties and political foment goes on but leaders of major parties except People's Party meet and are exchanging views. All gatherings seem to favor Rhee [apparent omission] to be preparing to welcome Kim Koo and his entourage. Attitude of people toward occupation forces continues friendly although MG occasionally attacked editorially or by posters on minor administrative matters or on general principle. Orders were issued by MG to field administrators to put in motion scheme for provincial representation on MG advisory council, now consisting of seven prominent individuals of Seoul. Scheme involves selection by local councils of two provincial councilors each.

2. *External.*

A. Relations with US: Mr. Vincent's reference at Foreign Policy Association to trusteeship for Korea³³ cast gloom on all political elements. The press attacked trusteeship conceived by Japanese colonial propaganda and called it an insult to Korean people, while even the Fonwolf [*Korean?*] People's Republic joined the three other major parties in consultation for common resistance to it. Some reassurance was reflected when the actual text was received and it became clear that trusteeship was projected rather than absolute. Mr. Byrnes' statement of 25th that the 38th parallel was a temporary measure and that talks were going to end it received a good press. Concern over

³¹ See Resolution of the Korean Congress of Political Parties, November 4, p. 1110.

³² Presumably Pak Hon-yong.

³³ In an address entitled "The Post-War Period in the Far East" on October 20; for text, see Department of State *Bulletin*, October 21, 1945, p. 644.

this question however does not seem to [be] as great or as abiding as over possible trusteeship.

B. Relations with USSR: On 1st officers sent to Heijo for coal and chlorine returned empty handed except for coal for Soviet Consulate. They reported following conditions: Russians evidently preparing for long stay. High officers' wives have arrived and more on way and many houses being remodeled. More troops seem moving south and dismantled machinery moving north thru Heijo. Tales of excesses fewer but relations with populace reserved. High moral[e?] and personnel living well and seemingly very contented with situation. [Bank of?] Chosen's yen being exchanged at par with occupation yen with exchange four to the ruble. Name of Civil Administration has been changed to Provisional Government.

Circumstantial reports are in hand of Soviet preparations to remove 21-000 KVA generators from Yalu River dam, which is source of half of all power in Korea and on which our zone is largely dependent.

On 25th Commanding General of Soviet Occupation Forces issued a proclamation to Korean people of Red Army's achievements and objectives, in which assurances were given that the Red Army had no territorial designs on Korea or of running Korea on Soviet limits [*lines?*]. Following these assurances permission was given, subject to registration, to establish democratic systems, labor unions and public safety bodies, freedom of religion was guaranteed, and all weapons ordered turned in.

[ATCHESON]

895.01/11-1245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 12, 1945—6 p. m.

[Received November 13—6:30 a. m.]

3827. Only recent indications of Soviet attitude toward future of Korea were interpretive article in guise of book review appearing in August 15, *New Times* (Embassy's 3154, Sept 3³⁴) and a report of a statement issued by Korean political parties (Embassy's 3780, November 6³⁴). Both advocated independence for Korea. So far as we are able to ascertain subject of trusteeship has not even been mentioned in Soviet press.

Silence regarding trusteeship for Korea and roundabout advocacy of independence do not of course in themselves constitute convincing

³⁴ Not printed.

evidence that USSR is opposed to one and favors the other. However, viewed in context of probable Soviet aims in Korea and Soviet feeling regarding international control organizations these symptoms assume greater significance.

USSR has made it clear that historically it regards Korea in much same light as Finland, Poland and Rumania—a springboard for attack on USSR. Therefore USSR may be expected to seek predominant influence in Korea. Soviet predominance is more likely to be realized through establishment of “independent friendly” Korean regime than through any system of international tutelage. Far from insuring Soviet paramountcy, a trusteeship would probably mean USSR having but one of three or four equal votes.

Consequently until such time as question of what to do with Korea is raised by other powers, USSR is probably content to concentrate on action, not debate; on political consolidation in north Korea and political penetration of south Korea so that by time issue of civilian rule is raised, Soviet political groundwork will have been laid.

In this connection, a word should be said about Red army in occupation of north Korea. Although our reports regarding developments anywhere in Korea are most fragmentary, we have seen nothing to suggest that Red army behavior there is radically different from what it has been in Europe and that “war booty” including industrial equipment is being removed. Consequently Red army conduct may prove to be a major factor inhibiting and alienating sympathy for local Communist cause. If Soviet Govt has obedient and relatively strong Korean military forces and militia which it can leave behind, it is quite possible that Soviet Govt would be desirous of withdrawing Red army from Korea and bring pressure on us to withdraw our troops simultaneously.

From Harriman to Dept 3827, repeated Chungking 210, London 571, Dept please repeat to Tokyo and Seoul.

HARRIMAN

740.00119 Control (Korea)/11-1345

*The Assistant Secretary of War (McCloy) to the
Under Secretary of State (Acheson)*

WASHINGTON, 13 November, 1945.

DEAR DEAN: Attached is a copy of a memorandum³⁶ initialed by Carter Vincent shown me by the Operations Division here. Having had the opportunity to hold several long conversations with General Hodge in the course of my trip, I would welcome the chance to talk

³⁶ Dated November 7, p. 1115.

to you, perhaps Mr. Byrnes, and certainly to Vincent, on the Korean situation.

Vincent's memorandum seems to me to avoid in large part the really pressing realities facing us in Korea. General Hodge's two cables referred to in the memorandum raise two vital points. The one is the subject of communist activity. From talking with General Hodge I believe that his concern is that the communists will seize by direct means the government in our area. If this were done, it would seriously prejudice our intention to permit the people of Korea *freely* to choose their own form of government. There is no question but that communist action is actively and intelligently being carried out through our zone. Some of it may be classed as legitimate political activity. The rest is just direct action. It is a situation which must be faced—just how in each individual case cannot be defined now, but must be left to the good judgment of our commander there. I talked with Hodge when I was on my recent trip. Though a much less colorful figure than some others, he inspired great confidence. It would seem that the best way to approach it in the over-all is to build up on our own a reasonable and respected government or group of advisors which will be able under General Hodge to bring some order out of the political, social and economic chaos that now exists south of the 38th° parallel and so provide the basis for, at some later date, a really free and uncoerced election by the people. This leads directly to General Hodge's second point, the use of exiled Koreans.

Hodge explained to me, and I understand your adviser out there, Benninghoff, corroborated it, that the local Koreans are most narrow, selfish and confused in their political thought. Each individual conceives himself to be the only local boy untainted by Jap collaborationism. However, apparently all, or nearly all, look with great respect and confidence on the "exiled Koreans" and wondered why, for instance, we had not brought in the "exiled government" from Chungking, Kim Koo and company, when we came in. Hodge, when he talked to me, had seen quite a bit of Dr. Rhee and had found him helpful. He was using him then in negotiations with the communist leaders. For us not to make some use, at the discretion of Hodge, of the only stabilizing individuals available to us seems peculiar when it is well known that the Soviets had two divisions of Koreans thoroughly indoctrinated in the Communist creed whom they are reported on good authority to be using in the Soviet zone and perhaps also to good advantage in our own. Should we fear some criticism of our honest efforts to bring Korea to a state where representative government has some chance of success, when at the same time the Soviets have by force of arms replaced all officials, major and minor, in cities, towns, and hamlets in their zone with ardent Korean communists, armed with

tommy guns and protected by the Red Army, who are, according to what little knowledge we have, governing their subjects without any free expression of the public will.

I have many thoughts on the Korean problem, but to get back to Vincent's memorandum—does it not add up to asking us to tell Hodge that we really repose little confidence in him, that we are not prepared to let him do the few things which he, on the spot—and what a spot—feels can be useful towards achieving our aims. I believe our approach should be along different lines. Let us ask him, by all means, for more information on the communist problem and his thoughts as to how to keep it from wrecking our objectives, but let us also let him use as many exiled Koreans as he can, depending on his discretion not to go too far. First and foremost, however, let us take every action we can to expedite the solution of the impossible situation created by the complete severance of Korea into two areas between which there is absolutely no intercourse or cooperation. Let us consider too and plan what we shall do if the Soviets continue to refuse to cooperate. If they do continue to refuse and if their agents continue to act freely throughout our zone, and if we cannot set up under our jurisdiction exiled Koreans who seem to be acceptable locally, we may find out to our chagrin what Stalin meant when he agreed to the idea of a trusteeship for Korea with the delicate proviso, "if necessary."

General Hodge has an almost impossible task. He should know at least what our evaluation is of the time it may take to better the existing situation or to set up a trusteeship system. He should know, too, as I have said, what he should be planning in the event the negotiations with the Russians come to nothing.

Sincerely yours,

JOHN J. McCLOY

740.00119 Control (Korea)/11-1445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 14, 1945—5 p. m.

[Received 9:45 p. m.]

11925. During course of general conversation with Sterndale Bennett³⁷ this morning question of future status of Korea came up. He stated that British have completely open mind on this problem and are willing to agree to anything which will really meet dual need of securing an adequate govt for Korea and preventing Korea from becoming a center of international rivalry and friction.

³⁷ J. C. Sterndale Bennett, Head of the Far Eastern Department of the British Foreign Office.

With respect to American desire for a four-power international trusteeship of Korea, Sterndale Bennett said only question in British mind is will it work? If it can be shown that there is reasonable chance of a four-power trusteeship working out in practice British would apparently be willing to go along. Sterndale Bennett said it had occurred to them that better solution might be to have an independent Korean Govt set up and supplied with foreign advisers who would have, in fact, actual power of govt. Presumably they would serve under a supreme adviser who would be responsible to United Nations Organization or some other appropriate international body.

However, Sterndale Bennett expressed opinion there could be no final solution of Korean or any other Far Eastern problem until extent of Soviet participation in Far Eastern matters had been clarified. He feels any attempt to negotiate with Russia over Korea, for example, will be useless until a solution is reached with regard to Russian participation in Far Eastern Advisory Commission. In meantime he fears Russians will act in Manchuria and Korea to consolidate their position politically and economically in way which cannot help but have permanent effect on future of those two areas.

WINANT

895.6463/11-1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 14, 1945—5 p. m.
[Received November 14—4: 50 p. m.]

3857. Dept's 2317, November 9. Reported Soviet dismantling of Yalu power plant.

I followed up on my letter of November 8 to Vyshinski with specific request on November 13 that no equipment be removed from plant.³⁸

To Dept 3857, repeated Chungking 214. Dept please repeat to Tokyo and Seoul.

HARRIMAN

³⁸ In telegrams 132312Z, November 14, Tfgbi 9, November 15, and Tfgbi 33, November 27, Lieutenant General Hodge informed General MacArthur of the continuation of the dismantling of Yalu River power plant facilities (Records of the Office of the Political Adviser in Japan, Lot 57-F103, 800 Korea).

740.00119 Control (Japan)/11-845: Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*³⁹

WASHINGTON, November 16, 1945.

127. Langdon's unnumbered, undated received Dept Nov. 8.⁴⁰ Dept press release issued Nov 16 follows:

"United States Forces in Korea have been faced with many problems since they first landed on September 8. Some of these problems were foreseen and others, with the turn of events, were unexpected.

Because of the distribution of Allied forces at the time of Japanese surrender, General Order No. 1, which the Allied Governments through General MacArthur required the Japanese Government to issue, directed Japanese forces in Korea North of the 38th parallel to surrender to Soviet Forces, while those South of the 38th parallel were to surrender to United States Forces. This operational line was intended to be temporary and to serve only to fix responsibility for the purpose of carrying out the aims of the General Order. It was realized, however, that this line, even though temporary, might have the effect of jeopardizing the fundamental unity of the country. The United States Commander, therefore, was given complete authority to settle with the Soviet Commander any local problems caused by the unnatural division of the country. Practical difficulties in the accomplishment of this desired aim have been encountered locally, however, and in order to overcome these difficulties the United States Government has taken the subject up with the Soviet Government in Moscow with the suggestion that they be solved either through local negotiations, between the two occupational commanders, or on a governmental level. The practical problems include the reintegration of communications and the economic unification of the country, the realization of which would establish the country in a sound position.

Further problems arise from the fact that the leaders of Korea have been ruthlessly dominated and exploited for 35 years by the Japanese and therefore need political and administrative assistance. General Hodge, appointed by General MacArthur to command United States Forces in Korea, arrived at Seoul, the capital, with a firm program for the elimination of Japanese from the government and the substitution of Korean leaders in their stead. He envisaged his own position as being merely that of a coordinator and adviser. Because of Japanese predominance in administrative positions and the need for

³⁹ Addressed also to the Acting Political Adviser in Korea.

⁴⁰ *Ante*, p. 1117.

their sudden removal, he found it necessary to assume, with United States personnel, the major burdens of governmental responsibility.

Many prominent and capable Koreans had taken up voluntary or enforced exile from their native land as a result of the Japanese occupation, some of them in the United States. They had a substantial popular following in the Korean underground which the Japanese had never been able to eliminate. These exiles represent democratic ideals and the United States authorities in Korea are encouraging their return, as rapidly as transportation difficulties will allow, to work with local Korean leaders in the unification of the diverse political elements.

The sudden release from oppression has resulted in the equally sudden emergence of many political parties, happy in their new found opportunity for free speech. As might be expected in the establishment of a new nation, there are many differences among these parties and some have found reason for complaint, not only in the activities of the other political groups, but in the policies of the reorganized government.

The United States Government, in consultation with the Soviet Union, is making every effort to improve the situation in Korea and hopes that communications, trade and free passage of individuals will be resumed in the near future between the north and south of the country, thus facilitating the ultimate establishment of an independent and unified Korea."

BYRNES

740.00119 Control (Korea)/11-1345

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to the Under Secretary of State (Acheson)*

[WASHINGTON,] November 16, 1945.

With reference to the attached communication from Mr. McCloy,⁴¹ I do not think that there is any serious difference of opinion between the State and War Departments in regard to the instruction, if any, which should be sent to General Hodge. We were primarily concerned on two points: (a), we wanted to be sure that General Hodge was officially informed that a trusteeship for Korea is the official policy of this Government; and (b), we wanted to convey to him the necessity of impressing on the officials of the "Provisional Government" the fact that they were being used because of their individual qualifications rather than because of their connection with the "Provisional Government". We felt that if this took place the success of the trusteeship would be seriously jeopardized.

⁴¹ November 13, p. 1122.

Since my memorandum of November 7th was drafted, it appears that General Hodge has been informed of this Government's position regarding trusteeship, and it seems to me that it would be a fairly simple matter to work out with Mr. McCloy a message to General Hodge which would not tie his hands in the use of Koreans, but would at the same time warn him against giving them too much authority.

You will note that Mr. McCloy suggests that he hold a conversation with officers of the State Department on the Korean situation. Mr. Benninghoff is here. He knows the situation, knows General Hodge, and knows our point of view. I suggest that you call Mr. McCloy and tell him that we will be glad to talk with him, but that Mr. Benninghoff could go over to the War Department and give him a full explanation.

J[OHN] C[ARTER] V[INCENT]

740.00119 Control (Korea)/11-1745: Telegram

The Acting Political Adviser in Japan (Atcheson) to the Secretary of State

TOKYO, November 17, 1945.

[Received November 23—3: 15 p. m.]

143. Our 101, November 8th. I have just seen K-16, Preliminary, August 31, "Transfer of Title to Korea".⁴²

Let me repeat oral recommendation made before leaving Dept that final directives contain exact language for Emperor's declaration renouncing rights and titles of Japan in Korea.

We feel Emperor should be required to use language specifically provided him in order to preclude possibility that he emulate his surrender announcement and employ in Korea declaration any face-saving words or terminology indicating that renunciation of Japanese sovereignty over Korea is a "gracious act" on part of His Majesty arising out of latter's "benevolent and long standing desire that the Korean people be given the benefits of independence", et cetera.

ATCHESON

⁴² Not printed. This report, prepared by Quincy Wright of the Office of Far Eastern Affairs, contained the following conclusions: "1. The Supreme Commander for the Allied powers should as soon as possible direct the Emperor of Japan to authorize a declaration renouncing the rights and titles of Japan in Korea in favor of the United States, China, the United Kingdom and the Soviet Union. 2. Immediately thereafter, the United States, China, the United Kingdom and the Soviet Union should issue a joint declaration recognizing the independence of Korea subject to the condition that the exercise of the powers of independent government are suspended during a preparatory period in which Korea will be governed through a trusteeship to be established by them under the Charter of the United Nations. 3. If the Emperor of Japan fails within a reasonable time to make the declaration proposed in paragraph 1 above, the Allied powers should issue the joint declaration as proposed in paragraph 2 above." (Records of the Executive Secretariat, Lot 52-D478, K Documents 1-16)

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Acting Political Adviser in Korea (Langdon) to the Secretary
of State*

[SEOUL,] 18 November, 1945.

CA 54962. Reur WX 83648.⁴³ The Russian proclamation was obtained from translation of a newspaper article in the "Korean Peoples News" entitled [""]Protect the public and private property, the formation of a peace group permitted and freedom of religion, orders of the Commander of the Soviet Occupational Army[""]. Following is the translation of the text:

"At present there are many wild rumors being spread about Northern Korea, but the following proclamation was released by the Commander of the Twenty-Fifth Occupational Army of Russia on the 23d October. The two main points in this proclamation are, first, the Russians have no intention of taking any land from the Koreans, and secondly, the Russians do not want to run Korea in the same manner as they govern their own country.

THE PROCLAMATION FOR NORTHERN KOREA BY THE COMMANDER OF THE TWENTY-FIFTH OCCUPATION ARMY

1. The Red army has disarmed the Japanese forces in Manchuria and in Northern Korea. Korea, who has been oppressed for over 30 years, has been liberated. The objective of the Red army's advance into Northern Korea was to rid the area of all the plunderers. Furthermore, the Red army has no intentions of territorial gains or running the Government of Korea under a Russian system. Now, the private and public property of the Koreans are under the protection of the Russian Army.

2. The following is an order.

- a. Democratic system of Government to overthrow the imperialistic rule of Japan will be permitted.
- b. Unions for the laboring class will be permitted.
- c. Freedom of religion will not be interfered with.
- d. When any organization is formed under "a" or "b" of this order, they must be registered.
- e. All weapons will be turned over to the Russian authorities.
- f. For the maintenance of public peace, peace unions will be permitted if the People's Committee negotiates with the proper Russian authorities.

3. It is requested that all the people cooperate through work and obey the Proclamation of the Red army. Signed Guard Col. Gen. Chistiakov Commanding Twenty-Fifth Occupation Army in Korea.' "

G-2 USAFIK has made the following comments on the proclamation which are passed on for your information :

"It is not known how the newspaper acquired the proclamation of the Commander of the Twenty-fifth Occupational Russian Army. The proclamation was undoubtedly published for two reasons. One, to show that the Russians have done such a fine job in their occupation of Northern Korea that they have turned over to the Koreans the task of forming their own government. The second reason is to

⁴³ Copy not found in Department files.

refute the stories being circulated concerning Russian activities north of the 38th degree north parallel.”

[LANGDON]

895.01/11-745

The Director of the Office of Far Eastern Affairs (Vincent) to the Acting Chairman of the Korean Commission (Limb)

WASHINGTON, November 20, 1945.

MY DEAR COL. LIMB: I have read your letter of November 7, 1945 with interest. The restoration and evolution of civilization, broken and all but destroyed by world war, is and must be the primary objective of all of us. No one man, no political party, no one nation can work out the right result alone. Full discussion and careful attention is essential to all procedural suggestion from all concerned. Consequently, right procedure to the attainment of our common object is bound to be slow, in the democratic processes which you and we prefer. We all need to be sure that we have the right procedural process upon which we may help you to build your own self-government and essential independence.

No responsible person is unaware today that Korea in all recorded history has been the crossroad and point of contact of the great movements of the peoples of eastern Asia, and, in later decades of the impact upon them of the western peoples. Nor is any responsible person unaware that Korea's ancient culture has influenced and been influenced by that historical fact. It is upon this awareness that we must all attempt to help you to build now a synthesis of your very old culture with all that is best in the modern for a solid and permanent future.

I can assure you that I welcome suggestions or comments by you on matters concerning your country's future.

Sincerely yours,

JOHN CARTER VINCENT

740.00119 Control (Korea)/11-2145 : Telegram

The Acting Political Adviser in Korea (Langdon) to the Secretary of State ⁴⁴

[SEOUL, 20 November, 1945.]

[Received November 21—4: 25 p. m.]

Tfgbi 20. Reference SWNCC 79/1 and 101/4 of October 20 and 24 respectively. After one month's observation in liberated Korea and with background of earlier service in Korea, I am unable to fit trusteeship to actual conditions here or to be persuaded of its suitability from

⁴⁴ Transmitted also to the Acting Political Adviser in Japan.

moral and practical standpoints, and, therefore, believe we should drop it. It is thought wrong because the Korean people have always been a distinct nation except for 35 years of Jap rule and have high literacy, cultural and living standards judged by Asiatic and Middle Eastern standards. It is thought unpractical because it certainly will not be accepted by the Koreans and perhaps will have to be maintained by force. Unaware of Allied plans for Korea, Korean groups after the Jap surrender hastily and joyously formed self-styled government, republics, etc., to take over from the Japs and in the capacity of hosts welcomed our forces. Military Government, therefore, came as a surprise and disappointment. However, all classes of Koreans look upon us as deliverers and for that reason and because they have abiding trust in United States very [work]^{44a} amicably with MG. Out [But] the Department's recent press release concerning trusteeship for Korea, connoting that Koreans would continue to be somebody's wards after MG, agitate all literate elements beyond anything since the surrender. The fact seems to be that all Koreans want their country to themselves in their life time and will not have any form of foreign tutelage to attain an alien standard of nationhood. In the Korean people are certain bad traits that cannot be overcome except by actual experience of their evil consequences: Division, obsequiousness, inordinate self seeking, strong sectional rivalries and intolerance of opposition. The Japs did not give the Koreans the opportunities to work these faults out of their system. A trusteeship would also have to repress these faults in order to function. True at the end of the trusteeship the natural process of self improvement would still lie before the Korean people as it does now. For the foregoing reasons I favor another plan instead of trusteeship.

In the light of actual conditions in Korea our policy of abstaining from any action which might interfere with the freedom of a liberated people to choose their own form of government seems inappropriate. Nearly three-fourths of the people live in our zone but are not seriously planning a government because it would obviously be to no purpose, we being the government. Thus, the situation will remain static unless we take a hand in it. Our caution over becoming associated with the so-called Provisional Government in Chungking seems unwarranted now as Kim Koo's group has no rival for first government of liberated Korea, being regarded as quasi-legitimate by all elements and parties. Jubilation prevails over its impending return and widespread arrangements are being made for a triumphant welcome. The high esteem enjoyed by Kim Koo offers United States an opportunity for attempting a constructive Korean policy that

^{44a} Bracketed insertions in these lines based on copy of telegram in the files of the Political Adviser in Japan.

can hardly be resented or traduced. In broad outline this policy might be as follows:

(1) The Commanding General directs Kim Koo to form a council in MG representative of the several political groups to study and prepare the form of government of Korea and to organize a Governing Commission; MG provides facilities, advice and working funds for such commission.

(2) The Governing Commission is integrated with MG (presently rapidly being built up as an all Korean organization).

(3) The Governing Commission succeeds MG as interim government, with Commanding General retaining power of veto and of appointing such American supervisors and advisors as he deems necessary.

(4) Three other powers concerned are requested to supply some supervisors and advisors in Governing Commission in place of American.

(5) Governing Commission hold selection of head of state.

(6) Government formed by elected head of state recognized, treaties made with and missions accredited to it, and Korea admitted to UNO. Note: Somewhere in the transition, perhaps between (4) and (5), negotiations to be signed with Russia for mutual withdrawal of troops and extension to Russian zone of Governing Commission's authority. Russia should be informed in advance of above plan and invited to further it by allowing persons in Russian zone nominated to Governing Commission by council to proceed to Seoul, but if Russian participation is not forthcoming plan should be carried out for Korea south of 38th parallel.

The old native regime internally was feudal and corrupt but the record shows that it was the best disposed toward foreign interests of the three Far Eastern nations, protecting foreign lives and property and enterprises and respecting treaties and franchises. I am sure that we may count on at least as much from a native government evolved as above, although we may be justified in expecting much more considering the progress of the people and country since and the leavening there will be of foreign supervisors. Another stabilizing factor would be the probable presence of an International Commission to service the national debt—Korea will have to borrow foreign exchange initially for reconstruction purposes, currency reserve, etc. As for the quarter of the population in the Northern Zone, I believe the Korean people too homogeneous to be so estranged by political and social innovations to the point where they would not welcome a national government.

The steps in this plan of course are contingent on a number of things, but if the plan has merit it is important that the first step be taken while the people still have enthusiasm for Kim Koo and general political fervor. Foregoing was prepared before receipt Deptel quoting to us passage in Moscow 3827, November 12, Deptel giving an estimate of Russian policy toward Korea. This estimate

would seem to add to the weight of my recommendations for scrapping trusteeship idea and working on plan of our own for an independent Korea. Mention may be made here of MG ordinance 28 of November 13, creating office of Director of National Defence and Bureau of Armed Forces therein which has as aim, organizing, training and equipping armed Korean military and naval forces.

[LANGDON]

740.00119 Control (Korea)/11-845 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, November 21, 1945—6 p. m.

141. Your 100 [101,] Nov 8. Since question of separation Korea from Japan cannot be considered apart from such other questions as Soviet participation in FEAC⁴⁵ and trusteeship, Dept feels it inadvisable to take further action at this time on proposed declaration.

BYRNES

740.00119 Control (Korea)/11-2345 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, November 23, 1945—5 p. m.

[Received November 23—1: 31 p. m.]

3940. ReEmbs 3813, November 9. Economic, social and political problems arising from division of Korea is subject.

Vyshinski replied on November 21 to my letter addressed to Molotov stating, in regard to possibility of negotiations on various problems concerning Korea, that the proposal of American Government had been transmitted for consideration of competent Soviet authorities, and that he would inform me of further developments.

HARRIMAN

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*Lieutenant General John R. Hodge to General of the Army
Douglas MacArthur, at Tokyo*

[SEOUL,] 25 November, 1945.

Tfgeg 159. Recent convention in Seoul of Korean People's Republic failed to comply with my request that they stop the use of Chinese character "republic" in their name which denotes a going government. This political party is the most powerful Communist backed group in

⁴⁵ Far Eastern Advisory Commission.

Korea and has some connections with Soviet politics. Includes also considerable number of Leftists, not true Communists; new, it was formed before our arrival here. In the past their use of characters to indicate government in the name of their chief has caused considerable confusion among the people and gained them many followers among the uneducated and laboring classes, and has fostered radical actions in the provinces under the guise of orders from the Korean People's Republic. I have worked hard on the leaders to remove the name and misunderstandings at the recent convention. ^v Although the consensus of meetings, as reported by my representatives attending, was that they will render full support and aid to US efforts in Korea, I cannot be sure of this support until such time as I can see result from a changed attitude. If future attitude is unchanged based on results, it is believed essential to denounce this party group in their status of terminology as a government and go on record to the people as opposing the party. This will constitute in effect a "declaration of war" upon the Communistic elements in Korea, and may result in temporary disorders. It will also bring charges of political discrimination in a "free" country, both by local pinko and by pinko press. If activities of the Korean People's Republic continue as in the past, they will greatly delay time when Korea can be said to be ready for independence. Request comment.

[HODGE]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea: Telegram

*General of the Army Douglas MacArthur to Lieutenant General
John R. Hodge, at Seoul*

[Tokyo,] 25 November, 1945.

CA 55221. Reference your Tfgeg 159. Use your own best judgment as to what action should be taken. I am not sufficiently familiar with local situation to advise you intelligently but I will support whatever decision you may take in this matter.

MACARTHUR

711.90/11-2645

*The Acting Political Adviser in Korea (Langdon) to the Secretary
of State*

SEOUL, November 26, 1945.

[Received December 10.]

MY DEAR MR. SECRETARY: Today this Command received the Department's telegram of November 21,⁴⁶ summarizing an article by

⁴⁶ No. 7, not printed.

Gordon Walker in the *Observer* of the 20th [18th] critical of United States policy in the Far East in which is revived the story current at the time of our landing here, September 8, that the American commander labelled Koreans the same breed of cats as the Japanese and charges made that Military Government is partial to rich conservatives in the selection of Korean personnel.

I have looked up the origin of the "breed of cats" story. From the press conference record, it seems that the subject discussed at that moment was the Korean police in Japanese service. General Hodge remarked that "Koreans consider them the same breed of cats as Jap policemen". There were other damaging stories in the American news at the same time: that General Hodge "praised" and "thanked" General Abe, the Japanese commander,⁴⁷ "for a good job", that General Hodge intended to "knock together" the heads of certain self-seeking Koreans, that we somehow were to blame for the killing by Japanese of some Korean youths who assembled against orders close to our disembarkation area, that our commanders were "fascist", et cetera. These stories came largely from a group of correspondents who paid a flying visit (from 4 p. m. on September 9 to noon the following day) to Seoul as guests of the Strategic Air Forces and did not attend any press conference. It is not known how or where they got these stories. They also carped over the retention of Japanese personnel and wondered why Abe was not "fired" right away and pooh-poohed the reasons given for this momentary procedure. Assuming that there was some ground for the charge at the time, now resuscitated by Walker, that our officers were ill-prepared for occupation, it would have been more logical to have blamed Washington rather than the officers. But in any event, if there were fumbles at the beginning of military occupation in this new and unknown land, they are now water over the dam and anyhow were of no importance to the Koreans.

As for favoring plutocracy in, and excluding popular left wingers from, Military Government, it is quite probable that at the beginning we may have picked out a disproportionate number of rich and conservative persons. But how were we to know who was who among this unfamiliar people? For practical purposes we had to hire persons who spoke English, and it so happened that these persons and their friends came largely from moneyed classes because English had been a luxury among Koreans. But Military Government long ago realized the unrepresentative character of its Korean structure and is fast broadening the social base of that structure. As for the charge that Military Government is impatient and intolerant of liberal or left wing Korean groups, it is not in accord with the facts. General

⁴⁷ Gen. Nobuyuki Abe, Governor General of Korea until September 1945.

Hodge and General Arnold, the Military Governor, spend hours each week earnestly discussing national problems with the leaders of the radical "People's Republic" mentioned by Walker and of the Communist party, as they do with leaders of other groups, and the other day General Arnold addressed the national congress of the Central Committee of the "People's Republic".

I am not writing to defend our commanders here. They need no defence. But this captious press they have had may have left you and the President under the impression that the United States is represented here by men of few parts, colonial-minded and contemptuous of the Koreans. This is not the case at all. They have their hearts in their job, treat as equals and with respect and friendliness the leaders of all groups, study the psychology and aspirations of these people with sympathy and understanding, and are well liked and 100% trusted by all Korean leaders. Indeed, I can assure you that America is fortunate in its representation.

Incidentally, it seems to me that Walker reflected a *parti pris* in this situation here. He never attended any of Dr. Rhee's press conferences and never asked for an interview with him—Dr. Rhee is the leader of the elements Walker lumps together as the minority. He also was credited by the local Korean press with saying at an interview with the leader of the Radical-Communist groups "the Military Government is not America".

Respectfully yours,

WM. R. LANGDON

Records of the State-War-Navy Coordinating Committee,
Lot 52-M45, SWNCC 232 Series

*General of the Army Douglas MacArthur to the Chief of Staff
(Eisenhower)*

[Tokyo,] 26 November, 1945.

Cax 55238. Part I. Since United States occupation, rehabilitation of lightly armed Korea National Civil Police Force within existing structure of government has been in progress under United States supervision, reur W[ar] 80645 of 3 November 1945 (Appendix "A"⁴⁸). Force is composed of Koreans and will reach planned strength of 25,000 by 1 January 1945. Believe that continued vigorous development of force and equipping it with United States arms and equipment will relieve United States forces of civil police functions in Korea other than supervision and reinforcements in emergency. However, in view of situation vis-à-vis Russia, two United States Divisions, two air groups, and supporting troops comprise the minimum force that should be retained in Korea until final United States policy with respect to that country is determined.

⁴⁸ Not printed.

Request authority to equip police force as outlined above with surplus United States weapons available here in stock and from Class 4 units.

Part II. In this connection closely related question of long range policy concerning establishment of Korean Military Forces has necessarily received consideration. Following are views of Commanding General USAFIK on subject: "Private armies of unarmed veterans nationally inspired are beginning to spring up in Korea and will undoubtedly make every effort to arm secretly or otherwise. Such forces will be a threat to the integrity of Korea upon the withdrawal of United States Forces. Best method of control is to capture Korean leadership and divert energies into national channel under United States control.

"Police type force does not offer satisfactory solution to problem due to the local nature of its primary mission of law enforcement and the size of the groups involved. A more ambitious but realistic program would be the establishment of complete Korean National Defense Forces (Army and Air, Navy and Coast Guard)".

It is realized that such a program must necessarily be governed by policies established for the ultimate disposition of Korea. Consequently it is requested that this Hq be furnished early guidances to what if any national armed forces are contemplated for Korea during the period of the Allied trusteeship in order to determine whether or not further consideration of such a plan is warranted at this time.

[MACARTHUR]

740.00119 Control (Korea)/11-2145 : Telegram

*The Secretary of State to the Acting Political Adviser in Korea
(Langdon)*

WASHINGTON, November 29, 1945—8 p. m.

12. The Department is giving careful consideration to the suggestions contained in your unnumbered, undated telegram received on November 21⁴⁹ concerning possible abandonment of an international trusteeship for Korea. Your points raised against trusteeship were considered in the Department in its discussions concerning the best method by which Korea can become independent as soon as possible.

The decision to follow the trusteeship principle was reached prior to the occupation of Korea, and the adoption of this principle may still be necessary to secure the elimination of the barrier of the 38° parallel and zonal developments which are now taking place. As you know, the Soviet Government has on two separate occasions agreed orally with this Government to the establishment of a four-power trusteeship. It has been our thought that such an arrange-

⁴⁹ *Ante*, p. 1130.

ment would serve best to train Koreans adequately to assume the responsibilities of full independence and at the same time to assure the emergence of a united, independent Korea with a minimum of continued foreign interference in Korean affairs. However, if adequate specific guarantees for the unification and independence of Korea can be obtained from the Soviet Union, it is possible that we might not wish to continue to advocate trusteeship.

As you are aware, this Government has approached the USSR regarding the solution of problems arising from the 38° barrier. (Deptel 82, Nov 3 to Acheson⁵⁰). Moreover, it is contemplated that discussions will be started in the near future regarding the status of Korea prior to its complete independence. In regard to these latter conversations the Department is considering taking up with the Soviet Government the question of the future government of Korea.

Present thinking in the Department is that it would be safer, in the interest of Korean unity and early independence, to negotiate with the USSR before attempting to introduce a new idea such as a governing commission concerning which the USSR has made no commitments.

We note from reports in the *New York Times* under Seoul dateline of November 26 that Kim Koo has already taken steps toward party unity and that "with the provisional basis for a coalition already a reality, informed sources here tonight expressed confidence that a coalition to form a Provisional Government was only a matter of days and then Mr. Kim will be able to pronounce his readiness to form a government."

The Department is aware of the difficult position which present conditions impose upon General Hodge and hopes that he will continue to use qualified Koreans to the maximum. The Department feels that the formation and support of a "Provisional Government" or even a "Governing Commission" may carry with it implications that such a body has, or might at least claim in the near future, jurisdiction over all of Korea. The Department believes that the USSR would react unfavorably to the creation by us of such a body, and if consulted would not agree thereto. Consequently, its premature establishment might prejudice negotiations with the U.S.S.R. With regard to support accorded Kim Koo and his group, therefore, it would seem desirable that no deviation be made from paragraphs 9c and g of SWNCC 176/8.⁵¹

BYRNES

⁵⁰ See footnote 14, p. 1106.

⁵¹ *Ante*, p. 1073.

740.00119 Control (Korea)/11-1745 : Telegram

*The Secretary of State to the Acting Political Adviser in Japan
(Atcheson)*

WASHINGTON, November 30, 1945—4 p. m.

169. Your 143 Nov 17. While action on accomplishing the legal separation of Korea from Japan is at present in abeyance, for your information, Legal Adviser⁵² is of the opinion that a declaration on the part of the Emperor renouncing rights and titles of Japan in Korea is not necessary.

Final draft K-16⁵³ embodying Legal Adviser's opinion provides for joint four-power declaration only, on the assumption that such a declaration is sufficient to accomplish separation based on Japanese acceptance of Potsdam terms of surrender. While your comment on this matter is encouraged, you will understand that final consideration of this matter depends on settlement of other questions mentioned in Deptel 141 Nov 22 [21].

BYRNES

⁵² Green H. Hackworth.

⁵³ Dated November 15; it recommended a proposed joint declaration as follows:

"In accordance with their pledges the Governments of the United States of America, the Republic of China, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics hereby declare their recognition of the independence of Korea, subject only to the condition that the exercise of the powers of independent government will be in abeyance until not later than March 1, 1951. During the intervening period Korea will be administered as a whole under international trusteeship for the purpose of preparing the Korean people for the full exercise of such powers. The four governments accordingly have undertaken to negotiate a trusteeship agreement for Korea within the provisions of Chapter XII of the Charter of the United Nations.

"It is further recommended that the Treaty of Peace with Japan should contain an Article in which Japan reaffirms the renunciation of its rights, titles, and interests with respect to Korea."

In a covering memorandum of November 16 to the Director of the Office of Far Eastern Affairs, George H. Blakeslee of that Office stated the proposed joint declaration had been recommended by a large and representative Area Committee on the Far East except that "the members of the Area Committee were not in complete agreement as to the wisdom of inserting . . . the date 'March 1, 1951'. . . In any case, the Committee would recommend that if any one of the three other Powers to be consulted objects to a specific date the American negotiator might well drop the date and substitute a general phrase, such as 'as soon as possible.'" (895.01/11-1645)

In a memorandum of November 19 by the Deputy Director of the Office of European Affairs (Hickerson), discussing demobilization matters in occupied areas, there appeared the following statement concerning Korea: "It is hoped that by July 1, 1946 an international trusteeship will be in operation in Korea." This memorandum was sent by the Secretary of State to the Secretary of War (Patterson) in a letter dated November 29. (811.20/11-145)

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*Major General A. V. Arnold*⁵⁴ to *General of the Army Douglas MacArthur, at Tokyo*⁵⁵

[SEOUL,] 1 December, 1945.

Tfymg 406. Request WARCOS⁵⁶ authority to send commission of 6 Korean civilians to Washington for 2-month period to negotiate with Governmental and private foundation agencies within the fields of agriculture, industry, medicine, education, and commerce in an effort to obtain US rehabilitation aid. Funds will be provided by MG of Korea. Also request Cmdr G. Z. Williams 78214 USNR be assigned for temporary duty with this commission. Williams will return to US for readjustment [*reassignment*] in near future.

The six Koreans selected for this commission are: Lee Hoon Koo, Lee Ylung Sul, Cho Pyung Ok, Chang Lee Wook, Lah Ka Ho, Ko Whang Kyung.

Approval also requested of following educational program: 10 civilian educational specialists to come from US to Korea, 58 Koreans to go to US for undergraduate study, 30 Korean doctors to go to US for internship, 2 Boy Scout leaders to go to US Scout Executive Training Schools, 220 Korean educators to go to US to observe US education, and 15 US teachers to come to Korea. If approved educational representatives of commission could work out details at Washington.

Langdon concurs in foregoing and requests State Dept be notified of this radio.

[ARNOLD]

740.00119 Control (Korea)/12-1145 : Telegram

The Acting Political Adviser in Korea (Langdon) to the Secretary of State

SEOUL, December 11, 1945.

[Received December 13—7:59 a. m.]

Reutel No. 12 dated 29 November, 8 p. m. Department's views have been studied earnestly by USAFIK which is glad to note that we might be willing to abandon international trusteeship for Korea if adequate specific guarantees for unification and independence of the country can be obtained from USSR. In view of probable attitude of USSR toward such trusteeship now (see Moscow's 3827, November

⁵⁴ Military Governor of (south) Korea.

⁵⁵ Copy transmitted by General MacArthur to the Chief of Staff on December 4.

⁵⁶ Chief of Staff, War Department.

12 to Department) as distinguished from what Stalin said about it last May when USSR was still committed to peace with Japan for another year, and of Korean attitude, we ask ourselves whether it might not be more realistic to by-pass trusteeship and seek these guarantees directly in forthcoming discussion mentioned in telegram under reference. One more thought on international trusteeship. Although out of touch with the sentiment of Congress and American people USAFIK senses beginnings of a tugging to get the troops and military government out of this liberated land, and wonders whether a physical structure for such trusteeship can be erected in time to take over from military government even if the task began now. Two months ago Military Government asked for 40 professional assistants. To date none have arrived and only dozen or so found. With regard to proposals to be taken up in the pending discussions with USSR regarding the status of Korea until and after complete independence, the Department might wish to put forward the program I laid before it which was an elaboration of General Hodge's scheme shaped to mesh into Military Government. As an alternative the Department might wish to consider proposing a US trusteeship for South Korea and a USSR trusteeship for North Korea, both under UNO, to end mutually with reciprocal withdrawal of troops and invitation to UNO membership say after 5 years, with free movement of persons and goods between two zones in meantime. The latter idea came from a source one would hardly expect, Mr. Hu Hun Coa, leader of the Radical Korean People's Republic, who thought a short period of American protection over Korea similar to that over the Philippine Commonwealth ideally suited to the present Korean situation. In principle we, of course, favor settlement with Russia of every aspect of the Korean problem [. However, we feel here]⁵⁷ that our Korean policy so far had been predicated solely on Russia[n cooperation] ⁵⁷ with no planning beyond this premise. A factor seemingly missing from State, War, Navy CC ⁵⁸ papers is the [present mood of] ⁵⁷ the Korean people in [*is*] impatient of spoon-feeding, conscious of independence and eager to exercise it. We believe that only by making important concessions to this move [*mood*] can the situation be kept in hand, conflict avoided, and cooperation obtained in our zone. What course to follow in situation where Russian cooperation or agreement is not forthcoming and easy to be done without in the interest of our position here, is a matter no doubt engaging the Department's study.

The report cited by the Department of Kim Koo's plans for early formation of a government is face saving publicity, as the "People's

⁵⁷ Bracketed insertion taken from War Department telegram Tfyng 459, December 14 (740.00119 Control (Korea)/12-1145).

⁵⁸ State-War-Navy Coordinating Committee.

Republic" fully understand and profess to be abiding by our injunction that neither is to make pretensions to or exercise governing authority. On the other hand, with Kim Koo and the national leaders at last gathered in Seoul, political fever is running high and expectations are great. But without offices to fill or fight for it will soon be realized that all Korean political activity is mummery and resentment will follow frustration. To meet the Dept's wishes General Hodge will name the projected council something less imposing than "governing commission" and assign to it functions in scope to our zone. A functional council through which leading national figures can take part in government, however, is essential at the moment to meet current emotions and maintain goodwill for military government.

LANGDON

895.01/12-1445 : Telegram

The Acting Political Adviser in Korea (Langdon) to the Secretary of State

SEOUL, December 14, 1945.

[Received December 16—1 : 55 p. m.]

Tfgcg 189. 1. First steps completed in Korean independence. This includes repatriation of all Japanese troops. Repatriation is set to operate immediately. The administrative machinery to carry out this work is operating smoothly. Through our efforts the police and judiciary have been reestablished and order prevails. Exiled Korean leaders have been brought back. The Korean people have been told that the present division of Korea is a temporary measure. Now the Korean people wait for the next stage, which is independence. No practical steps have been taken along this line.

2. There is little apparent enthusiasm for either Kim Koo or Syngman Rhee, and likewise for the People's Republic which, for awhile, actively pretended to be a government. The people expect[ed] a government of their own when Kim and Rhee return[ed]. Through the operation of the People's Republic, the people were given a taste of local independence and free Japanese property.

3. The leaders, though friendly, are losing faith as they see the 38th parallel assume a permanent character which prohibits them from being useful or active. The masses themselves are impatient of legalistic and orderly procedures toward Japanese property and landlordism. Communistic agitators could find them good material to work as preachers of division of Japanese property and big estates and as critics of our occupation forces.

4. Entry into our Zone of an additional 1,600,000 refugees including some ½ million from the Russian Zones and Korean-Manchuria,

are making living conditions increasingly hard. Three-quarters of the population of Korea is now in our hands and the Koreans are looking to us for a solution of their troubles. The responsibility is ours primarily.

5. Unless we raise the curtain for the next act permitting the fulfillment of Korean aspirations as they feel them and not as we think they should be our mission here is faced with difficulties and possible failure.

6. USAFIK stresses the importance of an early settlement of the Korean difficulties and hopes that Mr. Byrnes will place it on the agenda at Moscow.⁵⁹ The Department is already familiar with the question of the exchange of specific goods and merchandise between the two Zones. However, it is hoped that the more fundamental questions will also be answered; to wit:

a. We have already submitted a plan to cover the transition to full independence (I refer to my telegram dated 20 November). Will this be in accord with Russian policy?

b. Would Russian policy concur in an exclusive trusteeship in our respective Zones for a 5-year maximum, followed by complete reciprocal withdrawal; free travel and the exchange of goods in the interim.

c. If neither recommendation is agreeable to Russians, we are interested in knowing just what the Russian program is so that it can be studied and perhaps our own program adapted to fit it.

7. It is desired that the following additional specific questions be taken up at this time with Moscow:

a. One-half million Koreans have been admitted to our Zone from the Russian half without question on the assumption that they belonged to our Zone originally. We would wish the Russians to place no obstacles on the return to North Korea of those Koreans among the 600,000 that we have already repatriated from Japan whose original homes were in North Korea.

b. Already 77,000 Japanese civilians including 1,000 soldier stragglers have come into our Zone from the Russian. Our own burden of repatriation of Japanese civilians is heavy. We wish the Russians would send Japanese in their Zone directly to Japan.

c. It is not understood why the Russians are fortifying the 38th parallel as no Koreans are allowed to have arms and no Japanese soldiers remain in their Zone. The purpose of these fortifications may be misinterpreted and prejudice our relations.

d. The refusal of the Russians to have liaison with us on local administrative and military levels is not understood, nor their refusal to allow visits to the Russian Zone of our correspondents and officials.

If the USSR intends to maintain its large consular establishment in Seoul, what are the reasons therefor? In the absence of any questions between it and the Military Government of the Korean people,

⁵⁹ Reference is to the Moscow Conference of Foreign Ministers which was held from December 16 to December 26. For documentation on the Conference, see vol. II, pp. 560 ff.

and the lack of important Russian interest in South Korea, we can see no need for it.

8. We hope the Moscow conference will result in either a concrete Russian agreement to any of our proposals for Korea or a concrete Russian counter-proposal in harmony with our responsibilities. If such agreements do not develop, it is imperative that the US act as the situation requires on its own, even though these actions may sound national in character. If we cannot agree with Russia on some definite procedure toward independence which we can publicize, it is only by our own definite actions that we can convince the Korean leaders that our intentions of their independence are genuine and in this way we can win their support in fighting Communism, unrest, and hostility of the masses toward us.

9. The Government should make a clear-cut statement very soon that all Japanese private and movable property in our Zone is being held in trust by us for the future Korean government to dispose of in any way it cares to. In the Russian Zone, this type of property has been disposed of without consulting us and, unless the British, Chinese or ourselves are entitled to any Japanese plant in Korea for reparations purposes, no reason is seen why such a statement cannot be made at an early date. Due to the indeterminate status of this matter, the Korean people are kept uneasy and suspicious.

LANGDON

740.00119 Control (Korea)/12-1945

*General of the Army Douglas MacArthur to the Joint Chiefs of Staff*⁶⁰

TOKYO, 16 December, 1945.

CA 56096. I invite attention to the following report made by the Commanding General USAFIK. This message embodies the reiteration

⁶⁰ Copy transmitted on December 19 to Acting Secretary of State Acheson by Secretary of War Robert P. Patterson with this comment: "I share the concern expressed by both General MacArthur and General Hodge and feel that urgent action is required. As you know, General Hodge has made every effort to establish liaison with the local Soviet Commander on matters within his province, but to no avail. Therefore, it would appear that the required action concerning the matters raised in the enclosed message must be taken on a governmental level. It appears that the question of Korea should be taken up with the Russians immediately in order to resolve the points raised in the enclosed message or at least to clarify the Russians' intentions in order that our course of action may be determined." (740.00119 Control (Korea)/12-1945)

Another copy was transmitted on December 19 to the Secretary of State by James Clement Dunn, Chairman of the State-War-Navy Coordinating Committee, who stated: "The Joint Chiefs of Staff are in agreement with the enclosed message and view with grave concern the present situation in Korea. The Chiefs of Staff find themselves unable to issue adequate directives to their commanders in the field under the circumstances. The early advice of the State Department is requested." (740.00119 Control (Korea)/12-1945)

tion of certain facts and recommendations which have been previously submitted. The situation demands positive action as nothing could be worse than to allow it to drift to an ultimate crisis.

[“]Subject: Conditions in Korea.

After 3 months in occupation of south Korea I have reached the following definite conclusions. These are considered a further crystallization of previous reports.

A. The dual occupation of Korea with Russia north and US south of the 38th degree parallel imposes an impossible condition upon our occupation missions of establishing sound economy and preparing Korea for future independence. In South Korea the US [is] blamed for the partition and [there] is growing resentment against all Americans in the area including passive resistance to constructive efforts we make here. No explanation can reach through to the people since it is counteracted by the existing facts. Every day of drifting under this situation makes our position in Korea more untenable and decreases our waning popularity and our effectiveness to be of service. The word pro-American is being added to pro-Jap, national traitor, and Jap collaborator. The only advantage of the Russian presence is to absorb a portion of the people's resentment against the partition of Korea. Every Korean knows full well that under the dual occupation any talk of real freedom and independence is purely academic. It will be extremely difficult, if not impossible, ever to accomplish unity spirit in the Koreans until they see the present 38th parallel barrier removed. Every day of delay fosters further and permanent division of the people.

B. The Koreans want their independence more than any one thing and want it now. This stems from the Allied promise of freedom and independence which is well known by every Korean without the qualifying phrase “in due course”. I am told there are no Korean words expressing “in due course”. The general uncertainty and thwarted hopes of Korean masses after the initial occupation are growing toward certainty and hopelessness that the Allied powers were not sincere in their promise. By occidental standards Koreans are not ready for independence, but it grows daily more apparent that their capacity for self-government will not greatly improve with time under current conditions.

C. The situation in the South Korea makes extremely fertile ground for establishment of Communism. In my opinion Koreans do not want Communism, but the unsettled conditions, the lack of clear cut policies for the future and lack of hope for early national sovereignty by the peoples may easily push those in US zone to radical leftism, if not raw Communism. There is currently a flow of Manchurian and Chinese trained Korean Communists to south of 38th degree

who are giving active assistance to Communistic elements already present. Cho Man Sik, a great Korean democratic leader operating north of the 38th degrees, assures me through intermediaries that Communism will be no problem there—that the people are cured by Russian occupation. He warns, however, that we must be careful south of 38th degrees if we do not want to encourage it. The approximate international influences and our occupation policies of insuring all freedom and maintaining property rights and order among liberated oriental people favor Communistic activities. Under these policies conservative groups tend to obey laws and ordinances while the radicals do not. The latter operate largely underground using terroristic or coercive measures, and their activities are almost impossible to stem with the untrained civil police and the small occupational force available with its extremely low effectiveness due to current disintegration through the discharge system now in effect.

D. The Koreans are the most politically minded people I have ever seen. Every move, every word, every act is interpreted and evaluated politically. A letter recently intercepted by censors seems to crystallize Korean psychology. A Korean north of 38th degrees told of typically reported Russian actions there but concluded that conditions are not too bad because the Russians in area didn't interfere with his politics. There is little hope of any real coalition of political parties here until the 38th degree barrier is broken physically and politically and plans for final clear policies can be announced to the people in simple terms, including times and dates, and without a lot of contingencies.

E. Early establishment of firm and far-reaching policy of reparations and final disposal of former Japanese property is absolutely essential. Our inability to give more than vague evasive answers to all questions pertaining thereto is operating against our success in the occupation and is fostering radicalism, Communism, and direct action to get something for nothing on the part of [Korean radicals. With introduction of?] definite policies it is believed there will be a definite improvement of political and economic conditions as well as great decrease in agitation.

F. In the minds of all Koreans, "Trusteeship" hangs over them as a sword of Damocles. If it is imposed now or at any future time it is believed possible that the Korean people will actually and physically revolt.

G. The Russian methods of occupation north of the 38th degree are not understandable to Americans. There is evidence that they have constructed and maintain an effective field works system of defense against invasion just north of 38 degree. It is certain that they

have constructed and constantly man with armed guards a line of road blocks facing south with weapons emplaced to fire south exactly across the line they interpret from their maps as the 38th degree parallel. Actually parts of this line are 1,000 to 1,200 yards south of the line shown by US maps. Although outwardly friendly relations between troops of the two nations exist, persistent reports come from the north that Russians repeatedly speak of war with US. There are also rumors south of 38 degree that US and Russia are preparing for war. Under current conditions, border incidents of a dangerous character could easily occur. Russian Consulate is maintained in Seoul with large staff with no legitimate reasons. The Consul General and ranking members of his staff are making increasingly frequent trips across the occupational boundary and are conferring with local Koreans. Despite the Russian border control, there is a daily flow southward of 5,000 to 6,000 destitute refugees, both Japs and Koreans, giving strong indication that the control valve is open for southward movement of undesirables. Koreans well know that the Russians have a force locally of about 4 to 1 to Americans and with the usual oriental slant are willing to do homage and are doing homage to the man with the largest weapon. On the part of the masses there is an increasing tendency to look to Russia for the future.

H. In summary, the U.S. occupation of Korea under present condition and policies is surely drifting to the edge of a political-economic abyss from which it can never be retrieved with any credit to United States prestige in the Far East. Positive action on the international level or the seizure of complete initiative in South Korea by the U.S. in the very near future is absolutely essential to stop this drift. Specifically and urgently needed are:

- (1) Clarification and removal of 38th degree barrier so as to unify Korea.
- (2) Clear-cut statement abandoning "Trusteeship".
- (3) Positive statement of policy regarding status of former Japanese property in Korea and reparations as applied to any such property.
- (4) Reiteration of Allied promise of Korean independence accompanying foregoing acts.
- (5) Establish complete separation of Korea from Japan in the minds of the press, the public, the State and War Depts and Allied Nations.

Under present conditions with no corrective action forthcoming I would go so far as to recommend we give serious consideration to an agreement with Russia that both the U.S. and Russia withdraw forces

from Korea simultaneously and leave Korea to its own devices and an inevitable internal upheaval for its self purification.

This report is being supplemented by a report from Langdon."⁶¹

[MACARTHUR]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Acting Political Adviser in Korea (Langdon) to the Acting
Political Adviser in Japan (Acheson)*

[SEOUL,] 17 December, 1945.

Tfghi 63. Of interest is recent conference between three members of Democratic Party headed by Mr. Song Chin Woo and Mr. Polianski, Russian Consul in Seoul. Committee on Mr. Song's initiative called on Consul to protest conduct Russian Army and Communists Northern Korea and oppression Koreans that area. Mr. Polianski most cordial and promised take matter up with his Government. In course of conversation Mr. Polianski expressed satisfaction with conduct US Occupation southern Korea and expressed belief we would insure democratic form of Government. Also stated Russians would not interfere in affairs southern Korea and in fact maintained no liaison with Communist Party here. Mr. Song queried concerning possible fortification southern Korea by US Forces. Mr. Polianski asked committee's opinion on possible action which would restore Koreans' confidence in Russia. Mr. Song's reply "Withdraw the Russian Army from Northern Korea".

[LANGDON]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Acting Political Adviser in Korea (Benninghoff) to the Acting
Political Adviser in Japan (Acheson)*

[SEOUL,] 25 December, 1945.

Tfghi 86. Vice Consul Konstantinoff returned Seoul from Heijo 23 December bringing two carloads of chemicals requested US Forces in September. Shipment included 25 tons sulphate aluminum and

⁶¹ *Supra*. In telegram 2601, December 20, 9 p. m., to the Ambassador in the Soviet Union for the Secretary of State in Moscow, the Acting Secretary of State described the views of the Secretary of War and the Joint Chiefs of Staff and, after alluding to telegrams CA 56096, December 16, and Tfghi 189, December 14, recommended the following: "Should communiqué on Korea be contemplated for release in Moscow we suggest that in light of reports on undesirable reaction in Korea to trusteeship, statement might, in order to make it more acceptable to Koreans, stress interim arrangement for administering authority with suggestion that it may be expected to have the backing of UNO." (740.00119 Control-(Korea)/12-2045)

9 tons chlorine. Balance shipment 25 sulphate aluminum, 41 tons chlorine and 3 tons fluid chlorine promised early January. When queried concerning possibility future transactions between US and Russian forces, Vice Consul stated, "I cannot say, but it is possible this is first swallow." Vice Consul Konstantinoff broached subject of evacuation of Japanese refugees direct from Russian-occupied territory to port of Pusan. This headquarters indicated willingness to cooperate to mutual benefit both forces including evacuation Korean refugees direct from Pusan to northern Korea. Vice Consul requested we submit our proposals which would be taken up by Russian Consul with CG Soviet XXIV Army in Heijo.

[BENNINGHOFF]

740.00119 Control (Korea)/12-2645 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, December 26, 1945—7 p. m.

2634. For Vincent.⁶² Following reports from Hodge on plant removals by Soviets in their zone in Korea may be added to similar reports in your file:

"1. Removal of machinery north of 38th parallel. During past month reports from infiltrators disclose Russian Army north of 38th degree line dismantling, crating and moving machinery to Russia. Soviet attitude appears to be that all factories and equipment were possessions of Jap war industrialite [*industrialists?*] and consequently can now be confiscated. Following are examples:

(a) At Songjin (Joshin) (1200-20 [2020]) former civilian employee with frequency wave heavy industrial company reports Russians dismantling and loading cranes, heavy equipment and even window glass aboard ships.

(b) At Wonsan (Genzan) (1040-1830) former employee Chosen Refinery Company reports precision machinery of refinery being put aboard ship as was equipment from Mearoh Water Company. Ship rumored going Vladivostok. Ten factories this area reported stripped.

(c) At Shingishu (750-1950) machinery, locomotives, junked cars, leather and dry goods reported shipped away.

(d) At Pyongyang (Heijo) (880-1820) equipment dismantled at Korea Petroleum Company and the American Corn Products concern (Korean Branch).

(e) At Sinchon (Anien) (890-1860) Mitsubishi Chemical Company nitrate plant being dismantled.

(f) In industrial area southeast of Hamhung (Kanko) Russians reported to have removed considerable portion of Hungnam (Konan)

⁶² The Director of the Office of Far Eastern Affairs accompanied Secretary of State Byrnes to the meeting of Foreign Ministers at Moscow.

nitrate plant as well as stripping other factories in area producing carbide, gun powder, aluminum, machine tools and copper fittings. These concerns formerly using 400,000 kw daily from Korea Power Company now consume none.

(g) On 12 November removal of equipment from repeater station begun Chongju (Teishu) (830-1900).

(h) By 24 November at Yalu River Power Plant (1990-815) unit number 3 removed completely and shipped to unknown destination, unit number 4 is 80% disassembled and turbine roll removed from unit number 5. All map references this message are Korea series 1/250,000."⁶³

ACHESON

740.00119 Council/12-2745 : Telegram

*The Ambassador in the Soviet Union (Harriman) to the
Secretary of State*

Moscow, December 27, 1945—3 a. m.

[Received 7:30 a. m.]

4284. The Communiqué agreed to at the Moscow Conference will be issued for release at 10 p. m. Washington time, Thursday, December 27, and simultaneously in the other two capitals; i.e. 3 a. m., December 28, in London, and 6 a. m. in Moscow.

The text of the Communiqué follows:

[Here follow sections on the preparation of peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland, and the establishment of the Far Eastern Commission and the Allied Council for Japan.]

III. KOREA

1. With a view to the re-establishment of Korea as an independent state, the creation of conditions for developing the country on democratic principles and the earliest possible liquidation of the disastrous results of the protracted Japanese domination in Korea, there shall be set up a provisional Korean democratic government which shall take all the necessary steps for developing the industry, transport and agriculture of Korea and the national culture of the Korean people.

2. In order to assist the formation of a provisional Korean government and with a view to the preliminary elaboration of the appropriate measures, there shall be established a Joint Commission consisting of representatives of the United States command in southern Korea and the Soviet command in northern Korea. In preparing their proposals the Commission shall consult with the Korean democratic parties and social organizations. The recommendations worked out by the Commission shall be presented for the consideration of the Governments of the Union of Soviet Socialist Republics, China, the United Kingdom and the United States prior to final decision by the two Governments represented on the Joint Commission.

⁶³ War Department Army Map Service, *Gazetteer to Maps of Korea*, Series L551, September 1944.

3. It shall be the task of the Joint Commission, with the participation of the provisional Korean democratic government and of the Korean democratic organizations to work out measures also for helping and assisting (trusteeship) the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea.

The proposals of the Joint Commission shall be submitted, following consultation with the provisional Korean government for the joint consideration of the Governments of the United States, Union of Soviet Socialist Republics, United Kingdom and China for the working out of an agreement concerning a four-power trusteeship of Korea for a period of up to five years.

4. For the consideration of urgent problems affecting both southern and northern Korea and for the elaboration of measures establishing permanent coordination in administrative-economic matters between the United States command in southern Korea and the Soviet command in northern Korea, a conference of the representatives of the United States and Soviet commands in Korea shall be convened within a period of two weeks.

[Here follow sections on China, Rumania, Bulgaria, and the establishment by the United Nations of a commission for the control of atomic energy.]⁶⁴

[HARRIMAN]

895.50/12-2745 : Telegram

The Acting Political Adviser in Korea (Benninghoff) to the Secretary of State

SEOUL, 27 December, 1945.

[Received December 28.]

Tfghi 87. Developments here since submission original estimates of commodities required from and exportable to Soviet-occupied Korea have necessitated certain revisions which we believe should be transmitted to Embassy Moscow for use if present negotiations there include Korean problems.

We still need coal and other commodities from the north in substantially the same quantities as those originally requested. With regard to metals and minerals which can be shipped to the north, substitute concentrates for metallic zinc, lead and copper. Moreover, delivery of all these products cannot now be made until second quarter 1946, time of delivery depending considerably on receipt of coal from north for industrial use.

Our original estimate included possibility our shipping to Soviet Zone 4 to 5,000,000 bushels rice first quarter 1946. There are now no

⁶⁴ For full text of this telegram, see vol. II, p. 815. For the report of the Secretary of State on the achievements of the Moscow meeting as they related to Korea, see his radio address of December 30, Department of State *Bulletin*, December 30, 1945, pp. 1033, 1035.

immediate prospects of any rice being available, although the crop of 1945 has been good. This condition caused by following factors:

a. For first time in many years Koreans can eat all the rice with a corresponding decrease in consumption secondary cereals which in any event largely came from north and are not now available (preference is of course for rice over other cereals).

c. [*sic*] Farmers are reluctant to sell rice because:

1. With scarcity of consumer goods money has little value.
2. They have been misled to believe that much of their rice will be shipped to Japan although Mil Gov't's fundamental policy is Korean products for Korean people.
3. Many are withholding rice in the hope of increased prices later.

d. Refugees from Japan and Soviet occupied areas are rapidly increasing the population of our area of Korea.

e. The shortage of trucks, rolling stock and coal for the railways has created a serious transportation problem.

Mil Gov't is devising measures designed to correct the conditions described above, and when a surplus of rice is on hand it will be made available to northern Korea on conditions to be determined at the time. In meantime Embassy Moscow should know that according to present indications the Soviets will probably be interested in obtaining rice from US as they have requisitioned large amounts for their troops in northern Korea, which are living off the country, thereby presumably creating a food shortage in that area.

[BENNINGHOFF]

740.00119 Control (Korea)/12-3045 : Telegram

*Mr. Arthur B. Emmons, 3d,*⁶⁵ *to the Secretary of State*

SEOUL, December 30, 1945.

[Received December 30—2: 12 p. m.]

Tfgbi 97. News released concerning results of recent Moscow conference respecting Korea have caused strong and widespread Korean reaction varying from depression and disillusionment to anger and open defiance. Agitation is centered around prospect of trusteeship for period of up to 5 years any mention of which causes unreasonable resentment and violent opposition in the Korean mind. Unrest in the Seoul area thus far has largely taken the form of handbills, posters, and articles in the Korean press expressing in the strongest terms opposition to the trusteeship plan, which the Koreans appear to have interpreted as a *fait accompli* involving the maximum period. One or two small street demonstrations have been organized but there has been no serious violence although passive resistance has taken the

⁶⁵ Foreign Service Officer in the Office of the Political Adviser in Korea.

form of limited non-cooperation and refusal to work in military government offices and agencies. Many stores and business establishments in Seoul have closed in protest. Preliminary reports indicate that resentment of the general populace is not directed so much toward the United States and its military occupation forces here as towards the Soviets⁶⁶ and towards the local Korean political leaders who, it is claimed, have not taken sufficient steps to unify the country and thus remove the excuse for a trusteeship, which is interpreted by uninformed Koreans as a form of military protectorate or dictatorship. It is being emphasized to the Korean political leaders and press by General Hodge and other high American officers that the question of a trusteeship for Korea has not been finally settled, but that the removal of the 38th degree line and the setting up of a provisional Korean government constitute a significant step towards the independence of this nation and therefore should be a cause for great satisfaction and not for suspicion or resentment. It has been pointed out to these Korean leaders that a calm and objective view of the new developments [will go a long way to assist and hasten the day of final independence,]⁶⁷ a thesis which they appear to have accepted and which has calmed them at least for the moment. General Hodge intends to broadcast along similar lines tonight and press releases are now being prepared in the same vein. Leaders of the principal political parties are organizing immediate party meeting ostensibly to discuss the results of the Moscow conference and presumably to frame protests to the trusteeship plan. Further widespread demonstrations are being organized and troops and police have been alerted [*alerted*] in an effort to prevent possible disturbances. It is considered unfortunate that news service press releases from Moscow concerning trusteeship, some in fragmentary form, were permitted to reach the Korean people in their present highly volatile state of mind before a statement or interpretative comment had been received here from official sources which could have been used to calm their fears and sensibilities. It appears presently desirable if not essential to our security to avoid the use of the word "trusteeship" in press releases or official public statements with regard to Korea, in view of the severity of local reaction to that word. The Department will be kept telegraphically informed of further developments. ComGen USAFIK concurs. Repeated to Tokyo.

[EMMONS]

⁶⁶ In telegram Tfgcg 209, December 30, to General of the Army MacArthur, Lieutenant General Hodge stated: "Definite evidence that Leftist groups here are taking the opportunity to cause widespread antagonism among the Korean people by spreading word that capitalistic United States alone is responsible for all mention of trusteeship." (740.00119 Control (Korea)/12-3045)

⁶⁷ Insertion taken from copy in files of the Office of the Political Adviser in Japan.

740.00119 Control (Korea)/12-3045 : Telegram

*Lieutenant General John R. Hodge to General of the Army
Douglas MacArthur, at Tokyo*

[SEOUL,] 30 December, 1945.

Tfgecg 208. Quoted herein is a message from Mr. Kim Koo, nominal head of the so-called Korean Provisional Government which he requests be forwarded to the Head of State of each of the four great nations (President Harry Truman, White House, Washington; Marshal Joseph Stalin, Kremlin, Moscow; Prime Minister Clement Attlee, Downing Street, London; Generalissimo Chiang Kai Shek, Chungking, China).⁶⁸ I strongly recommend that it be dispatched as per Kim Koo's request.

"We oppose the decision reached at the Moscow Conference on trusteeship of Korea for the following reason[s] :

1st. It is against the desire of the entire people of Korea who uphold the principle of national self determination.

2nd. It is against the assurance given repeatedly by your nation during the 2nd World War.

3rd. None of the three articles relating to the trusteeship contained in the United Nations Charter is applicable to Korea.

4th. Any trusteeship applied to Korea will eventually destroy peace in the Far East.

For immediate independence of Korea as well as for world peace we hereby declare in advance our attitude of noncooperation toward the said trusteeship and we urgently request your immediate reconsideration."

[HODGE]

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Chief of Staff (Eisenhower) to General of the Army Douglas
MacArthur, at Tokyo*

[WASHINGTON,] 30 December, 1945.

WX 90802. Reference your CA 56471.⁶⁹ It is realized here that

⁶⁸ In a letter of January 18, 1946, to Assistant Secretary of War Petersen, Mr. Acheson "suggested that the War Department may wish to inform General Hodge that the message from Kim Koo has been brought to the attention of the President but that it would be inappropriate for the United States Government to transmit Mr. Kim's message to the heads of other states. Mr. Kim is, of course, at liberty to address communications directly to the heads of other governments." (740.00119 Control (Korea)/1-546)

⁶⁹ An explanatory marginal note in this telegram quoted CA 56471 as follows: "Moscow Conference report indicating establishment of trusteeship for Korea for 5-year period has thrown the people here into deep despair. During past few weeks Koreans have been crystalizing a belief they are going to have to fight physically for their independence. News of the trusteeship deepens that conviction. Definite passive resistance to our occupation if not violent disorders may be expected. It is probable that a general strike will initiate action."

Koreans have protested against trusteeship. It is believed however that if the Korean section of the Moscow Communiqué is explained to them by all media of information that the majority will be satisfied with trusteeship under the terms envisaged by the Moscow agreement. It is recommended that the following points, all covered by the Communiqué, be emphasized and elaborated upon to the Koreans:

a. Provision is made for steps to integrate promptly the two zones.

b. Provision is made for the early establishment of a democratic provisional government which shall be created by a joint United States-Soviet Commission in consultation with the Korean democratic groups.

c. The trusteeship terms will be framed by the Joint Commission in consultation with the Korean Provisional Government.

d. The period of trusteeship will be terminated within 5 years at the latest, with a clear promise of complete independence at the time of termination of the trusteeship. State Department intends to emphasize these points in the Korean program broadcast from San Francisco. It is suggested that these programs be broadcast to Koreans from local Korean station. Exact schedule of broadcasts will be sent you as soon as available.

State Department propaganda experts recommend emphasis of the four points listed above rather than attempting to voluntarily explain or justify trusteeship. They believe, however, that if United States Military Government personnel should be questioned about the reasons for trusteeship by responsible Koreans that they should be prepared to give full and complete answers. It is recommended that such answers point out that Allied Forces are present to eradicate all the evil vestiges of Jap control, and to protect and advise the Korean people during the period in which a government is being created. This period must naturally be protracted since the Japanese deliberately kept the Koreans from highly specialized, administrative and technical posts, for which Korean personnel must now be trained.

It is believed that there will be favorable comment in the United States with respect to the Korean terms of the Moscow Communiqué and these will be passed to you for distribution by your public relations and information services.⁷⁰

[EISENHOWER]

⁷⁰ In telegram 311235 I, December 31, to General MacArthur, General Hodge stated: "Full scale explanations and interpretations along the lines indicated in urad cited above [WX 90802] were started immediately upon receipt of official communiqué, but thus far have been of little avail. Any mention of the word 'trusteeship' immediately precludes any normal process of reasoning on the part of the Koreans. I do not propose to attempt further to explain the word at this time in any public statement, since any and all references to trusteeship only cause greater excitement." (Records of the Office of the Political Adviser in Japan, Lot 57-F103, 800 Korea)

Records of the Office of the Political Adviser in Japan,
Lot 57-F103, 800 Korea : Telegram

*The Chief of Staff (Eisenhower) to General of the Army
Douglas MacArthur, at Tokyo*

WASHINGTON, 31 December, 1945.

War 90944. Reurad Dec [4,] CA 55637.⁷¹ WD⁷² approves sending 6 Koreans to United States as outlined urad CA 55637 Dec [4] departing subsequent 15 Jan. You are authorized to make all necessary arrangements including asgmt of Cmdr. George Z. Williams 78214 USNR for tdy⁷³ with this commission.

State Dept also concurs in this trip.

State Dept approves in principle the educational and training program. Outline and budget for State Dept info and educational program in Korea is in hands of Benninghoff who is prepared to discuss subject in detail with Mil Govt. After you have talked with him request your further comments as to whether it is still desired to carry out program as outlined.

State Dept requests your comments and recommendations as to how educational program might be established by Mil Govt so as to minimize confusion and disruption when Mil Govt is terminated.

[EISENHOWER]

Records of the State-War-Navy Coordinating Committee,
Lot 52-M45, SWNCC 232 Series : Telegram

*The Joint Chiefs of Staff to General of the Army Douglas MacArthur,
at Tokyo*

WASHINGTON, 9 January, 1946.

Warx 92187. State, War and Navy Departments have agreed to the following reply to your Cax 55238:⁷⁴

"Authority is granted to arm Korean National Civil Police with U.S. equipment as requested by you. Equipment will be provided on the same basis as tools furnished to indigenous civilians employed on projects for U.S. Forces and should be (1) returned on completion of mission of this police force or at the time U.S. Forces evacuate Korea, whichever occurs first, or (2) sold or otherwise appropriately transferred to the Korean administration at the time of establishment of an international trusteeship or the establishment of a completely independent Korea.

⁷¹ Not printed; it transmitted to the Chief of Staff the contents of telegram Tfyng 406, December 1, p. 1140.

⁷² War Department.

⁷³ Temporary duty.

⁷⁴ November 26, p. 1136.

“Further information is requested as to the organization, equipment, and functions contemplated by you for the Korean Civil Police Force. Do you contemplate the establishment of police units with limited tactical organization and training?”

“The matter of establishing ‘Korean National Armed Forces’ is closely allied to unsettled problems connected with international commitments for implementing Korean independence. Action to establish such force will therefore be deferred. In this connection information is requested as to whether the proposed Coast Guard will be limited to customary inshore patrol and police functions rather than constituting a nucleus of a Korean Naval Force.”

NETHERLANDS EAST INDIES

INTEREST OF THE UNITED STATES IN POLITICAL DEVELOPMENTS IN THE NETHERLANDS EAST INDIES FOLLOWING THE DEFEAT OF JAPAN¹

856D.00/10-845

*Memorandum by the Chief of the Division of Northern European
Affairs (Cumming)*

[WASHINGTON,] October 8, 1945.

The following summary of the current situation in the Netherlands Indies is based on telegrams from our representatives at Lord Mountbatten's² headquarters in Kandy, Ceylon, the Embassy at The Hague and OSS³ reports from Batavia. Walter Foote⁴ arrived at Melbourne on September 29 and reported that he was arranging to proceed by air to Brisbane and hoped to reach Batavia some time during the first week of October. To date no further report has been received from Foote.

Prior to the Japanese surrender the attitude of the Netherlands authorities with regard to the probable reaction of the Indonesian population to the return of the Dutch was most optimistic. Typical of this attitude is a reported statement by Lieutenant General van Oyen, Commander-in-Chief of the Netherlands Indies Army, who stated that the people of the NEI⁵ except for a few dissidents would generally support the former NEI Government and that it was the general impression that Japanese propaganda in the NEI had influenced about one tenth of 1% of the population. Developments since the surrender, however, have highly disturbed the Dutch. On August 19, 1945, Dr. Soekarno, Indonesian Nationalist leader, whom the Dutch had imprisoned on various occasions and who has been a conspicuous collaborator with the Japanese since the occupation, proclaimed the Republic of Indonesia with himself as President and one Mohammed Hatta as Vice President. Mohammed Hatta has been Soekarno's

¹ For the Department's estimate of conditions in the Netherlands East Indies at the end of the war and an account of United States policy in connection with that Dutch colony, see policy paper of June 22, pp. 556, 573.

² Adm. Lord Louis Mountbatten, Supreme Allied Commander for South East Asia.

³ Office of Strategic Services.

⁴ Consul General at Batavia.

⁵ Netherlands East Indies.

principal supporter in anti-Dutch activities before the occupation and like him collaborated with the Japanese. The leaders of the "Republic" have disavowed all connection with the Japanese and declared that they would not oppose Allied entry into Java, have also declared themselves unwilling to deal with the Dutch alone and ready to negotiate with regard to the future status of the Netherlands Indies only with representatives of the principal Allied powers.

Up to the present the Dutch have been unable to land any significant force in the Netherlands Indies. About September 9, Dr. Charles O. van der Plas, head of the Civil Administration in the "Council of Department Heads", which had been set up by the Dutch at Brisbane, Australia, as a provisional government of the Netherlands Indies, arrived in Batavia on board a British cruiser. Dr. van der Plas, who has adopted the Mohammedan religion and has long been known as an advocate of greater autonomy for the Netherlands Indies, apparently considered the situation so serious as to necessitate a visit to Admiral Lord Mountbatten, the Supreme Allied Commander for South East Asia, at Singapore. According to a report received on the 29th of September from Charles Yost⁶ at Kandy, Ceylon, Mountbatten in an interview on September 28 urged van der Plas immediately to confer in Batavia with the Indonesian leaders and to send a message to van Mook⁷ and the Dutch Government recommending an immediate pronouncement for "some degree of independence" for the NEI. Mountbatten further informed van der Plas that British forces could not be permitted to become involved in NEI internal politics and that British forces were in Java only to secure key areas such as Batavia and Surabaya, to control local Japanese headquarters, to undertake the disarming of the Japanese and to recover POW's. Van der Plas is said to have informed Mountbatten that this attitude was contrary to Dutch expectations that the British would assume responsibility for law and order throughout the NEI pending arrival of Netherlands forces.

Mountbatten's views were cabled by van der Plas to van Mook at Brisbane and to the Netherlands Government at the Hague. Van der Plas is reported to have recommended that (1) he should be authorized to commence discussions with all Indonesians of influence (2) that he should announce that fact at the time of the arrival of the first Netherlands occupation troops in Batavia and (3) that Acting Governor General van Mook should proceed immediately to Java by air. Van der Plas is said to have stated that in view of the

⁶ United States Political Adviser to the Commanding General of the India-Burma Theater.

⁷ Hubertus J. van Mook, Lieutenant Governor General of the Netherlands East Indies.

urgency of the situation he would proceed with the foregoing unless instructed to the contrary. Press reports indicate that van der Plas on his return to Batavia did in fact announce his willingness to confer with Indonesian leaders. The Indonesian leaders, however, were reported to have repeated their determination not to confer with the Dutch alone.

The recommendations of van der Plas were apparently not welcomed either by van Mook or the Netherlands Government. A further telegram from Kandy reports that van Mook declared that he could not understand Mountbatten's position as he assumed from the Anglo-Dutch civil affairs agreement that Mountbatten was responsible for the maintenance of law and order throughout the NEI until the Dutch were in a position to take over. On October 1, Netherlands Admiral Helfrich is reported to have telegraphed Mountbatten protesting the reported intention of the British Commander in the NEI to hold conferences with the "so-called Indonesian government of Soekarno". Mountbatten is reported to have replied that the British Commander would not confer personally but merely would facilitate arrangement for van der Plas to meet various Indonesian leaders. Mountbatten cited the success of British negotiations with the leaders of the Burmese independence movement as evidence of the value of such contacts.

On October 1, the Netherlands Government at the Hague issued the following official statement to the press:

"The Allied Supreme Command has decided that the occupation of Java remains confined for the time being to the towns of Batavia and Soerabaja. This leaves open the question who is to exercise authority in the remaining part of the island. It is, of course, impossible to turn over such authority to the Japanese, who will have to be disarmed and made prisoners of war. The Dutch are not yet able to take over the authority, the reason being, as is well known, that the European part of the Netherland Kingdom has been liberated so recently and that the formation and transport of the new military units has continually been slowed up by the war needs and demobilization claims of the major allies.

The difficulties that have arisen as a consequence probably explain the tendency which, according to press reports, exists in certain British circles to recognize the so-called Soekarno Government as the *de facto* government and to persuade us to have discussions with them.

The Netherlands Government cannot do this. Soekarno has allowed himself to be the tool and puppet of the Japanese for which he has received a high Japanese imperial decoration. This man, with his fascist tendencies, has systematically preached hatred against the Allies (one of his slogans was: "*America mau di strika, Inggris mau di linggis*" which means "America we shall iron out, England we shall break open with a crowbar"). The representatives of the lawful authority cannot sit at the conference table with this man who

may have certain demagogic gifts but who has proved to be a mere opportunist in choosing the means to attain his end.

All that has been said and done during the last few days in connection with the development of events in the Netherlands East Indies will not dissuade the Netherlands Government from following their well-considered policy as laid down *inter alia* in the well-known address of Her Majesty the Queen of December 7[6], 1942.⁸ In this address Her Majesty announced complete partnership of the Netherlands Indies within the Kingdom of the Netherlands and freedom of conduct regarding their internal affairs. This was the policy and that remains the policy. The government has nothing to add to this."

On October 1, according to a report from Kandy, the British Chiefs of Staff telegraphed Mountbatten reporting strong adverse Dutch reaction to his statement to van der Plas that British forces would not assist in the re-establishment of Dutch authority in the event of civil disorder. The Chiefs of Staff asked Mountbatten to report (1) the extent to which he considered he could ensure law and order outside Batavia and Surabaya with the forces he planned to place in Java (2) what additional forces would be necessary if strong Indonesian resistance should develop. Our representative at Kandy observes that while no policy is laid down in this telegram it is clear that the British Chiefs of Staff are giving consideration to modification of Mountbatten's policy in the direction of further assistance to the Dutch.

The presently available forces, according to a telegram from Yost at Kandy on September 29, are:

1. *British*

A. One battalion at Batavia on September 29, one brigade at Batavia by October 2.

B. One brigade less a battalion at Padang by October 10.

C. One brigade at Surabaya, October 14.

D. One battalion at Medan, October 14.

2. *Dutch*

A. Three companies on September 29 and four additional companies at Batavia about October 4 from Australia and Borneo.

B. Sometime shortly after October 20 four Dutch battalions from Europe to Batavia and at some indeterminate date thirteen additional battalions.

According to the State Department's information there are at present only about 2,000 Dutch troops available in Australia to be sent to the NEI. There are in this country at Quantico 5,000 Netherlands marines whom the American Joint Chiefs propose to ship out of this country about November 15. There are also known to be about 2,000 Netherlands marine recruits awaiting transportation at Antwerp. According to Sidney Browne, First Secretary at The Hague, who has

⁸ For substance of radio address delivered December 6, 1942, see the *New York Times*, December 7, 1942, p. 11.

just arrived in the Department en route to take up a post in the Consulate General at Batavia, the recruiting of forces for the NEI has met with very limited success in spite of vigorous propaganda. Dutch reports claim that some 45,000 persons have been recruited for service in the NEI but these reports make no distinction between military and administrative personnel and in view of the short time elapsed since the liberation of the Netherlands it is probable that their training is not very far advanced.

The situation has been further complicated for the Dutch by friction with the Australians. The Dutch have been very suspicious of Australian designs on the NEI and Australian cooperation with the Dutch seems to have been rather grudging. The Dutch endeavored to make arrangements to have 30,000 troops trained in Australia but as a result of a series of misunderstandings these efforts had little practical result. On September 24 Australian longshoremen in Melbourne and Sydney refused to load a number of Dutch vessels in sympathetic support of a strike by Indonesian seamen who contended that the ships were carrying materials to the Indies "for the suppression of the newly elected people's government". According to press reports, the Australian Minister of Supply and Shipping assured the Netherlands authorities that all Dutch ships in Australian ports would be loaded in due course but in so doing he is reported to have added that there will be no difficulties "providing there were no arms or munitions on the ships."

On the basis of the scant reports so far received, it is difficult to evaluate the strength of Indonesian resistance to Dutch reoccupation of the Indies. Up to the present anti-Dutch sentiment in the Indies has been notable chiefly amongst Indonesian intellectuals. The mass of the population consists of uneducated, illiterate and passive peasants who have so far shown little interest in anything outside their local village. There is also on the other hand, a considerable group of moderate Indonesian intellectuals who while in favor of Indonesian autonomy seek this greater independence only within the framework of the Netherlands Commonwealth. This group is made up largely of members of the native aristocracy, government employees, Eurasians and Chinese.

The movement led by Soekarno disclaims any connection with the Japanese and the Japanese are reported to have arrested a few of the nationalists who actually indulged in violence. On the other hand, the pattern of the "uprising", if it may be so called, follows that in other areas of Japanese occupation and presumably is not in any way displeasing to the Japanese. To the extent nationalists are armed it is assumed that they must have obtained these arms from the Japanese.

The Queen's 1942 declaration to which reference is made in the Netherlands Government communiqué of October 1 provided that an

Empire Round Table Conference shall be convoked as soon as possible. According to the Netherlands Government press service reports, it is the intention of the Netherlands authorities to reconvene as soon as possible after their return to the NEI a temporary Netherlands Indian Volksraad with a "fair majority of Indonesians" as members. This Volksraad would "of necessity" be a temporary chamber named by Acting Governor General van Mook. This temporary Volksraad would in turn appoint the NEI delegates to the Empire Round Table Conference. It is obvious that under this procedure the Indonesian representatives to the Conference would be hand picked by the Netherlands authorities.

H[UGH] S. C[UMMING]

856D.00/10-1045

*Memorandum of Conversation, by the Under Secretary of State
(Acheson)*

[WASHINGTON,] October 10, 1945.

The Netherlands Ambassador ⁹ called at his request. He handed me the attached report to the Netherlands Government from Mr. Van Mook.¹⁰ He asked the Department to keep this confidential because he did not believe that it would be desirable to have it shown to the British.

The Ambassador said that the Van Mook memorandum represented the official Government view. What he was about to say represented his own view of the serious situation in the East Indies.

1. He said the situation in the Indies is one of the costs of the overall strategy which directed that all efforts should be centered on the main attack against Japan. The Netherlands Government had foreseen the development of the conditions now existing in the Indies, but due to the overall strategy it was not able to get any shipping, arms or training for troops who could take charge.

2. He said that the two leaders of the nationalist movement were both collaborators and prior to the war had been to Moscow, and he believed that they were Communist-inspired. He thought that their movement represented Japanese influence which would keep alive the Japanese underground until our hold upon Japan relaxed. The movement also represented a foothold of Communism in a part of the Far East where it would cause a great deal of difficulty.

3. The Ambassador said that he regretted the change in the delineation of the commands in the Pacific which transferred the East Indies

⁹ Alexander Loudon.

¹⁰ Not printed.

from MacArthur's¹¹ command to Mountbatten's. He regretted this because the British did not have the forces, or apparently the will, to do anything about the Indies or to help the Dutch do anything. The British apparently were using what forces they had in Burma, Indochina and Malaya, with the Dutch Indies a bad last. The Ambassador felt that the Dutch people felt that they had been abandoned by their allies after having behaved well and with sacrifice to themselves in the Far East.

The Ambassador said he was not asking for any action on our part, but wished to bring these matters to my attention in the hope that I would bring them to the Secretary's attention. He said that he was asking for an appointment with the Secretary. I told him that our conversation would be brought to the Secretary's attention.

DEAN ACHESON

856E.00/10-1345: Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, October 13, 1945—noon.

9102. Dept has been reliably informed that trucks stenciled "USA" which may have been transferred to the Netherlands Indies Civil Administration on Lend-Lease have been used in Batavia to haul British and Indian troops as well as Dutch troops. It is also reported that some of these trucks have been used by Japanese who are reported to have fired on natives from one of the trucks.

As use of trucks marked in any way to identify U.S. with activities of the user might be misunderstood, please represent to the British authorities the importance which Dept attaches to eliminating to the greatest extent possible all markings which might indicate U.S. origin of vehicles and other such equipment used by British forces in Netherlands Indies.

Similar representations are being made to Netherlands Indies authorities with respect to vehicles and equipment used by them.

Sent to Embassy at London for action as Dept's no. 9102; repeated to Amconsul, Colombo for info of Yost as Department's no. 130.

BYRNES

¹¹ General of the Army Douglas MacArthur, Supreme Commander, Allied Powers, Japan.

856E.00/10-1845

*Memorandum of Conversation, by the Chief of the Division of
Southeast Asian Affairs (Moffat)*

[WASHINGTON,] October 18, 1945.

Participants: Mr. F. C. Everson, British Embassy
Mr. Abbot Low Moffat, SEA
Mr. Kenneth P. Landon, SEA

Mr. Everson called and stated that the Embassy had been instructed by London to bring the Department up to date on the situation in the NEI and on British intentions in that area. He handed Mr. Moffat a copy of Mr. Attlee's replies to two questions in the House of Commons on October 17.¹⁵

He then read from a number of telegrams covering the period from October 11 to October 16. Some of them to or from Admiral Mountbatten had already been available to the Department through the War Department.

The general picture furnished by these telegrams is that Admiral Mountbatten, General Christison, Admiral Patterson, Governor van Mook, Deputy Governor van der Plas, and Admiral Helfrich appear to be in complete accord that a meeting of all Indonesian leaders must be held to discuss conditions in Java, to advertise the Queen's proclamation in 1942, to inform the Indonesians of the changes in the world during their isolation under Japanese control, and to advise them of the British determination to disarm the Japanese and to release the prisoners of war and internees who number approximately 100,000. The text of a statement which it was proposed that General Christison should make at the meeting was included in one of the telegrams. It was moderate in tone and reasonable.

The telegrams disclosed that the Indonesians are in control of Java but that the moderate elements may not for long be able to exercise that control over the extremists. The decision has been made that Mountbatten shall not undertake to maintain law and order throughout Java but only in a few key points where Japanese are located and in the areas immediately surrounding internment camps where such law and order is necessary for the release of Allied prisoners of war and internees. The British intend to work with and hold the Indonesian authorities responsible for law and order but believe they can do this only if they have sufficient forces to back such authorities and that if they have such forces on hand their use will probably not be necessary. British strength will accordingly be increased to two di-

¹⁵ For text of the two questions to Prime Minister Clement R. Attlee and the replies thereto, see *Parliamentary Debates*, House of Commons, 5th series, vol. 14, cols. 1152-1154.

visions in Java and one division in Sumatra. Dutch civil affairs officers are to be kept out of sight as much as possible and presently merge with the Dutch and Indonesian civil administration. No further Dutch troops are to be admitted into Java, but they are to be concentrated at some other point in SEAC¹⁶ theater for reorganization so that when they enter Java they can enter with as great strength and efficiency as possible.

A telegram from Dening, political adviser to Mountbatten, strongly criticized the Dutch attitude toward Soekarno on the ground that Soekarno is not a great man and that if, along with other Indonesian leaders, he is held responsible for law and order his strength will rapidly dwindle as he proves incompetent for the task. Dening felt that the Dutch Government in singling him out for opposition and exclusion from all discussions was building him up in Indonesian eyes by making a martyr of him and crediting him with unnecessary importance.

The Dutch Government approved the plan for the meeting of Indonesian leaders but specifically excluded Soekarno although an opportunity was afforded to permit Soekarno's attendance on van Mook's personal authority. In communicating this Dutch decision to Mountbatten, the latter was advised, unless he felt this "worse than useless", to follow the Dutch proposal and then to have a separate British meeting with Soekarno. After surveying the situation with van Mook, Mountbatten replied that not only would such a meeting without Soekarno be useless but a meeting under those circumstances would prejudice subsequent efforts to smooth the situation. Accordingly, the British Government is again pressing the Dutch Government to reverse its earlier position and admit Soekarno to the meeting which has not yet been held.

Admiral Mountbatten stated that in his opinion, if Soekarno continued to be excluded by the Dutch from all Indonesian meetings, civil war would result; that under the circumstances he proposed to expedite the bringing in of the maximum number of Dutch troops so as to minimize the loss of life among British troops.

Walsh, formerly a British consul in Texas, is to go very shortly to Batavia as Consul General and will be accompanied by Dening, who expects to be there for a day or two. Dening has suggested that at the proposed meeting with the Indonesian leaders Christison speak on military matters and that he speak on political aspects. In one of his reports Dening stated it was essential to bring pressure on both the Dutch and the Indonesians to see reason as "considerable deflation" was needed by each.

¹⁶ Southeast Asia Command.

One of Admiral Mountbatten's telegrams strongly protested two speeches in the Dutch Parliament construed as derogatory of British efforts, one of which was by Dr. Logemann, Colonial Minister.

On October 15 the Dutch Ambassador¹⁷ had a conference with Mr. Attlee in which he queried why, if the British had been ready to mount an offensive against Malaya at the time of the Japanese surrender, they had not been able to bring in an adequate number of troops into the NEI. Mr. Attlee explained the necessity for the diffusion of British forces to cover Malaya, Siam, Indochina, Hongkong and the NEI. Toward the end of the interview, the Ambassador strongly criticized British policy as having left recovery of the NEI to the last and then commencing to demobilize British forces before the islands were recovered. He finally stated that if the British did not give better help to the Dutch, it would adversely affect future British-Netherlands relations. . . . The Ambassador then stated that his Government was considering appealing to the United States for help. Mr. Attlee replied he did not know what reaction the Dutch would receive from the American Government but suggested that before making such an appeal they follow the proposals already made by the British. (He had already set forth to the Ambassador the same views regarding the Dutch attitude toward Soekarno as Denning had communicated to London.)

A[BBOT] L[OW] M[OFFAT]

856D.00/10-2245

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent)*¹⁸

[WASHINGTON,] October 22, 1945.

Reference is made to Mr. Hickerson's conversation with Mr. Vredenburg, Counselor of the Netherlands Embassy,¹⁹ with regard to a statement in my speech on Saturday for the Foreign Policy Association,²⁰ which reads as follows: "It is not our intention to assist or participate in forceful measures for the imposition of control by the territorial sovereigns but we would be prepared to lend our assistance, if requested to do so, in efforts to reach peaceful agreements in these disturbed areas." I would suggest that Mr. Vredenburg be informed along the following lines.

¹⁷ E. Michiels van Verduynen.

¹⁸ Addressed to the Director of the Office of European Affairs (Matthews) and to the Deputy Director (Hickerson).

¹⁹ Memorandum of conversation not printed.

²⁰ For text of Mr. Vincent's speech of October 20, see Department of State *Bulletin*, October 21, 1945, p. 644.

The suggestion that we would be prepared to lend our assistance, if requested to do so, represents no new departure by the Department in regard to the situation in the Dutch East Indies. Read as a part of the full sentence it may be explained as having been included in the speech to get away from the negative statement that "It is not our intention to assist or participate in forceful measures for the imposition of control by the territorial sovereigns". The territorial sovereigns are under no obligation, it would seem obvious, to request assistance; we are not expressing a desire that they do so; but if they should wish to do so they would not, as the statement indicates, find on our part a purely negative attitude toward the matter. Mr. Vredenburg inquired from whom we would expect the request to come. In the paragraph in regard to Southeast Asia, it is made clear that we do not question Dutch sovereignty in the Netherlands Indies. It should be equally clear that we would entertain requests for whatever assistance might be desired only from the territorial sovereigns. Mr. Vredenburg asked to whom the offer is addressed. The answer is that the "offer" is addressed to no one. It is a simple indication of our *willingness* to be helpful, in what is manifestly a difficult situation, made to a Forum of the Foreign Policy Association.

J[OHN] C[ARTER] V[INCENT]

856E.00/11-745: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 7, 1945—6 p. m.

[Received 6 p. m.]

11701. Increasing concern of Foreign Office over situation in Java was made evident this morning when Sterndale Bennett ²¹ during informal talk with officer of Embassy appealed for US understanding and sympathy with difficult position in which British find themselves. He pointed out that British task has been complicated by fact that Java was only included in SEAC (Southeast Asia Command) on August 15 and that Britain did not have readily available sufficient troops and munition or adequate flow of intelligence from Java which would have prepared them for task they would face. British had hoped their action could be confined to releasing prisoners and internees and securing Jap surrender but they have been faced in addition with serious political crisis.

For some time British have been urging Dutch to make a public statement of what actions they are willing to take in order to imple-

²¹ Head of the Far Eastern Department, British Foreign Office.

ment Queen Wilhelmina's 1942 proclamation. This statement has now been released by Dr. Van Mook sooner than expected due to a leakage to the press. According to Sterndale Bennett, the statement, substantially as published, has been in hands of Indonesians for about a week. Britain believes statement to be helpful and a good basis for discussion providing Dutch officials in Java are allowed to act as they deem best on basis of their knowledge of local conditions. Dutch in Holland have been very stubborn and have made solution of the problem much more difficult by their disavowal of Van Mook's talks with Soekarno.

While British believe Soekarno's influence and position have been exaggerated and agree that negotiations should not be held with him alone, they do feel he should not be excluded from any talks and they have so informed the Dutch. British apparently feel that by singling out Soekarno as the one person with whom negotiations will not be held the Dutch would only give him more prestige than he would otherwise have and place him in position of false importance. In urging upon Dutch advisability of including Soekarno in any talks, British have pointed out that in Burma they did not refuse to negotiate with Aung San²² even though he had commanded armed Burmese forces against Britain.

British believe on basis of their latest information the extremist elements among Indonesians are comparatively small and that the more moderate elements are beginning to see difficulties which would be involved in immediate independence. Van Mook and other Dutch officials on the spot apparently believe moderate Indonesians are willing to talk and that equitable settlement can be achieved providing they are left alone and not interfered with from The Hague.

British position is complicated by fact that while they recognize Dutch sovereignty in the Netherlands Indies they also see the necessity for a gradual growth of local autonomy. British feel they have pressed Dutch in Holland about as far as they can and greatly fear that if The Hague persists in its refusal to talk with Soekarno there will be large scale outbreaks which will require British forces to quell. In such eventuality British apparently consider themselves committed to use required forces but are hoping against hope that it will be unnecessary. However should outbreaks eventuate and British troops be engaged in large scale activities, Foreign Office hopes US will understand that British are only carrying out an Allied task in an area which was suddenly placed under their responsibility without their asking.

Sent to Department repeated to The Hague as 37.

WINANT

²² Leader of a political organization in postwar Burma, seeking independence for that country.

856E.00/11-845

*Memorandum of Conversation, by the Chief of the Division of
Southeast Asian Affairs (Moffat)*

[WASHINGTON,] November 8, 1945.

Mr. Everson called to inform the Department of further developments in Java and stated in substance as follows:

On October 23 General Christison, British Commander, and Mr. Denning, political adviser, met with the Indonesian leaders, including Soekarno and Hatta. They explained the three-fold purpose of the British as being to evacuate prisoners and internees, disarm the Japanese, and maintain order where it was necessary for their troops to go for those purposes. Mr. Denning persuaded the Indonesians to be willing to listen to van Mook, Acting Governor General.

On October 31 van Mook handed the Indonesian leaders a statement of the Dutch intentions. The Embassy has not received the text of the statement but a telegraphic summary includes the following promises: (1) Internal self-government (though with some possible reservations); (2) Participation by Indonesians in affairs of the Kingdom as a whole (specific reference apparently made to admission of Indonesians to Dutch Foreign Service); (3) Abolition of race discrimination (abolition of separate courts for Indonesians and Europeans mentioned); (4) Economic opportunity for Indonesians; (5) Expansion of education; (6) Recognition of the Indonesian language as official (it is not known whether this applies to the entire Kingdom or to the NEI); (7) Adoption of a welfare policy for the Indonesian population.

It was intended that at eight P.M., Batavia time, November 8, van Mook would formally meet with the British, Dutch and Indonesians and present the plan as a basis of negotiating the future of the NEI. The plan was to be published on November 8 before the meeting. It is known, however, that there was a leak of two copies to Javanese reporters and the accounts which have appeared in the press may or may not have been based on the official text and it is probable that in view of the leak the text may have already been published.

Some weeks ago van Mook was authorized by the Dutch Government to talk with anyone. Van der Post, an Englishman purposely left behind by Wavell²³ and interned in Java, on whom the British rely heavily, was sent to The Hague where recently he saw several of the Cabinet, including the Prime Minister. He thought that he had persuaded them that they must leave to van Mook the right to use his judgment regarding those with whom he should deal. The

²³ Gen. Archibald P. Wavell, Commander in Chief, British Forces in India, 1942-1943.

British still hold to the view that negotiations would be fruitless unless Soekarno is present. The Dutch, however, insist that van Mook has no authority to negotiate with Soekarno. A leading Dutch official has informed the British Ambassador at The Hague that Dutch opinion against recognizing Soekarno as one of the nationalist leaders is so strong that if the Dutch Cabinet authorized negotiations with him the Cabinet might fall.

Meanwhile, the British are continuing to build up their forces to two divisions and are again permitting Dutch troops to be moved into the NEI. The number of these, however, is small and Mr. Everson understands that the present target figure is to build up the Dutch unit in Java to between 3500 and 5000 men.

While recognizing that Soekarno, Hatta and Soebardjo intend to be cooperative with the British, it is felt that they do not control the armed bands that are shooting and looting. Following the killing of General Mallaby²⁴ at Soerabaya General Christison issued a proclamation that the band responsible for Mallaby's death must lay down their arms and Mallaby's body must be returned by November 8 or he would take stern action against that band. Such action would be taken deliberately to show to the Indonesians before the proposed meeting of November 8 that the British mean to stamp out lawlessness which affects the British or prisoners and internees. It is felt that the lawlessness is directly the result of local anarchy arising from the lack of any strong governmental control and that any strong organization could put a stop to it.

With regard to the proposed meeting, the Embassy does not know whether in fact it will be held in view of the difference between the British and Dutch over the admission of Soekarno. A compromise has been suggested that Soekarno be officially present but not officially participate.

With regard to the British position relative to restoration of Dutch control of the Netherlands East Indies, there is no British commitment to restore the Dutch if the situation "flares up into a big thing" nor, on the other hand, is there a decision or commitment that they will withdraw should the situation so develop. The British continue to pin their hopes to successful Dutch-Indonesian negotiations.

Mr. Everson then delicately inquired whether there was a possibility that the United States might be planning to take some position or action (beyond Mr. Vincent's statement and the removal of the "U.S.A." initials from trucks). I gathered the impression that he hoped we would take a position supporting the British in seeking a peaceful settlement.

²⁴ General Mallaby was killed by the Indonesian extremists on October 30, 1945, while he was negotiating a truce.

Mr. Everson telephoned a short while later to say that word had just been received that the meeting scheduled for the eighth had been postponed until the fifteenth because Soekarno felt that he must go up-country to attend a youth conference and a labor conference because his absence might result in disorder.

A[BBOT] L[OW] M[OFFAT]

856D.00/11-845 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, November 8, 1945—4 p. m.
[Received November 9—11:12 a. m.]

186. ReEmbtels 166, November 3, 1 p. m. and 169, November 4.²⁵ Foreign Office official Helb, in charge of Far East section commenting on Netherlands East Indies crisis, informed Embassy officer that Van Mook has not acted contrary to Government's instructions and that in fact no divergence of views exists between Lieutenant Governor and Dutch Govt. In meeting arranged at General Christison's residence between Indonesian Nationalists and Dutch officials, former group brought along Soekarno to embarrassment of Van Mook who was faced with choice of leaving meeting which would have further complicated existing impasse or remaining to present Netherlands Govt's views for its possible solution. He chose latter course and press correspondents telegraphed stories that he had started negotiations with Soekarno. Upon correspondent's query in the Hague, Government stated that reported meeting was contrary to Van Mook's instructions. Van Mook's report on unexpected meeting with Soekarno subsequently received put meeting in proper perspective and Government issued further statement October 5 absolving Lieutenant Governor of charge he disregarded instructions.

Helb stated Government makes distinction between Nationalist groups and believes only small percentage condone terroristic techniques which have lead to recent outbursts resulting in murder of General Mallaby and other white officers; affirmed that Van Mook has authority to deal with leaders of Nationalist movement but not Soekarno who personifies rebel element which had Japanese support throughout occupation; remarked that foreign press has indulged in unwarranted criticism of the Dutch as being stubborn and blind to realities of situation in Indies; declared that Van Mook has been given wide latitude by the Government to deal with Nationalists;

²⁵ Neither printed.

and in comparison with British attitude toward India cited broad representative government which Dutch proposed for Netherlands East Indies containing substantial majority of Indonesian members, a Council of Ministers under the Governor General as representative of the Crown.

Helb took occasion to reiterate surprised shock of Netherlands Government at United States order prohibiting shipment to Java of ammunition stocks purchased by Netherlands terming it arms embargo against friendly Allied nation which had placed all her resources at disposal of the Allies in Far East upon outbreak of hostilities and as result of tremendous losses inflicted by the common enemy now finds herself impotent to assume her full share in restoring order in the Indies. He mentioned also pained surprise at American Government's refusal to equip several thousand released Dutch prisoners of war in Philippines now waiting to be transported back to Java.

HORNBECK

856E.00/11-2045 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, November 20, 1945—8 p. m.

10147. Urtel 11701 and 11926.²⁶ We appreciate info given you by Bennett with regard to Brit position in Netherlands Indies and understand difficulties involved.

Since Indies are primarily Brit zone of military responsibility and continuing confusion of events there renders any accurate judgment extremely difficult, we have not desired to take any early or premature action in regard to the situation. It seems evident, however, that further deterioration of situation in Indies cannot fail to have an unfavorable effect on general situation in East Asia. In your discretion, therefore, you may inquire of Bennett whether British feel it might be helpful for our Amb at The Hague informally to approach appropriate Netherlands officials and inform them of our feeling that indefinite continuation of present dissension in Indies may have such widespread consequences that a broad-minded and positive approach to problem is essential and that we hope Dutch will actively continue discussions with leaders of all Indonesian factions with a view to negotiating at least a provisional settlement at as early a date as possible.

BYRNES

²⁶ Latter not printed.

856E.00/11-2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 24, 1945—1 p. m.

[Received 3:45 p. m.]

12323. Sterndale Bennett expressed to me this morning his appreciation of Dept's attitude on the situation in Netherlands Indies as given in Dept's 10147, November 20. He said that situation in Java was somewhat altered at present from that outlined in his previous talks with us (Embassy's 11701 and 11926²⁷) inasmuch as main difficulty now is in getting representatives of the Indonesian leaders who have been consulted so far [apparent omission] have been either able [*unable?*] or willing [*unwilling?*] to speak for the movement as a whole. After the first meeting with the Indonesian leaders which ended inconclusively, a second meeting was scheduled for November 23. However, the Indonesians said they were not able to attend and requested postponement. Foreign Office believes this is due to fact that council meeting of native leaders is to begin November 25 and leaders want to see what happens at this meeting before committing themselves in negotiations with British and Dutch. Bennett believes that door still open for some agreement. Foreign Office feels that Dutch statement of policy issued in Batavia early this month by Van Mook is reasonable and offers real basis for settlement if properly implemented. Present difficulty with Dutch is not so much with their policy as finally announced, but with attitude of mind of Dutch individuals concerned in carrying out the policy. Sterndale Bennett says it has apparently been very difficult for the Dutch quickly to change old habits of thinking on colonial matters and to recognize changed conditions in the postwar world.

Personal opinion was expressed by Bennett that it would be helpful for the US to approach the Dutch with a general expression of its interest in a broad-minded and positive approach to the problem. However, it was made clear that before replying officially to our inquiry re a possible US approach, it would be necessary for Sterndale Bennett to consult the Foreign Secretary. He promised to let us know official British attitude shortly.

WINANT

²⁷ Letter not printed.

856E.00/12-145: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 1, 1945—noon.
[Received December 1—10:59 a. m.]

12557. ReDept's 10147, November 20 and Embassy's 12323, November 24. FonOff has now replied officially to our inquiry re proposed approach by American Ambassador at Hague on Java situation. Reply is in form of "oral communication" and expresses appreciation of the helpful intention of proposed US approach to the Dutch. However, FonOff states situation has now changed considerably since Lord Halifax²⁸ spoke to Mr. Byrnes on November 9 and since Sterndale Bennett had talked with Allison²⁹ re situation. According to communication, there is no present difficulty from Dutch side as regards meetings with Indonesian leaders. A joint meeting took place on November 17 when it was hoped Van Mook's statement of policy issued on November 6 would form basis of further meetings. Present difficulties are said to be unwillingness of Indonesian leaders to attend further meetings with Dutch and their inability to control the extremists which has resulted in serious deterioration of situation throughout Java. In these changed circumstances FonOff believes proposed US approach at Hague would no longer be appropriate.

FonOff asks however whether State Department would be ready to make some public statement, not addressed specifically either to Dutch or to Indonesians, but expressing concern at the cessation of conversations which seemed to have made a promising start? The statement might perhaps suggest generally that no dispute of this kind is likely to be settled satisfactorily by standing aloof instead of getting round a table and that a broadminded and cooperative approach to the question is likely to be in the best interests of the welfare and progress of the NEI.

FonOff states it would be helpful if any such statement could include an acknowledgment of fact that British troops had gone to Java to carry out an Allied task and if it could emphasize the importance of completing the Japanese surrender and especially of insuring the safety of the many thousands of internees whose fate is a source of serious anxiety under present conditions.

FonOff communication concludes by saying that if State Dept felt it possible to give some such public indication of US views it would be of very great assistance.

WINANT

²⁸ British Ambassador in the United States.

²⁹ John M. Allison, First Secretary of Embassy in the United Kingdom.

856D.00/12-145 : Airgram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 1, 1945.

[Received December 12—9:23 a. m.]

A-112. To the Secretary of State and the President. In the course of giving thought to the situation and problems in the Netherlands East Indies, it has occurred to me to speculate regarding ways in which developments there may affect interests of the United States.

I find myself constrained to believe that among the more important of the possible consequences of the conflict which has been permitted to develop in that area, there is likely to take place a shifting of the direction-from-which, and therefore of the kind and the degree, as regards outside influence over the attitude and the destinies of the native peoples in the East Indies and in adjacent areas.

Should Dutch political influence in the Netherlands East Indies become more tenuous or disappear, and should there not be an adequately compensating substitution of British or American political influence, it would seem that there would tend to be created a vacuum which in turn would invite an influx from without of an influence from some other quarter or quarters; in the nature of things—with political trends what they are—that new influence would be likely to be oriental rather than occidental; the chances would be in favor of its being Chinese or Japanese; and, as between these two, the greater likelihood would be that it would be Japanese. There might, of course, conceivably be a Soviet Union contribution.

Any such tendencies and trends, should they eventuate, would inevitably affect and be affected by developments in India, in China, in Japan, and in possibly considerable extent throughout southern Asia and in parts of Africa.

There is potentially in the making a political alignment of the peoples of the world in two great and conflicting groups: On one hand the "white" peoples of the Occident together with those "colored" peoples in various parts of the world who remain under their influence and partake of their ways of thinking, and on the other hand those "colored" peoples who reject or escape from the influence of the "white" and occidental peoples and who, entertaining and committed to concepts contrary thereto, are susceptible to the influence of a leadership such as Japan has for four decades offered, has recently attempted to impose, and may be expected again to try to exert.

Important among American interests, in my opinion—and, in the light of courses pursued during recent years, apparently so conceived

in the formulating of American official policy—is cultivation and maintenance of the alignment wherein not only the United States and the British Empire but the Soviet Union and China are within the group wherein occidental concepts and policies predominate. Any weakening or curtailing of occidental political influence in the Southwest Pacific may be expected to add to the difficulty of maintaining that alignment. Contrariwise, maintenance of that influence in that area should be expected to contribute toward perpetuation and strengthening of the structure of that alignment.

More and more, the evidence which becomes available indicates that the present situation in the Netherlands East Indies is a product of Japanese inspiration and a projection of the Japanese war effort. In a very substantial sense, it becomes apparent that certain Japanese military authorities in the Netherlands East Indies (especially in Java), having themselves received orders to surrender, began at once to make use of the “native” peoples in continuation of the Japanese-begun warfare against the Dutch (and other peoples of the Occident). Japan was “defeated” in the war, and Japanese high authorities made their “unconditional surrender”, but Japanese armed forces, through and with elements in the native population whom by various procedures they have made their dupes and agents, are still engaged in activities which might well be described as “vicarious guerrilla warfare”. One cannot but wonder how widely and how fully this is understood by and among the peoples of the various countries which, attacked by Japan, have fought as allies for the defeat of Japan and destruction of Japan’s machinery and mechanisms of aggression.

It certainly is an important American interest that machinations of any and every part of Japan’s armed forces be promptly frustrated and that destruction of Japanese machinery and mechanisms of aggression be quickly and completely consummated.

It would seem, then, that important interests of the United States are involved in and are tending to be adversely affected by recent and current developments in and with relation to the Netherlands East Indies; and that, in these premises, pursuance by the American Government of a “positive” policy with regard to the situation there not only would be warranted—whether as a “war” measure or as a “peace” measure or as both—but should be welcomed by most of those countries with which the United States has been and is most effectively associated.

HORNBECK

856E.00/12-645

*Memorandum of Conversation, by the Chief of the Division of
Southeast Asian Affairs (Moffat)*

[WASHINGTON,] December 6, 1945.

Participants: Lieutenant Colonel K. K. Kennedy, M.I.S.³⁰
Mr. Holden Furber, BC;
Mr. Emerson, FE/R;³¹
Mr. Abbott Low Moffat, SEA;
Mr. John F. Cady, SEA.

Lieutenant Colonel Kennedy visited Batavia on two occasions during the months of September and October. He was aboard the British vessel, the *Cumberland*, carrying an advance group to Batavia. Mr. van der Plas was among the passengers. The confident prediction of van der Plas that the Javanese would welcome back the Dutch was proved incorrect. After spending one day on shore, he was obliged to return for safety to the *Cumberland*. For approximately a week the British and Americans were treated with great cordiality by the Indonesians. Eventually independence placards in English appeared in profusion quoting from historic American sources. British orders had not anticipated the situation, and no clear course was open to them.

Colonel Kennedy himself made the original contact with Soekarno and associates and learned that they would cooperate with the Allied forces if: (1) no political interference was contemplated within Indonesia, (2) prompt attention was given to disarming the Japanese and evacuating prisoners of war and internees, and (3) the landing of Dutch representatives or armed forces was prohibited. Colonel Kennedy reported his conversation to General Christison, who subsequently talked with Soekarno. The upshot of these conferences was the original British declaration which limited British objectives in accordance with Indonesian demands. With the arrival of Dr. van Mook and General van Oyen, the situation began to deteriorate. The Dutch leaders appeared to have had no clear idea what policy to pursue. When van Mook undertook to inform the Indonesian leaders concerning the postwar plans which the Dutch had in mind, his action was emphatically repudiated by The Hague. The subsequent shooting incident in front of van Oyen's residence aggravated the situation.

Soekarno indicated to Colonel Kennedy that, while Indonesians thought that they were already prepared for self-government, his followers would be prepared to accept tutelage under United Nations direction looking toward eventual self-government. Under no cir-

³⁰ Presumably Material Inspection Service.

³¹ Rupert Emerson of the Office of Far Eastern Affairs, Division of Research.

cumstances, however, would Soekarno accept a proposal of a period of tutelage under Dutch direction. Colonel Kennedy expressed his opinion that although the village farmer might prefer to be left alone to cultivate his paddy land in peace, the feeling of nationalism had become sufficiently widespread throughout the Javanese population that the people as a whole could be aroused to resist Dutch rule and that none would support the Dutch. Peasants who were selling produce for Japanese currency would later suffer most heavily if the Dutch repudiated this currency.

Soekarno's power to control all elements of the Indonesian nationalist movement declined rapidly after the British began to abandon General Christison's original declaration of policy in favor of restoring Dutch control. Youthful extremists in many areas eventually got completely out of hand; no authority in Java at the moment is capable of controlling them. Colonel Kennedy expressed the belief that considerable concessions to meet the political demands of the Indonesians would have to be made before order could be restored. He felt that a fully equipped Dutch division could probably penetrate Java and proceed wherever it wished to go, but that immediately after the army had passed a given point the revolution would close in behind it. He confirmed previous information that the morale and physical condition of Dutch soldiers now in military training at Saigon and Singapore were exceedingly low. The men individually wished to return to their families in Java, but they had no desire to undertake to fight their way in.

Anti-Dutch feeling in important sections of Sumatra was rapidly rising according to information available at Singapore. Up to the end of October not a single Japanese soldier had been disarmed in Java or Sumatra.

Japanese troops have conducted themselves with technical correctness in practically every situation, although they did abandon large concentrations of arms and munitions in mountainous central Java which the Indonesians took over. At Soerabaja considerable Japanese equipment fell into the hands of the Indonesians after an unaccompanied Dutch officer accepted the Japanese surrender, only to have Indonesian extremist forces immediately seize the equipment turned over by the Japanese.

Colonel Kennedy said that all prisoners of war in Java had been brought out by the middle of October. The internees, mostly women and children confined in some 30 internment camps, were being fed and protected by the Japanese under reasonably satisfactory conditions when the British arrived. The RAPWI merely substituted British guards for the Japanese and required that all requisitions for food formerly furnished internees by the Japanese should go through

RAPWI hands. At the time of Colonel Kennedy's visits to Java, no effort was being made to evacuate the internees, although the latter were facing increasing danger as the anti-Dutch feeling among the Indonesians rose. Internees appeared to be in reasonably good health and averaged perhaps only ten pounds under their normal weight. The Indonesians seemed to harbor no hatred of the Dutch as individuals but were very bitter toward the Eurasian population. Few, if any, of the Dutch were willing to face the fact that Japanese occupation had developed nationalistic feeling among the people which could not be dissipated by the killing of a few score people as had been done in the riots of 1926. The Dutch with whom he had talked refused to recognize the existence of changed conditions.

A[BOTT] L[OW] M[OFFAT]

856E.00/12-1045 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 10, 1945—10 a. m.

[Received 1:46 p. m.]

278. There are indications that, although responsible Netherlands officials take full cognizance of the fact that Netherlands East Indies comes within area for which British Command is responsible, there is prevalent among them a feeling that the course followed by the US is suggestive of a lack of sympathetic understanding of the situation in the Indies and especially of the difficulties which confront the Dutch there. In friendly conversation these officials cite initial embargo placed on sailing of ships with relief supplies and munitions to Java and refusal to equip several thousand former Dutch prisoners of war in Philippines and transport them to Indies where they are badly needed to augment small Dutch forces.

We are informed that Foreign Office is contemplating approach through Ambassador Loudon in Washington for shipping to evacuate Dutch women and children, undernourished and badly in need of medical treatment, who still remain to be evacuated nearly 4 months after Jap surrender. Embassy believes such approach, if made, should be given Department's careful consideration with a view to giving support with shipping authorities. It is believed that, with Dutch ships still tied up in Allied shipping pool, any allocation of American shipping on humanitarian grounds to meet urgent needs of Dutch to evacuate their nationals would be a warranted and worthwhile investment of equipment.

HORNBECK

856D.00/12-1045

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] December 10, 1945.

Lord Halifax called, at his request, to see the Secretary and handed him a statement regarding the Indonesian situation.³² The British Government believes, instead of having the American Ambassador at The Hague approach the Netherlands Government, it would be better for some public statement to be issued in Washington, expressing the hope that negotiations will continue. The British would like to have this statement contain recognition of the fact that British troops have gone to Java for the purpose of completing surrender of Japanese and looking after Allied prisoners of war and internees.

Lord Halifax said he had just read an appreciation by Lord Mountbatten, which indicates that unless a political settlement is reached, it will be necessary for the British to withdraw, leaving surrendered Japanese forces. He said Mr. Bevin³³ is working with the Dutch toward attaining such a settlement. Mountbatten believes it would require five or six divisions to disarm the Japanese there unless a political settlement is reached, and the British believe that a political settlement is the only solution.

The Secretary agreed that a political settlement was the only practical solution. The Secretary inquired what the British are doing to bring about a settlement.

Lord Halifax said there have been several meetings to try to get the Dutch and Indonesians together. He understands that Van Mook is going back to Holland to try to persuade his Government toward a political settlement. Bevin is now faced with Mountbatten's extremely disagreeable military appreciation and is trying to explore further with the Dutch the reaching of a settlement. They just hope, Lord Halifax said, that the Secretary could say something about meeting around the table to discuss these problems.

The Secretary said he did not know whether he would have an opportunity to look into the matter before leaving, but he would try to.

Lord Halifax said that if he did not hear from the Secretary he would get in touch with Mr. Acheson about the matter.

³² Apparently the undated memorandum printed *infra*.

³³ Ernest Bevin, British Secretary of State for Foreign Affairs.

856E.00/12-2645

*The British Embassy to the Department of State*³⁴

The Department of State through the American Embassy in London have enquired whether it might be helpful for the American Ambassador at the Hague informally to approach the appropriate Netherlands officials and to express a hope that the Netherlands Government will actively continue discussions with all Indonesian factions.

The Foreign Office, while appreciating the helpful intention of this approach, feel that in present circumstances it would no longer be appropriate. There is no present difficulty on the Dutch side as regards meetings with Indonesian leaders. Meetings have taken place—the latest on December 3rd, which seems to have been conducted in a friendly atmosphere. The present difficulty lies rather in the inability of the Indonesian leaders to control extremists, which has led to a serious deterioration of the situation throughout Java and a great and pressing danger to the many thousands of internees.

In these circumstances it would be to the advantage of all concerned if the Department could see its way to make some public statement, not addressed specifically either to the Dutch or the Indonesians, expressing a hope that conversations will continue on a co-operative basis. It would be particularly helpful if such a statement could include an acknowledgment that British troops have gone to Java to carry out an important Allied task, namely to complete the surrender of Japanese forces and to ensure the safety of Allied prisoners of war and internees.

There are still in Java some 30,000 Japanese troops over whom control has not yet been established.

In the Batavia area there are some 70 thousand prisoners and internees, while in Central Java there may be as many as 200 thousand Eurasians and Dutch whose whereabouts and condition are unknown.

856E.00/12-1945 : Telegram

The Acting Secretary of State to the Consul General at Batavia
(Foote)³⁵

WASHINGTON, December 19, 1945.

29. Dept. issued following press statement today:

“In bringing to a conclusion the war against Japan there was assigned to the South East Asia Command, on behalf of the Allies, the

³⁴ This memorandum is not dated but was apparently left by the British Ambassador with the Secretary of State on December 10. See memorandum of conversation, *supra*.

³⁵ Repeated to London as No. 10913 and to The Hague as No. 206.

responsibility of accepting the Japanese surrender in the Netherlands East Indies, of disarming and removing the Japanese forces, of securing the surrender of Japanese equipment, of liberating or repatriating Allied prisoners of war, and of assuring the safety of more than 100,000 civilians, the majority of them women and children, who had been interned by the Japanese.

The carrying out of this mandate has been complicated by the differences between Indonesians and the Netherlands authorities. It has been necessary in connection with the Allied objectives for the troops under the South East Asia Command to assure such order as is necessary for their execution.

In connection with the responsibilities relating to the surrender of the Japanese in the Netherlands East Indies there was no thought so far as the United States was concerned of extending the allied mandate beyond these specific responsibilities.

The United States Government has viewed with increasing concern recent developments in the Netherlands East Indies. It had hoped that conversations between the Indonesians and the Netherlands authorities would have resulted in a peaceful settlement recognizing alike the natural aspirations of the Indonesian peoples and the legitimate rights and interests of the Netherlands. There has apparently been a cessation of these conversations.

The United States recognizes that the primary responsibility for arriving at agreement lies with the Netherlands authorities, as representatives of the territorial sovereign, and the Indonesian leaders. The United States cannot fail, however, to be deeply interested in the solution which may be achieved of problems that are of vital importance to the entire world. Our sole desire is to see such peaceful settlement achieved as will best promote world stability and prosperity and the happiness of people. Such a settlement can be attained only through a realistic, broad-minded and cooperative approach on the part of all concerned and a will to reconcile differences by peaceful means. Extremist or irresponsible action—or failure to present or consider specific proposals can lead only to a disastrous situation.

The United States earnestly hopes that all parties in the Netherlands Indies will see the necessity of an early resumption of conversations looking toward a peaceful solution of the conflict in the Netherlands East Indies which will be in harmony with the principles and ideals of the Charter of the United Nations Organization³⁶ and of the United Nations Declaration³⁷ under which victory over the Axis was achieved.”

Text of statement has been telegraphed to Embassies London and The Hague for information of Foreign Ministers.

ACHESON

³⁶ Signed at San Francisco, June 26, 1945; for text, see 59 Stat. (pt. 2) 1031, or Department of State Treaty Series No. 993.

³⁷ January 1, 1942; *Foreign Relations*, 1942, vol. I, p. 25.

856E.00/12-2345 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 23, 1945.

[Received December 24—1:46 p. m.]

324. The following statement was issued by the Netherlands Government evening of December 22:

"The Netherlands Government have taken cognizance with deep and sincere appreciation of the statement issued by the Department of State on December 19, 1945 concerning the present situation in the Netherlands Indies.

This statement clearly expresses, on the one hand, the task which was assigned to the Southeast Asian Command in that area by the Allies and, on the other hand, the necessity for the Netherlands authorities as representatives of the territorial sovereign and the Indonesian leaders to find a solution on a mutual basis for the problems which have arisen.

The Netherlands Government fully realize the difficulties which the Southeast Asia Command faces in the execution of this task; nevertheless they strongly urge that this task and in particular the disarmament and the evacuation of the Japanese Army, the surrender of Japanese equipment and the protection of the prisoners of war and internees be completed in spite of these difficulties.

The extreme danger to which many are exposed as a result of unpardonable excesses committed by extremist elements, forces the Netherlands Government to emphasize that if only for humanitarian reasons these Allied aims should be reached at the earliest possible moment.

It is the ardent desire of the Netherlands Government to contribute to these aims with all possible means especially in seeking a peaceful solution in mutual consultation with the Indonesians in order to end the needless bloodshed of which so many peaceful Hollanders, Indonesians, Chinese and others have or may yet become the innocent victims.

The Netherlands Government are fully conscious of their responsibility towards the many different people of the Kingdom and they gratefully take this opportunity to state categorically that nothing will be left undone in order to further a solution of the Indonesian problem in conformity with the principles of the Charter of the United Nations Organization which partly owes its liberal and progressive interpretation especially with regard to the dependent areas to the efforts of the Netherlands delegation at San Francisco.³⁸

In this connection the Netherlands Government observe that the discussions with the Indonesian leaders have not been interrupted and now continue notwithstanding Dr. Van Mook's visit to the Netherlands. These discussions are inspired as far as the Netherlands Government is concerned by well-defined plans which are in agreement with the principles of the Charter.

³⁸ For documentation regarding the United Nations Conference at San Francisco, April 25-June 26, 1945, see vol. I, pp. 1 ff.

The Netherlands Government as the American Government are solely animated by the desire to arrive at an agreement satisfactory to all parties, which will further the prosperity and the happiness of Indonesia and the stability in that area.["]

HORNBECK

856E.00/12-2345 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 23, 1945—3 p. m.
[Received December 23—12: 40 p. m.]

325. Reference first sentence Department's statement on NEI (Netherlands East Indies) contained in Department's 206 December 19³⁹ and infotel (cirtel) December 20⁴⁰ stating use of US Flag Ships under charter to UK as transports for Indian troops to NEI would be contrary to US policy. Embassy ventures to inquire whether there is not inconsistency between stating on one hand that SEAC (Southeastern Asia Command) was assigned by the Allies "responsibility of accepting Jap surrender in NEI, of disarming and removing Jap forces, of securing the surrender of Jap equipment, of liberating or repatriating Allied prisoners of war and of assuring the safety of more than 100,000 civilians, the majority of them women and children who had been interned by the Japanese" and on the other hand refusing to allow US Flag Ships under charter America, UK to transport troops to NEI which would constitute in effect withholding from SEAC facilities for discharging its responsibility to carry out its assignment. Embassy fears that advantage that may have been gained by issuance of statement will be lost when Dutch learn—as they of course will—that US thus declines to be of assistance to those who have task of implementing a policy in formulation of which it has as one of the Allies participated and which it says it wishes to see prevail.

HORNBECK

856E.00/12-2345 : Telegram

The Consul General at Batavia (Foote) to the Secretary of State

BATAVIA, December 23, 1945—11 p. m.
[Received December 28—12: 52 p. m.]

55. RefDeptel 29, Dec 19. Dept's press release on NEI. First reports were in Dutch and too brief but this remedied when full text given proper quarters where created profound impression. General

³⁹ Same as telegram 29, December 19, to Batavia, p. 1182.

⁴⁰ Circular telegram not printed.

Christison and his staff say it is perfect document well timed since strengthens his hands and upholds Van Mook's efforts to convince The Hague of necessity reach agreement with Indos at once. Local Dutch general staff, NEI civil officials and Dutch all ranks regard release as document which will go far towards law and order and reconstruction.

Impossible reach Sukarno, Sjahrir⁴¹ and members Indo Cabinet who now in Djocja. They expected in Batavia about Dec 27 when I shall see them. General Christison believes release will aid him in efforts bring Dutch-Indo agreement.

Since most Indo leaders are old personal friends I shall no doubt be able to emphasize our desire for peace, happiness for all people and world wide economic reconstruction. Indos cling to the belief USA above all powers could hasten end of this struggle. They are very apt to listen to any advice which we might offer.

FOOTE

856E.00/12-2545

Mr. Soetan Sjahrir to President Truman

BATAVIA, Christmas Day, 1945.

May it please Your Excellency: The last message of good will and encouragement issued by your State Department has given us great comfort in the struggle we are waging to establish freedom, justice and democracy in Indonesia. For this and for all the other tokens of understanding we have received from the Government and the people of the United States we are indeed thankful.

Encouraged by the knowledge that neither you nor your Government will forsake us in this the greatest struggle for national existence waged by the Indonesians, I take the liberty to write you this letter in the full hope and confidence that you will give us the assistance we sorely need.

The Republic of Indonesia came into existence in response to the will of my people about the time of the Japanese surrender. Taking advantage of the confusion into which the Japanese here were thrown, we seized power and proclaimed our freedom. Shortly afterwards the Anglo-Dutch Army of Occupation came here to carry out the mandate entrusted to them by the United Nations.

As we understood it from the start—and as your State Department pointed out in its last communiqué on the subject—that mandate did not give the British the right to reimpose the Dutch on the Indonesians. Unfortunately, that is what has been and is being done. The British have made it clear that they have no option in the matter because of their obligations to the Dutch.

⁴¹ Soetan Sjahrir, "Prime Minister of the Republic of Indonesia".

In pursuance of this policy the British have not only landed Dutch troops here, but they have also permitted the arming of Dutch ex-soldiers, Dutch civilians and Eurasians. The majority of them have little or no idea of discipline or fire control; many of them are men who have only recently been freed from captivity, and they are neither normal nor healthy men. In these circumstances—and because the question of prestige is involved in it—the Dutch have acted without understanding of the great change that has come over Indonesia.

Any provocation from the Dutch side immediately draws retaliation from some sections of my people. The British too have failed to gauge the temper of the country and have thus been led into committing such blunders as Surabaya and Central Java. As a result, there now exists strong hostility between the British and the Dutch on one hand and the Indonesians on the other. Sporadic fighting is taking place all over the country but, ill-armed as my people are, they die in thousands rather than submit to having the Dutch foisted on them.

Air bombing, naval bombardments and the use of modern weapons by the British has been instrumental in inflicting heavy casualties on the Indonesians. The British and the Japanese acting under British orders have put many of our villages to the torch as punitive measures. Surabaya and Semarang are almost in ruins in consequence of the fighting that has taken place there.

Tension is mounting. Meanwhile the Indonesian Government finds it increasingly difficult to put into operation various measures vital to rehabilitation of the country, nor is it in a position to take its share of world security and other international matters as it should. While the world is crying for our products, we have to sit by and see them rotting in the godowns. Both the world and we are losers thereby.

Bearing all this in mind, I have taken the bold step of addressing this letter to you direct. We look to you, as the head of a country that has always been in the forefront of the fight for liberty, justice and self-determination, to use the benefit of your influence to stop the present bloodshed in Indonesia. The hostility now manifested in Java is definitely delaying the return of peace to the Far East.

We ask your help in order that we may be given the chance to present ourselves and argue our case before the United Nations Organisation during its session next month. With your assistance, we will be able to put in an appearance as one party to the dispute.

We earnestly hope that, in your capacity as a neutral and impartial nation, the United States will afford us the helping hand we need. We harbour no territorial ambitions, we seek to injure no-one—not even Dutchmen—and we neither desire nor have the inclination to

make a racial issue out of our struggle for independence. Our hopes and longings revolve round the founding of a regime such as yours in which the common people will enjoy the blessings of justice, freedom and social security.

We thank you in advance for the help we feel sure you will not deny us, and it is with confidence in your fairmindedness and courage in the justice of our cause that I close this letter with the compliments of the season.

I remain, Your Excellency,
Yours faithfully,

SOETAN SJAHRIR
*Prime Minister of the
Republic of Indonesia*

856E.00/12-2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 28, 1945—1 p. m.

11101. Retels 315, Dec. 21 and 327, Dec. 26 from The Hague.⁴² With reference to talks now opening in London between Brit and Neth PriMins concerning Neth Indies, please inform the FonOf of this Govt's sincere interest in these conversations and its earnest hope that they will lead to the speedy adoption of measures calculated to bring about an early and peaceful settlement. While avoiding any statement which would imply that this Govt desires to participate in these conversations or to be drawn into consultation concerning them at this time, you should say that your Govt hopes that the FonOf will continue as in the past to keep it currently informed of the trend of these conversations. Repeated to The Hague as Dept's no. 217.

ACHESON

856E.00/12-2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 29, 1945.

[Received December 29—6 : 57 p. m.]

13690. Following communiqué was issued from Downing Street last night concerning Anglo-Dutch conversations.

"The Prime Minister accompanied by the Minister of State, the Chief of the Imperial General Staff and His Majesty's Ambassador at The Hague had a meeting yesterday at Chequers with the Netherlands Prime Minister, the Minister for Overseas Territories and the

⁴² Neither printed.

Acting Minister for Foreign Affairs. Together with the Lieutenant Governor General of the Netherlands East Indies and the Netherlands Ambassador discussions were held concerning the situation in Java which has deteriorated lately and the most effective line of action to be taken to restore law and order. In these conversations which had a satisfactory result the British Government were acquainted fully with the consistent and liberal policy which the Netherlands Government are pursuing and intend to pursue towards the Indonesian problem. The British Government reaffirmed their obligation to their Dutch Allies to establish without delay conditions of security in which it would be possible for the Government of the Netherlands East Indies to continue negotiations with representative Indonesians. The respective Governments agreed that a solution of the political conflict should be regarded as an essential contribution towards the successful completion of the task entrusted to Great Britain by the Supreme Command of the Allied Powers of liquidating the Japanese occupation of those territories and to this extent as the common concern of the British and Netherlands Governments and of the Indonesian people. The British and Netherlands Governments therefore concurred in the policy of promoting an understanding between the leaders of the Nationalist Movement and the Netherlands authorities. In the meantime further steps will be taken immediately to ensure as far as possible the safety of the prisoners of war and internees in Indonesia who are being threatened by extreme violence."

WINANT

S56E.00/12-3045 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 30, 1945—1 p. m.

[Received 6 : 58 p. m.]

338. British Ambassador and Netherlands officials who attended conference in London returned to Hague yesterday. In afternoon Ambassador expressed himself to me as highly satisfied with results of conference.

In evening, Dr. Van Mook and Ministers Van Royen ⁴³ and Logemann, dining with me, each separately expressed himself to same effect.

Van Mook said he could now return to Batavia with assurance as to policy under which and instrumentalities with which he and other responsible authorities should and can function. He expects to leave for post probably Jan 3; and he hopes that he and associates will within a few weeks have the situation well in hand.

In course of conversation Logemann stated Netherlands Cabinet fully realized that political complexities prevented US from active military participation in Indies even though US as one of Allies

⁴³ J. H. van Royen, Netherlands Minister without Portfolio.

shared in decision assigning to SEAC responsibility for accepting Jap surrender and restoring law and order in Islands but he added US could help in other ways, for instance, providing shipping (which he said British were unable to do) to assist evacuation of some 50,000 civilian internees which it had been decided to transport to Holland within next three months and aiding in provisioning approximately another 50,000 who elect to remain in Indies. He also added that Dutch would like to have Allied Supreme Commander in Far East, whose responsibility it was and not that of SEAC, which he repeated for emphasis, expedite repatriation of remaining 350,000 Japanese troops to Japan.

Van Royen gave me in confidence copy of policy statement⁴⁴ drafted by Netherlands Cabinet and taken to London which had formed basis of discussion with British. He has mailed a copy to Netherlands Ambassador. We are mailing Dept a copy. Van Royen requested we treat this as top secret.

Sent to Dept; repeated London as 37.

HORNBECK

856E.00/12-3045: Telegram

The Consul General at Batavia (Foote) to the Secretary of State

BATAVIA, December 30, 1945—11 p. m.

[Received December 31—10:30 a. m.]

66. ReDeptel 34, December 27, 7 p. m.⁴⁵ Relief felt here over news Dutch Cabinet and Van Mook agree on general policy. There is no growing uneasiness here among Indonesians except in small minority. Ninety-eight percent of people are apathetic towards politics and want peace above all. Extremists and some Jap inspired members of Youth Movement have used and will continue to use all means possible to prevent Indo-Dutch agreement. On other hand Sjahrir and his Cabinet are moderate, thoughtful men who will agree with Dutch when Batavia and other large cities are cleared of trouble-makers and their lives made safe. This movement now gaining in momentum as result Anglo-Dutch London Conference. Some Indonesian leaders want intervention by United Nations, some want Russia and others want United States only; but majority of people do not care so long as peace and safety return.

FOOTE

⁴⁴ See telegram 342, December 31, 4 p. m., from The Hague, p. 1191.

⁴⁵ Not printed.

856D.00/12-3145 : Telegram

The Ambassador in the Netherlands (Hornbeck) to the Secretary of State

THE HAGUE, December 31, 1945—4 p. m.
[Received January 2, 1946—12: 04 p. m.]

342. ReEmbtel 338, December 30. Statement begins with reference to Netherland Govt's desire to acquaint British Govt with intentions of future policy in respect of NEI (Netherlands East Indies) and sets forth a program which it declares must be submitted "for approval of states general and electorate in view of necessity amendments that will have to be made in constitution and laws of country" points in which may be summarized as follows:

There shall be a Commonwealth of Indonesia as partner in the Kingdom of Netherlands and composed of territories possession [*possessing?*] different degrees of autonomy. There shall be an Indonesian citizenship and Indonesian citizens shall be entitled to exercise all civic rights in all parts of kingdom. Governor General nominated by Crown shall appoint and discharge Ministers of Commonwealth and these Ministers shall preferably and predominantly be Indonesian citizens accountable for their policy to competent legislative body. Legislative body (People's Council) shall consist of representatives of autonomous territories and of minorities. Majority of all representative bodies shall be elected and shall contain substantial majority of Indonesians. Franchise shall progressively be extended.

Netherland Kingdom shall retain responsibility for maintenance of democratic principles, fundamental rights and efficiency of administration. Following establishment of foregoing structure Netherland Kingdom will as soon as possible promote admission of Indonesian Commonwealth as member of UNO.⁴⁶ Relationship between parts of kingdom will be reconsidered on basis of complete partnership after few years and should there exist any differences on internal or external affairs these differences shall be submitted to conciliation procedure or, if necessary, arbitration. Lieutenant Governor Van Mook shall continue discussions with Indonesian leaders, and as soon as possibilities of agreement have been sufficiently explored discussions will be continued in Netherlands between representative group of Indonesians and Dutch authorities.

Annexed to statement is an outline of internal policy to be put into effect immediately, as follows:

1. Indonesian citizens shall systematically and progressively be given access to the higher positions of Govt and of private enterprise (Indianisation) [*(Indonesation?)*];

⁴⁶ United Nations Organization.

2. All racial discrimination shall be eradicated;
3. Educational policy shall increasingly be directed at abolishing illiteracy and at developing Indonesian languages as instruments of modern cultural life;
4. Economic policy shall aim at raising standard of living of people, at increasing national wealth and at promoting participation of Indonesian citizens in private enterprise; and
5. Private rights affected by war, occupation or political unrest shall as far as possible be restored. Need of non-Indonesian capital to promote development of country shall be recognized.

HORNBECK

THE PHILIPPINES

REAFFIRMATION OF THE PROMISE BY THE UNITED STATES TO GRANT INDEPENDENCE TO THE PHILIPPINES; REESTABLISHMENT OF AUTHORITY OF THE COMMONWEALTH GOVERNMENT IN THE PHILIPPINES; APPOINTMENT OF UNITED STATES HIGH COMMISSIONER

811.01B11B/2-2645

*Memorandum by the Chief of the Division of Philippine Affairs
(Lockhart) to the Under Secretary of State (Grew)*¹

[WASHINGTON,] February 26, 1945.

MR. GREW:

NOTES FOR CONVERSATION WITH SECRETARY STIMSON² ON FEBRUARY 27 RELATIVE TO PHILIPPINE AFFAIRS

(1) It is understood that the Interior Department will make a strong effort to have the President appoint a High Commissioner to the Philippines. In view of legislation which authorizes the President to advance the date of independence³ there is strong probability that the interim period between cessation of hostilities and restoration of normal constitutional government in the Philippines will be short for which reason it is doubtful whether it would be advisable to appoint a High Commissioner, especially since it is believed that such appointment would lead the Filipino people to feel that the old order had been restored whereas actually they are probably expecting the President to declare the Philippines free before the date July 4, 1946, fixed by the Tydings-McDuffie Act.⁴ Secretary Stimson's views on this subject are not known, but he has always been extremely sympathetic with Filipino aspirations. If Secretary Stimson and/or the military authorities in the Philippines feel that conditions in the Islands will not warrant independence before July 4, 1946, the Department would give consideration to the question of whether it would be preferable to recommend that a Special Representative of the Presi-

¹ Initialed by the Chief of the Office of Far Eastern Affairs (Ballantine).

² Henry L. Stimson, Secretary of War.

³ S. J. Res. 93, approved as Public Law 380 on June 29, 1944, 58 Stat. 625. For Department's attitude toward this measure, see memorandum sent on March 9 to Chairman C. Jasper Bell of the House Committee on Insular Affairs, *Foreign Relations*, 1944, vol. v, p. 1301.

⁴ Approved March 24, 1934; 48 Stat. 456.

dent be appointed instead of the appointment of a High Commissioner who would function under the jurisdiction of the Secretary of the Interior.⁵ Mr. Francis B. Sayre⁶ has expressed the belief that a High Commissioner should not be appointed for the interim period whether it be a long or short one. In general the Department feels that the Government's commitment, which has been made both by legislative act and by the President himself, to give the Philippines early independence should be fulfilled.

(2) There is reason to believe that there is great need for closer working relations between General MacArthur⁷ and President Osmeña.⁸ It is felt that Osmeña should have active American support in administering Commonwealth affairs and that nothing should be done which would cause Osmeña to lose prestige among the Filipino people or cause him to fail to regain control of civil administration affairs.⁹

FRANK P. LOCKHART

[On March 5, the Department of State announced that the Commonwealth of the Philippines was one of the Governments invited to attend the United Nations Conference on International Organization.¹⁰ On October 11, 1945, Brigadier General Carlos P. Romulo, Resident Commissioner of the Philippines to the United States, deposited with the Department of State the Philippine instrument of ratification of the Charter of the United Nations.¹¹]

S11.01B11B/3-745

*Memorandum by the Under Secretary of State (Grew) to the Chief
of the Division of Philippine Affairs (Lockhart)*

[WASHINGTON,] March 7, 1945.

MR. LOCKHART: In connection with the memorandum of your talk with Mr. E. D. Hester, Office of the High Commissioner, Department of the Interior, on March 5¹² concerning the appointment of a High Commissioner to the Philippines, I am appending for your confi-

⁵ Harold L. Ickes.

⁶ United States High Commissioner to the Philippine Islands, 1939-1942.

⁷ General of the Army Douglas MacArthur, Commander of United States Army Forces in the Far East.

⁸ Sergio Osmeña, President of the Philippine Commonwealth.

⁹ Notation "omit" appears in margin of this paragraph.

¹⁰ Department of State *Bulletin*, March 1, 1945, p. 394. For documentation on the Conference, which met at San Francisco, April 25-June 26, 1945, see vol. 1, pp. 1 ff.

¹¹ Signed at San Francisco, June 26, 1945; for text, see Department of State Treaty Series No. 993, or 59 Stat. (pt. 2) 1031.

¹² Not printed.

dential information the partial record of a meeting with the Secretary of War and the Secretary of the Navy¹³ on March 3, on which occasion I broached this subject:

"Mr. Grew then referred to the matter of the appointment of a High Commissioner for the Philippines. He said that it was the view of the State Department that it would be unwise to appoint a High Commissioner at this time as it might be taken by the Filipinos as an indication that we did not intend to go through with our commitment of independence. The Secretary of War pointed out the need for some serious discussions with the Commonwealth Government in regard to the establishment of bases¹⁴ and the problems that would come up in the transition period. He felt there were important problems that would have to be discussed on the ground, and that some official of the United States Government would have to be there. Mr. Grew appreciated this and suggested that the man to be sent should not bear the title of High Commissioner, but that the designation 'Representative of the United States Government' or 'Representative of the President' was all he needed to carry with him, and this seemed to be generally acceptable as a practical solution of the problem. It was left that the Secretary of War should speak to Mr. Ickes about this matter and see if general concurrence could not be obtained.

"Subsequent to the meeting the Secretary of War telephoned to the Secretary of the Interior about the matter of the High Commissioner, giving Mr. Grew's suggestion to which Mr. Ickes indicated a favorable attitude. It was left that Mr. Ickes should immediately seek an appointment with the President to settle the matter, as well as the selection of the representative, Mr. Ickes to be accompanied on his visit to the President by the Secretary of War and possibly also by Mr. Grew."

JOSEPH C. GREW

123 [Steintorf, Paul P./3-2145]

The Consul General at Manila (Steintorf) to the Secretary of State

[Extracts]

No. 1

MANILA, March 21, 1945.¹⁵

Concerning civil government, General MacArthur stated that it was his desire to withdraw from civil affairs as quickly as possible, and to confine his activities to "purely military affairs". He said that he was opposed to military control of civil affairs, and did not

¹³ James V. Forrestal.

¹⁴ For documentation on the proposed acquisition by the United States of bases in the Philippines, see pp. 1203 ff.

¹⁵ Date of receipt not indicated; copy transmitted to President Truman on April 30, 1945. The Consulate General at Manila began functioning informally on March 19 and opened officially on March 27.

want to see a military government established in the Philippines. He implied, however, that it would continue to be necessary for the Army to exercise considerable supervision over civil government, since this country was destined to become the principal staging area for the Pacific war, with possibly a million American troops stationed here. Military security would demand extensive Army supervision over civil government. General MacArthur made it very clear that up to the present time practically all important decisions with respect to the local government had been made by the Army; although great care had been taken to ensure that the nominal authority for enforcement was given to the Commonwealth Government.¹⁶ He stated that he had avoided any appearance of dictating to the Commonwealth Government, and that matters had been handled very tactfully, protecting the political interest and self-respect of the Filipino officials.

General MacArthur said that he was enthusiastically in favor of the plan to grant independence to the Philippine Islands on August 13, 1945. He implied that he had originated the plan, and would support it fully. . . . He said that he had told President Osmeña to remain in Washington until he obtained a definite promise of independence, and the necessary economic concessions from the American Government. . . .

Very truly yours,

PAUL P. STEINTORF

811B.01/4-1345 : Telegram

The Secretary of State to the Consul General at Manila (Steintorf)

WASHINGTON, April 14, 1945—1 p. m.

61. Your 84, April 13, noon,¹⁷ and 85, April 13, 2 p. m.¹⁸ Information regarding action of Cabinet is timely and greatly appreciated by Department. Osmeña conferred with President at Warm Springs, April 5, and later in the day the latter at a press conference expressed the hope that he would be able to proclaim complete independence for the Philippines by autumn. Osmeña was present at press conference when President made statement. The President stated that he did not know precisely when it would be possible to determine that "con-

¹⁶ In despatch 10, April 4, 1945, the Consul General at Manila reported General MacArthur's restoration on February 28 of civil administration in the Philippines to President Sergio Osmeña (800.0146/4-445).

¹⁷ Not printed; it reported that the Philippine Cabinet would very shortly issue a statement supporting President Osmeña's request to President Roosevelt that the Philippines be given independence on August 13, 1945 (811B.01/4-1345).

¹⁸ Not printed.

stitutional processes and normal functions of Government"¹⁹ have been restored in the Philippines but that he was hopeful he could issue the proclamation by autumn in as much as he expected organized Japanese resistance to end by then even though Japanese guerrilla activity might still continue. Mr. Roosevelt said that the war had not changed in the least our promise to make the Philippines a separate and self-governing nation and that he favored the continuation of tariff preferential treatment by the United States until the Islands have had an opportunity to rebuild economically.²⁰ In the interview the President also stated that the United States and other United Nations must accept trusteeships over Japanese mandated islands and construct new naval and air bases in the Pacific as a move towards stamping out Japanese militarism.

For security reasons President asked that his views be withheld from publication until he returned to Washington. White House authorized publication evening April 12.

President Osmeña, who has recently undergone an operation at Jacksonville, Florida, is arriving in Washington today to attend President Roosevelt's funeral. If and when the information requested in the last paragraph of your 85, April 13, 2 p. m.²¹ can be obtained it will be telegraphed to you.

STETTINIUS

811B.01/4-2145

Memorandum of Conversation, by the Chief of the Division of Philippine Affairs (Lockhart)

[WASHINGTON,] April 21, 1945.

Participants: Mr. Stettinius
 President Osmeña of the Philippine Commonwealth
 Government
 Mr. Lockhart, PI

Mr. Osmeña called on the Secretary of State today and stated that he wished to discuss briefly several Philippine matters. He stated that in his opinion it would be inadvisable at this time to appoint a High Commissioner to the Philippines. He did not feel that such an appointment would be well received by the Filipinos. He said that General MacArthur was strongly opposed to the appointment of a

¹⁹ Language of S. J. Res. 93.

²⁰ For documentation on measures by the United States to define trade relations between the United States and the Philippines after Philippine independence and on participation by the United States in measures for the relief and rehabilitation, see pp. 1299 ff., and 1215 ff.

²¹ Last paragraph of this telegram requested Department to send information on President Osmeña's opinion of a member of his Cabinet (811B.00/4-1345).

High Commissioner²² and had so informed the Secretary of War. Mr. Osmeña said that he had taken this matter up with President Roosevelt at Warm Springs on April 5 and had informed him of his (Mr. Osmeña's) views and had also informed him of the attitude of General MacArthur. Mr. Osmeña remarked that the President had mentioned the possibility of appointing a Special Representative instead of a High Commissioner. Mr. Osmeña said that he believed this was the best course to pursue and that such a representative was needed in the Philippines at the present time as someone in high authority should be present with whom Commonwealth officials could deal. Mr. Stettinius said that it seemed to him preferable that a Special Representative should be appointed instead of a High Commissioner and at this point Mr. Lockhart remarked that it should be kept in mind that the functions of the Office of the High Commissioner were transferred to the Interior Department in 1942 by the President.²³ Mr. Stettinius then said that he would send a letter to the Secretary of the Interior proposing that a Special Representative be sent to the Philippines rather than a High Commissioner and Mr. Osmeña acquiesced and stated that he would in the meantime see Mr. Ickes and tell him that he preferred that a Special Representative be sent to the Philippines instead of a High Commissioner.²⁴ Inquiry was made of Mr. Lockhart as to whether he thought Mr. Ickes would oppose this proposal and he answered that he thought Mr. Ickes would strongly oppose the suggestion. Mr. Stettinius suggested to Mr. Osmeña that he discuss the matter with Mr. Grew which Mr. Osmeña said that he would be glad to do at Mr. Grew's convenience. Mr. Osmeña said that Mr. Ickes would be certain to oppose the appointment of a Special Representative but that he would confer with him and press for the appointment of a Special Representative.

In the course of the conversation Mr. Stettinius said that in reality there was practically no difference between a Special Representative and a High Commissioner; that the difference was in title only and that this was not really important.

Mr. Osmeña then turned to the subject of rehabilitation and said that there was great need for relief and rehabilitation legislation and

²² In despatch 1, March 21, 1945, the Consul General at Manila (Steintorf) reported that General MacArthur was unalterably opposed to reestablishment of the office of the High Commissioner as it would be essentially obstructive and totally unnecessary in view of the pending early independence of the Philippines (123 [Steintorf, Paul P./3-2145]).

²³ Under Executive Order No. 9425, September 16, 1942; 7 *Federal Register* 7328.

²⁴ In a memorandum of April 24, 1945, of a conversation with Mr. Grew and Mr. Osmeña, Mr. Lockhart reported a statement by the Philippine President that the day before he had informed Abe Fortas, Under Secretary of the Interior, of his wishes to have a Special Representative sent to the Philippines rather than a High Commissioner but that, nevertheless, Mr. Fortas favored the appointment of a High Commissioner (811B.01/4-2445).

spoke of the changed situation in the Philippines in this regard brought about by the war. The conversation turned into a question of the cooperation of Filipinos with the Government of the United States in a trade program, and both Mr. Osmeña and Mr. Stettinius agreed that there would be no lack of cooperation and that there must be special trade relations between the United States and the Philippines for a reasonable period; that there must be cooperation in other things as well, including an understanding on military and naval bases. Mr. Osmeña said that there would be no difficulties along these lines; that the Filipinos were quite willing for the bases to be established and were prepared to work out plans for the mutual benefit of the Philippines and the United States in this regard as well as in economic and defense matters.

Mr. Stettinius suggested to Mr. Lockhart that he talk over Philippine economic matters with Mr. Clayton.²⁵

FRANK P. LOCKHART

*Statement by President Truman on Independence for the
Philippines*²⁶

I have had several discussions with President Osmeña on the subject of Philippine independence. These discussions were started by President Roosevelt.

As a result of the discussions I have had with the President of the Philippines, I am prepared to endorse and carry through to their conclusion the policies laid down by President Roosevelt respecting the Islands and the independence of the Filipino people.

The date of independence will be advanced as soon as practicable in pursuance of the policy outlined by Congress in S. J. Resolution 93. The Filipino people, whose heroic and loyal stand in this war has won the affection and admiration of the American people, will be fully assisted by the United States in the great problem of rehabilitation and reconstruction which lies ahead.

In view of the special relationship between the United States and the Philippines as created by S. J. Resolution 93, I believe that suitable reciprocal trade between the two countries should continue for such time, after independence, as may be necessary to provide the new Republic with a fair opportunity to secure its economic freedom and independence—a permanent blessing for the patriotic people of the Philippines.

²⁵ William L. Clayton, Assistant Secretary of State for Economic Affairs.

²⁶ Released by the White House May 5; reprinted from Department of State *Bulletin*, May 6, 1945, p. 867.

To assist me in the attainment of these objectives and with the concurrence of President Osmeña, I am asking Senator Millard Tydings, of Maryland, Chairman of the Filipino Rehabilitation Commission, to proceed to Manila as my special envoy to examine conditions there and report his recommendations to me.

I have also designated the following to accompany Senator Tydings and to assist him in the accomplishment of this mission :

Vice Admiral W. T. Tarrant, United States Navy
Brigadier General Frank E. Lowe, United States Army
Colonel Julian Baumann, United States Army
George E. Ijams, Veterans Administration
E. D. Hester, Interior Department
J. Weldon Jones, Bureau of the Budget
Ben D. Dorfman, United States Tariff Commission
Daniel S. Brierley, United States Maritime Commission
C. H. Matthiessen, Consultant, War Production Board

It will be my constant endeavor to be of assistance to the Philippines. I will be only too happy to see to it that the close friendship between our two peoples, developed through many years of fruitful association, is maintained and strengthened.

I hope to be able to accept the invitation of President Osmeña to visit Manila at the inauguration of the Philippine Republic.

811.01B11B/5-945

Memorandum by Mr. William Phillips, Special Assistant to the Secretary of State

[WASHINGTON,] May 9, 1945.

The situation with regard to our representation in the Philippines is as follows.

Mr. Ickes is very sensitive about relieving his Department of the Philippine responsibilities and is therefore very strong for the appointment of a High Commissioner.

Eight or nine months ago the matter was taken up with President Roosevelt, who took the position that he might prefer to appoint a special representative rather than a High Commissioner, but he let the matter drop. Meanwhile President Osmeña has been urging against the revival of the High Commissioner²⁷ and as late as April 5th spoke to President Roosevelt on the subject. President Roosevelt had stated publicly that he expected to be in a position

²⁷ In despatch 215, July 19, 1945, the Consul General at Manila transmitted a copy of an *aide-mémoire* of the same date prepared by E. D. Hester of a conference with President Osmeña. The *aide-mémoire* stated President Osmeña no longer objected to use of the title "High Commissioner". (811B.00/7-1945)

to extend complete independence to the Philippines next autumn, and I understand that President Truman has made some similar public statement.²⁸

Senator Tydings recently introduced a resolution²⁹ providing for a delegation from Congress to proceed to the Philippines for investigation and report on conditions which would be the basis of a new commercial treaty between the Philippines and the United States. Before this legislation was passed President Truman appointed Senator Tydings as his personal representative to undertake this same investigation.³⁰ Senator Tydings is to be accompanied by a delegation of some ten persons, which includes Mr. Weldon Jones,³¹ and will leave Washington in about a week. It would seem therefore that the final decision with respect to the appointment of a High Commissioner or a personal representative of the President does not have to be made until the return of Senator Tydings and his delegation, and it might be indeed more appropriate to let the decision await his return. I gather that almost everyone concerned, with the exception of Mr. Ickes and his Department, is in favor of the substitution of a personal representative in the place of a High Commissioner, and it is expected that Mr. Ickes will make a strong fight for the retention of a Commissioner. The argument against the appointment of a High Commissioner is strengthened by the fact that the independence of the Philippines will come anyway within a few months' time.

WILLIAM PHILLIPS

811B.01/8-2345

The Consul General at Manila (Steintorf) to the Secretary of State

No. 313

MANILA, August 23, 1945.

[Received August 31.]

SIR: I have the honor to submit with this despatch a statement³² as quoted in the *Manila Courier* of August 23, 1945 by General MacArthur in connection with his order that effective September 1 USAFP (United States Army Forces, Pacific) will discontinue participation

²⁸ This refers, presumably, to the statement of May 5 by President Truman, *supra*.

²⁹ S. Res. 123, introduced May 3, *Congressional Record*, vol. 91, pt. 3, p. 4101.

³⁰ See statement of May 5 by President Truman, *supra*.

³¹ Of the Bureau of the Budget.

³² Not printed; it followed a statement made by General MacArthur on July 4, 1945, that "the entire Philippine Islands are now liberated and the Philippine campaigns can be regarded as virtually closed. Some minor isolated action of a guerrilla nature in the practically uninhabited mountain ranges may occasionally persist but this great land mass . . . is now freed of the invader." A copy of this statement, as printed in the local press, was transmitted to the Department by the Consul General at Manila in despatch 157, July 5. (740.00119 PW/7-545)

in the civil administration of the Philippines because it is no longer necessary.

The statement explains that General MacArthur has taken this action "in view of the fact that the executive, legislative and judicial branches of the Commonwealth government are now completely re-established and functioning smoothly". The Consulate General believes that a superficial reading of the statement might lead to the impression that conditions in the Philippines are much better than they actually are. The Department may wish to consider the statement in connection with reports from the Consulate General on subjects with which the statement is concerned.

Respectfully yours,

PAUL P. STEINTORF

[On September 6, 1945, President Truman nominated Paul V. McNutt as United States High Commissioner to the Philippines. The Senate confirmed the nomination on September 14. The same day, the President defined the responsibilities and functions of the High Commissioner in Executive Order No. 9816, Department of State *Bulletin*, September 16, 1945, page 393. For an account of the activities of the Office of the High Commissioner from September 14, 1945, to July 4, 1946, see *Seventh and Final Report of the High Commissioner to the Philippines*, House Document No. 389, 80th Congress, 1st session.]

811B.01/10-345 : Telegram

*The Acting Secretary of State to the Consul General at Manila
(Steintorf)*

WASHINGTON, October 3, 1945.

798. President Truman issued a statement today³³ announcing that he has had a conference with President Osmeña and with Mr. McNutt and Mr. Fortas and that he proposes to confer further with President Osmeña to formulate a broad program of this Govt with respect to the Philippines; that this program will reflect the traditional friendship of the people of the United States and the Philippines and will take into account the heroic and loyal conduct of the Filipinos during the war. The President stated that in preparation for his further conferences with President Osmeña he had asked Mr. McNutt and Mr. Fortas to consult with the President of the Philippines with respect to all matters of mutual interest. President Truman stated that there had been wide speculation as to whether a

³³ For text, see Department of State *Bulletin*, October 7, 1945, p. 537.

date prior to July 4, 1946 will be fixed for declaring the Philippines independent. He further stated that it would be neither just nor fair to the loyal people of the Philippines to proclaim their independence until the necessary program for rehabilitation has been worked out and until there has been a determination of the fundamental problems involved in our mutual relationship after independence; that additional time is also required to enable the Philippine Govt to set its own house in order and to hold a free democratic election.³⁴ Last paragraph of statement reads as follows:

“To assist in the orderly working out of these problems, I am taking this opportunity to state that I do not intend to consider advancing the proclamation of Philippine independence to a date earlier than July 4, 1946, until the necessary measures which I have outlined have been taken.”³⁵

ACHESON

[For a letter of October 8, 1945, by the Secretary of State to President Osmeña inviting participation by the Commonwealth Government in the Far Eastern Advisory Commission, see telegram 106, October 6, to the Chargé in Australia, and footnote 20, page 737.]

PRELIMINARY UNDERSTANDING WITH THE PHILIPPINE COMMONWEALTH FOR ACQUISITION BY THE UNITED STATES OF MILITARY AND NAVAL BASES IN THE PHILIPPINES

811B.01/4-1845

*Memorandum by the Chief of the Division of Philippine Affairs
(Lockhart) to the Secretary of State*

[Extract]

[WASHINGTON,] April 18, 1945.

Military and Naval Bases.

Section 2(12) of the Tydings-McDuffie Act approved March 24, 1934³⁶ recognizes the right of the United States “to maintain military and other reservations and armed forces in the Philippines”. The

³⁴ In a letter of December 11, 1945, the Secretary of State informed Harold D. Smith, Director of the Bureau of the Budget, that the Department “perceives no objection” to enactment of S. J. Res. 119, which provided for national elections in the Philippines (811B.00/12-1045). The measure was approved on December 14, 1945, as Public Law No. 258; 59 Stat. 608.

³⁵ For further statement by President Truman on Philippine independence, released by the White House on November 15, 1945, see Department of State *Bulletin*, November 18, 1945, p. 813.

³⁶ 48 Stat. 456, 457.

Joint Resolution of Congress approved June 29, 1944³⁷ amends the Tydings-McDuffie Act as follows:

"Sec. 2. After negotiation with the President of the Commonwealth of the Philippines, or the President of the Filipino Republic, the President of the United States is hereby authorized by such means as he finds appropriate to withhold or to acquire and to retain such bases, necessary appurtenances to such bases, and the rights incident thereto, in addition to any provided for by the Act of March 24, 1934, as he may deem necessary for the mutual protection of the Philippine Islands and of the United States."

The Department of State has no information regarding the extent or location of the bases which might be desired by the Army and the Navy. So far as PI³⁸ knows, no negotiations have been conducted on this subject between Army and Navy authorities and the Commonwealth Government nor between any other officials of the United States Government and the Commonwealth. The provision in the Joint Resolution authorizing the acquiring and retention of these bases was approved in advance by Mr. Quezon and Mr. Osmeña.³⁹ It will be observed that the bases are to be provided "for the mutual protection of the Philippine Islands and of the United States". On this basis the Department of State looks with favor on the legislation, which can be accepted as a policy of both the Government of the United States and of the Commonwealth. It is not anticipated, therefore, that the Commonwealth Government will interpose any objections to a reasonable program looking to the selection and retention of military and naval installations in the Philippines. If this assumption is correct, it would probably not be advisable to suggest a *quid pro quo* in connection with negotiations on this subject. Such a course could be left to be utilized later if any serious opposition should arise on the part of Philippine officials.

The question of procedure might offer some difficulty for the reason that an agreement arrived at now between the Government of the United States and the Commonwealth Government might not be found to be binding on the Commonwealth's successor under the new independent republic. The question of procedure to be determined now would be whether it would be better to start preliminary and exploratory negotiations at this time or wait until the Philippines become in-

³⁷ S. J. Res. 93, approved as Public Law 380; 58 Stat. 625.

³⁸ Division of Philippine Affairs.

³⁹ Manuel L. Quezon, President of the Philippine Commonwealth until his death on August 1, 1944, and his successor, Sergio Osmeña. In a memorandum of April 22, 1945, the Secretary of State advised President Truman that President Osmeña, the day before, had "definitely and specifically stated to me that whatever suggestions we wished to make relative to United States post-war bases would be agreeable to him". (811.24511B/4-2245) See memorandum of conversation of April 21, p. 1197.

dependent. Before a commitment on this point is made it would seem to be advisable to consult the law officers of the Department.

FRANK P. LOCKHART

811.34511B/4-3045

*The Secretary of the Navy (Forrestal) to the Secretary of State*⁴⁰

WASHINGTON, 30 April, 1945.

DEAR MR. SECRETARY: In the view of the Navy Department, it is desirable that negotiations be initiated immediately with the Philippine Government to obtain rights to establish bases in certain areas in the Philippines. Such rights should include the right to use harbors, to construct shore facilities, including airfields and seaplane ramps and to take such other measures with respect to these areas as their strategic use may require. The areas in question are those surrounding the following points:

Tutu Bay (Jolo)
 Tawi Tawi
 Balabac Island
 Leyte-Samar (Leyte Gulf area)
 Guimaras Strait—Iloilo Strait area
 Mactan Island (off Cebu)
 Coron Bay
 Subic Bay (Luzon)
 Sarangani Island (Mindanao)
 Sorsogon (Luzon)
 San Miguel Bay (Luzon)
 Polillo (Luzon)
 Aparri (Luzon)
 Puerto Princesa (Palawan)

Engineering studies will be made at the places named in the foregoing paragraph as soon as practicable with a view of selecting for early development only those found suitable for use in conditions likely to exist in the early post-war period. It is desirable, however, to retain perpetual rights in all of the areas listed in the foregoing paragraph because of the certainty that changing conditions subsequent to the conclusion of the war will require changes in dispositions for the defense of the Philippine Islands.

The Navy Department further recommends that any agreements entered into with the Philippine Government concerning these areas should leave the way open for future negotiations for other sites.

Sincerely yours,

JAMES FORRESTAL

⁴⁰ Copy transmitted to President Truman by the Acting Secretary of State on May 3, 1945.

811.34511B/5-1145

*The Secretary of War (Stimson) to President Truman*⁴¹

WASHINGTON, 11 May, 1945.

DEAR MR. PRESIDENT: For the "full and mutual protection" of the Philippines area after independence is granted, close cooperation by the Filipinos with United States military forces will be required. With such cooperation, United States military responsibilities should be limited to those which are beyond the capabilities of the Filipinos. Since the Filipinos will probably be unable to provide substantial air and naval forces and will require a number of years to develop their ground forces, the United States should be prepared to meet requirements for air and naval forces and, initially, to provide nearly all ground forces. In order to proceed with detailed discussions and staff studies, it is most desirable that agreement in principle be obtained to the points set forth in the attached tab.⁴²

According to the plan envisaged by the attached principles, major air centers in Central Luzon and Northern Mindanao, with rings of outlying fighter fields, will be the basis for the United States Army military security system for the Philippines. In addition, staging and mounting bases, and ground garrison installations to protect air bases, harbor entrances, and other critical points will be required. It is contemplated that the Filipinos will take over a large proportion of the ground responsibilities as the military effectiveness of their forces increases.

In accordance with the foregoing, a constant screening of United States base sites should release to the Filipinos sites as they become surplus to United States needs. As they gain in effectiveness, the Filipino forces should be accorded increasing participation in the use of certain United States bases. The detailed Army base requirements should be worked out in military staff conversations and detailed surveys conducted by General MacArthur.⁴³ Damage or destruction incurred during the war and base construction now or to be carried out may influence the choice of sites to be retained in the base system. Pending the screening mentioned above, base sites as indicated in the attached statement of principles should be retained.

In addition to sites which can now be specified, certain others will need to be designated and acquired in the future. These would include sites necessitated by changes in the art of war, sites of historical

⁴¹ Copy transmitted to the Acting Secretary of State by the Secretary of War May 11, 1945.

⁴² Not printed; it was substantially the same as the preliminary statement agreed to on May 14, 1945, by President Truman and President Osmeña, p. 1208. Appended was a listing of 12 bases to be retained which were the same as those agreed to on May 14.

⁴³ General of the Army Douglas MacArthur, Commander of United States Army Forces in the Far East.

significance, sites developed for the operations of the current war, and United States military cemeteries. Some of the sites may be acquired in exchange for those already held.

For effective use of the above bases, necessary agreements should be concluded on principles relating to freedom of movement, communication and operation of our military forces in the area. Firm agreement should be reached on the basic principle of cooperation of United States and Filipino forces and integration of their military plans.

It should be agreed that no nation, other than the United States or the Philippines, should be permitted to establish or make use of any bases in the Philippines without the prior agreement of both the United States and the Philippines.

It is recommended that principles substantially as those in the attached statement be included in any preliminary agreement as to military rights in the Philippines.

Respectfully yours,

HENRY L. STIMSON

811.24511B/5-1445

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 14, 1945.

Participants: The President;
 Secretary of War, Mr. Stimson;
 Secretary of the Navy, Mr. Forrestal;
 Senator Millard Tydings;⁴⁴
 Admiral Leahy;⁴⁵
 Admiral Richard Edwards;⁴⁶
 Acting Secretary, Mr. Grew;
 President of the Philippines, Mr. Sergio Osmeña.

1. I said to the President that he had approved the suggestion that the question of our needs with respect to the future control of bases in the Philippines could best be taken up by the President directly with President Osmeña. In the meantime the President had received from the Secretary of War and the Secretary of the Navy their respective views regarding such bases and these views had now been incorporated into a document⁴⁷ which the Secretary of the Navy then submitted. I said that I had suggested this meeting at ten o'clock for a preliminary canter before seeing President Osmeña who was coming at 10:15. The President concurred and read over the paper laid before him.

⁴⁴ Chairman of the Senate Committee on Territories and Insular Affairs.

⁴⁵ Fleet Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the United States Army and Navy.

⁴⁶ Vice Adm. Richard S. Edwards, Deputy Commander in Chief of the United States Fleet and Deputy Chief of Naval Operations.

⁴⁷ *Infra.*

At 10:15 President Osmeña came in, the President explained to him the nature of the document and handed it to President Osmeña. After reading it President Osmeña said that he was in accord with the proposals, whereupon President Truman signed the paper under the words "Agreed to May 14, 1945" and President Osmeña likewise signed the paper. The President asked me to have copies made for his use and to send also to President Osmeña, which I undertook to do.⁴⁸ All present thereupon withdrew with the exception of Admiral Leahy and myself as I told the President that I had three or four urgent matters to take up with him.

[Here follows an account of discussions on other matters.]

JOSEPH C. GREW

811.24511B/5-1445

Preliminary Statement of General Principles Pertaining to the United States Military and Naval Base System in the Philippines To Be Used as a Basis for Detailed Discussions and Staff Studies

1. The principle is agreed that the fullest and closest military cooperation will be observed between the U.S. and the Philippine Government and the military plans of the U.S. and the Philippine Government for the Philippines area will be closely integrated in order to ensure the full and mutual protection of the U.S. and the Philippines.

2. The military forces of the U.S. will be accorded free access to, and movement between, ports, U.S. bases, and U.S. installations in the Philippines, by land, sea, and air.

3. Military and Naval aircraft of the U.S. will be allowed to operate without restriction into and from U.S. bases and over surrounding territory. U.S. forces will be allowed to enter and depart from the Philippines, including territorial waters, at will.

4. The U.S. will have the right to import free of duty, materiel, equipment, and supplies requisite to the improvement, maintenance, operation, and defense of U.S. bases.

5. The U.S. will have the right to maintain such personnel as may be requisite for the operations and defense of bases and facilities.

6. Pending development of the detailed plan, the U.S. will retain all sites which were held by the U.S. Army as military reservations on 7 December 1941 and by the U.S. Navy except at Cavite and will be accorded rights to sites in the localities shown on the attached Appendix.

7. The U.S. will have the right to retain, or to exchange for sites listed in paragraph 6 above, those sites wherein are located bases, in-

⁴⁸ Copies sent to President Truman and President Osmeña on May 14, 1945.

stallations, or facilities which have been or may be developed in the course of the present war, to acquire additional sites and to acquire such sites in the future as may be required by changes in the means and methods of warfare, including the development of new weapons. The U.S. will have the right to acquire sites and install, maintain and operate thereon, the required communication and navigation facilities and radar installations.

8. The U.S. will retain U.S. military cemeteries and sites of historical significance to the U.S. in the Philippines.

9. Consideration will be given to Filipino participation in certain U.S. bases and vice versa as indicated by the military situation.

10. No nation other than the U.S. or the Philippines is to be permitted to establish or make use of any bases in the Philippines without the prior agreement of both the U.S. and Philippine Governments.

Agreed to May 14 1945

HARRY TRUMAN
S[ERGIO] OSMEÑA

[Annex]

AREAS IN THE PHILIPPINES IN WHICH THE UNITED STATES MAY DESIRE THE RIGHT TO ESTABLISH BASES, AS SUBMITTED BY THE WAR DEPARTMENT

<i>Designation</i>	<i>Location</i>	<i>Designation</i>	<i>Location</i>
Del Carmen	Luzon	San Jose	Mindoro
Tarlac	Luzon	Surigao	Mindanao
San Marcellino	Luzon	Del Monte(Cagayan)	Mindanao
Laoag	Luzon	Daluagan (Impasugong)	Mindanao
Tuguegarao	Luzon	Dipolog	Mindanao
San Miguel Bay	Luzon	Davao	Mindanao
Aparri	Luzon	Sarangani Island	Mindanao
Polillo	Luzon	Tawi Tawi	Sulu Archipelago
Sorsogon	Luzon	Siminul Island	Sulu Archipelago
Puerto Princesa	Palawan	Leyte Gulf	Leyte-Samar
Balabac Island	Palawan	Guimaras Strait	Panay-Negros
Coron Bay	Palawan	Mactan	Cebu

[Attached also was a list entitled "Areas in the Philippines in which the United States May Desire the Right to Establish Bases, as Submitted by the Navy Department". The bases are the same as those listed in the letter of April 30 by the Secretary of the Navy, page 1205.]

811.34511B/4-3045

The Secretary of State to the Secretary of the Navy (Forrestal)

WASHINGTON, September 4, 1945.

MY DEAR MR. SECRETARY: Reference is made to your letter of April 30, 1945 wherein you stated that it is the view of the Navy Department that negotiations should be initiated immediately with the Commonwealth Government of the Philippines to obtain rights to establish bases in certain areas in the Philippines. You also stated that such rights should include the right to use harbors, to construct shore facilities, including air fields and seaplane ramps and to take such other measures with respect to these areas as their strategic use may require. Several suggested base areas in the Philippines were also listed by you.

Subsequent to the dispatch of your letter, and one of a similar character from the Secretary of War, a "Preliminary Statement of General Principles Pertaining to the United States Military and Naval Base System in the Philippines To Be Used as a Basis for Detailed Discussions and Staff Studies" was drawn up and later agreed to and signed by President Truman and President Osmeña under date of May 14, 1945.

The Department is now pleased to inform you that Judge Francisco Delgado, former Resident Commissioner of the Philippines to the United States and currently acting as a special representative of President Osmeña in the United States, has been directed by President Osmeña to inquire whether this Government is now in a position to undertake negotiations looking to the drawing up of a definitive agreement on the subject of American military and naval bases to be retained in the Philippines after independence. Judge Delgado states that this definitive agreement may include such matters as the exact bases desired, the extent of the areas affected and the nature of the installations required.

You will recall that the Congress has already, in Public Law 380, authorized the President of the United States to proceed with negotiations for the retention of American bases in the Philippines after independence. The Department is also informed now that the Philippine Congress has passed a bill authorizing the President of the Philippines to proceed with negotiations for the retention of American bases in the Philippines.⁴⁹

The Department of State would be glad to be advised whether your Department believes the time is now opportune for entering into either preliminary or final negotiations on the question of Philippine bases.

⁴⁹ This was reported by the Consul General at Manila in his despatch 207, July 17 (811B.00/7-1745).

A similar letter on the subject is being addressed to the War Department.⁵⁰ An early reply would be appreciated.

Sincerely yours,

JAMES F. BYRNES

811.24511B/10-1045

Memorandum by the Secretary of the Navy (Forrestal) and the Secretary of War (Patterson) to the Secretary of State

WASHINGTON, 10 October, 1945.

This replies to your letter of September 4, 1945, inquiring whether preliminary or final negotiations for U. S. military base requirements should now be initiated.

We are advised by the Joint Chiefs of Staff that they will not be in a position to recommend definitive requirements for specific base sites and other military rights which must finally be negotiated with the Philippine Government until completion of on-the-spot surveys now in progress and detailed study of the results of these surveys. Action has been taken to expedite the completion of these surveys and studies and the submission of an integrated report.

Pending receipt of the information indicated above, we believe that the agreement reached between President Truman and President Osmeña on 14 May 1945 adequately safeguards U. S. Military interests during this interim period, and accordingly conclude that the time is not yet opportune for entering into negotiations on the question of Philippine bases beyond those contained in the agreement.

FORRESTAL

ROBERT P. PATTERSON

PARTICIPATION BY THE UNITED STATES IN MEASURES FOR THE RELIEF AND REHABILITATION OF THE PHILIPPINES⁵¹

811B.48/1-2645

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, January 26, 1945.

MY DEAR MR. SECRETARY: I have had brought to my attention recently a situation in the Philippines which is somewhat disturbing both from the point of view of extending relief to a distressed people

⁵⁰ September 4, not printed.

⁵¹ For previous documentation on this subject, see *Foreign Relations*, 1944, vol. v., pp. 1299 ff., *passim*. Three missions were sent to the Philippines in 1945 to investigate various aspects of Philippine rehabilitation. The first, a Presidential mission headed by Millard E. Tydings, Chairman of the Senate Committee on Territories and Insular Affairs and Chairman of the Filipino Rehabilitation Commission, conducted its investigations in May (for statement of May 5 by President Truman establishing the Tydings Mission, see p. 1199). Senator Tydings reported

Footnote continued on p. 1212.

and with reference to the possible political effect which might ensue if timely adequate aid is not provided. I am addressing you because of your great interest in the welfare of the Filipino people and of the part the War Department may be called upon to assume in this matter.

President Osmeña of the Commonwealth Government of the Philippines has recently returned from the Philippines to Washington and has reported the situation in the Islands with reference to food, clothing, and medicines to be critical. Mr. Osmeña has indicated that he was so impressed by the urgency of the Filipinos' needs that he returned to Washington so that he could discuss the matter with the President and with other high officials of the Government.⁵² It is possible that he may have already discussed the matter with you and sought such assistance as the War Department may be able to render.

In addition to taking care of the pressing needs in areas already liberated, it would seem to be particularly timely if some arrangements should be made by which supplies could be distributed to those most in need immediately after the liberation of Manila and that area. If the question of shipping space arises, as may well be the case, I am sure that the officers of the Army responsible for transport will do their utmost to provide adequate facilities. In addition to the matter of relieving human suffering due to hardships imposed by the enemy, I feel that the supplying of relief would be the means of manifesting our true friendship for the Filipinos and of expressing our appreciation of their sacrifices.

I am also addressing a letter to Mr. Crowley of the Foreign Economic Administration expressing this Department's interest in the matter of supplying the Filipinos' need for food, clothing and medicines.⁵³

Sincerely yours,

JOSEPH C. GREW

Footnote continued from p. 1211.

his findings to the Senate on June 7; for text, see *Congressional Record*, vol. 91, pt. 5, p. 5697, or Senate Document No. 53, 79th Cong., 1st sess. The War Damage Corporation, an agency of the Reconstruction Finance Corporation, sent a technical mission to the Philippines on June 1. The report of the mission, entitled *Survey of War Damage in the Philippines*, was completed in September 1945 and printed for the use of the Senate Committee on Territories and Insular Affairs, 79th Cong., 1st sess. (Washington, Government Printing Office, 1945). A copy is filed under 411B.00 War Damages/9-3045. In July, 1945, President Truman requested Paul V. McNutt, Chairman of the War Manpower Commission, to head a mission to survey the broad social and political picture in the Philippines and formulate recommendations for action by the United States. For a brief account of the Mission, see House Document No. 389, 80th Cong., 1st sess.: *Seventh and Final Report of the High Commissioner to the Philippines*, p. 12.

Relief aid to the Philippines was also administered by the United Nations Relief and Rehabilitation Administration; for documentation on this subject, see vol. II, pp. 969-971, 1011-1012, 1037-1038, and 1038n.

⁵² In a conversation with the Chief of the Division of Philippine Affairs (Lockhart), January 17, 1945; memorandum of conversation not printed.

⁵³ Letter of January 26 to Leo T. Crowley, Foreign Economic Administrator, not printed.

811B.48/2-745

The Secretary of War (Stimson) to the Acting Secretary of State

WASHINGTON, February 7, 1945.

DEAR MR. GREW: I am in receipt of your letter 26 January 1945 concerning Philippine relief.

Please be assured that an adequate program for the relief of the civilian population of the Philippines was planned some time prior to the commencement of operations there and is being carried out at the present time. This program was carefully developed by the War Department with representatives of the Commonwealth Government, who gave their full approval. The Department of State has been kept informed of the discussions with the Commonwealth Government and furnished copies of the program.⁵⁴

General MacArthur⁵⁵ has called for and there have been shipped from this country substantial quantities of supplies for the areas which have thus far been liberated and which are now being or are expected to be uncovered including Manila and the surrounding area. These shipments commenced within a few days of the initial landing at Leyte.⁵⁶ Additional supplies were procured by General MacArthur in Australia and were available from Army stocks and stockpiles. It must be appreciated, however, that under operational conditions, particularly at the commencement of a military invasion, it is not always possible to land civilian relief supplies or distribute them with the promptness and in quantities which may be desirable. The problem embraces not only the availability of shipping space, which you recognize as an important consideration, but also limited port, unloading and inland transportation facilities.

As you know, General MacArthur is a great friend of the Philippine people and very much concerned with their welfare. I am certain that he is doing his utmost to provide them with the much needed relief supplies to the greatest extent possible without prejudicing the accomplishment of his military objective. Operational necessities must, of course, be given top priority if the military mission of liberating the Islands is to succeed.

I can quite appreciate President Osmeña's concern for his people, a concern which is shared by General MacArthur, myself, the other members of this Department and the Armed Forces who are charged with responsibility in the matter. We shall continue to do everything possible to relieve the suffering and hardships of the Philippine people and furnish them with their requirements of essential sup-

⁵⁴ None found in Department files.

⁵⁵ General of the Army Douglas MacArthur, Commander of United States Army Forces in the Far East and Commander in Chief of the Southwest Pacific Area.

⁵⁶ October 20, 1944.

plies as rapidly as can be done, consistent with operational requirements.

I believe that President Osmeña will find that when the military operation becomes more stabilized, after the initial stages of the invasion, civilian relief supplies will be forthcoming with greater regularity and in quantities adequate to meet the necessities of the situation.

A copy of this letter is being sent to Mr. Crowley of the Foreign Economic Administration. His agency also has been kept informed of War Department programming of civilian relief for the Philippines.

Sincerely yours,

HENRY L. STIMSON

811B.24/6-2645

*The Assistant Secretary of War (McCloy) to the Under Secretary of the Interior (Fortas)*⁵⁷

WASHINGTON, June 26, 1945.

DEAR MR. FORTAS: At a meeting held on 24 May 1945, and attended by representatives of the State, War, Navy and Interior Departments and of the Foreign Economic Administration, the Philippine Ad Hoc Committee adopted the report of its Working Group appointed to coordinate and recommend appropriate action on Philippine relief and trade resumption.

This report, in part, recommended (a) that the Army terminate its responsibility for importation of civilian supplies after completion of August loadings and (b) that the Foreign Economic Administration, in conformity with letter dated 22 December 1944, from the Director, Office of War Mobilization and Reconversion, designating it as the civilian agency responsible for supplying the requirements of the Philippines after termination of military responsibility, should make necessary supply and shipping arrangements to insure continuity of supplies to the Philippines after 1 September 1945.⁵⁸ These recommendations were adopted, subject to the approval of the Theater Commander.

This letter confirms advice previously given informally to you, as well as to representatives of the State Department and of the Foreign

⁵⁷ Copy received by Assistant Secretary of State Clayton on June 27.

⁵⁸ In a memorandum of July 26 of a conversation between Officers of the Department of State and the Foreign Economic Administration, J. Robert Schaetzel of the Office of International Trade Policy stated: "The Army has issued instructions to the Theater Commander to continue the distribution of supplies until December 1, thereby assisting FEA in its responsibilities, and furthermore to make additional facilities, as needed, available after December 1. Determination of the need for additional Army assistance after December 1 would presumably be made by the FEA, Interior and State representatives in the Islands." (611-11B31/7-2645)

Economic Administration, that General MacArthur has approved the program for termination of military responsibility adopted by the Philippine Ad Hoc Committee and that termination in conformity therewith will be effected by military authorities.

While it is my understanding that the Philippine Commonwealth Government has been advised of the program, I believe that formal notice of military termination and of the successor program should be given to it by the appropriate agency of this Government. You have expressed the view, in which representatives of the State Department concur, that such notice should be given by the Department of Interior. Therefore, I shall appreciate the Department of Interior's taking this action at the earliest possible date.

In the interest of a smooth transition and the uninterrupted flow of supplies into the Philippines,⁵⁹ the War Department, of course, will lend such cooperation as may be consistent with the discharge of its military responsibilities, and, in this connection, I suggest that the Foreign Economic Administration promptly make such arrangements with the International Division, Army Service Forces, as are necessary to effect the transfer of desired supplies available in the Army program under the terms of the Working Group's report.⁶⁰

Sincerely yours,

JOHN J. McCLOY

**MEASURES BY THE UNITED STATES TO DEFINE TRADE RELATIONS
BETWEEN THE UNITED STATES AND THE PHILIPPINES AFTER
PHILIPPINE INDEPENDENCE**

Records of the Executive Secretariat, Lot 122, Box 20

*Report by the Executive Committee on Economic Foreign Policy*⁶¹

[Extract]

ECEFP D-39/45

[WASHINGTON,] March 12, 1945.

According to a press release issued by the Philippine Government on February 15, 1945 the Filipino group of the Commission⁶² submitted to Senator Millard E. Tydings, Chairman of the Commission, a proposal under which there would be free trade between the United

⁵⁹ For Department's statement of August 10 on the authorization for American businessmen to enter the Philippines, see Department of State *Bulletin*, August 12, 1945, p. 250.

⁶⁰ For statements by President Truman on assistance by the United States to the Philippines, released by the White House on October 25 and 26, see *ibid.*, October 28, 1945, pp. 690-692.

⁶¹ Entitled "United States-Philippine Trade Preferences in relation to General Commercial Policy".

⁶² Filipino Rehabilitation Commission.

States and the Philippines except that the basic quotas established by the Independence Act,⁶³ as amended by the Act of August 7, 1939⁶⁴ would be retained. This arrangement would continue in force for twenty years after independence is declared and would remain in force thereafter "unless either the United States Government or the Government of the Philippines will desire to change, modify, or terminate the arrangement, in which case, a five year prior notice shall be given after the fifteenth year from the date of the proclamation of Philippine independence."

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611.11B31/3-2045

Memorandum by the Acting Secretary of State to President Roosevelt

WASHINGTON, March 20, 1945.

A representative of the Department has been invited to present to the Subcommittee [*Committee*] on Trade Relations of the Filipino Rehabilitation Commission the views of the Department regarding trade relations with the Philippines.⁶⁵ Since this subject is of interest also to the Executive Committee on Economic Foreign Policy which you established under the chairmanship of this Department, it was referred for discussion to that Committee which endorses the following position of the Department:⁶⁶

1. An arrangement under which there would be free trade between the United States and the Philippines for as long a period as twenty years after the Philippines become an independent country would be inconsistent with the objective of this Government to obtain the removal of preferences and discriminations which obstruct the expansion of world trade and such an arrangement should not, therefore, be undertaken.

2. It is recognized, however, that in establishing nonpreferential trade relations between the United States and the Philippines it may be desirable with a view to the economic rehabilitation of the Islands to provide for a period of declining preferences.

3. It is further recognized that the rehabilitation of the Philippines,⁶⁷ to which the United States desires to make, on a sound and

⁶³ Approved March 24, 1934; 48 Stat. 456.

⁶⁴ 53 Stat. (pt. 2) 1226.

⁶⁵ Executive sessions were held by the Committee on Trade Relations of the Filipino Rehabilitation Commission on March 1 and April 11, 1945. The views of the Department of State were presented at the latter session by Assistant Secretary of State William L. Clayton. For Mr. Clayton's statement, see "Report of Proceedings before the Committee on Trade Relations of the Filipino Rehabilitation Commission", April 11, 1945, p. 57 (filed under 611.11B31/4-1145).

⁶⁶ ECEFP D-60/45, March 16, 1945, not printed.

⁶⁷ For documentation on this subject, see pp. 1211 ff.

lasting basis, the fullest possible contribution, involves other important considerations, and it is proposed, after further study, to suggest other measures for promoting such rehabilitation.

I should appreciate knowing whether this meets with your approval.⁶⁸

611.11B31/4-1345

The Assistant Secretary of State (Clayton) to Chairman Millard E. Tydings of the Filipino Rehabilitation Commission

WASHINGTON, July 9, 1945.

MY DEAR SENATOR TYDINGS: As Chairman of the Executive Committee on Economic Foreign Policy, I enclose herewith a report from that Committee⁶⁹ with respect to trade relations with the Philippines as requested in your letter of April 13, 1945.⁷⁰ The report contains a statement of policy regarding the proposal made by officials of the Commonwealth of the Philippines for a 20-year period of free trade, and recommends, in brief, that the preferential trade relations between the United States and the Philippine Islands which obtained as of December 7, 1941 should be resumed and continued until January 1, 1949 or 1950 after which preferences should be gradually reduced until at the end of about 20 years they are finally eliminated.

Although the views of the Committee were requested only on the subject of trade relations, which constitute only a part of the broad problem of the economic rehabilitation of the Philippines, it should be pointed out that work is being done in the Executive branch of the Government on other aspects of the problem.

The regular membership of the Executive Committee includes the Departments of State, Treasury, Agriculture, Commerce, and Labor, the United States Tariff Commission and the Foreign Economic Administration. The Department of Interior was, however, included in the membership of the subcommittee which drafted the report, and was represented on the Executive Committee during its consideration of the report. In view of the fact that the representative

⁶⁸ Marginal notation: "OK F[ranklin] D R[oosevelt]." In a memorandum of May 10, the Associate Chief of the Division of Commercial Policy (Willoughby) recommended to the Under Secretary of State (Grew) that a copy of the memorandum of March 20 be sent to President Truman as he "may not have been aware that President Roosevelt recently approved a policy statement on U.S.-Philippine trade relations endorsed by the Executive Committee on Economic Foreign Policy and that the Executive Committee, at the request of Senator Tydings as Chairman of the Filipino Rehabilitation Commission, is now engaged in formulating specific recommendations to implement the policy statement." A copy was sent to President Truman the same day. (611.11B31/5-1045)

⁶⁹ ECEFP D-91/45, June 26, 1945, not printed.

⁷⁰ Not printed.

from the Department of Interior did not concur in the action taken by the Committee, the position of that Department is set forth in a separate statement ⁷² attached to the report.

Sincerely yours,

WILLIAM L. CLAYTON

611.11B31/11-1045

Memorandum by the Director of the Office of International Trade Policy (Wilcox) to the Assistant Secretary of State (Clayton)

[WASHINGTON,] November 10, 1945.

I. The question at issue as between the Tydings and Bell Bills ⁷³ is not whether the U.S. should help in the rehabilitation of the Philippines but a question of how best to do it. The Department desires to assist the Philippines in emerging from the ravages of war and in developing an economy consistent with a status of political independence. Such assistance however should be in line with our policy of encouraging trade expansion on a non-preferential basis.

II. The Department opposes the Bell bill because of its provisions for (a) a 20-year continuance of preferential tariffs; (b) preferences with respect to internal taxes; (c) and restrictions on Philippine tariff autonomy in relation to third countries. Tariff preferences will encourage revival of industries dependent on preferences; our continuation of preferences will weaken our leadership in efforts toward a non-preferential world trading system.⁷⁴ (See Attachments I-A, E, F).⁷⁵

III. The Tydings' trade proposals are in general accord with Department's trade policy. They incorporate a plan of *gradual* change-over to a non-preferential trade basis which is less likely to encourage industries requiring preferential treatment than would be the case under provisions of the Bell bill. (See Attachment I-B).

IV. Tydings' omnibus bill (S. 1488) incorporates other measures for assisting the Philippines, namely provisions covering war damage

⁷² Letter of July 3 from Secretary of the Interior Ickes to Assistant Secretary of State Clayton, not printed.

⁷³ S. 1279 and H.R. 4185; for texts, see *Philippine Trade Act of 1945: Hearings before the House Committee on Ways and Means, 79th Cong., 1st sess.* (Washington, Government Printing Office, 1945 [1946]), pp. 2, 95.

⁷⁴ In a memorandum of October 1 to President Truman, the Acting Secretary of State (Acheson) had stated: "In accordance with our established commercial policy opposing discriminatory trade arrangements we are seeking, in the current conversations with the British, the reduction and ultimate elimination of Empire preferences. Any suggestion at this time that we intend to abandon our program for the gradual elimination of preferential trade relations with the Philippines would embarrass our representatives and inevitably lessen our chances of getting satisfactory commitments with respect to trade preferences from the United Kingdom." (611.11B31/10-145) For documentation on trade discussions with the United Kingdom, see pp. 1 ff.

⁷⁵ Attachments to this memorandum not printed.

compensation, surplus property disposal, and transfer of enemy property. (Attachments II, III, IV, V). A request by the Commonwealth for UNRRA assistance is now under consideration.⁷⁶ (See Attachment VI).

V. Some Philippine processing industries may be affected by removing existent tariff preferences. It is believed however that adjustments within the industries and between them would be such that no serious overall effect on the Philippine economy would result from a program of gradual reduction of tariff preferences. (A summary of probable effects on principal Philippine export commodities is attached (Attachment I-D)).

611.11B31/11-645

*The Secretary of State to Mr. Harry B. Hawes*⁷⁷

WASHINGTON, November 26, 1945.

MY DEAR HARRY: Thank you very much for your helpful letter of November 6⁷⁸ in which you urged speedy action on the question of U.S.-Philippine trade relations.

I am sure that you will be glad to know that as a result of a recent conference with the President⁷⁹ a formula for readjustment of our trade relations with the Philippines has been worked out which is acceptable to the Departments of the Government most concerned. Following the White House conference Representative C. Jasper Bell, Chairman of the House Committee on Insular Affairs redrafted his bill in accordance with the formula agreed to for an eight-year period of free trade to be followed by twenty-five years of gradually declining preferences. The Committee on Ways and Means is currently studying the new bill.⁸⁰ On November 15 a statement representing the views of the Department of State on the bill was submitted to that Committee.⁸¹ In this statement the Department indicated its acceptance of the broad trade program set forth in the bill.

I am sure that you will understand the difficulties which were involved in working out a solution to the problem of readjusting trade

⁷⁶ For documentation on requests by the Philippine Commonwealth for assistance by the United Nations Relief and Rehabilitation Administration, see vol. II, pp. 969-971.

⁷⁷ Senator from Missouri, December 1926 to February 1933; an author of the Philippine Independence Act of January 17, 1933.

⁷⁸ Not printed; for text, see the *Philippine Trade Act of 1945*, p. 187.

⁷⁹ On November 13, 1945, attended by the Secretary of State, Assistant Secretary of State Clayton, Paul V. McNutt, United States High Commissioner to the Philippine Islands, Senator Tydings, Chairman C. Jasper Bell of the House Committee on Insular Affairs, and Abe Fortas, Under Secretary of the Interior.

⁸⁰ H.R. 4676; for text, see the *Philippine Trade Act of 1945*, p. 6. For comments by the Department of State on this measure and a subsequent modified version, H.R. 5185, see *ibid.*, pp. 266-279.

⁸¹ *Ibid.*, p. 270.

relations with the Philippines which would be acceptable to all concerned and would at the same time be consistent with Philippine independence, in accord with our commercial policy, and based upon full consideration of the tremendous problems which the Filipinos now face in rebuilding their economy.

We hope that Congress will take speedy action. I am quite certain that Chairman Doughton of the Ways and Means Committee and Senator Tydings, Chairman of the Senate Committee on Territories and Insular Affairs, both feel that this matter is extremely urgent and that it should be acted upon as quickly as possible.

Thank you again for sharing your views on this problem with me.

Sincerely yours,

JAMES F. BYRNES

OPPOSITION BY THE UNITED STATES TO MEASURES OF THE PHILIPPINE COMMONWEALTH DISCRIMINATING AGAINST FOREIGN NATIONALS

811B.5034/4-1745 : Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, April 17, 1945—7 p. m.

[Received April 17—3:47 p. m.]

99. Commonwealth Government has issued orders requiring all persons to obtain licenses before starting business and ordering unlicensed firms to cease operations pending issuance of licenses. Period of 90 days required for investigation of all firms other than Filipino and American. This period allegedly required to permit investigation of loyalty of applicants during occupation. Because of international implications I discussed the matter informally today with Tomas Confesor,⁸² acting head of Commonwealth Government. Confesor contends he is opposed to permitting firms which have cooperated with enemy⁸³ to engage again in business and cites emergency powers law as authority for his action. For political reasons he will not publicly admit that Filipino firms also may have collaborated with enemy although he added that a number of Filipinos has already been arrested for such activities. He said with considerable truth that many Chinese, Spanish and British-Indian firms had openly and publicly collaborated with Japanese. I pointed out that his action might be considered as direct discrimination against foreign business interests and might result in official protests by foreign powers with resulting embarrassment both to the Commonwealth and the United States which still retained authority over foreign affairs. I pointed out also that his action might be considered as an

⁸² Minister of Interior.

⁸³ For documentation on collaboration of Philippine nationals with Japan during wartime, see pp. 1231 ff.

unnecessary restriction on legitimate business and also as an effort to place retail trade in hands of Filipinos displacing Chinese merchants of [*for?*] alleged collaboration with the enemy. Confesor is so rabidly opposed to collaborationists and so firmly committed to the plan that he can not withdraw without serious embarrassment. At my suggestion he is issuing a statement to the effect that the measure is designed solely to provide for investigation of collaborators; that no legitimate foreign interest will be affected and that all investigations will be entirely fair and impartial. The statement also will say that every effort will be made to avoid unnecessary restrictions on legitimate business. This is maximum concession that may be obtained voluntarily from Confesor. I am very much afraid there may be considerable actual injustice done Chinese retailers who will be much more affected than any other nationality showing [*owing*] to almost universal Filipino resentment of Chinese merchants. Also possibly some discrimination against British-Indians. Under circumstances outlined I can not take any further action without definite instructions from Department.⁸⁴

STEINTORF

811B.5034/5-2145

The Consul General at Manila (Steintorf) to the Secretary of State

No. 58

MANILA, May 21, 1945.

[Received May 29.]

SIR: I have the honor to refer to my telegrams No. 99 of April 16 [17] and No. 111 of April 19, 1945,⁸⁵ and also to Mr. Richards' Report No. 1 of April 5, 1945,⁸⁶ incorporating the text of an Order covering the licensing of foreign firms in the Philippine Islands.

This problem has two main phases, one covering the issuance of permits for the operation of public markets and stalls, and the other dealing with general business licenses.

In the case of the public markets and stalls, it was not felt that the Order in question involved any serious discrimination against alien business, since in accordance with a law passed in August, 1941 and

⁸⁴ In telegram 111, April 19, 4 p. m., the Consul General at Manila stated that the section of the order requiring 90 days for investigation of foreign firms would be modified shortly to eliminate discrimination and in the meantime enforcement of the order would be suspended (811B.5034/4-1945). In telegram 221, May 22, 5 p. m., to the Consul General at Manila, the Acting Secretary of State (Grew) commended his handling of the Philippine program of licensing business firms and stated "any discrimination against foreign firms would, of course, be displeasing to this Government, since as long as the United States Government retains authority over Philippine foreign affairs, most-favored-nation aspects of our treaty relations apply". (811B.24/4-2345)

⁸⁵ No. 111 not printed; but for summary, see footnote 84, above.

⁸⁶ Entitled "Distribution of Consumers' Goods in Manila", not printed. J. Bartlett Richards was Consul at Manila.

approved by the Department of State, the licenses for operation of such markets and stalls were to be confined exclusively to Filipinos after a period of three years. Inasmuch as more than three years have actually elapsed, the Chinese holders of such licenses might properly be eliminated.

Chang Ka Fu, the Acting Consul for China, made representations concerning this matter, both to the Commonwealth Government and to this Consulate General. His contention was that the Chinese operators did not in fact have the three years' period of grace, since during the greater part of the time they were operating under Japanese control and, furthermore, the elimination of the Chinese holders of licenses to operate stalls at this time would work a severe hardship owing to the destruction of Manila. The first contention was extremely dubious, since the Chinese did in fact occupy the market stalls throughout the puppet regime. There is a certain amount of justification for the second contention, although a practical remedy for the situation has been hampered by the fact that the stalls formerly occupied by the Chinese dealers in the public markets had already been auctioned to Filipino nationals.

I refrained from giving any definite assurances to the Chinese Consul, and insisted that the negotiations be conducted by him with the Commonwealth authorities. However, I did take the matter up informally both with the Commonwealth officials and various Army officials, particularly those dealing with civil affairs. After somewhat prolonged negotiations, assurances were obtained from Secretary Confesor that the Chinese stall holders would be permitted to operate for a period of at least six months, and possibly until the end of the present year.

The matter of requiring a period of 90 days before issuing general business licenses to other than Filipino and American firms constituted direct and deliberate discrimination, which was aimed primarily at the Chinese merchants but affected all foreign firms. The matter was extremely delicate in that public announcement had been made concerning this policy, and revocation of the order would involve serious "loss of face". Secretary Confesor, who issued the order, was obsessed with the idea that the Chinese, Spanish and British-Indian firms had collaborated with the Japanese and, therefore, should be punished. As a result of representations made primarily through Army channels, Secretary Confesor finally agreed to suspend indefinitely the effectuation of the whole order and to the elimination of the 90-day clause, without any public announcement on the matter. He agreed, furthermore, to grant temporary licenses to all aliens who had applied for licenses prior to April 5, 1945, and to start immediately in acting on the heavy backlog of applications for licenses on the part of alien firms.

It is believed that this constitutes a satisfactory solution of the problem, the only remaining danger being with respect to administrative discrimination, particularly unusual and unreasonable delay in acting on applications of foreign firms.

The matter is still being followed closely, and the Department will be kept advised concerning future developments.⁸⁷

Respectfully yours,

PAUL P. STEINTORF

811.5211B/8-2945 : Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, August 29, 1945—2 p. m.

[Received August 29—11:02 a. m.]

584. Philippine Department of Justice August 27 issued instructions barring all aliens in Philippines from acquiring real estate or any right therein including right to accept Filipino-owned residential lots as mortgages for loans. This ruling based on assumption that all privately owned [lands?] in Philippines were originally part of public domain and therefore cannot be transferred, alienated or encumbered except to Filipinos under provisions of Section 1222 of Commonwealth Act 615. This ruling is directly opposed to constitutional provision which limits nationalization to lands of public domain and to transfer of privately owned agricultural land except by hereditary succession. All previous rulings of Department of Justice have ruled that privately owned residential and business property are not subject to the constitutional prohibitions. I anticipate serious international repercussions from this ruling. I will discuss the matter informally with President Osmeña but will take no further action unless specifically instructed by Department.

STEINTORF

811.5211B/9-1945

The Consul General at Manila (Steintorf) to the Secretary of State

No. 392

MANILA, September 19, 1945.

[Received October 2.]

Subject: Nationalization of Trade and Labor.

SIR: I have the honor to report that the current session of the Philippine Congress has under consideration bills providing for the na-

⁸⁷ In airgram A-174, June 21, 1945, the Acting Secretary of State advised the Consul General at Manila that the Department was "in entire accord with the action taken" as set forth in despatch 58 and telegrams 99 and 111 and was "also in entire agreement with your view that the problem has been satisfactorily settled provided the program outlined by Secretary Confesor is carried out without administrative discrimination." (811B.5034/5-2145)

tionalization of retail trade and for the nationalization of labor. Both of these measures restrict participation to Philippine nationals subject to the proviso that citizens of the United States are exempt from the law. Present indications are that both bills will be approved during the present session.

Attention is invited also to my telegram No. 584, August 29, 1945 concerning a ruling of the Secretary of Justice which will restrict ownership of all classes of property to Philippine nationals, including business and residential property which were formerly excluded from the nationalization clauses of the Philippine constitution. It may be noted also that the agitation against the Chinese holders of licenses to operate stalls in public markets has again been renewed despite the ruling by President Osmeña that Chinese stallholders were to be permitted to continue their operations until the end of 1946.

All of these measures are symptomatic of the present trend toward extreme nationalization in the Philippine Islands. The measures are aimed primarily against the Chinese merchants but there is also considerable resentment against Spanish and British-Indian merchants. It is quite obvious that these measures would affect all alien residents of the Philippine Islands with the exception of citizens of the United States who are either specifically excluded or automatically exempt under provisions of the Philippine constitution.

The underlying reasons for the present nationalistic trend are (1) there is to some extent a real and spontaneous resentment against alien domination of Philippine resources which has been in existence a long time but has grown as a result of war experiences and resentment of alien profiteering during the Japanese occupation; (2) to a large extent the movement has been supported and encouraged by the Roxas⁸⁸ group for purely political ends. Roxas is shrewdly capitalizing on the age-old resentment of the Filipinos against the Chinese merchants to enhance his popularity with the masses and possibly sponsored the two bills mentioned, in the hope that President Osmeña would be compelled to veto them on the grounds that they constituted international discrimination. The Roxas group could then say that Osmeña, who is half Chinese, was supporting the Chinese at the expense of native Filipinos.

Mr. M. L. Tuan, the Chinese Consul General, is very much disturbed over the present discrimination and persecution of Chinese residents and in a recent informal conversation stated that he was protesting these measures to the Chinese Embassy in Washington and that he was prepared to recommend that the Chinese Consulate General in Manila be closed in protest and that the protection of

⁸⁸ Manuel A. Roxas, President of the Philippine Senate and announced candidate for the Presidency of the Philippine Commonwealth.

Chinese interests be turned over to the Government of the United States.

In the course of a recent conversation with President Osmeña I pointed out the unfortunate implications of the proposed legislation and stated that in my opinion it would be prejudicial to the best interests of the country to indulge in unbridled nationalism at this time. I said that although American interests are specifically excluded from the provisions of these laws we must be concerned over the trend towards Philippineization of all aspects of the country's economy and feel that the campaign might be extended to the United States after independence. I said that I felt that at least it would have the effect of discouraging long-term American investments in the Philippines since capital is notoriously sensitive to influences of this sort. I ventured the opinion that it was unwise to antagonize China which was a good neighbor and customer. The Chinese merchants in the Philippines in my opinion provide an important and in fact an essential element of Philippine economy. The aspirations of the Filipinos towards greater participation in retail trade were entirely commendable but this should be attained through their own efforts possibly with constructive assistance from the Commonwealth Government and not through discriminative punitive legislation.

President Osmeña expressed entire agreement with my statements and said that he greatly deplored the present campaign which he felt was primarily a cheap political means of arousing the masses and thereby obtaining votes. President Osmeña said that he was not in favor of either of the laws but was noncommittal concerning the action which he would take on them. He intimated that a veto might have unfortunate political effects while this type of legislation does not require prior submission to the President of the United States before becoming law. There was some inconclusive discussion of the possibility of action by the President of the United States under the interim provision of the Philippine constitution which provides that the "President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the Government of the Commonwealth of the Philippines, which in his judgment will . . . violate international obligations of the United States".

It was quite apparent that President Osmeña had reached no definite decision as to vetoing these measures and was unwilling to make any commitment concerning suspension of operation of these laws by the President of the United States.

There can be no doubt that the proposed laws do in fact constitute direct and deliberate discrimination against Chinese and other alien residents of the Philippine Islands. The Department may wish to

decide whether the measures do constitute a violation of the international obligations of the United States and if so what action should be taken.

Respectfully yours,

PAUL P. STEINTORF

811.5211B/9-2045 : Telegram

*The Acting Secretary of State to the Consul General at Manila
(Steintorf)*

WASHINGTON, September 20, 1945—5 p. m.

713. 1. Urtel 584 Aug 29. Please inform Dept of results your conversation with Osmeña and transmit text of Philippine Dept of Justice August 27 order.

2. Following is for your background information in case of further informal conversations with Osmeña.

Dept is opposed, in line with its general policy against restrictions, to the type of action announced by Philippine Dept of Justice, on grounds it would not be conducive to best economic interests of Philippines and other countries (notwithstanding fact that numerous American states have some type of restriction against acquisition of land by aliens). Although Dept sympathizes with problem faced by Philippines, it hopes Commonwealth Govt will take no extreme action at this time.

This Govt hopes to negotiate a commercial treaty with the Philippines which (in line with other similar treaties the Dept has entered into or hopes to negotiate in the near future) would grant on a mutual basis the right to lease land for designated purposes and provide that American nationals, corporations and associations shall have the right to acquire, own and dispose of real property in the Philippines, with a permissive exception as to those identifiable (through domicile in the case of natural persons and incorporation in the case of artificial persons) with American states, territories and possessions which do not accord national treatment in this respect to Filipinos. Time of treaty negotiations would be appropriate for thorough discussion of question by two govts.

Commonwealth statute 141, effective Nov 7, 1936 (amended by statute 615) seems to provide basis for restrictions on acquisition of land which was public domain at that time. Dept would be interested to know what statutory basis the Philippine Dept of Justice claims for restrictions on lands privately owned on Nov 7, 1936.

3. Dept will advise you further after studying information requested in paragraph 1 and immediately preceding paragraph.

ACHESON

811.5211B/9-2845

The Consul General at Manila (Steintorf) to the Secretary of State

No. 422

MANILA, September 28, 1945.

[Received October 8.]

SIR: I have the honor to refer to my telegram No. 584 of August 29 and to the Department's telegram no. 713 of September 20 concerning a ruling by the Philippine Department of Justice restricting ownership of all land to citizens of the Philippine Islands.

The text of the ruling of the Philippine Department of Justice is transmitted herewith.⁸⁹

In accordance with my telegram mentioned above I called on President Osmeña on the morning of August 30 [29?]. I told him that I had seen press reports to the effect that the Secretary of Justice had issued a ruling restricting ownership of all types of land to Philippine nationals. I said that I was somewhat concerned over the implications of this ruling since I had been under the impression that the restricted provision of the Philippine constitution applied only to the public domain and to private agricultural lands under certain conditions. I was afraid that the extension of this restriction to residential and business property might have unfortunate international repercussions. I said that in view of the probable early independence of the Philippines that the interim provision of the constitution permitting Americans to own land would no longer be effective and that in consequence Americans would also be affected by this ruling. I expressed fear that this would hamper relations between our two countries and perhaps discourage American investments in the Philippines. I made it clear to President Osmeña that I was not in any sense making an official protest—I was merely expressing my personal ideas on the subject and attempting to learn more about the ruling. President Osmeña said that he was entirely in sympathy with my views but that he had not been informed about this particular ruling and that he would investigate and send me a memorandum on the subject. This memorandum was prepared the same day and a copy is transmitted herewith.⁹⁰ No further action was taken on the matter pending receipt of the request[ed] instructions from the Department.

It will be noted from the attached memorandum that the ruling was made primarily to obtain a definite adjudication of the constitution, and to provide guidance for the registration of transfers of land which may have been made during the period of Japanese occupation. The press reports on which my conversation with President

⁸⁹ Circular No. 14 of the Philippine Department of Justice, dated August 25, not printed.

⁹⁰ Memorandum of August 29 by President Osmeña not printed.

Osmeña was based were a somewhat sensational interpretation of Section 5 of the directive of the Secretary of Justice. It is not certain that the ruling does in fact restrict all transfers of property to Philippine citizens although this is a probable inference. Basically there exists uncertainty as to exact interpretation of Sections 1 and 5 of Article XII of the Philippine constitution which, taken in conjunction with Commonwealth Act No. 144 as amended by Commonwealth Act No. 615, might be interpreted as restricting ownership of all classes of property to Philippine nationals. As noted in the President's memorandum, this is a matter which was up for decision in the court prior to the war. It has been reported that the Secretary of Justice holds that all land was at one time a part of the public domain and that therefore it is subject to the above-mentioned provision of the Philippine constitution. This is not the commonly held interpretation which has been that this constitutional provision applied only to land which was a part of the public domain as of the date of promulgation of the constitution. Accordingly, it has been generally held that the constitutional provision did not apply to residential and business property.

In view of the present trend towards extreme nationalism and the general resentment of alien domination of Philippine resources I think it most likely that the extreme interpretation of the Secretary of Justice may become effective. I shall take the earliest opportunity to discuss the matter further with President Osmeña in accordance with the Department's instructions.

Respectfully yours,

PAUL P. STEINTORF

811.5211B/9-2545

The Secretary of State to the Secretary of the Interior (Ickes)

WASHINGTON, October 12, 1945.

MY DEAR MR. SECRETARY: There is enclosed a copy of a note dated September 25, 1945, addressed to the Department,⁹¹ from the Chinese Ambassador at Washington⁹² on the subject of two bills passed by the Congress of the Philippines providing for the nationalization of retail trade and of labor. It is this Department's understanding that both these measures restrict participation in such activity to Philippine nationals and that the measures do not apply to citizens of the United States.

In connection with the protest lodged by the Chinese Ambassador, the Department encloses for your confidential information a copy of

⁹¹ Not printed; preliminary reply of October 17 by the Secretary of State also not printed.

⁹² Wei Tao-ming.

despatch no. 392 dated September 19, 1945⁹³ from the American Consul General at Manila describing and commenting on the two measures. For your further information, the Department has been orally informed by a representative of the Chinese Embassy in Washington that the Chinese Ambassador has recently discussed the legislation on two occasions with President Osmeña.

The protest of the Chinese Ambassador is brought to your attention in the belief that you may, in turn, wish to bring it to the attention of President Osmeña in the hope that no action will be taken by the Commonwealth Government which might adversely affect the good relations between the Commonwealth and the Chinese Government and which might also engender ill feeling between the two peoples.

The Department also has received a telegram from Mr. Alfonso Sycip, President of the Chinese General Chamber of Commerce at Manila and a telegram from Mr. Uy Khe Thai of the Chinese Relief and Rehabilitation Committee at Manila,⁹⁴ protesting against the enactment of the legislation. Copies of these telegrams are enclosed for your information and appropriate action.

The Department trusts that an amicable adjustment of this matter may be effected.

Sincerely yours,

For the Secretary of State:
DEAN ACHESON
Under Secretary

811.5211B/12-1345

The Acting Secretary of State to the Secretary of the Interior (Ickes)

WASHINGTON, December 13, 1945.

MY DEAR MR. SECRETARY: The American Consul General at Manila has reported several times since the liberation of the Philippine Islands with regard to discriminations imposed upon the commercial activity of aliens, particularly Chinese, in the Philippines. These reports have related both to the discriminatory provisions in municipal ordinances of the city of Manila, and in bills which were passed by the Philippine Congress and which have now been vetoed by the President of the Commonwealth. A copy of Report [*despatch*] No. 392, of September 19, 1945, entitled "Nationalization of Trade and Labor", which discusses the pending bills, is enclosed.⁹⁵

The Chinese Consul General at Manila has protested to President Osmeña regarding the pending bills,⁹⁵ and the Chinese Embassy here

⁹³ *Ante*, p. 1223.

⁹⁴ Dated October 5 and October 8, neither printed.

⁹⁵ A copy of the Chinese Consul's note of September 21, 1945, to President Osmeña was transmitted to the Department by the Consul General at Manila in despatch 504, October 17 (811B.5034/10-1745).

has sent a note of protest to this Department regarding the situation of Chinese merchants, under both the municipal regulations of Manila and the bills, requesting that the seriousness of the problem be brought to the attention of the Philippine Government. A copy of this note was sent to you on October 12.

Several recent commercial treaties of the United States, the latest of which is the treaty of friendship, commerce and navigation signed with Liberia on August 8, 1938⁹⁷ (54 Stat. (pt. 2) 1739), clearly apply to the Philippine Islands and accord national treatment there as to commercial activity and the leasing of land and buildings to be used for such activity. Furthermore the immigration treaty of November 17, 1880 with China⁹⁸ (22 Stat. 826), which accords most-favored-nation treatment to Chinese merchants, has from the beginning of our administration of the Philippines been considered by the United States and the Philippine authorities to apply to the islands. Consequently measures, such as those discussed in Report [*despatch*] No. 392, and the Manila ordinance, restricting trade by aliens in the Philippines, or preventing them from renting the space there in which to carry on commercial activity, would seem clearly contrary to the obligations of the United States under the treaties which accord such national treatment rights. The application of such measures to Chinese nationals would also be contrary to the most-favored-nation clause of the immigration treaty of 1880. The precedents upon which these conclusions are based have been discussed in the enclosed memorandum.⁹⁹

It is recommended that, in expressing appreciation of the President's action in vetoing the pending bills, the substance of this study be brought to the attention of the Government of the Commonwealth. It might be helpful to that Government in connection with future cases, such as the delayed enforcement of the provisions of the Manila municipal ordinance on this subject, or in case the Philippine Government should take further action discriminating against the commercial activities of aliens.

One way in which treaty rights can be protected in such cases is by an amendment stating that the discriminatory provisions shall not apply in cases in which they would be contrary to treaty obligations. Examples of statutory provisions in United States law containing such an exception are section 3420 of the Internal Revenue Code (53 Stat. (pt. 1) 414) and section 136 of the Revenue Act of 1943 (58 Stat.

⁹⁷ For documentation on this subject, see *Foreign Relations*, 1938, vol. II, pp. 842 ff.

⁹⁸ For documentation on this subject, see *ibid.*, 1881, pp. 168 ff., *passim*.

⁹⁹ Entitled "Treaty Obligations of the United States with Respect to Commercial Activity by Chinese and Other Aliens in the Philippine Islands", not printed. The memorandum was prepared in the Department of State in October 1945.

(pt. 1) 21). Consideration might also be given to the advisability of a suspension of any such measure, in so far as it would conflict with international obligations of the United States, under the President's statutory authority to suspend the taking effect or the operation of Philippine legislation likely to violate international obligations of the United States.

The officers of this Department will be glad to render any possible assistance in carrying out the suggestions contained in this letter.¹

Sincerely yours,

DEAN ACHESON

INTEREST OF THE UNITED STATES IN THE PROSECUTION BY THE PHILIPPINE COMMONWEALTH OF PERSONS IN THE PHILIPPINES FOR COLLABORATING WITH JAPAN DURING WARTIME

811B.00/8-1345 : Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, August 13, 1945—3 p. m.

[Received August 13—8:39 a. m.]

521. Consul General has been confidentially informed by Chief CIC² officer that on V-J Day³ General MacArthur⁴ plans stop all censorship in Philippines and release all persons now interned solely for reasons of military security. Persons against whom formal criminal charges, including charges of collaboration have been or will be made will be turned over to Philippine authorities.⁵

Chief CIC officer also said MacArthur has been disturbed by reports that he has been intervening in Philippine political affairs and that he is taking this action to demonstrate that any past intervention was solely in prosecution of war effort. Responsibility for trial or re-

¹ In his acknowledgment of December 26, 1945, to the Secretary of State, the Secretary of the Interior stated: "Copies of your letter and the enclosures have been forwarded to the U.S. High Commissioner to the Philippine Islands, Manila, with the request that the substance of the study which has been made by your Department be brought to the attention of the Commonwealth Government and that the High Commissioner keep this Department informed as to any developments." (811.5211B/12-2645)

² Counter Intelligence Corps.

³ September 2, 1945.

⁴ General of the Army Douglas MacArthur, Commander of United States Army Forces in the Far East, and Commander in Chief of the Southwest Pacific Area.

⁵ In despatch 311, August 21, 1945, the Consul General at Manila stated: "This is in accordance with General MacArthur's statement made on Leyte toward the end of 1944 that the American military authorities would detain collaborators until the end of hostilities when they would be turned over to the Commonwealth Government." (811B.00/8-2145) For text of General MacArthur's proclamation of December 29, 1944, see *Official Gazette* of the Philippines, vol. 41, No. 2, p. 148. Under Executive Order No. 23, November 2, 1944, President Sergio Osmeña created a board of inquiry to investigate disloyalty charges in the Province of Leyte, and under No. 53, June 8, 1945, created a similar national board of inquiry; see *ibid.*, No. 1, p. 43, and No. 3, p. 202.

lease of collaborators will thus be placed solely upon Philippine authorities.

It is opinion of Consul General that little or no action will be taken by Commonwealth against collaborators and that eventual result of MacArthur's action will be to strengthen Roxas⁶ in coming elections if they are held.

STEINTORF

811B.00/9-545 : Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, September 5, 1945—9 a. m.
[Received September 5—3:50 a. m.]

617. President Osmeña after conferring with Council of State issued Executive Order No. 65, Sept 3⁷ entitled "providing for the provisional release on bail of political prisoners, prior to the institution of the corresponding criminal cases against them, suspending, insofar as they are concerned, the application of article 125 of the revised penal code, and for other purposes". There are reported to be 3,800 to 4,000 collaborators now in jail as a result of evidence against them collected by CICAUS⁸ (my 521, Aug 13 and DTS 311, 321, Aug 21 and 24 respectively⁹).

Under this Executive Order rich and powerful collaborators who provide bail will be released while those unable provide bail will remain in jail. It is expected that the seven Senators and about the same number of Representatives now under detention will be released on bail and take the [opportunity to in-?] fluence legislation affecting persons accused of collaboration including themselves. A bill is now before Congress providing for establishment of a special court to try cases of collaboration.

Liberals, guerrillas and anti-collaborationists are very bitter over this matter. They feel that American Govt should have taken some action. They refer to President Roosevelt's statement of June 29, 1944¹⁰ in which he said "those who have collaborated with the enemy must be removed from authority and influence over the political and economic life of the country". Complaints that collaborators have benefited most from liberation of Philippines are heard increasingly often. One former guerrilla told an officer of Consulate General that there will be no "guerrillas" in next war.

STEINTORF

⁶ Manuel A. Roxas, President of the Philippine Senate.

⁷ *Official Gazette*, vol. 41, No. 6, p. 416.

⁸ Counter Intelligence Corps, Army of the United States.

⁹ Copies of Nos. 311 and 321 not found in Department files.

¹⁰ For full text of statement, see Department of State *Bulletin*, July 2, 1944, p. 17.

811B.00/9-545 : Telegram

*The Acting Secretary of State to the Consul General at Manila
(Steintorf)*

WASHINGTON, September 10, 1945—7 p. m.

640. The Dept desires that, unless you perceive good reasons to the contrary, you call on President Osmeña on an early occasion in regard to the subject of collaborators, and referring to President Roosevelt's statement of June 29, 1944, quoted in your No. 617, September 5, 9 a. m., state that the failure of the Commonwealth Government to deal more promptly and effectively with this problem has created an unfavorable impression in this country.

Dept has noted legislation is pending in Philippine Congress on this subject and desires that Consulate General continue to follow matter closely and report progress passage of this legislation and other developments of importance.

ACHESON

811B.00/9-1945 : Telegram

*The Secretary of the Interior (Ickes) to President Sergio Osmeña
of the Philippines*

WASHINGTON, September 11, 1945—7:17 a. m.

Both official and press reports indicate that a substantial number of persons who adhered to the enemy and gave him aid and comfort through their service in the puppet governments during invasion are now holding important offices in various branches of the Commonwealth Government including the judiciary. I am informed that you intend to release numerous persons against whom evidence was collected by the United States Army. Your attention is invited to the statement of President Roosevelt on June 29, 1944, that those who have collaborated with the enemy must be removed from authority and influence over the political and economic life of the country. It was intended that this statement would serve as a guide to the policy of the Commonwealth and that the Commonwealth would find the means of effectively investigating, charging and speedily trying the offenders before courts or tribunals composed of judges of unquestioned loyalty. I deem it essential that this task be completed before the holding of the next Commonwealth general election and I would call the attention of your government to the probable reluctance with which funds may be appropriated for relief, rehabilitation and support of the Commonwealth Government if it becomes generally

believed that that Government has failed diligently and firmly to convict and punish those guilty of collaboration.¹¹

HAROLD L. ICKES

811B.00/9-1945: Telegram

President Sergio Osmeña of the Philippines to the Secretary of the Interior (Ickes)

MANILA, September 12, 1945.

In reply to your telegram of September 11 I desire to state that information given you that I intend to release numerous persons against whom evidence was collected by the U.S. Army is erroneous. Persons kept in detention by Counter Intelligence Corps of U.S. Army and later delivered to the Commonwealth Government have been ordered detained by me even beyond the period of 6 hours permitted by the criminal laws of the Philippines. A few of them have been temporarily released on bail as determined by the Department of Justice pending presentation of charges against them and their trial before the courts. The Philippine Congress has enacted a law¹² creating a special court to try all persons accused of collaboration with the enemy. The judges of this court will be persons who never served in any capacity under the puppet governments and the prosecutors are chiefly recruited from Army judge advocates and guerrilla leaders. Doubtless the prosecution of alleged collaborators will be diligently conducted and those found guilty will be promptly punished in accordance with law.

We have never knowingly reinstated any official whom the U. S. Army authorities have detained for collaboration. Several officials and employees who continued in their posts during the puppet regime but committed no hostile act against the Philippine or American Government have been reinstated by me in executive or judicial branches after they had been cleared by the Counter Intelligence Corps of the U.S. Army. I reinstated them on the basis of the views I expressed in a speech I delivered last November¹³ shortly after the landing of American forces in Leyte and after consultation with Army authorities. In conferences on the subject of collaboration held in Washington with Secretary of War Stimson first by me and later by Secretary Hernandez¹⁴ this Leyte speech was substantially

¹¹ For views of President Truman on collaborationism in the Philippines, see his letter to the Attorney General, released by the White House on October 25, Department of State *Bulletin*, October 28, 1945, p. 690, and his letter of November 14 to President Osmeña, *ibid.*, November 18, 1945, p. 814.

¹² Approved as Commonwealth Act No. 682 on September 25, *Official Gazette*, vol. 41, No. 7, p. 543.

¹³ For text of speech of November 23, 1944, see *Official Gazette*, vol. 41, No. 1, p. 101.

¹⁴ Jaime Hernandez, Philippine Secretary of Finance.

approved as a proper basis of action in pursuance of the policy enunciated by President Roosevelt on the subject.

SERGIO OSMEÑA

811B.00/9-1545: Telegram

The Consul General at Manila (Steintorf) to the Secretary of State

MANILA, September 15, 1945—9 p. m.

[Received September 16—12:02 p. m.]

681. Remy 675, September 15.¹⁵ Following is condensed summary of conversation with President Osmeña on morning of September 13 concerning treatment of Philippine collaborators.

President Osmeña opened the conversation by stating he had received a strong telegram from Secretary Ickes on subject and had replied thereto. He then gave me copies of both telegrams. He then began detailed discussion of entire subject after requesting first that I refrain from comment until he had finished his explanation. He stated his position on collaboration was in accordance with the proclamation which he made in Leyte October 1944 after being approved by General MacArthur and Secretary Stimson. He stated that despite repeated efforts he had been unsuccessful in obtaining any other intimation of official American policy. He protested that serious difficulties had been experienced in promptly effecting mechanism for trial and punishment of collaborators owing to (1) liberation of Manuel Roxas by General MacArthur and Roxas' subsequent political activities which "divided the country on the collaborationist issue"; (2) refusal of military authorities to make available information on cases against collaborators prior to their being turned over to Commonwealth for punishment; (3) defects in Philippine law which necessitated establishment of a special court for trial of collaborators and political maneuvers by certain elements which delayed legislation for establishment of such a court; (4) requirement of Philippine law that no person might be detained for more than 6 hours without presentation of formal charges against him. As a result of these various [apparent omission of remainder of message].

[STEINTORF]

¹⁵ Not printed.

ASSISTANCE BY THE UNITED STATES TO THE PHILIPPINE COMMONWEALTH IN TRAINING PERSONNEL FOR THE PHILIPPINE FOREIGN SERVICE¹⁶

S11B.42/8-2345

*The Acting Secretary of State to the Consul General at Manila
(Steintorf)*

WASHINGTON, September 20, 1945.

The Acting Secretary of State acknowledges the receipt of despatch no. 315 of August 23, 1945 entitled, "Proposal to Establish a Foreign Service School in the University of the Philippines."¹⁷

In connection with this subject of Philippine preparation for the development of a Philippine Foreign Service, the Department desires to inform the Consulate General that a Committee on the Philippine Foreign Service has been established within the Department under the chairmanship of Mr. Frank P. Lockhart, Chief of the Division of Philippine Affairs, and that this Committee has held its first session and is now looking forward to the development of a definite program of cooperation between the Commonwealth Government and the Department in this matter. A copy of the Memorandum of Meeting, held on September 5, 1945, is enclosed.¹⁸

Shortly after this meeting was held the Committee was informed that President Osmeña of the Commonwealth Government had telegraphed the Resident Commissioner of the Philippines¹⁹ stating his approval of any program of cooperation between the State Department and the Commonwealth Government looking to the development of a Philippine Foreign Service. A copy of the memorandum submitted by the Resident Commissioner on this subject, which includes the telegram of President Osmeña, is also enclosed.²⁰

In view of steps being taken in this field the Department will appreciate being kept currently informed of any bills or expressions of views on the subject of preparations for the development of a Philippine foreign service and the general conduct of foreign relations by the future Republic of the Philippines.

¹⁶ For Department's readiness to offer facilities to train selected Filipinos in diplomatic and consular work, see letter of March 24, 1944, from the Secretary of State to the Philippine Resident Commissioner to the United States, *Foreign Relations*, 1944, vol. v, p. 1303.

¹⁷ Not printed; the proposal referred to a bill introduced in the Philippine Congress (811B.42/8-2345).

¹⁸ Memorandum of September 12 by Mr. Lockhart not printed.

¹⁹ Brig. Gen. Carlos P. Romulo.

²⁰ Letter of September 11, 1945, from the Resident Commissioner not printed. President Osmeña's telegram stated: "Please inform State Department that we accept with thanks its offer of cultural fellowship and of assistance in training Filipinos for Foreign Service." (811B.01/9-1145)

120.313/7-2545

The Chief of the Division of Philippine Affairs (Lockhart) to the Philippine Resident Commissioner in the United States (Romulo)

WASHINGTON, September 25, 1945.

MY DEAR GENERAL ROMULO: I have your memorandum of July 25, 1945²¹ requesting the advice of the State Department on the matter of initiating a Foreign Service Training Program for the Philippines and am pleased to inform you that the Department is now in a position to answer some, but not all, of the questions which you have posed. Additional information will be supplied you as the project develops.

It is the opinion of the Department that steps should be taken as soon as possible to formulate a program for the training of personnel for the Philippine Foreign Service. The Department is in a position to extend its facilities initially to approximately fifteen Filipino trainees. It is impossible to say exactly at this time just how long the training period will be although it is expected that it will run for approximately three or four months, including training in the Department and in the field.

It has been suggested that the activities of the Filipino trainees might be centered in the Division of Philippine Affairs of the State Department. The officers of this Division would be responsible for the day-to-day direction of the work of the trainees. Various other specialists of the Department, namely, commercial, legal and others, would be called in from time to time to lecture and instruct the trainees and to answer their questions. Certain of the trainees might also be assigned to divisions or sections of the Department for specified periods. At times the trainees would attend sessions of the Foreign Service Officers' Training School. The proposed program of studies and work is yet to be prepared, but, generally speaking, would include preparation in such fields as passport and immigration work, registration of births and marriages, certification of invoices of goods, preparation of economic and political reports, organization of protective services, drafting and negotiation of treaties, international organization and other subjects. It is expected that the training given to the Philippine personnel will parallel that given to our own foreign service officers in preparation for their first assignment to the field.

It would be expected that the Commonwealth Government, or the new independent government, would defray all expenses for salaries

²¹ Not printed.

of the trainees, and all their travel and per diem expenses and allowances.

In order to assist in the planning for the creation of a Philippine Department of Foreign Affairs and Foreign Service, the Department is prepared, on the request of the Commonwealth Government, to recommend a list of qualified Americans from which an adviser or advisers might be selected.

Appropriate officers of the Department are prepared to undertake further discussions with you, or your designated representative, at your convenience, on the general subject of the Philippine Foreign Service and on the matter of developing details and final plans for the establishment of a Philippine foreign service trainee program.

Sincerely yours,

FRANK P. LOCKHART

811B.42/10-1345

The Consul General at Manila (Steintorf) to the Secretary of State

No. 478

MANILA, October 13, 1945.

[Received October 24.]

The Consul General has the honor to refer to the Department's instruction of September 20, 1945, concerning the development of a Philippine Foreign Service. The information contained in this instruction and its enclosures is appreciated.

A number of informal conferences have been held with various members of the Commonwealth Government, including President Osmeña, pointing out the urgent necessity of the establishment of a Philippine Foreign Service in view of the pending independence of the country. President Osmeña took up the matter at considerable length in his message to the last session of the Philippine Congress and in consequence thereof Commonwealth Act No. 683 was passed and approved by the President on September 5 [25], 1945.²² This provides for the organization of an Office of Foreign Relations as an initial step towards the organization of a Department of Foreign Affairs. A copy of the bill is transmitted herewith. The Commonwealth Government also has approved the appointment of a number of individuals to serve with the Department of State for training purposes. Applications are now being taken for these positions and possibly a number may be appointed in the immediate future.

²² *Official Gazette of the Philippines*, vol. 41, No. 7, p. 549.

811B.42/11-2045

*The Secretary of State to the Philippine Resident Commissioner in
the United States (Romulo)*

WASHINGTON, November 20, 1945.

MY DEAR GENERAL ROMULO: The Department of State wishes to inform you that arrangements are now being completed to receive the first group of Filipinos for training in the field of foreign affairs. On December 3 the Foreign Service Officers Training School will begin a new session, and it is hoped that before that time the Commonwealth Government will have nominated at least five, but not more than ten, candidates to participate in the initial training program. The Department reserves the right to pass upon the admissibility to this training program of any person whose name may be submitted for that purpose. It is particularly important that men of outstanding ability and character be selected as well as men whose record is entirely clear of any direct or indirect collaboration with the enemy.²³ It is hoped that arrangements can be made by which the Office of the United States High Commissioner and the Consulate General in Manila will be able to co-operate with the Commonwealth authorities in selecting suitable candidates in the Philippines for this training program.

The Department of State welcomes this opportunity to be of service to the Commonwealth Government and hopes that it may receive a list of nominees at an early date.²⁴

Sincerely yours,

For the Secretary of State:

FRANK P. LOCKHART

Chief, Division of Philippine Affairs

²³ In an unnumbered instruction of November 28, 1945, the Secretary of State informed the Consul General at Manila as follows: "The Commonwealth Government in Washington has been informed of this attitude of the Department regarding candidates." (811B.42/10-1345) For documentation on collaborationism, see pp. 1231 ff.

²⁴ In an unnumbered instruction of December 11, 1945, the Secretary of State informed the Consul General at Manila that five Filipino trainees resident in the United States were participating in sessions of the Foreign Service Officers' Training School and expressed the hope that additional trainees from the Philippines would be able to enter the training program in January 1946 (811B.42/-12-1145).

SIAM ¹

POLICIES OF THE UNITED STATES TOWARD SIAM

Interest of the United States in question of recognizing a Free Thai movement; ² attitudes of the United States and the United Kingdom toward the postwar status of Siam; ² intervention by the United States in negotiations between the United Kingdom and Siam for an agreement terminating their state of war; discussions regarding reversion of Indochinese, Malayan, and Burmese territories acquired by Thailand in 1941 and 1943; question of restoration of diplomatic relations with Siam

892.01/12-3044 : Telegram

The Ambassador in China (Hurley) to the Secretary of State

[Extracts]

CHUNGKING, December 30, 1944—8 a. m.

[Received 12:30 p. m.]

2086. Foreign Office informs us in strict confidence that two groups of Thai nationals, one civil and one military, have arrived in Kunming secretly from Thailand for talks with Chinese Government officials and that head of civil group bears an autographed letter from Thai Premier.³ Foreign Office desires to ascertain views of American Government as to how to deal with the delegation and what general lines of policy should be pursued. Foreign Office states arrangements will be made in due course after delegation's arrival in Chungking for us to meet them informally and is making similar approach to British Embassy.

Foreign Office states no objection to informing Thai Minister.⁴
Please instruct.

HURLEY

¹ On September 10, 1945, the Siamese Chargé (Bhakdi) notified the Secretary of State that the terms "Thailand" and "Thais" had been discarded as of September 7 and replaced by "Siam" and "Siamese"; for text of notification, see Department of State *Bulletin*, September 23, 1945, p. 436.

² Continued from *Foreign Relations*, 1944, vol. v, pp. 1311 ff., *passim*.

³ Khuang Aphaiwong.

⁴ Mom Rajawongse Seni Pramoj.

892.01/12-3044 : Telegram

The Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, January 10, 1945—6 p. m.

54. Reurtel 2086, December 30. The Department feels that no action should be taken at this time which might imply support of any particular Thai group as opposed to any other Thai group in connection with any plans for the establishment of a Free Thai Government-in-exile or any similar political movement. For our policy in regard to Thailand see Department's 373, March 23, 1944,⁵ to which should be added that this Government does not recognize the lawfulness of transfers under Japanese pressure of territories from Indochina, Malaya and Burma to Thailand,⁶ and agrees that they must be restored, without prejudice however to the presentation by any nation of claims for border adjustments or territorial transfers in accordance with orderly and peaceful procedures.

When you meet the Thai officials in question please endeavor to learn their purpose, their authority, and whether any messages they carry are for the Chinese, British or us alone, or for all three powers.

With regard to your reply to the Foreign Office, we rely on your judgment and discretion in the light of the foregoing policy instructions, of the background information below, and of our understanding that OSS⁷ is anxious that these groups proceed as promptly as possible to Washington, to which the Department has no objection. For your information only, General Donovan⁸ will arrive in Chungking in about 10 days. He is fully familiar with this situation, and the Department desires that you give him such assistance as you deem appropriate.

For your background information: a suggested establishment of a Free Thai Government-in-exile in India was disapproved by the British Foreign Office, and the British in their political warfare have forbidden the use of the term "Free Thai". British attitude toward Thailand is different from ours partly because a state of war exists between Great Britain and Thailand whereas we have not declared

⁵ Not printed; it gave the substance of a note handed on March 20, 1944, to the British Ambassador, *Foreign Relations*, 1944, vol. v, p. 1313.

⁶ For French Indochina-Thailand border dispute, see indexes, *ibid.*, 1941, vol. iv, p. 1041, and *ibid.*, vol. v, p. 934; for texts of convention of peace between France and Thailand and its protocol, and French-Japanese and French-Japanese-Thai protocols, all signed at Tokyo, May 9, 1941, see *British and Foreign State Papers*, vol. cxliv, pp. 800, 802, and 805. The cessions of Indochinese territory comprised parts of Laos and Cambodia. On August 20, 1943, the Japanese Government, by treaty, transferred to Thailand the four Malay states of Perlis, Kedah, Kelantan, and Trengganu and the Shan States of Kengtung and Mong Pan in Burma.

⁷ Office of Strategic Services.

⁸ Maj. Gen. William J. Donovan, Director of the Office of Strategic Services.

war on Thailand.⁹ Mr. Eden¹⁰ has indicated that the British want to see the restoration of Thailand after the war as a free, sovereign and independent state, subject only to its acceptance of such special arrangements for security or economic collaboration as may be judged necessary within an international system. In this connection he made special reference to the Kra Isthmus.¹¹

It is known that some Thai about 2 years ago desired to establish a Free Thai Government-in-exile in Chungking. It is reported that the Chinese wished to have such a government established which they could dominate, but that the Thai in question left China and other Thai who later were approached by the Chinese refused.

The Regent's¹² half brother, the Thai Minister at Stockholm,¹³ has transmitted a communication believed to be authentic from the Regent to the Thai Minister at Washington requesting him to form a Free Thai Government-in-exile in Washington. The Minister at Washington has told us that he disapproves of this move as futile and illegal but is seeking more information.¹⁴

In your discretion you might inform the Thai officials that the Thai Minister believes that at least the civil group should come to Washington promptly for consultation, and that this Government does not object.

STETTINIUS

892.01/1-1345

Memorandum Prepared in the Division of Southwest Pacific Affairs

WASHINGTON, January 13, 1945.

MEMORANDUM FOR THE PRESIDENT

(for possible use in discussion with Mr. Churchill and Marshal Stalin)¹⁵

Subject: Future Status of Thailand.

British policies towards Thailand are divergent from ours. The British regard Thailand as an enemy and it is their view:

⁹ For documentation on these subjects, see *Foreign Relations*, 1942, vol. 1, pp. 913 ff.

¹⁰ Anthony Eden, British Secretary of State for Foreign Affairs.

¹¹ For Mr. Eden's views on these matters, see airgrams A-1085, September 5, 1944, and A-1404, November 24, 1944, from London, *Foreign Relations*, 1944, vol. v, pp. 1316 and 1319, respectively.

¹² Nai Pridi Phanomyong, also known as Luang Pradist Manudharm.

¹³ Arthakitti Phanomyong.

¹⁴ See memorandum of December 12, 1944, by the Assistant Chief of the Division of Southwest Pacific Affairs, *Foreign Relations*, 1944, vol. v, p. 1320.

¹⁵ President Roosevelt conferred at Yalta with British Prime Minister Winston S. Churchill and Marshal Iosif Vissarionovich Stalin, Chairman of the Council of People's Commissars of the Soviet Union, February 4-11, 1945. For documentation on the Conference, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945. There is no record of discussions on Thailand at Yalta.

1. That Thailand's postwar independence should be conditioned on its acceptance of "special arrangements for security or economic collaboration . . .¹⁶ within an international system".

2. That the peninsula of Thailand from Malaya to about 12° north latitude should be considered a vital strategic area and its defense under international security arrangements be undertaken by a protecting power or by an international consortium. This is reported to be the opinion of Mr. Churchill. Such action might substantially impair Thai administrative rights in the area.

3. That actual military government will not be needed, except perhaps in combat zones. However, they believe that an Allied Control Commission should be established in Thailand, which should be continued for some time.

4. That they should not deal at the present time with any Thai Government.

In contrast, we do not regard Thailand as an enemy but as an enemy-occupied country. We recognize the Thai Minister in Washington as "Minister of Thailand" with a status similar to that of the Danish Minister. We favor a free, independent Thailand, with sovereignty unimpaired, and ruled by a government of its own choosing. Thailand is the one country in Southeast Asia which was still independent before the war. We believe that it would be prejudicial to American interests throughout the Far East if, as the outcome of the war in which we will have had the major part in defeating Japanese aggression, Thailand should be deprived of any of its prewar territory or should have its independent status impaired. The history of European pressure on Thailand and of European acquisition of territory in Southeast Asia is vivid in Asiatic memories. This Government cannot afford to share responsibility in any way for a continuance towards Thailand of prewar imperialism in any guise.

Within Thailand, the administration which first yielded to Japan and which was notoriously collaborationist has been replaced by an administration largely controlled by Pradist, present Regent, most respected of Thai leaders and opponent of Japan from the first. American contact has been established with Pradist who is actively aiding Allied intelligence work and who has expressed his desire that Thailand enter the war against Japan and that the Thai army fight by the side of the Allies.

It is the view of the Department that an effort should be made to persuade the British to alter their plans so that they are not inconsistent with our own. It is believed that if Thailand joins in the war against Japan she should be treated as a liberated country and her government be recognized, at least provisionally. Although there are disadvantages from a political viewpoint in having American troops, except where militarily essential, participate in the recovery

¹⁶ Omission indicated in the original memorandum.

of European colonial areas, there would be advantages from a political viewpoint in having American troops under independent American command responsible for the liberation of Thailand, rather than in having Thailand occupied as enemy territory by British forces. Whether or not American forces should be used in Thailand, however, is a question which would presumably be decided in the light of over-all strategic considerations.

Attached is a brief memorandum regarding the Regent Pradist.¹⁷

892.01/12-3044 : Telegram

The Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, January 20, 1945—1 p. m.

104. ReDeptel 54, January 10. British Embassy at Washington informed the Department¹⁸ that the Foreign Office at London has informed the Chungking Embassy to advise the Chinese Government not to give political recognition to Thai officials in China without first consulting Great Britain and the United States on the subject. The Embassy at Washington also asked that if we contemplate taking any action with respect to the Thai in question we keep them informed.

Messages purporting to come from Thai Regent Pradist at Bangkok indicate that the Thai officials now in China were sent out to organize a provisional government or to establish committees in Allied countries, possibly with the Thai Minister at Washington at the head. One of the messages stated that the Thai went to China at the invitation of the Generalissimo¹⁹ and that he is willing to approve Pradist's plans for a provisional government or committees.

Please keep us informed of any developments.

STETTINIUS

740.00119 PW/1-2545

*Memorandum by the Director of the Office of Far Eastern Affairs
(Ballantine)*²⁰

[WASHINGTON,] January 25, 1945.

BRITISH-AMERICAN POLICY TOWARD THAILAND

I. *The Problem*

To attempt to persuade the British Government to harmonize its policy toward Thailand with our own.

¹⁷ Not printed.

¹⁸ On January 12.

¹⁹ Chiang Kai-shek, President of the National Government of the Republic of China.

²⁰ Approved by the Secretary's Staff Committee on January 31 and sent to the State-War-Navy Coordinating Committee on February 9 under a covering memorandum by Mr. Ballantine dated the previous day.

II. *Recommendations*

It is recommended:

A. That the Department inform the United States Joint Chiefs of Staff of the disparity between American and British views in regard to Thailand, request them to use their influence on the Combined Chiefs of Staff in order to prevent the adoption of measures inconsistent with American policy toward Thailand, and ask them to furnish the Department with such pertinent information as they may deem consistent with military security and which might be of value to the Department in its further discussions with the British Government on the subject of Thailand. (There is attached a memorandum²¹ for possible use by the Department's representative on the State-War-Navy Coordinating Committee.)

B. That we make a further approach to the British Government in which we suggest in general that agreements be sought between the Thai Government on the one side and the British, Chinese and United States Governments on the other, which would include at least the following basic considerations:

1. The Thai Government would agree:

a. To render military cooperation at such times and in such manner as may be requested by the appropriate military authorities.

b. To accept the territorial boundaries of Thailand as of January 1941 without prejudice to later peaceful negotiations for possible boundary adjustments and territorial transfers.

c. To assume the responsibilities of a sovereign nation in the pattern of an international security organization.

2. The British, Chinese and United States Governments would agree:

a. To respect the sovereignty and independence of Thailand.

b. To regard Thailand as an Ally, liberated or in process of being liberated from the enemy. (The Thai Regent as head of the state declares that the declaration of war against Great Britain and the United States is unconstitutional and hence null and void.)

c. To restrict military government to combat zones occupied by Allied troops and to restore such areas to the control of the Thai Government as rapidly as military operations permit.

III. *Basic Factors*

A. *The American Position*

The United States has adopted the policy of treating Thailand as an enemy-occupied state, and favors the restoration of prewar Thailand as a sovereign state under an independent government.

²¹ Dated January 25, not printed.

B. *The British Position*

Great Britain regards Thailand as an enemy and favors an extended occupation of the country after liberation from the Japanese, the establishment of an Allied Control Commission, and the imposition of economic and military conditions within an international system which might substantially impair Thai administrative control.

C. *Urgency of the Problem*

The problem is urgent because of the developing military situation in Burma and because daily American contact with the Thai Regent at Bangkok brings the information that the Thai underground (headed by the Regent himself) is well organized, and that the Thai desire to give military cooperation to the United Nations in the war against Japan, to be recognized as an Ally, and to be a sovereign independent nation again. A high Thai official representing the Regent is now in Chungking on the invitation of Chiang Kai-shek to discuss the establishment of a committee or a provisional government at Chungking which, if recognized by China, would seek recognition from Great Britain and the United States. (The Thai Regent is reported to believe that the Japanese are preparing to take over the government in Thailand and for this reason is considering a provisional government-in-exile.) Another representative of the Regent is shortly to be brought to the United States, and it is reported that a third agent is to be sent to London.

D. *Occasion of the Problem*

General Sultan ²² has telegraphed the War Department for a statement of broad United States policies with respect to participation in matters involving Thailand to serve as a basis for the guidance of American officers in their negotiations with the British. (For additional basic factors see Annexes A, B and C.) ²³

892.01/2-245: Telegram

The Ambassador in China (Hurley) to the Secretary of State

CHUNGKING, February 2, 1945—2 p. m.

[Received February 2—12:47 p. m.]

160. ReEmbstel 159, February 2, 11 a. m.²⁴ In discussing this matter Soong ²⁵ assured me that China has no territorial ambitions

²² Lt. Gen. Daniel I. Sultan, Commanding General of United States Army Forces in the India-Burma Theater.

²³ None printed.

²⁴ Not printed; it gave the text of a letter of September 9, 1944, from the Thai Regent to Generalissimo Chiang Kai-shek in which the Regent stated he was sending a mission to China to seek recognition by the Allied Powers and permission to establish a provisional government or an organ of similar nature on Allied territory.

²⁵ T. V. Soong, Chinese Minister for Foreign Affairs.

in respect to Thailand and desires to see the development of a free Thailand. While indicating that the Chinese Government favors the establishment in Chungking of a "provisional free Thai Government" he also gave me assurances that the Chinese wish to cooperate with us in regard to every aspect of this question and also to seek and follow our advice and suggestions. He also said that his government would be agreeable to the setting up of a Thai Government in exile at Washington.

It is my personal opinion that we should encourage the establishment here of a "provisional free Thai Government". I am not convinced by Eden's statement (reDept's 54 January 10) that the British want to see Thailand after the war restored as an independent, free and solid state. I feel that if we do not move forward in this matter the British will succeed in out-maneuvering us and the Chinese and in gaining some measure of control over Thailand. However, I am of course mindful of the Department's instructions and will endeavor to facilitate the proposed journey to Washington of such a group.²⁶

HURLEY

892.01/2-545: Telegram

The Acting Secretary of State to the Ambassador in China (Hurley)

WASHINGTON, February 6, 1945—10 p. m.

202. We believe that before reaching any final decision on the subject contained in your 159 and 160, February 2, and 169 February 5,²⁷ we should await arrival of a Thai spokesman who is expected daily from Bangkok, and who has been authorized by the Regent to discuss these matters with us.

In the light of the information now available, we believe that it would be inadvisable to encourage the establishment of a provisional government at this time (reDeptel 146, January 27²⁸). With reference to the question of the Thai establishing a Free Thai committee at some point or points in the United Nations, at present we perceive no objection if it is clearly established that the Thai leaders desire it. For various reasons, we would prefer the establishment of such a committee at Washington. However, the choice of a location for a Free

²⁶ In telegram 169, February 5, 2 p. m., the Ambassador in China reported a request by Generalissimo Chiang Kai-shek that President Roosevelt be informed of his view that "it would be advantageous to have formed in Chungking a Free Thai Committee to be headed by the present Thai Minister in Washington". (892.01/2-545)

²⁷ Telegrams 159 and 169 not printed; but for summaries, see footnotes 24, p. 1246, and 26, above.

²⁸ Not printed; it gave the substance of a note handed on March 20, 1944, to the British Ambassador (*Foreign Relations*, 1944, vol. v, p. 1313), and repeated texts of telegrams 54, January 10, and 104, January 20, to Chungking, pp. 1241 and 1244, respectively.

Thai committee or committees should await consultation with the Thai who are chiefly concerned. We also feel it would be desirable to consult further with both the Chinese and the British.

We have informally made known to the British Embassy here the fact of the forthcoming arrival of the Thai Regent's representative and have promised to keep the Embassy informed of further developments.

In your discretion, you may inform Soong and the Generalissimo of the substance of the foregoing.

We shall keep you informed of the progress of our discussions with the Regent's representative here.

GREW

Records of the State-War-Navy Coordinating
Committee, Lot 52-M45

*Report by the State-War-Navy Coordinating Committee*³⁰

[Extract]

SWNCC 5/2

[WASHINGTON,] 9 February, 1945.

CONCLUSIONS

13. The British contention that security reasons in the post-war era necessitate the placing of Thailand territory on the Kra Isthmus under some sort of a protectorate status is without merit. The establishment of bases either for the reconquest of Singapore or for the clearance of Thailand from enemy occupation is purely incidental to military operations and should be governed by military operational requirements.

14. In the light of the present military situation, the establishment of an Allied Control Commission in Thailand during the reconstruction period is a matter which in the first instance is political in character.

15. Participation in civil affairs in Thailand should not become a responsibility of the United States unless U. S. forces are employed there. In the event of operations involving the use of U. S. forces, the extent of participation by the U. S. in civil affairs should be the subject of recommendations by the U. S. commander to the Joint

³⁰ Approved on February 9 by the State-War-Navy Coordinating Committee which directed referral of this paper to the Joint Chiefs of Staff "for such action as they might deem appropriate". On March 11, the State-War-Navy Coordinating Committee was advised that the Joint Chiefs had taken note of SWNCC 5/2. The Department of Defense has supplied information to the effect that the JCS action also included forwarding a copy of the paper to General Sultan for his information on the same date.

Chiefs of Staff, and should be limited to that necessary to the furtherance of military operations.

16. The United States is opposed to the use of United Nations military operations against the common enemy in the SEAC ³¹ area as a basis for prejudging in any way the solution of post-war problems, or to the use of such operations as a vehicle to further the economic, political or territorial ambitions of any nation at the expense of any other nation.

17. The United States is opposed to participation in any form of Allied control machinery in Thailand designed to accomplish anything beyond the immediate defeat of the common enemy.

892.01/2-2145

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Ballantine)

[WASHINGTON,] February 21, 1945.

Participants: Sir George Sansom, British Minister
Mr. Landon ³²
Mr. Ballantine

Sir George Sansom called at his request and handed me a statement, a copy of which is attached,³³ giving particulars in regard to a Thai mission to Ceylon, concerning which we had previously exchanged information orally. I read the document and commented that I could appreciate that the British Government would not want an agency of its Government other than the Foreign Office to discuss political questions with a Thai delegation. I said that of course we would study the statement and give him later any comments that might occur to us. Sir George said that Dening,³⁴ a Foreign Office representative, was in Kandy and would probably talk with the Thai in an exploratory way.

Sir George handed me another paper ³⁵ which he said he had intended to communicate to me orally in regard to the British Government's refusal to grant a visa for Mr. Sanasen ³⁶ to proceed to Kandy to confer with the Thai delegate there.

³¹ Southeast Asia Command. For account of its operations, see *Report to the Combined Chiefs of Staff by the Supreme Allied Commander, South-East Asia, 1943-1945* (London, His Majesty's Stationery Office, 1951).

³² Kenneth P. Landon, Assistant Chief of the Division of Southwest Pacific Affairs.

³³ *Infra*.

³⁴ M. E. Dening, Chief Political Adviser to the Supreme Allied Commander, Southeast Asia Command.

³⁵ Note for oral communication to Mr. Ballantine, February 21, not printed.

³⁶ Mani Sanasen, Secretary of the Thai Legation.

I then brought Sir George up to date on our exploratory conversations with the Thai delegation here. I said that we had made no decisions and felt that before making any decisions we should talk matters over with the British and possibly await the arrival in Washington of Ambassador Hurley, who was expected here shortly and who might give us some light on the China angle of the situation. I said that it seemed to us that the situation was moving rapidly and that some agreement should speedily be reached between the Chinese, British, and American Governments in regard to dealing with the Thai situation. I said that we had many evidences from our OSS representatives that the Thai were giving material assistance to our military agencies and that an effective underground was in operation. I said I believed that in order to help our war effort it was highly desirable that we capitalize on the willingness of the Thai to cooperate by giving them as much encouragement as we could. I said that I could not say how far our Government could go at this moment toward meeting the Thai wishes, but I felt that even if we could agree on the establishment of a Free Thai committee and on giving it a certain amount of support and assistance it would contribute toward enlisting Thai military cooperation. I said that perhaps agreement on a Free Thai committee would call for more in the nature of military help to them than commitments of a political character and moreover early action on this point might ease the situation so far as the Chinese Government is concerned, which apparently seemed disposed to go further with the Thai. I said that I was not in position to make any definite proposal as a basis for agreement among us, but thought that we could explore the matter further after he had thought the matter over and had consulted with his Government.

Sir George seemed to be very receptive to the idea of going ahead with this matter and he thought that his Government would be impressed by the thought that agreement on a Free Thai committee might afford a means of obtaining maximum military contribution in exchange for military support with a minimum of political commitment. He also seemed to be impressed with the desirability of avoiding any possibility of the Chinese going ahead on their own. I told him that I could not say how much we would have to agree to as a minimum necessary to satisfy the Thai. That would have to be explored, but I felt that at least some beginning should be made at this time with the idea that we could move forward much more easily after a beginning had been made than if we should await some future time before taking any action at all. It was arranged that Sir George would let me know when he had an opportunity to consider the subject and we could discuss the problem further. I said that the Thai might become restive if we neglected them and it was my thought

that we keep in constant touch with them. He seemed impressed with the importance of moving ahead with this matter.

J[OSEPH] W. B[ALLANTINE]

892.01/2-2145

The British Embassy to the Department of State

His Majesty's Embassy is directed to transmit to the Department of State for the secret information of the United States Government the following particulars regarding the visit of a Siamese Mission to Ceylon:—

1. Admiral Mountbatten⁸⁷ has been instructed by His Majesty's Government in his dealings with this Mission to confine himself, as Supreme Allied Commander, to discussion of purely military matters affecting operations against the Japanese. Should the Siamese Mission express a desire to raise political issues, he is to decline to discuss them, saying that he can only report what is said by the Mission in any political matter for consideration of the Allied Governments.

2. Admiral Mountbatten is however authorized to speak to the leader of the Mission on the lines of the following formula:

“It is the desire of His Majesty's Government to see the restoration of a free sovereign and independent Thailand and a renewal of old friendly relations between Great Britain and Thailand. But the road to be trodden before this goal is reached is not a smooth one. Much will depend on measures which Thailand takes to contribute towards expulsion of Japanese from Thai territory and towards the ultimate defeat of Japan; and on her readiness

(a) to make restitution to His Majesty's Government and their Allies for injury done to them in consequence of Thailand's association with Japan

(b) to ensure security and good-neighbourly relations for the future. For the time being His Majesty's Government's interest is concentrated upon expulsion of the Japanese. Any proposals going beyond this which the Mission may have to make will of course be reported to His Majesty's Government for consideration but cannot be discussed with present Mission in the absence of express instructions of His Majesty's Government.”

WASHINGTON, February 21, 1945.

⁸⁷ Lord Louis Mountbatten, Supreme Allied Commander, Southeast Asia Command.

892.01/2-1945

*Memorandum by the Director of the Office of Far Eastern Affairs
(Ballantine) to the Assistant Secretary of State (Dunn)*

[WASHINGTON,] February 22, 1945.

There is attached a memorandum of conversation between officers of the Department and the Thai delegation³⁸ on the subject of the delegation's proposal (contained in a memorandum of February 14³⁹) to establish a government-in-exile and to obtain recognition from the Allied governments.

The conversation was informal and exploratory in nature and was without commitment. We raised questions as to whether a committee might not achieve the Thai objectives as well as a government-in-exile, as to the legality of the acts of a government-in-exile, and as to whether there would not be an anomalous situation created which would be difficult to explain to the Thai and American publics if there were a government-in-exile coexistent with the legally constituted government at Bangkok.

The Thai delegates stated that a government-in-exile would act on the basis of the recognition of its authority by the United Nations and not on the basis of Thai law, that the delegation had not been instructed to propose a committee but a government, that from their point of view it would be easier to explain a government than a committee to the Thai people, and that they desired such a government in order to publicly identify the Thai with the cause of the United Nations. They added that if a government-in-exile seemed impracticable they would have to consult further among themselves and secure further advice from the Regent. They gave us the impression that if need be they would accept a committee instead of a government.

We raised the question of lend-lease aid, which had been referred to in their memorandum, and said that as they sought military supplies to be used against the enemy this was a military matter to be dealt with by the military authorities.

We mentioned Thailand's prewar economic policy of discrimination against aliens, and asked if it would be continued in the postwar period. The Thai delegates said that Thailand's postwar economic policy would be based on the idea of non-discrimination. Nationals of other countries would receive not only favored-nation but national treatment.

³⁸ Dated February 19, not printed. The Special Delegation consisted of the Thai Minister, Sanguan Tularak, President of the Committee for Siamese National Liberation, and Suni Theparaksa (also known as Konthi Suphamongkhon) of the Thai Ministry for Foreign Affairs.

³⁹ From the Thai Legation, not printed.

The Thai said that they had made a courtesy call on Sir George Sansom but would be very glad to leave it to us to talk with Sir George as to the nature of their mission and of our conversations.

After thoroughly considering the arguments put forward by the Thai delegation in support of a government-in-exile, we continue to feel strongly that at present it would be more advantageous to favor the establishment of a committee as an initial step without prejudice to later consideration of the establishment of a government-in-exile.

892.01/2-2245

Memorandum by the Director of the Office of Far Eastern Affairs (Ballantine) to the Under Secretary of State (Grew) and the Assistant Secretary of State (Dunn)

[WASHINGTON,] February 28, 1945.

There is attached a memorandum dated February 22, 1945, from the Director of OSS for the Secretary of State,⁴⁰ containing an interesting description of successful OSS operations and other developments within Thailand, which are of pertinent value in connection with the discussions which we are now having with the Thai Delegation.

In general, the OSS memorandum agrees in substance with statements made by the Thai Delegation to us. On two points, however, the OSS memorandum differs: (1) the Thai Delegation indicates doubt whether the Regent would be satisfied with anything less than a provisional government-in-exile, while the OSS reports that he desires to see established either a provisional government or an executive committee; and (2) the Thai Delegation says that the Regent wants such provisional government to declare war on the Axis powers immediately, while the OSS reports that the Regent proposes that the declaration of war would come when such provisional government is established on Thai soil.

It seems to us that the two points as presented by the OSS would indicate a more reasonable and logical attitude on the part of the Regent to those problems.

In the OSS memorandum it is suggested that some message of encouragement be sent to the Regent and his associates. This seems to be an excellent suggestion in view of the cooperation being given by the Thai in Thailand to OSS officers, the nature of our present discussions with the Thai Delegation, and the growing strength of the Thai Resistance Movement inside Thailand.

⁴⁰ Not printed.

It is recommended that a message of encouragement be transmitted by the OSS, both by radio and later orally, from the Secretary to the Regent, along lines as follows:

“Your efforts and those of your associates to liberate your nation from the oppressor are known and appreciated, and will surely not be in vain. I wish you every success in your effort to achieve this goal and extend to you my warmest personal regards.”⁴¹

J[OSEPH] W. B[ALLANTINE]

892.01/3-745

*The Department of State to the British Embassy*⁴²

AIDE-MÉMOIRE

Reference is made to the British Embassy's *aide-mémoire* of March 7, 1945,⁴³ in regard to a conversation on February 26 between the Political Adviser to the South East Asia Command and the Thai emissary in Ceylon. It is noted that the Foreign Office observes that there appear to be some discrepancies between the statements made by the Thai emissary in Ceylon and those made, according to the report of the British Embassy at Washington, to the Department of State by the emissaries in Washington.

In the light of the Embassy's *aide-mémoire* a careful review has been made of the record of the conversations which officers of the Department have had with the Thai delegation. In brief, according to the Thai delegation, the Thai Regent desires to declare war on Japan and other Axis states (the Thai state that their own declaration of war on Great Britain and the United States is illegal and not representative of Thai sentiments); to repudiate all treaties and agreements entered into by former Premier Pibul⁴⁴ since December 8, 1941 (in this connection the Thai promise the unconditional return to Burma and Malaya of the areas acquired by the aid of Japan but request that in the post-war period a British-American arbitration committee be set up to consider Thai claims to areas in Indochina); to convince the Thai people of Allied good intentions and thereby unite the Thai people solidly in support of Allied military efforts in Thailand against the Japanese; and lastly to establish a

⁴¹ Mr. Dunn concurred with this recommendation on March 3; Mr. Grew concurred on an undisclosed date.

⁴² Handed to the Second Secretary of the British Embassy (Everson) by Mr. Ballantine on March 16. A summary of this *aide-mémoire* was sent to the Chargé in China in Department's telegram 453, March 16, 8 p. m., for transmittal to the Chinese Foreign Office (892.01/3-1345). In telegram 471, March 21, 9 a. m., the Chargé reported that this had been done the previous day (892.01/3-2145).

⁴³ Not printed.

⁴⁴ Field Marshal Luang Pibul Songgram resigned as Prime Minister on July 24, 1944.

Free Thai provisional government abroad which would meet temporarily the present needs of the real leaders of the country within Thailand and which would be dissolved as soon as the Regent at Bangkok is in a position (presumably at the time the Allies enter Thailand with military forces) to appoint a new provisional government on Thai soil. (The same time sequence is suggested in the British Embassy's *aide-mémoire* on page two, last sentence.⁴⁵)

On the basis of the statements in the British *aide-mémoire* the Department does not consider that there are material differences in the proposals made to HBM's⁴⁶ Political Adviser at Kandy and those made to officers of the Department by the Thai delegation in Washington beyond those which might be expected to arise from independent oral presentations of the same instructions.

The Department has noted the statement made by the Political Adviser to the effect that he "judged the desire for collaboration to be undoubtedly genuine". The Department has reached the same conclusion, and has been impressed not only by the desire manifested by the Regent and the members of the Thai resistance movement to collaborate but also by concrete measures taken and contemplated against the Japanese. As a means of further stimulating a movement of substantial potential value to the Allies in connection with operations which may be designed to expel the Japanese from Thailand, it is believed that the British, Chinese, and American Governments might agree, as an initial step, to view with favor the establishment at this time of a Free Thai Liberation Committee abroad as the acknowledged symbol of the Free Thai resistance movement. Generalissimo Chiang Kai-shek has expressed to the American Ambassador at Chungking his willingness to support such a committee with Washington as its venue.⁴⁷ Such a committee might well include representatives of the Regent to be stationed at London, Chungking and Washington, the capitals of the three principally interested United Nations. The Department is convinced that the establishment of such a committee, with the support of the three Governments mentioned, would be of definite value in the prosecution of the war in the Far East and in promoting the cause of the United Nations.

WASHINGTON, March 15, 1945.

⁴⁵ Of Section 2.

⁴⁶ His Britannic Majesty's.

⁴⁷ In a memorandum of March 10 Mr. Landon gave General Hurley's view that Generalissimo Chiang Kai-shek "would probably support the idea of making a public statement on Thailand's sovereignty and independence because the Chinese were fearful lest the British get a grasp on Thailand's affairs during the liberation period", had "no territorial claims" on Indochina, and was "willing to follow the American lead in policy toward Thailand and Indochina in most respects". (892.01/3-1045) For documentation on United States policy regarding Indochina, see pp. 293 ff.

892.01/3-1645: Telegram

*The Ambassador in the United Kingdom (Winant) to the Secretary of State*LONDON, March 16, 1945—5 p. m.
[Received March 16—4: 50 p. m.]

2730. Sterndale Bennett⁴⁸ has told an officer of the Embassy that he has received from the British Embassy in Washington a telegraphic summary of conversations between officers of the Department and Sir George Sansom regarding the Free Thai movement. He stated that in this summary was included a brief account of a memorandum⁴⁹ given the Department by a Free Thai delegation (this is presumably the memorandum enclosed with the Department's top secret instruction No. 5146 of February 26⁵⁰), and he inquired whether the Embassy could make available to him a complete copy of the memorandum. Sterndale Bennett was informed that the matter would be taken up with the Department. Please inform us whether we may give a copy of the memorandum to the Foreign Office.

In discussing the general problems raised by the Free Thai request for recognition, Sterndale Bennett referred to the fact, which he had apparently learned from Sir George Sansom, that the Free Thai representatives had made it clear that there was no question about the return to Burma and Malaya of territory taken from them by the Japanese and turned over to the Thais. He also mentioned the Free Thai proposal that the final disposal of the territory which the Thais obtained with Japanese help from French Indo-China be referred to an Anglo-American arbitration committee. Sterndale Bennett said it appeared to him that the Thais were making an attempt at "playing politics" and were trying to play off the British against the French. He gave it as his personal opinion that the British Government would

⁴⁸ J. C. Sterndale Bennett, Head of the Far Eastern Department of the British Foreign Office. In a letter of March 5 to Mr. Ballantine, the Second Secretary of Embassy in the United Kingdom (Allison) reported a conversation with Mr. Sterndale Bennett "the other day" in which the latter was said to have made the categorical statement that the British Government had no definite plans regarding possible occupation or control of Thailand after the Japanese had left and that he "did not believe it was possible under present conditions to make definite plans and that the question of whether or not there should be Allied occupation or control would depend in large degree upon the manner of the Japanese withdrawal and the conditions obtaining in Thailand at that time". Mr. Allison pointed out that this was contrary to the Department's view of the British position as stated in Mr. Ballantine's memorandum of January 25, p. 1244. Mr. Ballantine replied on March 14, enclosing a memorandum prepared the same day in the Office of Far Eastern Affairs which set forth the basis on which the Department's conclusions had been reached and requesting information "if you discover any reason for believing there has been any recent radical change in the British attitude". (740.00119 P.W./3-545)

⁴⁹ Dated February 14, not printed.

⁵⁰ Not printed.

not wish to take part in such an arbitration committee and that the whole question of the Thai border should be left for discussion at a future date. In this connection, it is interesting to note that an official of the French Embassy in London, concerned with Far Eastern affairs, stated recently to an officer in this Embassy that as far as France was concerned, there was no question as to the return to Indo-China of the territory taken by Thailand. He said the French would demand it as a right.

WINANT

892.01/3-1645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 20, 1945—midnight.

2165. Reurtel No. 2730, March 16, and previous communications.

1. The close interest manifested by Sterndale Bennett in our discussions with the Thai representatives encourages us to believe that the Foreign Office shares our views as to the urgency of reaching some agreement on common policy toward the Free Thai Movement.

2. With reference to the British request for a copy of the Thai delegation's memorandum, it is desired that you explain that that memorandum was presented as a tentative statement subject to modification during the course of exploratory conversations. We believe that the Thai representatives have already modified their original ideas on the basis of considerations brought out in those conversations and that therefore the contents of that memorandum cannot be taken as accurately reflecting their current views. We have already sent to you on March 19 by airmail⁵¹ a copy of a note delivered to the British Embassy on March 16 containing a statement of the essential points in the Thai representations. If the British Government considers that that statement lacks sufficient detail for its consideration of the problem we would be glad to ask the Thai whether they would wish us to make available to the British Foreign Office a copy of their original memorandum or alternatively a revised memorandum on the basis of their current views.

3. It has been our understanding that the Thai suggestion that the Thai-Indochina border question be referred to an Anglo-American arbitration committee was not intended as a proposal to be carried out at the present time but as a possibility to be considered in the post-war period. We would not favor making a commitment to the Thai on this point at the present time.

GREW

⁵¹ Instruction 5227, not printed.

892.01/3-2145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 21, 1945—7 p. m.
[Received March 21—6:45 p. m.]

2908. ReDepts 2031, March 16, 7 p. m.⁵² According to Sterndale Bennett, the Foreign Office did not receive the Department's proposal regarding the establishment of a free Thai Liberation Committee until the morning of March 20 and they have, therefore, not been able to study the plan sufficiently to comment upon it. However, Sterndale Bennett said he did wish to make a few general observations without any attempt to prejudge the present suggestion of the Department but merely to give us the benefit of some of his thoughts on the whole problem of British-Thai relations.

Sterndale Bennett again reaffirmed that the objective of the British and American Governments in Thailand was substantially the same. He stated that the Foreign Office desire is that ultimately Thailand should get a "square deal" but that before this could come about it would be necessary for the Thais to give some real evidence of a change of heart. Sterndale Bennett expressed the hope that the American Government would be patient with the British as the position of the latter with respect to Thailand is complicated by past history and is such that the British Government is not in a position to move as fast as the American. The British interest in Thailand was said to be closer than that of the US due not only to the long history of intimate association between the two countries but also due to the fact that Thailand is bounded on two sides by British territory. Sterndale Bennett also mentioned the Non-Aggression Pact concluded in 1940 between Thailand and Great Britain⁵³ which was ignored by the Thais in December, 1941, when they declared war on this country.

Apparently British SOE⁵⁴ reports from Thailand are not as optimistic as our OSS reports regarding the extent and value of the underground resistance movement. Sterndale Bennett states that they have received no evidence as yet that any great steps have been taken by the Thais to remedy the situation caused by the "gratuitous" declaration of war. Sterndale Bennett agrees that such information as the Foreign Office does have indicates that the Regent is and has been

⁵² Not printed; it gave the salient points of Department's *aide-mémoire* to the British Embassy of March 15, p. 1254.

⁵³ Signed at Bangkok, June 12, 1940, League of Nations Treaty Series, vol. cccii, p. 421.

⁵⁴ Special Operations Executive, British counterpart of the Office of Strategic Services.

completely sincere in his efforts to draw away from the Japanese and it is felt that some effective military help may be forthcoming from the resistance movement in Thailand at a later date, but it is not believed here that too great results should be expected from Thai activities.

Sterndale Bennett referred to the statement made to Sansom that the Chinese Government apparently seemed disposed to go further with the Thais than did Great Britain or the US and said that he would like to speak very informally and unofficially on this point for information which the Foreign Office had led them to expect that ultimately the Chinese might be very hard on the Thais, particularly after the complete withdrawal of the Japanese. Sterndale Bennett said he had in mind the fact that almost one-fifth of the population of Thailand was Chinese or of Sino-Siamese descent, that the Chinese had in the past dominated the manufacturing industry and the internal transport industry and had played a large part in the retail trade of the country. These facts, together with the pre-war history of Sino-Siamese disputes, are such that he believes there are present the seeds of future trouble and that this whole aspect of the problem would require careful consideration.

Sterndale Bennett also believes that we must not lose sight of the possibility of Thailand's becoming a second Indo-China.⁵⁵ However, because of the manner in which the Japanese have extended themselves in Indo-China, which is believed to have strained their immediate resources, he does not look for any similar Japanese activity in Thailand in the near future.

As soon as the officials concerned at the Foreign Office have had an opportunity to study the Department's most recent proposal, Sterndale Bennett said he would get in touch with the Embassy and give us a more formal statement of their views. He re-emphasized that his present observations were purely unofficial and informal and were not to be considered in any sense a reply to the Department's proposal.

The Department's 2165 of March 20 arrived after the above talk with Sterndale Bennett. The Thai memorandum has not been shown the Foreign Office and it is believed that under present circumstances they will not desire a copy. An opportunity will be found to bring to the attention of Sterndale Bennett the observations made by the Department in the message under reference.

WINANT

⁵⁵ On March 9, 1945, the Japanese envoy served an ultimatum on the French authorities in Indochina to place their military and police forces under the sole control of the Japanese military authorities. When the French demurred, Japanese armed forces overwhelmed the French forces and assumed the administration of Indochina.

892.01/3-2845

*The Department of State to the State-War-Navy Coordinating Committee*⁵⁶

WASHINGTON, March 26, 1945.

AMERICAN POLICY WITH RESPECT TO THAILAND

THE PROBLEM

1. Should the Joint Chiefs of Staff be requested to authorize increased OSS action in Thailand?⁵⁷

FACTS BEARING ON THE PROBLEM

2. The American Consul at Colombo⁵⁸ has advised the Department (Colombo's no. 73 of March 22⁵⁹) that reports from within Thailand indicate that the present situation there is of the utmost urgency; that any action to be taken in regard to Thailand cannot await diplomatic negotiations [between the United States and Great Britain];⁶⁰ that the American position could be seriously affected if the impression were given the Thai that all possible assistance was not being rendered by the United States; that the United Nations' position in the Orient could be greatly strengthened if Thailand were able to resist the Japanese with force of arms [supplied by the United Nations];⁶⁰ and that, therefore, it might be desirable to authorize independent OSS action or to ask the Joint Chiefs of Staff to urge the Combined Chiefs of Staff to direct immediate OSS action under the SEAC.

3. A subsequent telegram from Colombo (no. 75, of March 23⁵⁹) stated that loss of OSS separate identity in SEAC might jeopardize the present favorable American position in connection with the Thai Regent's group.

4. OSS reports which have been made available to the Department indicate that the Thai resistance movement has been well organized and is steadily increasing its activities; that this movement has been of substantial assistance to the OSS which believes it can increase the scope and effectiveness of its operations through the medium of the

⁵⁶ Memorandum transmitted to the State-War-Navy Coordinating Committee on March 28.

⁵⁷ In a memorandum of March 24 to the Secretary of State, the Director of the Office of Strategic Services (Donovan) requested guidance and instructions as to whether the OSS should extend its operations in Thailand, beyond those concerning intelligence, by supplying the Thai Army and other resistance forces with arms, ammunition, and other supplies and sending personnel to Thailand to help organize and train Thai resistance forces (740.0011 PW/3-2445). The OSS memorandum was not received in time to be considered in the preparation of the Department memorandum of March 26 but was submitted to SWNCC for consideration along with the Department memorandum.

⁵⁸ Richard D. Gatewood, Vice Consul at Colombo.

⁵⁹ Not printed.

⁶⁰ Brackets appear in the original.

Thai resistance movement; that at a recent secret meeting of the Thai Cabinet it was decided that Thai forces would fight if the Japanese took action in Thailand similar to that taken recently in Indochina; that Thai forces with available equipment and resources would be able to hold out against the Japanese for a month; and that with antitank guns and other light equipment dropped to them by air they could hold out for a longer period.

5. The Department delivered a note to the British Embassy on March 16 suggesting that the British, Chinese and American Governments agree to the establishment of a Free Thai Liberation Committee abroad at this time as an initial step to encourage a Free Thai resistance movement. It was also stated in the note that Chiang Kai-shek had expressed his willingness to the American Ambassador at Chungking to support such a committee with its venue at Washington.

DISCUSSION

6. It is the policy of this Government to assist Thailand to re-establish itself as an independent and sovereign nation. This Government has attempted through diplomatic channels to persuade the British to harmonize their policy toward Thailand with our own and as indicated in paragraph 5 recently suggested to the British that they agree to the establishment of a Free Thai Liberation Committee. Although no official answer has been received from the British Foreign Office to the Department's suggestion an unofficial and informal expression of views by an official of the British Foreign Office implies that in all probability the British will not support the idea of the establishment of a Free Thai Liberation Committee abroad and that they are unlikely to agree to the measures we desire to take with respect to Thailand. The failure of the Free Thai to secure any representation abroad and the failure of the British to modify their policy toward Thailand which at present is based on the concept that Thailand is an enemy might well discourage the Free Thai within Thailand and affect the American position there unfavorably. On the military front an important American contribution to the Free Thai in their opposition to the Japanese is being made by the OSS. It seems, therefore, that one point at which American assistance and good will can be demonstrated to the Thai is through the OSS.

CONCLUSION

7. It may be, therefore, that American goodwill toward Thailand and our desire to be of assistance can only be manifested for the present through the activities of the OSS. Consequently we favor not only a continuation of such activities but an increase in their scope to the extent compatible with military plans. We are of the opinion that the extension of increased aid to the Thai will not only encourage

Thai resistance to the Japanese but will give substantial support to the political objectives of this Government with respect to Thailand: We feel, however, that such assistance should be given only on the basis of a clear understanding on the part of the Regent and of the Free Thai that it would carry no American commitments to provide military assistance as distinguished from incidental supplies necessary for OSS operations. Thus, there would not be involved diversion to Thailand of supplies needed for operation in the Pacific against Japan.

RECOMMENDATION

8. It is, therefore, deemed desirable to request the Joint Chiefs of Staff to authorize the OSS, within the limitation imposed by American military plans and strategy, to increase its activities in Thailand, extended under SEAC or independently, in such a manner as to provide as soon as practicable maximum American assistance to the Free Thai resistance movement.

892.01/4-245

The British Embassy to the Department of State ⁶⁴

NOTES FOR ORAL COMMUNICATION TO MR. BALLANTINE

Before a formal reply can be returned to Department of State note of March 15th, 1945, Dominion Governments must be consulted and final Cabinet approval be obtained. This may take some time. Meanwhile, preliminary reactions by Foreign Office are as follows:—

1. It seems clear that ultimate objects of U.S. Government and H.M. Government are much the same. It is hoped, however, that State Department will understand our position during the intervening period and will recognize that the problem of Siam is one which concerns us much more directly and closely than it does the United States. Siam is contiguous with Burma and Malaya, and went to war with us despite a non-aggression treaty, and accepted British territory at the hands of the Japanese, besides doing us other damage. We therefore have to consider our approach very carefully. It is impossible to say now what form the eventual settlement with Japan [*Siam*] ⁶⁵ will take, but certainly the position created by Siam must be radically altered by Siam before our old friendly relations can be restored. We hope that the United States Government will not misunderstand this attitude of reserve, and in particular will not feel that we are not taking seriously the recent approach by the Regent. On the contrary; we are proceed-

⁶⁴ Handed to Mr. Ballantine by Sir George Sansom, the British Minister; memorandum of April 5 covering the ensuing conversation not printed, but for nature of the comments by the British Minister, see memorandum of April 9 by Mr. Ballantine, *infra*.

⁶⁵ Correction made by the British Minister on April 10.

ing on the assumption that there is no doubt as to the genuineness of RUTH's ⁶⁶ desire for collaboration with the Allies.

2. The Secretary of State does however still feel that there are some material differences between the approaches made by the Siamese in Washington and what was said by OMAR ⁶⁷ in Kandy. Notably the proposal made by the mission to Washington for the establishment of a "Free Thai Provisional Government" or at least a "Free Thai Committee" as acknowledged symbol of a resistance movement was not put forward or suggested by RUTH.

These proposals seem to be of doubtful expediency at the present time and also of doubtful practicality.

In general our experience of "free movements" is not such as to encourage us to expect useful results, especially in such a case as that of Siam, where there are so few persons of influence outside Siam to form the nucleus of a free movement. There is perhaps the additional difficulty that the setting up of a provisional government or liberation committee outside Siam might add to the difficulties of a resistance movement inside the country and precipitate strong Japanese action.

Moreover, now that direct contact has been established with "RUTH", it seems better and more practical to continue to deal with him through existing secret channels rather than through intermediaries.

3. Consequently, since we have already outlined to RUTH the steps which we expect Siam to take in order that our old friendship may be resumed, the Secretary of State suggests that the most hopeful means of stimulating Siamese collaboration with the Allies will be to develop this direct contact until the moment is ripe for setting up a Provisional Government on a portion of liberated Siamese territory as contemplated by "RUTH" himself.

[WASHINGTON,] April 5, 1945.

892.01/4-945

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Ballantine)

[WASHINGTON,] April 9, 1945.

Participants: M. R. Seni Pramoj, Thai Minister
 Mr. Suni Theparaksa
 Mr. Ballantine, FE
 Mr. Landon

The Thai Minister and Mr. Suni Theparaksa were invited to call, as Mr. Theparaksa was about to leave Washington for Bangkok and

⁶⁶ Code name for the Thai Regent.

⁶⁷ Code name for a Thai emissary who arrived in Ceylon late in February 1945 for discussions with the British.

as he might wish to have our suggestions regarding what he might usefully and appropriately say to the Thai Regent concerning our conversations with the British on the subject of Thailand or in regard to other aspects of the situation.

We gave Mr. Theparaksa and the Thai Minister to read a copy of the following transcript of our notes on comments made by Sir George Sansom on our note of March 16 [15] in which we had suggested the desirability of supporting the idea of establishing a Free Thai Liberation Committee abroad. The paper read as follows:

1. The British consider that the ultimate objectives of the United States and British Governments are much the same.
2. The British are proceeding on the assumption that there is no doubt as to the genuineness of the Regent's desire for collaboration with the Allies.
3. The British feel that it is better to develop direct contact with the Regent until the time is right for establishing on a portion of liberated Thai territory a provisional government as contemplated by the Regent.

Mr. Theparaksa took notes on the paper and returned it. We told him that the foregoing represented accurately the sense but not necessarily the actual words of what Sir George had said and that we had his permission to pass on to the Thai the sense of what he had told us. We said that in passing this on we could not assume any responsibility as to British commitments.

After raising a number of questions on the three points the Thai Minister said that he considered that the first two points would be a source of encouragement to the Regent and that Mr. Theparaksa should feel that his trip had been worthwhile. He also expressed his appreciation for the Department's helpfulness.

We said that notwithstanding Mr. Theparaksa's departure we would hope to continue our conversations with the British, and with the Thai.⁶⁸

740.0011 PW/4-2545 : Telegram

The Acting Secretary of State to the Commissioner in India (Merrell)

WASHINGTON, April 28, 1945—7 p. m.

325. For Bishop.⁶⁹ Your 334 April 25.⁷⁰ 1. Relation between India-Burma command and SEAC is primarily a military problem

⁶⁸ In a note of May 9, the Thai Minister expressed the Thai Regent's "deep appreciation of the consideration and courtesy extended by the Department of State to Mr. Suni Theparaksa on the occasion of his recent visit to Washington" and "his sincere gratitude to the Department of State for its understanding and sympathetic attitude towards the aims of the Free Thais". (892.01/5-945)

⁶⁹ Max W. Bishop, Secretary of the Commission in India.

⁷⁰ Not printed; it transmitted Mr. Bishop's request for guidance and instruction in connection with early discussions with General Sultan on U.S. policy toward Thailand (892.01/4-2545).

but Dept will endeavor to answer any specific questions you may have. You should, of course, be alert to detect and to advise General Sultan against any attempts by SEAC to involve American military in British political propaganda or plans in that area. Dept would strongly resist any effort to have American civil affairs officers participate in governance of any part of Burma.

2. OSS in Burma should do or say nothing which could be interpreted as political promise and should not under any circumstances become associated in Burmese minds with SOE or any British political propaganda organization. If 101 Unit is withdrawn from Burma the foregoing applies to any unit substituted therefor. From political standpoint Dept would not object to withdrawal of OSS from Burma altogether except personnel left there for attainment of our objectives in Thailand.

3. Dept is opposed to OWI⁷¹ operations in Burma prior to reestablishment American consular representation there. Dept has requested agreement of British Government to reopening of Consulate General at Rangoon soon as possible after reoccupation. Even then OWI should refrain from anything savoring of political propaganda and confine itself to newsfile relating to war developments and events of interest in United States. The foregoing does not apply to psychological warfare activities projected by OWI from Burma to enemy occupied territory after clearance with State Department or its representatives as at present.

4. United States political policy towards Thailand unchanged. It is essential that close and friendly relations with RUTH and his colleagues and with individual Thai be maintained. Our political views regarding Thailand have been made known to RUTH. In a recent personal message from the Secretary to RUTH,⁷² it was explicitly stated that we hope Thailand will soon be liberated and take its place once more in the family of nations as a free, sovereign and independent country. Mere statements, however, are not sufficient. If not affirmatively implemented, we risk serious impairment of United States influence with the Thai, weaken our efforts to establish Thai independence, and increase the influence of forces not in sympathy with our position.

On April 21, the Joint Chiefs of Staff with Dept concurrence through the State-War-Navy Coordinating Committee formally favored provision through OSS of aid to resistance forces in Thailand, consistent with other theatre requirements, and within the resources available to General Sultan. The Joint Chiefs reiterated the vesting in Mountbatten of overall operational control of OSS activities in Thailand.

⁷¹ Office of War Information.

⁷² Sent to the Thai Minister on April 20.

The Dept is advising RUTH ⁷⁴ that OSS assistance to the Free Thai resistance movement will be extended as indicated, but with the understanding that the contemplated action will carry no United States commitment to provide military assistance as distinguished from incidental supplies and personnel necessary for the operations of OSS.

The Dept considers that the matter of furnishing supplies to Thai resistance forces is of highest political importance, especially as a promise to do so was made to the Thai Minister by a high OSS officer many months ago, and RUTH, we understand, was so advised. This promise may well have been unauthorized, but we believe politically it is of highest importance to honor it as fully as possible under the April 21 decision.

The question of timing of guerrilla activity is entirely for military decision, but for your information it would appear to the Dept desirable not to disrupt military intelligence or sacrifice Thai by premature action, or by such action possibly precipitate the taking over of Thailand by the Japanese. Rather, it would appear to us desirable that OSS (which has authority to do so) undertake the training of guerrilla forces essential to the most effective aid of military operations or resistance to the Japanese if Thailand is taken over. The more effective such aid or resistance, the more valuable it will be politically as evidence to the world that the Thai are "working their passage" as demanded by the British. In any event, we believe not only that OSS clandestine activities in Thailand should be continued as heretofore, but that they should be expanded as far as possible within the limitation of the April 21 decision.

An OSS report was received by the Dept on April 26 ⁷⁵ that Dening has informed Suni that the British now oppose premature outbreak, desire RUTH to avoid unnecessary provocation of Japanese, and want earliest possible warning when Japanese action appears imminent.

British attitude here appears generally more cooperative with regard to Thailand, and it is hoped we may be able to take advantage of Eden's presence to reach accord.

Recommendations urtel 309, April 17, 1 p. m.,⁷⁵ which was much appreciated, are being given urgent consideration.

Sultan has been informed by the War Department of April 21 decision and is being advised, we understand, against any curtailment of 404 detachment. (Urtel 343, April 28, 2 p. m.⁷⁵) If Mountbatten requests cessation of 404 activities, the request should be referred to Washington prior to action in the field.

⁷⁴ Memorandum of May 23 to the Thai Legation, not printed.

⁷⁵ Not printed.

Regarding OWI activities relating to Thailand, there should, in our opinion, be no change of policy from earlier directives.

5. Regarding Malaya, we consider it important to continue OSS activities which in any way bear on Thailand, including military and political intelligence affecting especially the peninsula, even though, of necessity, clandestine operations may be essential for securing intelligence. It is important, however, that OSS activities in Malaya not be associated in native opinion with British policies toward Malaya or Southeast Asia.

6. A recent OSS report indicates that British propose the use of Malay dollars throughout the isthmus. We hope to inform you very shortly on United States position relative to military and post-military Thai currency.

GREW

892.01/5-1945: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 19, 1945—6 p. m.

[Received 11:45 p. m.]

5036. According to Sterndale Bennett, the steps outlined by the British as mentioned in pgh 4 of Sansom's comments given in Department's 2823 of April 11⁷⁶ are merely those which Admiral Mountbatten was authorized to put forward to the leader of the Thai mission to Ceylon. These were given to the Department by Sir George on February 21, 1945 and a copy of them was enclosed in the Department's top secret instruction No. 5146 of February 26⁷⁷ addressed to this Embassy. (ReDept's 3837, May 16).⁷⁸

Sterndale Bennett stated that the Foreign Office is at present engaged in making a more detailed list of steps which they believe Thailand should take before the restoration of normal relations. The rather general statement which Admiral Mountbatten was authorized to give to the Thai mission was in fact made to the mission in Kandy by Denning.

WINANT

⁷⁶ Not printed; it summarized "Notes for Oral Communication to Mr. Ballantine", April 5, p. 1262, and Mr. Ballantine's memorandum of the same date covering his conversation with Sir George Sansom, not printed. The latter is the memorandum referred to in footnote 64, p. 1262. Paragraph numbered 4 of No. 2823 stated: "The British have already outlined to the Regent the steps which they expect Thailand to take in order that the old friendship may be resumed." (892.01/4-1145)

⁷⁷ Not printed.

⁷⁸ Not printed; it reported the Regent's denial that the British had outlined the steps indicated in paragraph numbered 4 of telegram 2823 (892.01/5-1645).

892.01/5-2145

Memorandum by the Acting Director of the Office of Far Eastern Affairs (Lockhart) to the Under Secretary of State (Grew)

[WASHINGTON,] May 22, 1945.

On May 3, 1945, the Thai Minister was informed of United States decision to provide, through OSS, aid to resistance forces in Thailand consistent with other theater requirements and within the resources available to General Sultan, and that General Sultan had been so informed.

On May 9, a message for the Minister from RUTH was received,⁷⁹ expressing gratitude and stating "that such aid will be invaluable to the Thai in their struggle against the Japanese if it can be rendered soon enough". (Substance transmitted by Thai Minister on May 15.⁸⁰)

On May 15, a message was received⁸¹ regarding the Thai plan of operations and stating that "RUTH is anxious that action be taken as soon as possible, as a crisis is developing here".

The attached message⁸² would appear to explain the nature of the "crisis". However, it should be noted that no intelligence reports indicate any approaching crisis, and it is interesting, in this connection, that the Japanese raised no objection to the Thai action in taking the German diplomatic and consular officials into protective custody, impounding their records, and taking over German property in Thailand. An inquiry has already been instituted as to the nature of the "crisis", and a report should be received shortly.

It is also noted with interest that this message was not sent through the Thai Minister in Washington, as have other recent messages for the Secretary from RUTH. It is possible that this message is primarily designed to put pressure on the Allies to expedite the furnishing of supplies to resistance forces (the British not yet having reached a decision on this point although it has been recommended by Lord Mountbatten), and to hasten political decisions and action by the United States and Great Britain.

SP is preparing a memorandum of recommended action which will be submitted shortly.⁸³

FRANK P. LOCKHART

⁷⁹ OSS message of May 9 not printed.

⁸⁰ Message from Thai Minister not found in Department files.

⁸¹ OSS message of May 15 not printed.

⁸² See message received by the Department on May 21, quoted in memorandum of May 28, *infra*.

⁸³ Memorandum of May 26, not printed; it submitted to the Under Secretary of State a proposed reply to the Regent's message quoted in memorandum *infra*. (The name of the Division of Southwest Pacific Affairs (SP) was changed to the Division of Southeast Asian Affairs (SEA) on May 26.)

740.0011 P.W./5-2945

Memorandum Prepared in the Department of State

[WASHINGTON,] May 28, 1945.

The following message for the Secretary of State from RUTH was received by the Department of State on May 21, 1945 :

"Thai Resistance Movement, in all its dealings, has continually adhered to the advice of American representatives not to take any premature action against the enemy. But at this time, I believe the Jap desire to fight can be weakened if the Resistance Movement no longer tries to remain under cover. The Japs will be more quickly forced to surrender unconditionally to the Allies because of the fear of the dissolution of the so-called co-prosperity sphere. Nevertheless, we were advised that the Resistance Movement should attempt to block every effort of the Japs for assistance from Thailand. We have followed this line as closely as possible, but you realize the Japs are becoming more suspicious all the time. Not long ago the Thai Government would not accede to a Jap demand for an additional credit of 100,000,000 bahts. I have been informed by the present government that they will not remain in office if the Japs persist in this matter. In that event, a new government would have to be installed and it would have to take action against the Japs by first ordering void all debts and agreements the Pibul regime had contracted with the Japs, including the treaty on the incorporation of four states in Malaya and Shan State[s] into Thailand, as well as declaration of war against England and the United States. The basis of relations between these two nations and Thailand will to us [*have to?*] be set up as they were prior to Pearl Harbor. Before going ahead with this plan I want to keep you advised of the current situation. Although I am positive that the U.S. has good intentions concerning the independence of Thailand and that they have deep regard for the Thais themselves, I believe if the U.S., on the day of the beginning of our action, would declare her respect of Thailand's independence and state that she regards Thailand as a member of the United Nations and not as an enemy, it would greatly encourage the Thai people who are already prepared for any sacrifice. I have also advised the Supreme Commander, SEAC, of this whole matter."

The following reply was sent on May 28, 1945 : ⁸⁴

"Your message to the Secretary is deeply appreciated.

"We understand your desire that Thailand actively oppose the enemy as soon as possible. We are sure you realize, however, that all opposition to our common enemy must be coordinated with the over-all strategy against Japan and that it would be unfortunate if the Thai prematurely and before reasonably assured of success should commence overt action which was not integrated with the strategic plans of

⁸⁴ In a memorandum of May 28 of a conversation with the British Minister (Sansom), the Chief of the Division of Southeast Asian Affairs (Moffat) stated that he had handed copies of the messages of May 21 and May 28 to the Minister "to assure full coordination of British and American action". (892.01/5-2845)

SACSEA.⁸⁵ We hope, therefore, you will continue your endeavors to prevent premature overt action by resistance movement or action which would precipitate taking over of Thai Government by the Japanese. We are confident you will keep us and the British fully informed should either development become imminent despite your efforts.

"The sincere desire of yourself and the Thai people to repudiate the Pibul declarations of war and agreements is fully understood and appreciated but it is not clear why present government should resign at this time or what compulsion would cause succeeding government to make such repudiation its first act. It would appear that the resistance movement could more effectively accomplish its objectives when emerging from cover by coordinated surprise attack on enemy supplies, communications, forces, and equipment and by seizure of enemy officers, officials, documents and key points. Political acts of repudiation and realignment with the Allies could follow.

"We attach great importance to existence of an effective constitutional Thai Government on Thai soil to work with Allies. We hope that all possible preparations will have been made to forestall seizure or scattering of important pro-Allied personnel so that such government could promptly function in areas free from Japanese, could direct Thai military operations and coordinate them with Allied operations, and could reestablish effective civil governmental machinery as areas are liberated.

"The United States cannot unilaterally declare another nation a member of the United Nations but it will be happy publicly to reiterate at an appropriate time its respect for Thai independence and to declare that it has at no time considered Thailand an enemy. We look forward to the day when both our countries can appropriately make public our common cause against our common enemy.

Grew,
Acting Secretary of State."

740.0011 P.W./6-845

Memorandum by the Acting Director of the Office of Far Eastern Affairs (Lockhart) to the Under Secretary of State (Grew)

[WASHINGTON,] June 8, 1945.

The attached message addressed to you by "RUTH" in Thailand⁸⁶ has just been received. This message is in reply to your message to "RUTH" of May 28, 1945.

This message on the whole appears to be entirely satisfactory. It is to be noted that "RUTH" reaffirms his intention to do all in his power to conform with Allied wishes; that he will keep this Government and the British Government informed of developments; that he explains the need for a change in government as a constitutional proce-

⁸⁵ Supreme Allied Commander, Southeast Asia.

⁸⁶ Dated June 7, not printed.

ture and a political act designed to facilitate a radical change in the official position of the government from one of apparent cooperation with the Japanese to one of open opposition; that such a change would necessarily follow a major breach between the Japs and the Thai; and that necessary precautionary measures will be taken to assure the existence of a pro-Allied government in Thai territory if and when the clash with the Japanese occurs.

It will be recalled (reference to FE's memorandum to you May 31, 1945⁸⁷ on the British reaction to "RUTH's" recent message) that "RUTH" informed the British of the intention of the Thai Government to loan the Japanese 50,000,000 baht and of the Thai belief that this loan of fifty percent of the amount asked by the Japanese will satisfy the Japs at least for the time being.

The exact meaning of the penultimate sentence of the message is not clear, probably owing to garbles and omissions. However, in the light of "RUTH's" message to Mountbatten and the balance of the attached message, it is not believed necessary to seek clarification of this one sentence.

FRANK P. LOCKHART

[For the Department's estimate of conditions in Thailand at the end of the war and a statement of United States policy in regard to that country, see Policy Paper of June 22, section VI, page 568.]

892.01/6-2545

*Memorandum of Conversation, by the Chief of the Division of Southeast Asian Affairs (Moffat)*⁸⁸

[WASHINGTON,] June 25, 1945.

Participants: Mr. J. Balfour,⁸⁹ British Embassy
 Mr. Ballantine, FE
 Mr. Moffat, SEA

Mr. Balfour called by appointment at our request. Mr. Ballantine explained that the United States was anxious to establish a community of views with the British Government with regard to Thailand, and that we appreciated Mr. Balfour's recent comment to Mr. Grew⁹⁰ that he hoped that both Governments would work in close collaboration.

⁸⁷ Memorandum of the Office of Far Eastern Affairs, not printed.

⁸⁸ Initialed by the Director of the Office of Far Eastern Affairs.

⁸⁹ British Minister.

⁹⁰ Memorandum of conversation of June 15 by the Acting Secretary of State, not printed.

He stated that we had examined the views expressed by both Governments and had embodied in an *aide-mémoire*⁹¹ six points on which a full understanding was not yet established; that he thought this analysis would be very helpful; and that because of conditions generally consideration of these six points was, he felt, urgent.

[Here follows discussion regarding currency for use in Thailand.]

892.01/6-2545

The Department of State to the British Embassy

AIDE-MÉMOIRE

The United States Government believes that the basic policies and objectives of the British and American Governments in regard to Thailand are substantially similar: both Governments favor the restoration of the freedom, independence, and sovereignty of Thailand; both Governments agree that the territories acquired by Thailand from Malaya, Burma, and Indochina must be restored; neither Government has any territorial ambitions in Thailand; both Governments are apparently confident of the sincerity of RUTH's desire to align Thailand with the Allies, to drive the Japanese out of Thailand, and to aid in the final defeat of Japan; and both Governments are in accord that it would be unwise under present conditions to recognize a Thai Government-in-exile.

There are several matters, however, on which further discussion would appear desirable in order to assure a common understanding. In view of recent military developments in Southeast Asia and of political developments within Thailand, such discussion is regarded as urgent. These matters are:

1. *Postwar International Arrangements in Regard to Thailand.*

Mr. Eden's communications of September 4 and November 22, 1944⁹² referred to postwar international arrangements to which Thailand should agree. This Government believes that at an appropriate time Thailand should be admitted to the United Nations Organization on its pledge to cooperate fully as a sovereign power in all pertinent international arrangements. It believes that it would not be desirable to make acceptance of such arrangements a condition to the restoration of Thailand's independence and sovereignty.

2. *Security Arrangements.*

In his communication of November 22, 1944 Mr. Eden suggested that the military experts of the United States and Great Britain

⁹¹ *Infra.*

⁹² See airgrams A-1085, September 5, 1944, and A-1404, November 24, 1944, from London, *Foreign Relations*, 1944, vol. v, pp. 1316 and 1319, respectively.

should recommend what security arrangements affecting the Kra Isthmus may be needed in the light of postwar conditions. This Government agrees that such joint consideration would be highly desirable, and believes that the suggestion should be expanded to provide an understanding that all security arrangements affecting Thailand would be a matter for joint discussion and agreement between the British and American Governments and that neither the British nor the American Governments would seek a postwar base in, or effect other security arrangements with, Thailand without prior consultation with and the approval of the other Government. The United States would welcome the views of the British Government on such an understanding.

While it is considered that such an Anglo-American understanding would in any event be desirable, it is believed that in order to assure future stability in the area and to integrate all security arrangements in the framework of international security it would be helpful if France and China should also participate in such an understanding. The comments of the British Government on inviting France and China to join in such an understanding would also be appreciated.

3. *Commercial Arrangements.*

The United States Government expects as soon as practicable to make operative again the existing commercial treaty with Thailand⁹³ (without prejudice to later revision) which provides for the economic rights and privileges of American nationals. This Government hopes that the Thai Government will treat the nationals of other United Nations on a similar non-discriminatory basis and that any special concessions or privileges which the Thai may grant will be open to all on equal terms. This Government would welcome assurance by the British Government that its economic and commercial policies in regard to Thailand are in general harmony with these principles which are designed to assure Thailand's economic independence while, at the same time, protecting the nationals of all the United Nations by assuring them fair and equal economic and commercial opportunity.

4. *Thai-Indochina Border.*

The United States Government regards as invalid the transfer in 1941 of certain Indochinese territories to Thailand, but without prejudice to future border adjustments or transfers of territory which may be effected through orderly peaceful procedures. The Thai believe that their claims to these territories have both historic and legal merit. It is feared that unless assurance can be given them

⁹³ Signed at Bangkok on November 13, 1937, Department of State Treaty Series No. 940; 53 Stat. (pt. 3) 1731; for documentation on this subject, see *Foreign Relations*, 1937, vol. iv, pp. 825-890.

that they will have early opportunity to present these claims by peaceful processes there may be popular Thai resistance to the return of these territories to Indochina and that the potential sources of conflict inherent in the prewar border may be aggravated. This Government believes that although the Thai Government should agree to accept the territorial boundaries of Thailand as of January, 1941, without prejudice to boundary adjustments and territorial transfers by later peaceful negotiations, it would be desirable to seek an agreement by the French and the Thai that they will provide for a prompt and equitable adjustment by peaceful processes of the Thai-Indochina border so as to eliminate sources of conflict and unrest. This Government would welcome the views of the British Government on seeking common action by the United States, British and Chinese Governments to promote and support such an early adjustment.

5. Future Status of Thai Government.

The United States ceased to recognize the Bangkok Government after its declaration of war in January, 1942, regarding Thailand as an enemy occupied country and its government as under enemy domination. It continues, however, to recognize the Thai Minister in Washington as the "Minister of Thailand". When the conditions which led to non-recognition are removed, it will be the policy of the United States promptly to accord recognition to the Thai Government and to resume diplomatic relations with Thailand. These conditions will have been met when a lawful Thai Government on Thai soil repudiates the former (Pibul) government's declaration of war (the legality of which is denied by RUTH) and its agreements and treaties with Japan; declares war against Japan; and commences overt resistance to the Japanese. This Government hopes that the British Government will be willing to take concurrent action.

It desires also to seek concurrent action by the Chinese and French Governments, but does not propose to approach those Governments until after learning the views of the British Government when it hopes that such approach might then be jointly made.

In view of its proposed recognition of a Thai Government, this Government expresses its earnest hope that when the Thai meet the conditions outlined, the state of war between Great Britain and Thailand may formally be terminated at an early date. It naturally is anxious that the settlement of the state of war will not conflict with the viewpoint, interests or policies of the United States towards Thailand, but rather that it will contribute to Anglo-American unity of action in the Far East. Because of the strategic disposition of Allied forces in the war against Japan, it would appear probable that the military forces entering Thailand will be British. The British forces, however, will

be under an Allied Command of which the United States is a part. Under such circumstances, embarrassment to both Governments could arise from the fact that a state of war exists between Great Britain and Thailand while the United States regards Thailand as a country to be liberated from the enemy and its lawful Government to be recognized when the conditions which led to non-recognition are removed as already specified.

6. *Civil Affairs Administration and Control.*

In the absence of American military forces in Thailand, this Government does not consider it desirable to participate in any civil administration or control agencies. Because, however, of its political policies towards Thailand and because the Southeast Asia theater is under combined Allied Command, the United States is concerned with the relations which the military forces entering Thailand under that Command may have with the Thai Government and in the nature and extent of any control measures which may be adopted. It would be appreciated, therefore, if the British Government would discuss with this Government contemplated arrangements and measures in order that there may be mutual understanding and agreement on the principles to be followed.

WASHINGTON, June 25, 1945.

[The question of the division of some areas of operational responsibility in Southeast Asia was raised in a communication sent to Generalissimo Chiang Kai-shek, Supreme Commander, China Theater, by President Truman on August 1, 1945. The President conveyed his conclusion that the portion of Indochina lying south of 16° north latitude should be the responsibility of the Southeast Asia Command, the area north of that line to be left in the China Theater. The Generalissimo agreed to this apportionment, subject to the stipulation that the 16° line also be considered the southern boundary of the China Theater within Thailand. For text of Truman's message to Chiang Kai-shek, see telegram of August 1, 1945, from the President to the Ambassador in China, *Foreign Relations*, The Conference of Berlin (The Postdam Conference), 1945, volume II, page 1321. Regarding Chiang's reply, see *ibid.*, footnote 2.]

Under the terms of General Order No. 1, issued on September 2, 1945, Japanese forces in all of Thailand were called upon to surrender to the Supreme Allied Commander, Southeast Asia. For text of the General Order, see Report of Government Section, Supreme Commander for the Allied Powers: *Political Reorientation of Japan, September 1945 to September 1948*, page 442.]

840.50 UNRRA/8-645

The Acting Secretary of State to the Ambassador in France
(Caffery)

No. 1285

WASHINGTON, August 6, 1945.

SIR: Mr. Dean Acheson, as the United States member of the UNRRA⁹⁴ Council, sent a communication on May 18, 1945⁹⁵ to each representative of the countries on the Far Eastern Committee of the UNRRA Council, enclosing a draft resolution placed by the United States on the agenda for the next committee meeting which would authorize UNRRA to operate in Korea, Formosa and Thailand⁹⁶ on the same terms and conditions as in liberated areas.

On behalf of the French Government, M. Christian Valensi, Financial Counselor of the French Embassy, wrote on July 12⁹⁷ favoring acceptance of the resolution with the clear understanding that the relationship of UNRRA with Siam will in no way entail any political commitment for France. He then added "France is still at war with Siam and does not recognize any validity to the Convention dated May 9, 1941 by which certain portions of the Provinces of Laos and Cambodge^{97a} were handed over to Thailand." The Department is not informed whether the statement quoted was authorized by the French Government or represented Mr. Valensi's personal opinion.

On June 12, 1940 Thailand signed a non-aggression pact with France⁹⁸ concurrently with the signing of a similar pact with the United Kingdom and a treaty with Japan concerning the preservation of friendly relations and mutual respect of each other's territorial integrity. On the same day the French and Thai Governments by an exchange of letters agreed that the Thailand-Indochina frontier line would be readjusted by a mixed commission comprising Thai and French officials before ratification of the non-aggression pact. Two days later Paris fell into German hands and on June 17 France capitulated.

After the fall of France the French took no steps to appoint French members to the proposed Thai-French commission. In September, 1940 the French Foreign Office, through the Thai Legation in Vichy,

⁹⁴ United Nations Relief and Rehabilitation Administration.

⁹⁵ Vol. II, p. 979.

⁹⁶ For opposition by the British Government to granting authority to UNRRA to operate in Thailand and acquiescence by the United States Government, see telegram 7860, August 4, 1 p. m., from London, and footnote 41, vol. II, p. 1003.

⁹⁷ Communication not printed.

^{97a} French for Cambodia.

⁹⁸ At Bangkok. A copy of the treaty in French was forwarded by Bangkok in despatch 755, August 9, 1940; in a memorandum of October 4, 1940, Ruth E. Bacon of the Division of Far Eastern Affairs stated: "The French text in English translation appears to be identical, *mutatis mutandis*, with the English text of the British-Thai treaty of the same date." (751.9211/3) For latter treaty, see League of Nations Treaty Series, vol. CCIII, p. 421.

proposed that the pact of non-aggression be ratified immediately. On September 11, 1940, the Thai replied that before ratifying the pact agreement should be arrived at on the fixing of the frontier. The French replied on September 18 expressing willingness to settle by negotiation various border questions but expressing unwillingness to cede any territories. The Thai replied on September 25, 1940 that they were ready to proceed with the exchange of ratifications and would appreciate the early arrival of French representatives from French Indochina to begin studying the border problems.

On October 14 the Vichy Government informed the Thai Government that it wished the non-aggression pact to be ratified by telegraph and that France would not yield an inch of territory to Thailand. From the end of June, 1940 to the end of the year border incidents occurred in which there was occasional loss of life on both sides. Thai soldiers crossed the border on January 5, 1941 and fighting became sharp for twenty-two days. This included a brief naval battle. On January 31, 1941 a truce pact was signed on the Japanese cruiser *Natori* off Saigon. By that time Thai forces had occupied most of the territories ceded to them later by the French at Tokyo.

On February 4, 1941 the Thai delegation left Bangkok for Tokyo. On March 11, 1941 the protocol for an amicable settlement of border disputes between Thailand and Indochina was signed at the Japanese Foreign Office.⁹⁹ There was no doubt that the Japanese acted as "mediators" with a view, *inter alia*, to forcing the French to agree to Thai demands.

On May 9, 1941 a Convention of peace was signed between France and Thailand at Tokyo. The peace convention reiterated the essentials of the agreement of March 11 with some slight alterations and with further details as to procedures in transferring territories and immovable properties. Ratification of the peace convention followed within about a month. For the remainder of 1941 a condition of peace continued while orderly steps were taken by Thai officials to assume the administration of the areas ceded.

At the time of the above agreement and for more than two years thereafter this Government took no action to indicate that the transfers of territory were regarded as invalid. However, in 1944, the Committee on Postwar Programs (PWC-134, March 22, 1944¹) stated that "since the transfer to Thailand . . .² of the Indochinese territories was made after Japan had started on its course of aggression and France had capitulated to Germany, they [such transfers of terri-

⁹⁹ A translation of the exchange of letters between the Japanese Minister for Foreign Affairs and the French Ambassador in Japan was forwarded by the Ambassador in France in despatch 102, March 22, 1941 (751G.92/410).

¹ Not printed.

² Omission indicated in the original instruction.

tory]³ cannot be regarded as valid acts. The *status quo ante* must therefore be recognized by the military authorities, without prejudice, however, to the claims of any of the parties involved in such negotiations as may take place in the future with respect to these issues.”

On October 19, 1944 the American Embassy at London was instructed⁴ to inform Mr. Eden that: “We do not recognize the lawfulness of such acquisitions [areas obtained by Thailand from Indochina, Malaya and Burma]⁵ and agree that such territories must in fact be restored to Indochina, Malaya and Burma from whom they were taken. This statement, of course, is without prejudice to the presentation of claims by any nation, including Thailand, and adjustments of boundaries or transfers of territories by orderly, peaceful processes.” The French have not been informed of the Department’s position.

In view of the above, it would be desirable discreetly to learn: (1) Whether the French Government now considers itself at war with Thailand; (2) if so, when the French Government considers the state of war to have begun; (3) whether the French Government recognizes the validity of the Convention of May 9, 1941; and (4) if not, whether all international agreements effected by the Vichy Government are considered as invalid.

Very truly yours,

For the Acting Secretary of State:
J. W. BALLANTINE

740.0011 PW/8-1545 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 15, 1945—3 p. m.

6922. British Embassy has informed us⁶

(a) that FonOff has authorized Mountbatten⁷ personally to advise RUTH to make announcement as soon as possible after final Japanese surrender disavowing Thai declaration of war upon Great Britain and United States and all measures flowing therefrom which may operate to prejudice of Allies, repudiating alliance and all other agreements with Japan, placing Thailand and its armed forces at service of

³ Brackets appear in the original.

⁴ Telegram 8676, *Foreign Relations*, 1944, vol. v, p. 1318.

⁵ Brackets appear in the original instruction.

⁶ On August 14.

⁷ In telegram 7072, August 21, 1 p. m., to London, the Department stated: “Through error in reading code word Mountbatten was incorrectly referred to in paragraph (a) of Deptel 6922, August 15. Instructions were directed to a British officer understood to be in contact with RUTH to offer as his personal advice to RUTH the suggestions outlined. Same error appears in last sentence Deptel 6932, August 16. The Thai Minister has been informed of error. Reference to Mountbatten in paragraph (b) of Deptel 6922 is correct.” (740.0011-PW/8-2145) For telegram 6932, see *infra*.

Allies, and declaring his readiness to send a representative immediately to Kandy to get in touch with Allies. British suggested that announcement might also state that RUTH had informed British and American Governments at an earlier stage that resistance movement wished to initiate overt action against the enemy and refrained only on express request of Allies for operational reasons.

(b) That FonOff also informed Mountbatten if RUTH takes necessary initiative as advised, British are disposed, because of support by Thai resistance movement and of Allied request not to take action last May, to forego pressing for separate act of unconditional surrender which under existing circumstances would be considered normal procedure, and to mold their policy according to Thai readiness to make restitution for the past and to cooperate for the future.

(c) That if RUTH follows advice and sends representative to Kandy, British propose to communicate with Dept before commencing negotiations regarding the terms on which they would be prepared to terminate state of war.

BYRNES

892.01/8-1645 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 16, 1945—1 p. m.

6932. Dept has been informed through OSS message⁸ from RUTH that he has empowered Thai Minister in Washington to initiate formal negotiations with Britain through British Embassy in Washington and to return thereafter to Bangkok to become Premier provisionally. Thai Minister has informed British Embassy of foregoing which has wired FonOff for instructions. He has also informed Embassy that he has sent message to RUTH that he will accept such provisional premiership in national interest but expressing hope that he may be released promptly at conclusion of period of transition. Thai Minister has been made acquainted with substance of advice (Deptel 6922, August 15, 1945) Mountbatten⁹ authorized to convey to RUTH.

BYRNES

⁸ August 15, not printed.

⁹ See footnote 7, p. 1278.

740.00119 P.W./8-1645

*Memorandum of Conversation, by the Chief of the Division of
Southeast Asian Affairs (Moffat)*

[WASHINGTON,] August 16, 1945.

Participants: Mr. Seni Pramoj, Thai Legation;
Mr. Luang Dithakar Bhakdi, Thai Legation;
Mr. Abbot Low Moffat, SEA.

The Minister called by appointment at his request and handed me a copy of a telegram from RUTH which he had received from OSS. The message asked him to secure a public statement from the United States along the line promised in Mr. Grew's message of May 28, 1945 as the time now seemed opportune, and if possible, from the British along the lines of Sir George Sansom's statement that British and American ultimate aims are generally similar. The message also included an offer to direct the Thai resistance movement, together with the military and the police, to act with the allies, if desired, in disarming the Japanese, and included a statement of authority to negotiate with the British and American Governments for such statements.

The Minister then said with considerable excitement that they had just received the first message direct from Bangkok—a coded R.C.A. message from the Foreign Minister¹⁰ announcing that Thailand had disavowed the declaration of war against the United States and Great Britain¹¹ and repudiated the agreements made with Japan by the Pibul administration and all acts flowing therefrom prejudicial to the allies. I indicated my personal view that this should be presented to the Department by note; and that without a particular reason, such as a note, it would be difficult for the Government to issue a statement along the lines desired; that, however, possibly I might be able to arrange for the Minister to hand such note to the Secretary personally and to secure a public statement by the Secretary.¹² I explained, however, that I thought it might be necessary for us to clear any statement with the British so as not to cause any possible difficulties between the countries which might arise from unilateral action by us.

The Minister stated that he proposed to leave a note not only with us but also with the embassy of each government at war with Thailand.

A[BBOT] L[OW] M[OFFAT]

¹⁰ Phya Sisena Sombatsiri, also known as Phya Si Sena.

¹¹ On August 16.

¹² For texts of note of August 17 by the Thai Minister and the statement by the Secretary of State released August 20, see Department of State *Bulletin*, August 19, 1945, p. 261. For Department statement of August 23 on the resistance movement in Thailand during the war, see *ibid.*, September 2, 1945, p. 338.

892.50/8-2145

*Memorandum Prepared in the Department of State*¹³

UNITED STATES ECONOMIC POLICY TOWARD THAILAND

[WASHINGTON,] August 18, 1945.

1. The United States Government favors the restoration of the freedom, independence and sovereignty of Thailand.

2. It is further the policy of this Government:

a. To support the appropriate efforts of the Thai Government and the Thai people to make their own decisions with respect to entering into agreements or making other commitments on economic matters of international import.

b. To be prepared to provide financial and economic advice upon request and by this and other means to facilitate the development of the Thai economy and its foreign trade on a multilateral basis.

c. To look with favor upon the extension of private credits to the Thai Government and to Thai industry, and to be prepared, in appropriate circumstances, to provide Government or Government-guaranteed loans that promise to be of benefit to the Thai people and that can be supported by the Thai economy without undue strain.

d. To make operative between the United States and Thailand the existing commercial treaty (without prejudice to later revision) which provides for the economic rights and privileges of American nationals; and to seek from the Thai an understanding that nationals of other members of the United Nations will be treated on a similar non-discriminatory basis and that any concessions or other special privileges which the Thai may grant will be open to all on equal terms.

e. To assist Thailand in obtaining imported relief and rehabilitation supplies which may be needed by Thailand during and after liberation; to continue to seek authority for UNRRA to operate in Thailand on the same terms and conditions as in other liberated areas.

f. To stand ready to assist Thailand in carrying out the policies adopted by the United Nations for the liquidation of Japanese investments, leaseholds, and concessions, and to seek to secure participation by Thailand in whatever agreements are entered into by members of the United Nations for the future regulation and control of Japanese economic penetration.

g. To seek to postpone the settlement of questions of reparations and possibly restitution as between Thailand and the United Nations

¹³ In a memorandum of August 21 to the Director of the Office of Far Eastern Affairs, the Chief of the Division of Southeast Asian Affairs stated "Mr. C. C. Devore, chief of the Southeast Asian Division of F[oreign] E[conomic] A[dm]in[istration], Liberated Areas, requested a statement of United States policy toward Thailand for guidance of an *ad hoc* committee on Thai economic problems on which FEA, State, Treasury and War Departments are represented. . . . If you concur I will transmit to Mr. Devore the attached statement of policy on plain, white paper without initials. Point 3 is taken from the *aide-memoire* handed to the British on July 7, 1945. The rest of the information contained therein was approved by the Office of the Assistant Secretary for Economic Affairs August 9, 1945." (892.50/8-2145) The statement was transmitted to Mr. Devore on August 23. The *aide-memoire* of July 7 is not printed.

and as between Thailand and Japan until the general reparations decisions are made at the conclusion of the war with Japan.

3. This Government further believes that so far as may be possible Thailand should receive credit for commodities sold for export in currencies which will meet the foreign exchange needs of that country.

892.61317/8-1845

Memorandum by the Chief of the Division of Southeast Asian Affairs (Moffat) of a Conversation With the Secretary of the Thai Legation (Sanasen)

[WASHINGTON,] August 18, 1945.

In the course of a conversation I expressed as my purely personal view that it might be a wise political step for Thailand to offer a substantial amount of the rice held by the Thai Government free to the Allies. Inasmuch as rice is greatly needed by the Allies for other areas in the Far East and as Thailand in fact did not participate actively against the Japanese or suffer very much from the war, I thought personally that such a gift would be a gesture which might pay dividends to Thailand far in excess of the monetary loss.

740.00119 PW/8-1845

*Memorandum by the Director of the Office of Far Eastern Affairs (Ballantine) to the Assistant Secretary of State (Dunn)*¹⁴

[WASHINGTON,] August 18, 1945.

The British have "advised" the Thai Regent that he should disavow the declaration of war; renounce all agreements with Japan; repeal all laws prejudicial to the Allies; place his country and its armed forces at the service of the Allies; pledge compensation for damage done by Thailand to the Allies; and send a representative to Kandy to get in touch with the Allies.

Thailand has taken, in substance, all these steps, except to send a representative to Kandy. The Regent has empowered the Thai Minister in Washington to negotiate with the Allies. Clearly, however, a representative must be sent by the Regent to Kandy to deal on military matters and *ad hoc* arrangements.

Bishop has informed the Department that confusion has arisen because the "advice" sent to RUTH implied that longer-range political discussions should also be discussed by the Regent's representative at Kandy. Mr. Bishop pointed out that the atmosphere at Kandy would

¹⁴ Notation by Mr. Dunn on August 18: "I concur".

be adverse to the Thai, and, more important, Kandy is the headquarters of an Allied Command, and it would be embarrassing to the United States for representatives of that command to negotiate longer-range political policies with the Thai, although entirely appropriate to discuss all military and immediate *ad hoc* problems.

It is recommended, if you approve, that an officer of the Department discuss the situation with an officer of the British Embassy and suggest orally that we consider that immediate military and *ad hoc* relations with the Thai Government must be considered by the Southeast Asia Command, but that it would seem to us inappropriate if longer-range political discussions (such as termination of the state of war) between the British Government and Thailand were carried on by that command or in such manner as to give color to the view that the Command, as such, was concerned therewith; that we have received information that the Regent is confused on this point in as much as he has already empowered the Thai Minister in Washington to initiate formal negotiations with the Allied Governments; and that it would seem helpful if the British Government would advise the Regent that he should immediately send to Kandy a representative to discuss military questions and *ad hoc* arrangements with the Supreme Allied Command and that he will be informed through the Thai Minister in Washington what procedure the British Government desire to follow in discussing longer-range political questions.

At the same time, it is recommended that the Department officer express to the officer of the British Embassy this Government's appreciation for the assurance given that before negotiations are begun the British will communicate with the Department regarding terms on which they would be prepared to terminate the state of war with Thailand.

J[OSEPH] W. B[ALLANTINE]

741.92/8-2045

The British Embassy to the Department of State

AIDE-MÉMOIRE

1. It is intended that there should be negotiated simultaneously at Kandy, Ceylon, (A) a political agreement of purely British interest between His Majesty's Government (represented by Mr. Dening, Chief Political Adviser to Admiral Mountbatten), and a Thai liberation government, and (B) an agreement on military and quasi-military matters of Allied implication between Admiral Mountbatten, (Supreme Allied Commander South East Asia), and the Thai liberation government.

2. Attached is the text of the heads of the above-mentioned political Agreement, together with the text of the military Agreement in the form of an Annex with an Appendix to it. These two Agreements contain the terms which, as soon as the final views of His Majesty's Governments in the Dominions and the Governments of India and Burma have been received, His Majesty's Government in the United Kingdom propose to present to the Regent of Thailand with a view to liquidating the state of war existing with Thailand and providing a foundation and framework for future cooperation with her.

3. The matters dealt with in the military agreement to be made by Admiral Mountbatten include all those matters which His Majesty's Government think that he can properly negotiate in his capacity as Supreme Allied Commander of a Combined Command, and the terms are being submitted to the Combined Chief of Staff with a view to the issue of a directive to Admiral Mountbatten to conclude an agreement in accordance with them.

4. His Majesty's Government would be grateful if the United States Government would treat these terms as strictly confidential and particularly refrain from divulging them at this stage to the Thais.

WASHINGTON, August 20, 1945.

[Enclosure]

TEXT OF HEADS OF AGREEMENT TO BE PRESENTED BY MR. DENING (CHIEF POLITICAL ADVISER TO ADMIRAL MOUNTBATTEN) ON BEHALF OF HIS MAJESTY'S GOVERNMENT TO REPRESENTATIVES OF THE REGENT OF THAILAND AT KANDY, CEYLON ¹⁵

The attitude of His Majesty's Government towards Thailand will depend on the degree of her cooperation in matters arising out of the termination of hostilities against Japan and on her readiness

(A) to make restitution to His Majesty's Government and their Allies for the injury done them in consequence of Thailand's association with Japan and

(B) to ensure security and good-neighbourly relations for the future.

2. The particular steps which His Majesty's Government would expect a Thai liberation government to take as a condition of recog-

¹⁵ A revised Heads of Agreement was submitted by the British Embassy on August 31. The various modifications excluded references to territorial questions involving Thailand and French Indochina, for it was "assumed that these questions will be dealt with in a separate instrument to be negotiated by the French Provisional Government with the Thai Government". For example, Paragraph A 3 was modified to read: "Renounce all British territory acquired by Thailand later than the 7th December, 1941." (740.00119 P.W./8-3145)

nising it as the Government of Thailand and of collaborating with it, are as follows:—

A. Measures of Repudiation

1. Repudiate the declaration of war made on Great Britain on the 25th January, 1942, and all measures pursuant to that declaration which may operate to the prejudice of Great Britain.

2. Repudiate the alliance entered into by Thailand with Japan on the 21st December, 1941,¹⁶ and all other treaties, pacts or agreements concluded between Thailand and Japan.

3. Renounce all territory acquired by Thailand later than the 11th December, 1940, including all territory which was purported to be ceded by the Vichy Government on the 9th May, 1941.

B. Measures of Restitution and Readjustment

1. Take the necessary legislative and administrative measures to give effect to Section A above, including in particular—

(a) Repeal all legislative and administrative measures relating to the annexation or incorporation in Thailand of territories acquired later than the 11th December, 1940.

(b) Withdraw as may be required by the competent civil or military authority all Thai military personnel from all Allied territories annexed by or incorporated in Thailand after the 11th December, 1940; and all Thai officials and nationals who entered these territories after their annexation by or incorporation in Thailand.

(c) Restore all property taken away from those territories. This would include currency except to the extent to which it could be established that fair value had been given in exchange.

(d) Compensate loss or damage to property rights and interests in those territories arising out of the occupation of those territories by Thailand.

(e) Redeem in sterling, out of former sterling reserves, Thai notes collected by the British authorities in British territory occupied by Thailand since 1942.

2. Release all British prisoners of war and internees held in Thailand or in territories annexed by or incorporated in Thailand after the 11th December, 1940, and at Thai expense provide them with adequate food, clothing, medical and hygienic services, and transportation, in consultation with the Allied Military Authorities.

3. Assume responsibility for safeguarding, maintaining and restoring unimpaired, British property rights and interests of all kinds in Thailand and for payment of compensation for losses or damage sustained. The term "property rights and interests" to include, *inter alia*, the official property of His Majesty's Government, property whose ownership has been transferred since the outbreak of war, pensions granted to British nationals, stocks of tin, teak and other commodities, shipping and wharves, and tin, teak and other leases and

¹⁶ Signed at Bangkok, *British and Foreign State Papers*, vol. CXLIV, p. 838.

concessions granted to British firms and individuals prior to the 7th December, 1941, and still valid at that date.

4. Desequesterate and reinstate British banking and commercial concerns.

5. Accept liability, with the addition of interest at an appropriate percentage in respect of payments in arrears, for the service of loans and for the payment of pensions since the date when regular payments ceased.

6. Undertake to conclude as and when required, with the Supreme Allied Commander, S.E.A.C. or other appropriate authority, an agreement or agreements to cover all or any of the matters specified in the Annex to this document.

C. Measures for Post-War Strategic Co-operation

1. Recognise that the course of events in the war with Japan demonstrates the importance of Thailand to the defence of Burma, Malaya and Indo-China and the security of the Indian Ocean and South West Pacific Areas.

2. Agree, until such time as she is admitted to membership of The United Nations, to carry out such measures for the preservation of international peace and security as The United Nations Organisation may require.

3. Undertake that no canal linking the Indian Ocean and the Gulf of Thailand shall be cut across Thai territory without the prior formal concurrence of His Majesty's Government.

D. Measures for Post-War Economic Co-operation

1. Agree to take all possible measures to reestablish import and export trade between Thailand, on the one hand, and neighbouring British territories on the other, and to adopt and maintain a good-neighbourly policy in regard to coastal shipping.

2. Undertake to negotiate as soon as practicable a new Treaty of Commerce and Navigation and a Consular and Establishment Convention based on the principles in the following paragraph.

3. Pending the conclusion of the Treaty and Convention referred to in paragraph 2 above, undertake to observe the provisions of the Treaty of Commerce and Navigation signed at Bangkok on the 23rd November 1937¹⁷ and, in addition, not to enforce measures excluding British commercial or industrial interests or British professional men from participation in Thai economy and trade (subject to such exceptions, if any, as may be agreed between His Majesty's Government and the Thai Government) or requiring them to maintain stocks or reserves in excess of normal commercial, shipping, industrial, or business practice, provided that if the Treaty and Convention have not been con-

¹⁷ League of Nations Treaty Series, vol. CLXXXVIII, p. 333.

cluded within a period of three years, this undertaking shall lapse unless it is prolonged by agreement.

4. Undertake to negotiate a Civil Aviation Agreement in respect of all British Commonwealth Civil Air Services not less favourable than the Agreement of 1937 with respect to Imperial Airways.¹⁸

5. Undertake to participate in any international arrangements regarding tin and rubber.

E. Regularisation of Thai Position in Relation to Bilateral and Multilateral Treaties and Membership of International Organisations.

(This section has not yet been completed and a blanket formula will be included later in the Agreement in order to bind the Thai Government to take appropriate measures in due course.)

ANNEX

TEXT OF AGREEMENT ON MILITARY AND QUASI-MILITARY MATTERS TO BE PRESENTED BY ADMIRAL MOUNTBATTEN, S.A.C.S.E.A., TO REPRESENTATIVES OF THE REGENT OF THAILAND AT KANDY, CEYLON.

The Thai Liberation Government shall agree:

1. To dissolve any military, para-military or political organisation conducting propaganda hostile to the United Nations.

2. To hand over to the Allied Military Authorities all vessels belonging to the United Nations which are in Thai ports.

3. To carry out such measures of disarmament and demobilisation as may be prescribed by the Allies.

4. To take all possible steps to ensure the prompt release of all Allied prisoners of war and internees; and at Thai expense to provide them with adequate food, clothing, medical and hygienic services, and transportation in consultation with the Allied Military Authorities.

5. To assume responsibility for safeguarding, maintaining and restoring unimpaired, Allied property, rights and interests of all kinds in Thailand and for payment of compensation for losses or damage sustained.

6. To desecurate and reinstate Allied banking and commercial concerns.

7. To cooperate with the Allied Military Authorities in:

(a) disarming Japanese forces in Thailand and handing them over to the Allies as prisoners of war;

(b) interning all Japanese (and other enemy) nationals and holding them at the disposal of the Allies; and

¹⁸ For exchange of notes at Bangkok, December 3, 1937, constituting an agreement for the operation of regular air services over Siam and over India and Burma, see League of Nations Treaty Series, vol. CLXXXVI, p. 293.

(c) seizing and delivering to the designated Allied Military Authority all war material belonging to the Japanese, including naval and merchant vessels of all kinds, aircraft, weapons, ammunition, motor and other transport, military stores including aviation and other petrols and fuels, stocks of food and clothing, wireless equipment and any other property whatsoever of the Japanese armed forces.

8. To prohibit trading with the enemies of the Allies.

9. To hold all Japanese (and other enemy) property at the disposal of the Allies.

10. To cooperate in the apprehension and trial of persons accused of war crimes or notable for affording active assistance to Japan or other enemies of the Allies.

11. To hand over to the Allied Military Authorities all renegades of Allied nationality.

12. To maintain and make available to the Allied Military Authorities such of the Thai naval, land and air forces with their ports, airfields, establishments, equipment, communications, weapons and stores of all kinds as may be specified, and in addition such land and buildings as may from time to time be required by the Allied Military Authorities for the accommodation of troops and stores.

13. To place at the disposal of the Allied Military Authorities ports and free traffic facilities in and over Thai territory as required.

14. To provide free of cost all other supplies and services and all Thai currency that may be required by the Allied Military Authorities and pay the cost of production of any Thai currency produced by the Allies for any purpose in Thailand.

15. To arrange in accordance with the wishes of the Allied Military Authorities for press and other censorship and control over radio and telecommunication installations or other forms of inter-communication.

16. To continue civil administration subject to such instructions as may be issued by the competent Allied Military Authority in the pursuance of his task of those areas of Thailand not placed under Allied military administration.

17. In case of need, to arrange for facilities for the recruitment of local labour and for the utilisation in Thai territory of industrial and transport enterprises and of means of communication, power stations, public utility enterprises and other facilities, stocks of fuel and other materials in accordance with the requirements and instructions of the Allied Military Authorities.

18. To make Thai merchant vessels, whether in Thai or foreign waters, subject to the control of the Allies for use as may be required in the general interests of the Allies.

19. To negotiate an agreement granting judicial and other immunities for Allied forces in Thailand.

20. To agree to the setting up of a Military Mission, to be appointed by the appropriate Allied Military Authorities, to advise on the organisation, training and equipment of the Thai armed forces.

21. To control banks and businesses, foreign exchange, foreign commercial and financial transactions and regulate trade and production as required by the Allies.

22. To undertake to prohibit, except in accordance with the directions of the Combined Boards acting on behalf of the Allies or of such other similar authority which replaces these Boards, any exports of rice, tin, rubber and teak for such time as may seem to the Authority concerned necessary in the economic circumstances prevailing at the time.

23. (a) To make available free of cost at Bangkok as quickly as may be compatible with the retention of supplies adequate for Thai internal needs $1\frac{1}{2}$ million tons of sound white rice, or if so agreed by the Authorities appointed by the Allies for the purpose the equivalent quantity of paddy.

(b) For so long as in the opinion of the Combined Boards or other Authority acting on behalf of the Allies a world shortage of rice continues, to take all possible measures to promote and to maintain the maximum rice production and make available to an Allied Rice Unit the resulting surpluses at prices to be fixed in agreement with the Allied Rice Unit, having regard to the controlled prices of rice in other Asiatic producing areas.

(c) To conclude a detailed agreement with the Allied Rice Unit regarding the measures to be taken to give effect to (a) and (b) above. Such agreement to cover the points detailed in the Appendix ¹⁹ to this Annex, and to provide in addition (i) for the Allies to take whatever measures may be required for the fulfilment of these obligations until the Thai Government are themselves, in the view of the Allies, in a position to ensure this; (ii) for the continued cooperation thereafter of the Thai Government with the Rice Unit in the fulfilment of any obligations already incurred.

24. To agree to frame Thai currency policy (including the rates of exchange to be fixed at the outset, which may include different rates for bahts of the pre-war issue and bahts printed by the Japanese) in accordance with the advice of Allied representatives with a view to facilitating the maximum production of rice and of other commodities in short supply and to obviating economic disturbance.

¹⁹ Not printed; it listed 13 measures "considered essential to ensure the export of the maximum quantities of rice from Thailand".

25. To arrange the withdrawal and redemption in Thai currency at par, within a specified time limit, of all holdings in Thai territory of currency issued by the Allies if it shall have been found necessary to use such an Allied currency.

26. To agree to pay in full for all relief supplies, such payment to be made in gold until all obligations to supply rice free of charge as the Thai contribution to United Nations requirements have been discharged, and thereafter out of the proceeds of exports of rice and other products.

892.01/8-2045

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Department of State is giving careful study to the British Embassy's *aide-mémoire* of August 20, 1945 which was accompanied by a copy of two draft agreements, one of British political interest and one on military and quasi-military matters, which the British Government proposes should be presented to representatives of the Regent of Thailand at Kandy.

In a secret letter to the American Ambassador, London, dated September 4, 1944,²⁰ Mr. Eden stated: "We, like the United States, want to see the restoration of Siam after the war as a free, sovereign and independent state, subject only to its acceptance of such special arrangements for security or economic collaboration as may be judged necessary within an international system."

On November 22, 1944, in response to a note from the American Embassy requesting a clarification of the British Government's views underlying these reservations, Mr. Eden replied:²¹ "The two conditions suggested in my letter of the 4th September, on which you asked further clarification, were in the nature of general reservations to be filled in in detail when the outline of the postwar settlement in the Far East is clearer. I should like to meet your Government's wish for greater precision, but I do not really think that it is practicable to be more precise at this stage when there are so many unknown factors as regards the future. Nor could I in any case attempt a binding definition without prior consultation with experts in this country, with the Dominions, and with the Cabinet. But I shall be happy to review the matter with you from time to time as the situation develops.

"I cannot think that the general reservation which I made in paragraph 5 of my letter of the 4th September will be other than acceptable to the United States Government. It is, I suggest, a matter of

²⁰ See airgram A-1085, September 5, 1944, from London, *Foreign Relations*, 1944, vol. v, p. 1316.

²¹ See airgram A-1404, November 24, 1944, from London, *ibid.*, p. 1319.

ordinary prudence, even in the case of those who are but the satellites of our main enemies, to stipulate that as a condition of their ultimate freedom, sovereignty and independence they should accept such special arrangements for security or economic collaboration as may be judged necessary to the functioning of the postwar international system."

In its *aide-mémoire* to the British Embassy dated June 25, 1945, the Department referred to the foregoing statements by Mr. Eden and expressed its view that Thailand at an appropriate time should be admitted to the United Nations Organization on its pledge to cooperate fully as a sovereign power in all pertinent international arrangements, but that it would not be desirable to make acceptance of such arrangements a condition to the restoration of Thailand's independence and sovereignty. It was further stated that this Government would welcome assurance by the British Government that its economic and commercial policies in regard to Thailand are in general harmony with the American principles which were set forth in the *aide-mémoire* and which are designed to assure Thailand's economic independence while, at the same time, protecting the nationals of all the United Nations by assuring them fair and equal economic and commercial opportunity.

The Japanese surrender occurred before a reply to that *aide-mémoire* was received and this Government has not, therefore, had a further statement of British economic and commercial policies in regard to Thailand.

Under the circumstances this Government is not clear as to the precise intent of the language employed in paragraph numbered D 5 in the Annex to the Embassy's *aide-mémoire* setting forth the text of the heads of the proposed political agreement which provides that the Thai Government should: "Undertake to participate in any international arrangements regarding tin and rubber." It would be appreciated if the British Government would inform this Government of the intent of this paragraph.

Meanwhile, further study is being given to the proposed agreements, especially to the apparently far-reaching economic controls suggested. The Department will communicate to the British Embassy the views of this Government on the proposed agreements as soon as possible.

WASHINGTON, August 22, 1945.

740.00119 PW/8-2245 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 22, 1945—3 p. m.

7123. For your information Dept orally suggested to British Embassy August 18 that they should advise Thai Regent to send repre-

sentatives to Kandy to deal with Lord Mountbatten on military matters and necessary *ad hoc* arrangements; that Dept considers it inappropriate that longer-range political matters between the British and Thai Governments should be dealt with through an Allied Command or through a political adviser attached to an Allied Commander; and that it would be helpful if the British notified the Thai Regent through Thai Minister Seni at Washington as to what procedure they wished to follow in discussing such political problems.

The Thai Minister informed us²² of the Thai Regent's offer to aid in disarming the Japanese and in caring for Allied POWs.

The British Embassy informed us that Lord Mountbatten was authorized to deal with the Thai military pragmatically depending on the extent of their cooperation.

See Dept's radio bulletin of August 20, statement by the Secretary in regard to Thailand.²³

BYRNES

851G.014/8-2245

The French Embassy to the Department of State

[Translation]

No. 621

WASHINGTON, August 22, 1945.

The French Embassy presents its compliments to the Department of State and has the honor to inform it, on instructions of its Government, that the position of the latter concerning the territories belonging to the Indo-Chinese Union which were seized by Siam on the basis of the Franco-Thai Peace Treaty of May 9, 1941, is as follows:

The status of these territories must not be submitted to arbitration. France considers herself as completely justified in law to resume the administration of the Cambodian and Laotian territories which were wrested from her by violence. These territories were annexed by Siam in violation of the treaty which it had concluded with the French Government on June 12, 1940. This annexation, which was entirely unjustified, could be effected only with the support of Japan. The letters exchanged on March 11, 1941, in Tokyo between the French Ambassador to Japan and the Japanese Foreign Minister stipulate that the Imperial Government recommends "the unconditional acceptance by the French Government" of its plan for settling the Franco-Thai dispute. It specifies that "the French Government, in spite of the fact that neither the local situation nor the fortune of arms

²² On August 18.

²³ Department of State *Bulletin*, August 19, 1945, p. 261.

oblige it to renounce the benefits of the treaty which was freely negotiated and concluded between it and the Bangkok Government, is disposed under present circumstances to accede to the requests of the Japanese Government." The violence dealt the French Government by Japan is thus expressly brought out in the terms of the letters exchanged between their representatives. Under these conditions the Franco-Thai Peace Treaty of May 9, 1941, has no juridical value, even if France should be considered as responsible for the actions of the Government of M. Arsène Henry.²⁴ Neither the French National Committee of London nor the Provisional Government of the French Republic has ever recognized the validity of this treaty, and the statements of the French National Committee of December 8, 1941,²⁵ as well as those of the French Committee of National Liberation of December 8, 1943,²⁶ formally laid claim to the territories of the Indo-Chinese Union occupied by Siam. The French Embassy begs the Department of State to take cognizance of this declaration of the French Government's position concerning the territories in question and takes this occasion to renew the assurances of its highest consideration.

740.00119PW/8-2445

Memorandum of Conversation, by the Chief of the Division of Southeast Asian Affairs (Moffat)

[WASHINGTON,] August 24, 1945.

Participants: M. R. Seni Pramoj, Thai Minister
 Luang Dithakar Bhakdi, Secretary of the Thai Legation
 Abbot Low Moffat, SEA
 Kenneth P. Landon, SEA

In the course of a conversation with the Thai Minister and Mr. Bhakdi, Secretary of the Thai Legation, the Thai Minister handed Mr. Moffat a copy of a communiqué²⁷ from the office of the Prime Minister, sanctioned by the Regent.

It was stated in the communiqué in effect that it will be necessary for the Thai to send a mission to meet Allied representatives at the headquarters of the Southeast Asia Command to enter into agreements in regard to the military situation and political questions which may arise

²⁴ Charles Arsène-Henry, French Ambassador in Japan, was one of the signers of the treaty on behalf of France.

²⁵ French Press and Information Service, *Free France*, vol. VI, Nos. 5-6, September 1944, p. 194, footnote 1; for partial text, see telegram 5946, December 8, 1941, *Foreign Relations*, 1941, vol. v, p. 380.

²⁶ *Free France*, vol. v, No. 1, January 1944, p. 9.

²⁷ Dated August 21, not printed.

therefrom; that the Thai were waiting to hear from the Allies as to the subjects to be considered; and that Thai armed forces are ready to comply with the requirements of the Allies.

It was further stated in the communiqué that the Indochinese territories were acquired by Thailand before the outbreak of war; that Thailand obtained these territories for reasons quite different from those whereby they obtained the Malay and Shan States which the Thai peace proclamation of August 16, 1945 had indicated were to be returned to Great Britain; that Thailand is willing to have the question of the Indochinese areas settled in accordance with the procedure provided by the United Nations Charter agreed to at San Francisco;²⁸ and that Thailand is willing to accept any decision made in accordance with the principles laid down by the United Nations.

892.01/8-2045 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, August 25, 1945—1 p. m.

7276. 1. Brit Embassy presented *aide-mémoire* August 20 with syllabus of political agreement proposed to be negotiated at Kandy between Dening and "a Thai Liberation Govt" and text of "an agreement on military and quasi-military matters of Allied implication" proposed to be negotiated at Kandy between Mountbatten and the Thai Liberation Govt. Brit have submitted text of latter agreement to CCS²⁹ for directive to Mountbatten to conclude agreement in accordance with its terms.

[Here follow paragraphs numbered 2 and 3 summarizing the proposed political and military agreements.]

4. Dept has recommended to War and Navy Depts³⁰ that (a) no political objection to Mountbatten concluding military agreement with representatives of the Thai Govt; (b) any such agreement must be limited to matters of military concern to the Allies in their war against common enemy; (c) no military agreement should be concluded with Thai by either Brit or American authorities separately while Thailand in theater of Combined Command; (d) directive should be issued fixing exchange rates for military purposes only applicable equally to all baht issued by Thai Govt unless Thai Govt determines differential between prewar issue and issue during JAP

²⁸ Adopted June 26, 1945, Department of State Treaty Series No. 993; 59 Stat. (pt. 2) 1031.

²⁹ Combined Chiefs of Staff.

³⁰ Memorandum of August 23 for the State-War-Navy Coordinating Committee, not printed.

domination; (e) SAC should be instructed not to send troops into Thailand in excess of numbers needed in matters of military concern against common enemy and to withdraw troops as rapidly as such matter concluded.

5. Brit Embassy *aide-mémoire*, August 15 [14],³¹ again pressed for Combined Rice Unit. US position stated in Dept *aide-mémoire* July 7³¹ being restudied. Tentative view is US will agree to some combined organization for brief specified period if negotiated politically with Thailand, but pending such organization US military will make own purchases in Thailand. Sent to London, repeated to Chungking, New Delhi, Colombo.

BYRNES

751.92/8-2745 : Telegram

The Chargé in France (Fullerton) to the Secretary of State

PARIS, August 27, 1945—4 p. m.

[Received 6:30 p. m.]

5178. Department's instruction 1285, August 6, regarding French relations with Thailand was discussed today with De Lageneste³² of Foreign Office. He stated that while no formal declaration of war has ever been made France considers itself in state of hostilities with Thailand which may be considered to date from November 27, 1940, when Thai Air Force bombed Indo-Chinese territory. Present French Government does not recognize convention of May 1941 and consequently considers state of hostilities arising from Thai aggression never to have been terminated.

Moreover French Government considers note of London Committee December 8, 1941 pledging assistance in Pacific to have applied to Thailand as ally of Japan.

De Lageneste stated categorically that French Government does not recognize any international agreements concluded by Vichy Government, including convention of May 9, 1941, between France and Thailand signed in Tokyo. In addition French Government considers this convention doubly invalid because prior to its signature there was at French insistence exchange of letters between French representative in Japan and Japanese Government recognizing that convention was forced on France by Japan.

De Lageneste considers that recent proclamation of Regent of Thailand³³ (Radio Bulletin 199, August 19) constitutes a renunciation of

³¹ Not printed.

³² Jean Lafon de Lageneste, Chief of the American Affairs Section of the French Foreign Office.

³³ Dated August 16; it was included in note from the Thai Minister, Department of State *Bulletin*, August 19, 1945, p. 261.

territorial gains since January 25, 1942. While admitting that selection of date of declaration of war against United States was natural in proclamation of this type De Lageneste expressed hope that Thai Government would also specifically renounce territorial gains from Indochina acquired before that date.

De Lageneste was asked if French Government had considered taking any steps to regularize its relations with Thailand. He replied that he assumed such steps would be taken in due course but felt that they must be preceded by statement from Thai Government relinquishing territorial gains in Indochina and withdrawal of Thai forces to previous frontier.

FULLERTON

740.00119 PW/8-3145

The Department of State to the British Embassy

AIDE-MÉMOIRE

The *aide-mémoire* and accompanying annexes, presented by the British Embassy to the Department of State on August 20, 1945, relating to proposed agreements with representatives of the Regent of Thailand, and the *aide-mémoire* presented by the British Embassy on August 14, 1945 on the subject of Thai rice,³⁴ have been examined with care.

As stated in the Department's *aide-mémoire* of June 25, 1945, the United States Government hopes for an early settlement of the state of war between Great Britain and Thailand and that such settlement will not conflict with the viewpoint, interests or policies of the United States but will, on the other hand, contribute to Anglo-American unity of action in the Far East. In the light of the foregoing, the Department of State offers the following comment on the matters set forth in the Embassy's *aide-mémoire*:

THAI GOVERNMENT

This Government assumes that in using the term "Thai Liberation Government" in the proposed agreements the British Government is referring to the constitutional Thai Government.

PROPOSED POLITICAL AGREEMENT

1. The precise intent of Paragraph D 5 is not clear to this Government. In the light of the statements by Mr. Eden, quoted in the Department's *aide-mémoire* dated August 22, 1945, regarding Thailand's postwar economic collaboration within the international system,

³⁴ Not printed.

it is assumed that the international arrangements regarding tin and rubber referred to in Paragraph D 5 are those which may be effected under the auspices or with the approval of the United Nations Organization or its Economic and Social Council. Although, as set forth in the Department's *aide-mémoire* of June 25, 1945, this Government would have preferred that such a commitment not be made a condition to British recognition of the sovereignty and independence of Thailand, but rather that Thailand should pledge as a sovereign power at the time of its admission to the United Nations Organization its cooperation in all pertinent international economic and security arrangements, it concurs in the objective of such paragraph as so understood. This Government hopes that in its reply to the Department's *aide-mémoire* of August 22, the British Government will give assurance that the foregoing assumption as to the intent of Paragraph D 5 is correct.

2. This Government has misgivings over the possible implications of Paragraphs D 2 and 3. It will be recalled that Mr. Eden gave assurance that the British Government favors the restoration of the freedom, independence and sovereignty of Thailand, "subject only to its acceptance of such special arrangements for security or economic collaboration as may be judged necessary within an international system" and possibly to some special arrangement in the Kra Isthmus "within the framework of an international security system."

A requirement that Thailand may not reserve for itself or its own nationals certain economic, commercial or professional pursuits without the agreement of the British Government, insofar as British interests or professional men are concerned, would, this Government believes, constitute a definite impairment of Thai sovereignty and independence, would be contrary to the spirit of the international system envisaged by the United Nations Charter, and might result in discrimination against the interests of other United Nations and their nationals.

This Government has consistently disapproved peacetime monopolies and government restrictions which hamper the natural and normal flow of economic and commercial activity throughout the world, which it believes is essential to world prosperity, peace and stability. At the same time it is recognized that, except as may be limited by voluntary international agreement, every sovereign nation has the right to reserve to itself control of its internal economic and commercial opportunities. The right to practice law, for example, or to engage in coastwise or internal river navigation, has been so reserved by many countries.

This Government will be glad to join in representations to the Thai Government opposing measures which exclude the United Nations and their nationals, including industrial and commercial interests, from reasonable participation in Thai economy and trade, and in seeking non-discriminatory treatment for all United Nations and their nationals and agreement that any concessions or other special privileges which the Thai may grant shall be open to all on equal terms. This Government cannot view with favor, however, any proposal whereby the British Government might impose as a condition to a liquidation of the state of war with Thailand and a recognition of the Thai Government, a requirement which would infringe the sovereignty and economic independence of Thailand and grant to British interests special economic, commercial or professional privilege.

This Government earnestly hopes that it may receive assurance that its misgivings as to the implications of Paragraphs D 2 and 3 are unfounded and that the British Government proposes by those paragraphs to seek only non-discriminatory treatment for British industrial and commercial interests and British professional men participating in Thai economy and trade.

3. Further study is being given by this Government to the paragraphs of Section C entitled "Measures for Post-War Strategic Co-operation".

4. This Government concurs in the view that Thailand should assume responsibility for compensating losses or damage to property rights and interests of the Allies and their nationals for which the Thai Government might be deemed directly responsible. It is of the opinion, however, that Thailand should not be required at this time to pay compensation for losses or damages for which the Japanese were responsible, as it believes that consideration of such claims should be postponed until general reparations questions relating to Japan, including possible reparations from Japan to Thailand, are decided.

On December 8, 1941, despite sporadic resistance by Thai elements, the then Thai Government gave Japan, in response to an ultimatum backed by overwhelming force, the right to transport troops across the country.³⁵ It is understood that immediately upon their entry, the Japanese forces, in violation of the terms of consent which had been given, extended their control over substantial parts of the country and looted the property of British and American concerns; and that such looting took place several weeks before the Pibul Government issued its declaration of war against Great Britain and the United States and before any acts affecting British and American property interests, were taken by the Thai Government pursuant to that declaration.

³⁵ See telegram 557, December 8, 1941, 5 p. m., from Bangkok, *Foreign Relations*, 1941, vol. v, p. 378.

In offering its views on this point, this Government is actuated not only by a sense of justice but also by the belief that in the interest of future peace and stability in that region of the world it is important that the areas of southeastern Asia be permitted to return to normal economic conditions as rapidly as possible. Thailand will face a very serious financial and economic problem arising from the hundreds of millions of bahts loaned to the Japanese³⁶ under compulsion on security which will probably prove worthless. A requirement that Thailand make compensation for losses or damages for which the Japanese were responsible might seriously intensify the economic ills of the country, retard Thailand's general fiscal and economic recovery, and thus affect the interests of all nations concerned with the economic welfare and stability of southeastern Asia.

PROPOSED MILITARY AGREEMENT

The situation facing the Allied Command of the Southeast Asia theater is unique in Anglo-American combined military activities in the war. Thailand is the only country within the theater of a combined Anglo-American Command with which one of the Governments represented in that Command is at war, while the other Government is not. It is important, therefore, that unusual care be exercised by that Command in matters which would involve the relationship of those Governments with Thailand.

This Government has no objection to the conclusion of a military agreement between Admiral Mountbatten, as Supreme Allied Commander, South East Asia, and representatives of the Thai Government, but believes that any such agreement should be limited strictly to matters of concern to the British and American Governments in the war against their common enemy. The combined Allied Command was created for that purpose, and this Government believes that the Command should not take any action which would tend to compromise the position of the United States, which has considered Thailand not an enemy but a country to be liberated from the enemy, and with which it expects to resume diplomatic relations in the near future. This Government is confident that the British Government would not desire to embarrass this Government by pressing for such action, especially as the Thai Government has given every indication of its determination to make restitution for the past and to cooperate with the United Nations in the future and so meet the basic objectives of the British Government without necessity for any such action.

³⁶ According to a report prepared by the Thai Director of the Bureau of Foreign Trade at the direction of the Thai Regent, a total of 1,310,701,083 bahts had been supplied to the Japanese for military expenditures through July 19, 1945. A copy of this report was received from the Office of Strategic Services on August 25 (892.515/8-2545).

THAI RICE

This Government recognizes the immediate importance of the production and export of the maximum quantity of rice from Thailand to the other areas in need of that commodity. It has given careful study to the British Embassy's *aide-mémoire* of August 15 [14], 1945 and is agreeable to the proposal of the British Government that allocations recommended by the Combined Food Board or a successor body should apply to all such surplus rice including that required both for military and for civilian requirements.

This Government recognizes also the advantages which would accrue from combined, instead of competitive, activity in the stimulation of production and the maximum export of rice. It has examined with care the proposals relating to Thai rice which are included in the proposed agreement on military and quasi-military matters annexed to the Embassy's *aide-mémoire* of August 20, 1945. As the United States is not at war with Thailand, it is not in a position to give favorable consideration to those proposals. This Government would be willing, however, to join with the British Government in negotiating through political channels with representatives of the Thai Government a tripartite agreement based on the principles set forth in the Annex to this *aide-mémoire*. Pending conclusion of such a tripartite agreement the American military and civilian purchasing authorities will continue to feel free to effect directly the purchase of rice to be procured by them in Thailand in accordance with recommended Combined Food Board allocations, but if and when the proposed unit should be established they would effect procurement through such unit. This Government believes that the objectives of stimulating rice production and of maximizing exports in accordance with United Nations' needs can be achieved by the procedure proposed without embarrassment to either Government.

It will be observed that there are several important differences between that plan and the plan proposed by the British Government. The American proposal would rely primarily on the cooperation and good faith of the Thai Government. It provides that the rice unit would work with the Thai Government in stimulating production and would have sole authority to arrange for the export, directly or under its authority, of all surplus rice. It would eliminate the provision relating to the methods whereby Thailand should pay for relief supplies as that would appear to be a matter for agreement between the Thai Government and the supplying governments or organizations. Because the Thai Government derives essential revenues from moderate export duties on rice, the American proposal would not prohibit their imposition, but would require the approval

of the unit for the imposition of any new duties or any increase in rates above those in effect on August 15, 1945. Finally, the American proposal would omit the imposition of a levy on Thailand of one and a half million tons of rice.

This Government considers that any levy on Thailand would not be just in view of the Thai readiness and desire to join in the war against Japan and their deferment of such action only at the express request of the Supreme Allied Commander and at the express request of this Government that they coordinate their plans with his. Furthermore, the amount of the proposed levy may well be, in the light of the most recent estimates received by this Government, in excess of the total amount of Thai rice, including stocks now on hand, available for export during the coming year, and this Government considers that any levy of Thai rice would be prejudicial to its interests. This Government would not feel free to share in the proceeds of such a levy even though it may find it important to procure Thai rice to meet its rice requirements.

If the principles set forth in the Annex are acceptable to the British Government this Government is prepared immediately to empower a representative to enter into the proposed negotiations on behalf of this Government and to designate its representation on the proposed combined unit as soon as the negotiations are concluded.³⁷

WASHINGTON, September 1, 1945.

[Annex]

PROPOSED PRINCIPLES FOR TRIPARTITE AGREEMENT ON THAI RICE AND OTHER EXPORT COMMODITIES IN SHORT WORLD SUPPLY TO BE NEGOTIATED WITH REPRESENTATIVES OF THE THAI GOVERNMENT

I

1. The Thai Government would recognize the immediate importance to the United Nations of producing and exporting in accordance with allocations recommended by the appropriate Combined Boards or successor bodies determined by the United States and Great Britain the maximum amounts of rice and certain other commodities in short world supply, and would express its desire to cooperate with and aid the United Nations by cooperating with the United States and Great Britain in achieving this objective.

³⁷ In telegram 7548, September 3, 11 a. m., to London, the Department summarized the *aide-memoire* of September 1 and stated that the Joint Chiefs of Staff had requested the Combined Chiefs of Staff "to inform Mountbatten that any military agreement with Thailand should be with representatives designated by Regent on behalf of his Thai Govt and more strictly limited to matters of Allied concern relative to surrender Japanese forces". (741.92/8-2045)

2. The United States and Great Britain would recognize the immediate importance of such production and the prompt and efficient export of Thai rice and other commodities in accordance with recommended international allocation and would agree to aid in those objectives.

II

3. The Thai Government would undertake to prohibit during the period of the agreement all exports of rice, tin, rubber, and teak (if teak is made subject to recommended international allocation by a Combined Board or a successor body), except in accordance with recommendations of the appropriate Combined Board or any successor body determined by the United States and Great Britain.

4. The Thai Government would be permitted to have a representative on the Committees of the Combined Boards or successor bodies dealing with such commodities.

III

5. The United States and Great Britain would establish a Combined Thai Rice Commission (CTRC) to advise the Thai Government on and promote the production of rice in Thailand and to arrange for the export directly or under its authority of all surplus rice in accordance with allocations recommended by the Combined Food Board or successor body.

6. The Thai Government would agree to cooperate with CTRC in stimulating the maximum economic production of rice in Thailand, to make all surplus rice and paddy in Thailand available for export by CTRC or under its authority, at prices to be determined by agreement between CTRC and the Thai Government, and to prohibit the export of paddy or rice from Thailand except by CTRC or under its authority. More particularly the Thai Government would agree:

a. To require returns from all holders of stocks of paddy and rice;

b. To assess, in agreement with CTRC, the quantity of rice surplus to the internal needs of Thailand;

c. To take all reasonable means, including collection schemes, and, if need be, requisitioning, to make all surplus rice and paddy available for export by or under the authority of CTRC;

d. Not to impose or permit the imposition of any export or other duties on rice or paddy not in effect on August 15, 1945 or any increase in the rate of any such duties in effect on that date except as may be determined by agreement between the Thai Government and CTRC;

e. To license all mills and to restrict all purchases and sales by millers to prices to be determined by agreement between the Thai Government and CTRC;

f. To use all reasonable means, including if need be the required cannibalizing of mill or other machinery, to assure adequate rice milling power;

g. To use all reasonable means to assure transport on adequate scale from paddy fields to mills and from mills to ports;

h. To use all reasonable means to effect prompt restoration of adequate port facilities.

7. CTRC would advise and assist the Thai Government on policies designed to effectuate and expedite the program and would recommend to the British and American Governments such measures of assistance as it might deem essential for such purposes, particularly in regard to:

a. The procurement and importation of items required in connection with rice production and export, including milling, transportation and repair of port facilities;

b. The procurement and importation of needed incentive consumer goods.

8. CTRC would endeavor, in consultation with the Thai Government, to arrange, so far as might be practicable, that payment for all rice exported by it or under its authority would be by the establishment of credits in currencies which would meet Thailand's foreign exchange needs. Rice exported for British or American use would be paid for by the establishment of credits in British and American currency, respectively.

9. The Thai Government would recognize the urgent need of framing a currency policy designed to promote economic stability in the country and maximum economic rice, tin and rubber production. The United States and British Governments would each agree to make available or assist in procuring the services of financial and economic experts as advisers to the Thai Government for such purposes when requested by the Thai Government.

IV

10. The agreement would be in effect until September 1, 1946 and be renewable for a period of six months upon the request of the United States and Great Britain.

11. If during the life of the agreement any of the commodities specified in paragraph 3 should cease to be subject to recommended allocations by a Combined Board or successor body, the agreement would not thereafter apply to such commodity. Should rice cease to be subject to such allocation the provisions of paragraphs 5 through 9 would terminate except as to obligations already incurred.

892.01/9-545

*The Thai Legation to the Department of State*³⁸

The Thai Legation presents its compliments to the Department of State and has the honour to transmit the following message addressed to the Secretary of State by the Minister of Foreign Affairs of Thailand on September 3rd 1945.

"I have the honour to inform you that His Excellency the Regent, in the name of H. M. the King, has appointed me His Majesty's Prime Minister and concurrently the Minister of Foreign Affairs, and I have already assumed both posts as from the 3rd of September 1945.

On this occasion I hasten to express the solemn assurance that the foreign policy of my Government will be firmly based on cordial friendship and unreserved collaboration with the United States of America and the other United Nations in the establishment of peace, stability, and the prosperity of the world of freedom and justice. As far as the United States of America is concerned, I also sincerely wish to emphasize that Thailand always remembers the warmest sympathies and the perfect understanding the United States has extended to her since the very beginning of the relations between our two countries; and more especially in the hour of international difficulties in which, by force of circumstances, Thailand has been compelled to be involved, the goodwill of the United States towards Thailand has been clearly manifested in various instances. This will, for ever, remain engraved in the memory of the whole Thai nation. Now more than ever my country needs the precious assistance and support of the United States of America, and now more than ever we feel so much confident that our expectation will meet with favourable response. Please be assured that on my part I will use every endeavour further to promote the close and cordial relations which happily exist between our two countries.

I avail myself of this opportunity to express to Your Excellency the assurance of my highest consideration. Thawi Bunyaket."

WASHINGTON, 5 September 1945.

740.00119 PW/9-645 : Telegram

The Acting Secretary of State to the Commissioner in India (Merrell)

WASHINGTON, September 6, 1945—noon.

673. For Bishop. Re Dept message via OSS Aug. 18;³⁹ reurtel New Delhi 728, Sep 3.⁴⁰ 1. As stated orally to Brit Dept would have

³⁸ Handed by the Thai Chargé (Bhakdi) to the Chief of the Division of South-east Asian Affairs on September 5. The Chargé was informed that his note was being received "unofficially and informally" inasmuch as it was an official communication from the Thai Government which was not recognized by the United States and that Seni Pramoj continued to be recognized as Thai Minister in his personal capacity.

³⁹ Not found in Department files.

⁴⁰ Not printed; it stated in part: "Rapidly developing situation may not await reaching US-British agreement in Washington. If Department desires any steps be taken by American officers here to assure, if possible, that Anglo-Thai agree-

preferred Brit political negotiations separate from negotiations military agreement and not at Kandy. Issue does not, however, seem sufficiently important to press further.

2. It is Dept view that as military agreement is of Allied character it would be desirable for US military to participate in military talks following directives and guidance sent Wheeler by War.

3. Report received from OSS that SACSEA on Sep 4 presented military agreement to Thai military mission with requirement that they reply by Sep 7. Agreement as reported omits some paragraphs of agreement as communicated to Dept Aug 20, but includes some provisions to which US objects.

4. Brit Chiefs of Staff recommended Sep 4 a CCS telegram to Mountbatten giving text of a proposed interim agreement between SACSEA and Thai High Command. First paragraph would require release Allied POWs and care and transportation at Thai expense. Second paragraph would require cooperation in disarming Japanese, interning enemies, and delivering Japanese military property. Third paragraph would require Thai to make available to Allies their military forces and facilities and land and buildings required for accommodation of stores and troops. Fourth and last paragraph would require Thai to comply with any other requests by SACSEA which he considers necessary to protect military interests of Allies.

5. Dept understands that JCS considering suggestions that third paragraph be limited to Allied requirements in connection with matters covered by first and second paragraphs, and that fourth paragraph be deleted and a new paragraph inserted stating that no military agreement other than the interim agreement should be concluded with Thai pending CCS directive and that any military agreement which may have been concluded should be suspended and subject to change in accordance with directive of CCS.

6. Sent to New Delhi for Bishop. Repeated to Colombo for Bishop.

ACHESON

741.92/9-645 : Telegram

The Commissioner in India (Merrell) to the Secretary of State

NEW DELHI, September 6, 1945—5 p. m.

[Received September 6—9 : 30 a. m.]

738. Following from Bishop:

“Mountbatten gave Thai 48 hours to sign sweeping economic agreement under guise of military arrangement. Thai have returned to

ments especially military conform to United States thought as expressed by Department, recommend that War be requested to send immediately to Wheeler directives and guidance. Does Department desire United States officer take part military talks?” (740.00119 PW/9-345). Lt. Gen. Raymond A. Wheeler was Commanding General of United States Army Forces in the India-Burma Theater and Deputy Supreme Allied Commander of the Southeast Asia Command.

Bangkok and will radio SACSEA (Supreme Allied Commander Southeast Asia).

Agreement makes obvious British intention treat Thailand as enemy country to be occupied and controlled. OSS and War Department have details proposed agreement which does not conform to US policy.

If US cannot effectively oppose such harsh terms by Allied Commander, US prestige will be seriously impaired and US goodwill in Thailand sacrificed to the detriment of American overall policies toward Asiatics and the Pacific.

General Wheeler has officially asked Mountbatten for full information regarding Thai negotiations and has alerted US section at Kandy to forward information regarding all developments especially those contrary to US policy.

Message just received from Kandy states Mountbatten has informed British Chiefs of Staff that he expects Thai Regent to empower Thai representative to sign both parts of military agreement and that dependent upon receipt of Thai Regent's authority to sign, SACSEA will proceed with signature both parts military agreement unless he receives advice to the contrary from British Chiefs of Staff before 0400 hours Greenwich mean time September 7.

War Department fully informed by Wheeler.[?]

MERRELL

741.92/9-645

*Memorandum of Telephone Conversation, by the Chief of the Division of Southeast Asian Affairs (Moffat)*⁴¹

[WASHINGTON,] September 6, 1945.

Participants: Mr. Dean Acheson, Acting Secretary;
Mr. Abbot Low Moffat, SEA;
Ambassador Winant, in London.

Mr. Acheson telephoned⁴² Ambassador Winant in London at 5:30 p. m. Washington time. He informed Mr. Winant that Admiral Mountbatten had presented two military agreements to the Thai delegates at Kandy, Ceylon, and unless instructed to the contrary by the British Chiefs of Staff by 4 a. m. Greenwich time September 7 planned to conclude both agreements; that the material in the two agreements was furnished the State Department and the JCS on August 20; and that the first agreement—a short agreement on strictly military matters—reflected the views of the JCS and the State Department, was

⁴¹ Initialed by the Acting Secretary of State.

⁴² Transcript of conversation not printed.

satisfactory to us, and had, we understood, been accepted by the Thai.⁴³

He explained that the second agreement, however, would put Thailand for a very considerable period under economic and other controls, and the JCS and the State Department had informed the British Government that they disagree in part with those provisions.

He stated that he thought that our views demonstrated agreement in the essentials with British objectives, but that we were not in agreement on some matters to which we attach considerable importance; that the agreement had been presented in the name of all the allied powers concerned; and that this might put us in a very embarrassing position if concluded and we might have to disavow it.

Mr. Acheson then requested Mr. Winant to try to see Mr. Bevin⁴⁴ to urge either that the time limit for the negotiation of the second agreement be extended, or, if already concluded, that the agreement be held in abeyance until the CCS has been able to reconcile the British and American positions; and to say that we recognize the urgency of decisions, but that we feel that a brief delay on the second agreement would avoid considerable embarrassment later. He explained that we do not feel the British have acted unfairly, and we recognize the British have been under considerable time pressure in view of the delay on our side although they may have acted a little hastily; that at all costs we wish to avoid serious embarrassment and hope that Mr. Bevin will see his way to do as we request.

Mr. Winant said that he understood the situation and that if he could not reach Mr. Bevin he would try to reach Mr. Attlee.⁴⁵

892.01/9-645

The British Minister (Sansom) to the Chief of the Division of Southeast Asian Affairs (Moffat)

WASHINGTON, September 6, 1945.

DEAR MR. MOFFAT: You will remember that in the State Department's *Aide-Mémoire* of August 22nd, commenting on this Embassy's *Aide-Mémoire* of August 20th concerning agreements to be negotiated with Thai representatives at Kandy, we were asked to explain the intention of the words "undertake to participate in any international arrangement regarding tin and rubber" in a paragraph numbered D 5 in the annex to the Embassy's *Aide-Mémoire* in question.

⁴³ Temporary Military Agreement No. 1 was signed at Kandy on September 8 by the Supreme Allied Commander, Southeast Asia, and Lt. Gen. Sakdi Senanarong, Chief of the Siamese Military Mission to SACSEA; a copy was circulated by the Combined Chiefs of Staff on October 8 as C.C.S. 906/6 (741.92/10-845).

⁴⁴ Ernest Bevin, British Secretary of State for Foreign Affairs.

⁴⁵ Clement R. Attlee, British Prime Minister.

The Embassy was instructed by the Foreign Office on September 1st to inform you that the intention of the clause concerning tin and rubber is that, if there is a Rubber Study Group or Tin Study Group or any other form of international arrangement in which all countries interested in the production or consumption of rubber or tin take part, Thailand would undertake also to take part in it.

I think I told you this orally when we met the night before last, but think it is better to confirm it in writing. I should add that this explanation reached us before we had received the State Department's *Aide-Mémoire* of September 1st, in which the same question was raised.

Yours sincerely,

G. B. SANSOM

892.01/9-745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 6, 1945—11:50 p. m.

[Received September 7.]

2277. Immediately after receiving your telephone call I tried to reach Bevin but as he was out of town I called on the Prime Minister who was most helpful. The instruction sent to Admiral Mountbatten was to negotiate only the first agreement which I was told had been cleared with our Joint Chiefs of Staff. The following sentence however was added, "This agreement does not in any way affect the position of individual Allied governments vis-à-vis Thailand and is entirely without prejudice to any settlement with Thailand which they may contemplate."

Further action will await agreement by the State Department and the Foreign Office and the Combined Chiefs of Staff.

[WINANT]

711.94114A O.T./8-1845

The Chief of the Special War Problems Division (Plitt) to the Thai Chargé (Bhakdi)

WASHINGTON, September 7, 1945.

MY DEAR MR. CHARGÉ D'AFFAIRES: I refer to the Minister's letter of August 18, 1945,⁴⁶ addressed to Mr. Moffat in which he indicated that the Thai authorities would be pleased to look after Allied prisoners of war liberated in Thailand. The Thai Regent suggested that the Japanese Government be instructed forthwith to deliver the

⁴⁶ Not printed.

Allied prisoners in Thailand to the Thai authorities who would give them the best possible treatment until they could be repatriated.

The kind offer of the Thai authorities has been brought to the attention of the American military authorities who, I am sure, will be most pleased to have the assistance of the Thai authorities.

Reports received in the Department of State from Thailand indicate that the Thai resistance movement has been most helpful to Allied authorities engaged in the liberation and repatriation of Allied nationals in Thailand.

Please accept my thanks for the assistance which you and your representatives in Thailand have been able to give to the American authorities.

Sincerely yours,

EDWIN A. PLITT

741.92/9-845

The British Embassy to the Department of State

AIDE-MÉMOIRE

1. His Majesty's Government have given the most careful consideration to the State Department's *Aide-Mémoire* of 1st September. Before replying in detail to the various points raised in it they desire to make certain general observations.

2. His Majesty's Government are most anxious to attain the maximum degree of unity of action with the Government of the United States in the Far East as elsewhere.

3. Moreover it is their desire to see the restoration of a free, sovereign and independent Siam, and a renewal of the old friendly relations between Great Britain and Siam.

4. But if these objectives are to be reached the facts of the situation must be frankly faced. The State Department's Memorandum records that Siam is the only country within the theatre of a combined Anglo-American Command with which one of the Governments represented in that Command is at war while the other is not. This is however solely due to the fact that the United States Government have chosen to ignore a declaration of war made by Siam upon them. His Majesty's Government do not for one moment seek to question this decision on the part of the United States Government but they could hardly admit that it entitled the United States Government to ask that other Governments who are in a state of war with Siam should forego their rights or that it could justifiably be adduced as a reason for the mitigation of the conditions upon which those countries are prepared to liquidate the state of war. On the contrary, His Majesty's Government would hope that the United States Government

on their side will take no action to embarrass them or to compromise their position as an ally at war with Siam. In particular it would be difficult for His Majesty's Government to agree that the action of the Supreme Allied Commander South East Asia should be limited solely to matters of concern to the Governments of the United Kingdom and the United States in relation to the war against *Japan*.

5. The attitude of His Majesty's Government towards Siam has already been publicly declared in Mr. Bevin's statement in the House of Commons of the 20th August.⁴⁷ In that statement the help received from the Siamese Resistance Movement was acknowledged and it was made clear that if the Movement had not taken overt action earlier this was due to advice given by the Allies on purely military grounds. But the fact must not be overlooked that the advice was given in the interests of the Siamese themselves and to prevent premature action which might have had unfortunate consequences for them.

6. His Majesty's Government will now give all due weight to the assistance afforded by the Siamese Resistance Movement. But the state of war between Great Britain and Siam remains to be liquidated and Siam's association with Japan leaves many practical questions for settlement. Mr. Bevin's statement of the 20th August made it clear that the attitude of His Majesty's Government will depend on the way in which the Siamese meet the requirements of the British troops now about to enter their country; the extent to which they undo the wrongs done by their predecessors and make restitution for injury, loss and damage caused to British and Allied interests; and the extent of their contribution to the restoration of peace, good order and economic rehabilitation in South East Asia. If these questions are approached on the Siamese side in the spirit of the proclamation issued by the Regent of Siam on the 16th August,⁴⁸ there is good reason to hope that a satisfactory solution may rapidly be reached.

7. The draft Heads of Agreement communicated to the State Department on the 20th August gave an indication of the conditions upon which His Majesty's Government are prepared to liquidate the state of war with Siam and to recognise and collaborate with a friendly Siamese Government. In the State Department's *Aide-Mémoire* it is suggested that in certain respects these terms may constitute an infringement of the sovereignty and independence of Siam. This is only true in the sense that any provisions which an enemy country is required to accept as a condition of the liquidation of a state of war are an infringement of its sovereignty and independence. His Majesty's Government do not believe that their conditions are in any way unjust and it is for Siam, by the fulfilment of these conditions,

⁴⁷ *Parliamentary Debates*, House of Commons, 5th series, vol. 413, col. 299.

⁴⁸ For text, see letter of August 17, from the Thai Minister, to the Secretary of State, Department of State *Bulletin*, August 19, 1945, p. 261.

to resume her place in the comity of nations on a basis of full equality with other sovereign and independent States.

8. His Majesty's Government have drawn up their conditions in no spirit of retaliation for the injury done to Allied interests by Siam's association with Japan. But they could scarcely accept a position in which Siam should profit from that association or, in such matters as the export of her commodities during the liberation period, from the needs of countries which have suffered from Japanese aggression.

9. His Majesty's Government have also felt it incumbent upon them in their draft Conditions to safeguard the interests of other Allied powers until those powers are in a position to arrive at their own settlement with Siam.

10. In the light of these general considerations His Majesty's Government have examined the various points of detail raised in the State Department's *Aide-Mémoire* with every desire to go as far as possible to meet the views of the United States Government.

11. If they take the question of rice first it is because on one major issue, namely that of the free contribution of 1,500,000 tons of rice, His Majesty's Government regret that they find it impossible to bring their views into conformity with those expressed in the State Department's *Aide-Mémoire*.

12. In the first place, His Majesty's Government do not agree that Siam will face any serious *external* financial and economic problem. On the contrary Siam's external resources (gold and foreign exchange) will have been conserved or even increased during the war period, while her external liabilities will not be increased substantially. There is, to the best of His Majesty's Government's knowledge, comparatively little war damage in Siam to be repaired before Siam can again enjoy a very favourable current trade position with the rest of the world.

13. Secondly, Siam alone among the nations involved in the war has been able in war conditions to accumulate a very large surplus of a commodity essential to the life of neighbouring territories, for the lack of which those territories have suffered hardship and even famine. The consequent rise in the price of rice to approximately three times the pre-war level has aggravated inflationary conditions in neighbouring and other countries.

14. If Siam were to be allowed to unload these involuntarily hoarded stocks at the present scarcity prices, the proceeds would bring Siam's existing holdings of gold and foreign exchange to three times their present level. Even at half that price they would be doubled. In either event Siam would end the war in an incomparably better financial position than any of the other countries which were in a position to offer more serious resistance to the aggressor.

15. His Majesty's Government feel very strongly on this point. They would regard it as contrary to all principles of justice that a country in Siam's position should thus increase her claims upon the production of the rest of the world at a time when so many other nations must continue, for many years, efforts comparable to those which they made during the war in order merely to restore their pre-war standards of living.

16. The view of His Majesty's Government is that Siam should contribute out of her abundance to the needs of other countries. They feel bound therefore to maintain Clause 23 (A) of the Annex to the draft Heads of Agreement as a condition to be accepted by Siam, unless in the meantime Siam makes an offer of a voluntary contribution of the same amount. From a Siamese source to which they have good reason to attach authority, His Majesty's Government understand that this question is in fact under consideration by the Siamese authorities and that there exists at present in Siam a stock-pile of 1,500,000 tons of rice. Should a free contribution be offered by the Siamese Government, His Majesty's Government trust that the United States Government would waive their reluctance to share in the benefit of it.

17. While His Majesty's Government do not, for the above reasons, feel able to forego the free contribution of 1,500,000 tons of rice, they would be very ready in principle to deal with the question of the future production and export of rice along the lines indicated in the State Department's *Aide-Mémoire*, on the understanding that, once the proposed Agreement with the Siamese Government has been concluded, the operations of the proposed Rice Commission should be under British direction and that the principle of combined, as opposed to competitive, activity in the stimulation of the production and export of rice from Siam is accepted from the outset; and furthermore that the prices to be paid should be fixed in agreement with the Rice Commission having regard to the controlled prices of rice in other Asiatic producing areas and that no duties on the export of rice should be imposed greater than those in force before the 7th December 1941.

18. To give time for the further discussion of the United States proposals His Majesty's Government have decided to omit from the Heads of Agreement to be communicated to the Siamese representatives Clause 23 (C) of the Annex as well as the Appendix referred to in that Clause and to amend Clause 23 (B) to read as follows:—

“Thereafter, for so long as in the opinion of the Combined Boards or other authority acting on behalf of the Allies a world shortage of rice continues, to take all possible measures to promote and to maintain the maximum rice production and to make available to an organisation to be set up for the purpose the resulting surpluses in a manner to be indicated by that organisation, and at prices fixed in

agreement with it, having regard to the controlled prices of rice in other Asiatic producing areas.”

19. On the other hand, the necessity for acquiring rice from Siam without delay, if famine in liberated territories in Asia and possibly also in India is to be averted, is so great that it is essential forthwith to make temporary arrangements for the collection, bagging, transport to shipping port and shipment of the largest possible quantity of Siamese rice until such time as the proposed Rice Commission is ready to function. Measures are therefore in progress for the despatch at the earliest possible moment of competent personnel for this purpose who could be subsequently absorbed into the proposed Rice Commission.

20. The following observations relate to the other points raised in the State Department's *Aide-Mémoire*.

21. The title “Siamese Liberation Government” was originally employed because it was anticipated that the Agreement would be negotiated with Siamese authorities which had broken away from the Siamese Government then associating with the Japanese. The final Agreement to be concluded on the basis of the draft Heads of Agreement will of course be with the Siamese Government. The word “Liberation” will accordingly be struck out where it now occurs in the draft Heads of Agreement.

TIN AND RUBBER

22. His Majesty's Government have already explained the intention underlying Clause 5 of Section D of the Heads of Agreement.⁴⁹ In the light of the observations in the State Department's *Aide-Mémoire* they have now decided to reword Clause 5 as follows:—

“Undertake to participate in any general international arrangement regarding tin and rubber which conforms with such principles regarding commodity arrangements as may be agreed by the United Nations organisation or its Economic and Social Council.”

TREATMENT OF BRITISH COMMERCIAL INDUSTRIAL AND PROFESSIONAL INTERESTS

23. His Majesty's Government cannot well join in representations to a Government with which they are not in diplomatic relations and they regret that they do not see their way to leaving this important matter for settlement after the state of war has been liquidated. They are however happy to assure the United States Government that, although Clause 3 in Section D of the Heads of Agreement naturally refers to British interests only, it is not their intention to seek any

⁴⁹ See note of September 6 from the British Minister, p. 1307.

exclusive privileges for those interests. His Majesty's Government have accordingly decided to add to Clause 3 the following phrase:—
“Nothing in this Clause shall be deemed to preclude the grant of equally favourable treatment to nationals of any or all of the United Nations.”

COMPENSATION FOR LOSS, DAMAGE ETC. TO ALLIED NATIONALS, PROPERTY,
RIGHTS AND INTERESTS

24. His Majesty's Government regret that they cannot share the United States view that claims under this heading should be postponed until general reparations questions relating to Japan⁵⁰ are decided. Nor can they agree that the issue of currency for Japanese needs in Siam during the war affects Siam's capacity to make due compensation to the Allies for loss or damage. While the internal value of the baht has been lowered, Siam's reserves of sterling and gold have been conserved and for the purpose of external payments she is in no worse position than at the beginning of the war. His Majesty's Government would of course have no objection to any consequential claim by Siam against Japan being considered when the general question of Japanese reparations is considered, provided that there is any surplus out of which such claim could be met after the claims of the United Nations have been satisfied.

25. His Majesty's Government have, in response to the representations contained in the State Department's *Aide-Mémoire*, decided to delete Clause 26 of the Annex to the draft Heads of Agreement relating to the payment for relief supplies in gold.

26. It is desirable in the general interest that the present anomalous situation in regard to Siam should be brought to an end at the earliest possible moment. It is thus a matter of great urgency to conclude an Agreement for the liquidation of the state of war between His Majesty's Government and certain other powers on the one hand and Siam on the other. His Majesty's Government are therefore now instructing Mr. Dening to make the necessary arrangements for a Siamese Mission to visit Kandy for the negotiation of an Agreement on the basis of the draft Heads of Agreement (with Annex) amended to take account as far as possible of the views of the United States Government.

WASHINGTON, September 8, 1945.

⁵⁰ For documentation on this subject, see pp. 989 ff.

890.00/9-845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 8, 1945—3 p. m.

[Received September 8—1:25 p. m.]

9224. [Here follows substance of conversation on various Far Eastern questions with Sterndale Bennett on the morning of September 8.]

Thailand was discussed at some length and reference made to Mr. Winant's meeting with Prime Minister the night of September 6 and orders which had gone to Mountbatten to sign only the first of the two military agreements referred to in that meeting. Sterndale Bennett says FonOff itself doesn't like certain aspects of the second agreement proposed and that strict instructions have gone to Mountbatten to do nothing regarding it until further orders.

FonOff believes US-British position on Thailand is getting closer but on at least one point British feel they must remain firm. They are at war with Thailand and British troops there cannot be limited in numbers or functions to matters solely of concern to war against Japan.

The question of French Indo-China territories taken by Thailand was raised and Sterndale Bennett said British position was based, as he believed US position was, on the principle that territorial changes made under duress should not be recognized. British believe France has strong case for demanding return of its territory and any effort to differentiate between British territories taken by Thailand and French would make French "see red" and accomplish no good for anybody. Sterndale Bennett feels that *status quo* should be first returned to and then after brief period to let passions cool, a fresh start could be made. He implied that if in making an agreement with France to return to *status quo* Thai Govt should insert some phrase about not prejudicing subsequent negotiation of whole question, there would be no great objection. He feels strongly that if some such procedure is adopted there will be real possibility of mutually satisfactory solution to the matter but that otherwise there would be danger of trouble in South East Asia which would be harmful to all our interests.

WINANT

741.92/9-1045

*The British Embassy to the Department of State*⁵¹

TEXT OF HEADS OF AGREEMENT TO BE PRESENTED BY MR. DENING
(CHIEF POLITICAL ADVISER TO ADMIRAL MOUNTBATTEN) ON BEHALF
OF HIS MAJESTY'S GOVERNMENT TO REPRESENTATIVES OF THE REGENT
OF SIAM AT KANDY

The attitude of His Majesty's Government towards Siam will depend on the degree of her co-operation in matters arising out of the termination of hostilities against Japan and on her readiness (a) to make restitution to His Majesty's Government and their allies for the injury done to them in consequence of Siam's association with Japan and (b) to ensure security and good-neighbour relations for the future.

The particular steps which His Majesty's Government would expect the Siamese Government to take as a condition of recognising it and of agreeing to terminate the state of war, are as follows :—

A. MEASURES OF REPUDIATION

1. Repudiate the declaration of war made on Great Britain on the 25th January 1942 and all measures pursuant to that declaration which may operate to the prejudice of Great Britain and her Allies.

2. Repudiate the Alliance entered into by Siam with Japan on the 21st December 1941, and all other treaties, pacts or agreements concluded between Siam and Japan.

3. Recognise as null and void all acquisitions of British territory made by Siam later than the 7th December 1941 and all titles, rights, properties and interests acquired in such territory since that date by the Siamese State or Siamese subjects.

B. MEASURES OF RESTITUTION AND READJUSTMENT

1. Take the necessary legislative and administrative measures to give effect to Section A above including in particular :—

(a) Repeal all legislative and administrative measures relating to the annexation by, or incorporation in, Siam of British territories acquired later than the 7th December 1941.

(b) Withdraw as may be required by the competent civil or military authority all Siamese military personnel from British territories annexed by, or incorporated in, Siam after the 7th December 1941; and all Siamese officials and nationals who entered these territories after their annexation by, or incorporation in, Siam.

(c) Restore all property taken away from these territories. This would include currency except to the extent to which it could be established that fair value had been given in exchange.

⁵¹ Handed by Sir George Sansom to Mr. Ballantine on September 10.

(d) Compensate loss or damage to property, rights and interests in these territories arising out of the occupation of these territories by Siam.

(e) Redeem in Sterling out of former Sterling reserves, Siamese notes collected by the British authorities in British territory occupied by Siam since 7th December 1941.

2. Take all possible steps to ensure the prompt succour and relief of all British prisoners of War and internees held in Siam or in any territories purported to have been annexed by or incorporated in Siam,

(a) At Siamese expense provide them with adequate food, clothing, medical and hygienic services, and transportation, in consultation with the Allied Military Authorities.

(b) Undertake to enter into an agreement with His Majesty's Government for the mutual upkeep of war graves.

3. Assume responsibility for safeguarding, maintaining and restoring unimpaired, British property, rights and interests of all kind[s] in Siam and for payment of compensation for losses or damage sustained. The term "property, rights and interests" to include, *inter alia*, the official property of His Majesty's Government, property whose ownership has been transferred since the outbreak of war, pensions granted to British Nationals, stocks of tin, teak and other commodities, shipping and wharves, and tin, teak and other leases and concessions granted to British firms and individuals prior to the 7th December 1941, and still valid at that date.

4. Desequestrate British banking and commercial concerns and permit them to resume business.

5. Accept liability, with the addition of interest, at an appropriate percentage, in respect of payments in arrears, for the service of the loans and for the payment of pensions in full since the date when regular payments ceased.

6. Undertake to conclude as and when required, with the Supreme Allied Commander South East Asia Command or in such other manner as may be satisfactory to His Majesty's Government, an agreement or agreements to cover all or any of the matters specified in the Annex to this document.

C. MEASURES FOR POST-WAR STRATEGIC CO-OPERATION

1. Recognise that the course of events in the war with Japan demonstrates the importance of Siam to the defence of Malaya, Burma, India and Indo-China and the security of the Indian Ocean and South West Pacific areas.

2. Agree, until such time as she is admitted to membership of the United Nations, to carry out such measures for the preservation of

international peace and security as the United Nations Organisation may require.

3. Undertake that no canal linking the Indian Ocean and the Gulf of Siam shall be cut across Siamese territory without the prior concurrence of His Majesty's Government.

D. MEASURES FOR POST-WAR ECONOMIC CO-OPERATION

1. Agree to take all possible measures to re-establish import and export trade between Siam, on the one hand, and neighbouring British territories on the other, and to adopt and maintain a good-neighbourly policy in regard to coastal shipping.

2. Undertake to negotiate with His Majesty's Government in the United Kingdom as soon as practicable a new Treaty of Commerce and Navigation and a Consular and Establishment Convention based on the principles in Clause 4 below.

3. Undertake to negotiate with the Government of India as soon as practicable a new treaty of commerce and navigation based on the principles in the following clause.

4. Pending the conclusion of the Treaties and convention referred to in Clauses 2 and 3 above, undertake to observe the provisions of the Treaty of Commerce and Navigation signed at Bangkok on the 23rd of November 1937 and, in addition, not to enforce measures excluding British commercial or industrial interests or British professional men from participation in Siamese economy and trade (subject to such exceptions, if any, as may be agreed between his Majesty's Government in the United Kingdom or the Government of India and the Siamese Government) or requiring them to maintain stocks or reserves in excess of normal commercial, shipping, industrial or business practice, provided that if the Treaties and convention have not been concluded within a period of three years, this undertaking shall lapse unless it is prolonged by agreement. Nothing in this Clause shall be deemed to preclude the grant of equally favourable treatment to nationals or enterprises of any or all of the United Nations.

5. Undertake to negotiate a Civil Aviation Agreement in respect of all British Commonwealth Civil Air Services not less favourable than the Agreement of 1937 with respect to Imperial Airways.

6. Undertake to participate in any general international arrangement regarding tin and rubber which conforms with such principles regarding commodity arrangements as may be agreed by the United Nations Organisation or its Economic and Social Council.

E. REGULARISATION OF SIAMESE POSITION IN RELATION TO BILATERAL AND MULTILATERAL TREATIES AND HER MEMBERSHIP OF INTERNATIONAL ORGANISATIONS

1. Agree to regard as in force such bilateral treaties between the United Kingdom of Great Britain and Northern Ireland and Siam as may be specified by His Majesty's Government in the United Kingdom, subject to any modifications His Majesty's Government may indicate, and to regard as abrogated any such treaties not so specified.

2. Agree to regard as in force any multilateral treaties, conventions or agreements concluded prior to the 7th December, 1941 (*a*) to which Siam was then a party, (*b*) to which Siam was not then a party and which may be specified in a list to be furnished to the Siamese Government. Agree also to accept any modifications thereto which may have come into effect in accordance with the terms of such instruments since that date.

3. Pending admission to any international organisation set up since the 7th December, 1941 being an organisation of which His Majesty's Government is a member, agree to carry out any obligations arising out of, or in connection with, any such organisation or the instrument constituting it, as may at any time be specified by His Majesty's Government.

[Annex]

MILITARY ANNEX

Points to be covered in an agreement or agreements with the Supreme Allied Commander or in such other manner as may be satisfactory to His Majesty's Government.

The Siamese Government shall agree :—

1. To dissolve any military, para-military or political organisation conducting propaganda hostile to the United Nations.

2. To hand over to the Allied military authorities all vessels belonging to the United Nations which are in Siamese ports.

3. To take all possible steps to ensure the prompt succour and relief of all Allied prisoners of war and internees; and at Siamese expense to provide them with adequate food, clothing, medical and hygienic services, and transportation, in consultation with the Allied military authorities.

4. To assume responsibility for safeguarding, maintaining and restoring unimpaired Allied property, rights and interests of all kinds in Siam and for payment of compensation for losses or damage sustained.

5. To desecrate Allied banking and commercial concerns and permit them to resume business.

6. To co-operate with the Allied military authorities in

(a) disarming Japanese forces in Siam and handing them over to the Allies;

(b) interning all Japanese (and German) nationals and holding them at the disposal of the Allies: and

(c) seizing and delivering to the designated Allied military authority all war material and other materials and supplies under Japanese control, including naval and merchant vessels of all kinds, aircraft, weapons and ammunition, motor and other transport, military stores including aviation and other petrols and fuels, stocks of food and clothing, wireless equipment and any other property whatsoever of the Japanese armed forces.

7. To prohibit trading with the enemies of the Allies so long as the Allies prohibit trade generally with these enemies.

8. To hold all Japanese (and other enemy) property at the disposal of the Allies.

9. To co-operate in the apprehension and trial of persons accused of war crimes or notable for affording active assistance to Japan.

10. To hand over to the Allied military authorities all alleged renegades of Allied nationality.

11. For so long as may be necessary for the conclusion of all matters of military concern to the Allies arising out of the settlement of the war with Japan:—

(a) To maintain and make available to the Allied military authorities such of the Siamese naval, land and air forces with their ports, airfields, establishments, equipment, communications, weapons and stores of all kinds as may be specified, and in addition such land buildings and storage as may from time to time be required by the Allied military authorities for the accommodation of troops and stores.

(b) To place at the disposal of the Allied military authorities ports and free traffic facilities in and over Siamese territory, as required.

(c) To provide free of cost all other supplies and services and all Siamese currency that may be required by the Allied military authorities.

(d) To arrange in accordance with the wishes of the Allied military authorities for press and other censorship and control over radio and telecommunication installations or other forms of intercommunications.

(e) Except in any areas which may be placed, by agreement between the Siamese Government and the competent Allied military authority, under the direct administration of that authority, to comply in matters of civil administration with all requests which the competent Allied military authority may make in the pursuance of his task.

(f) To arrange for facilities for the recruitment of local labour and for the utilisation in Siamese territory of industrial and transport enterprises and of means of communication, power stations,

public utility enterprises and other facilities, stocks of fuel and other materials, in accordance with the requirements and instructions of the competent Allied military authority.

(g) To negotiate an agreement granting judicial and other immunities for Allied forces in Siam.

12. To make Siamese merchant vessels, whether in Siamese or foreign waters, subject to the control of the Allies for use as may be required in the general interests of the Allies, for so long as arrangements continue in force for pooling Allied shipping.

13. To agree to the setting up of a military mission, to be appointed by the appropriate military authority to advise on the organisation, training and equipment of the Siamese armed forces.

14. To control banks and business, foreign exchange and foreign commercial and financial transactions as required by the Allies, for so long as may be necessary for the conclusion of all financial and economic matters arising out of the war with Japan.

15. To undertake to prohibit, except in accordance with the directions of the Combined Boards acting on behalf of the Allies or of such similar authority as may replace these Boards, any exports of rice, tin, rubber and teak and to regulate trade in and production of these commodities until, in the opinion of the appropriate organisation which may be set up by the United Nations, the world scarcity in these commodities arising out of the war with Japan no longer exists.

16. (a) To make available free of cost at Bangkok, as quickly as may be compatible with the retention of supplies adequate for Siamese internal needs, one and a half million tons of sound white rice, or, if so agreed by the authorities appointed by the Allies for the purpose, the equivalent quantity of paddy.

(b) Thereafter, for so long as, in the opinion of the Combined Boards or other authority acting on behalf of the Allies, a world shortage of rice continues, to take all possible measures to promote and to maintain the maximum rice production and to make available to an organisation to be set up for the purpose the resulting surpluses in a manner to be indicated by that organisation and at prices to be fixed in agreement with it, having regard to the controlled prices of rice in other Asiatic producing areas.

17. To arrange the withdrawal and redemption in Siamese currency at par, within a time limit to be specified by the Allies, of all holdings in Siamese territory of baht currency issued by the Allied Command or by any of the Allies if it shall have been found necessary for the competent Allied military authority to use any such currency in Siam. If any such currency so used is not denominated in baht, to arrange upon request for its withdrawal and redemption in Siamese

currency within a time limit to be specified by the Allies at such rates of exchange as may be determined by agreement between the Allies and the Siamese Government. All currency so withdrawn by the Siamese Government shall be handed over free of all cost to the Allied Command. Alternatively the Allied Command would accept payment in dollars or sterling at the recognised rate of exchange for currency not denominated in baht.

741.92/9-1045

*The British Minister (Sansom) to the Director of the Office of Far Eastern Affairs (Ballantine)*⁵²

The following is the substance of an oral communication which I made to you yesterday:—⁵³

(1) The Heads of Agreement and its Annex⁵⁴ are linked together by Clause 6 of Section B of the Heads of Agreement and jointly represent the conditions on which H. M. Government are prepared to terminate the state of war with Siam and to recognise the Siamese Government.

(2) The Siamese representatives will be told, when the Heads of Agreement and Annex are communicated to them, that our conditions do not at present cover the question of the territory acquired by Siam from Indo-China in 1941, because it is assumed that this question will be settled separately between Siam and France to the satisfaction of the latter in an Agreement to be negotiated at the same time as our own. But we do not recognise any territorial changes which have been made under duress since the outbreak of the World War, and in view of France's position as our Ally we therefore reserve the right to cover the question of this territory, if necessary, in our own Agreement with Siam and to put forward provisions to that effect at any time during the negotiations.⁵⁵

(3) The comments of the Department of State in their Memorandum of September 1st and those of the U. S. Chiefs of Staff in their Memorandum CCS 906/4⁵⁶ appear to be based on a suspicion that we are seeking to impose military and economic domination over Siam and to continue, for an indefinite period after the state of war with

⁵² Addressed also to the Chief of the Division of Southeast Asian Affairs.

⁵³ Covering memorandum of conversation of September 10 by the Chief of the Division of Southeast Asian Affairs not printed.

⁵⁴ *Supra*.

⁵⁵ In an *aide-mémoire* of August 31, the British Embassy stated that in the draft Heads of Agreement to be presented to the Thais, references to Franco-Thai territorial questions would be excluded as "It is now assumed that these questions will be dealt with in a separate instrument to be negotiated by the French Provisional Government with the Thai Government." (740.00119 P.W./8-3145)

⁵⁶ Latter not found in Department files.

her has been liquidated, such servitudes, restrictions or controls as may be immediately desirable. Such a suspicion would be entirely without foundation and we have sought to remove it in our revised texts by indicating, as far as it is practical to do so in present circumstances, the time limits which we have in mind for the duration of some of the obligations which in their original form the Department of State or the U. S. Chiefs of Staff desire to see limited.

For instance, the purely military facilities specified in the Annex are now requested "for so long as may be necessary for the conclusion of all matters of military concern to the Allies arising out of the settlement of the war against Japan." As we have already indicated, we cannot agree that, so long as our state of war remains unliquidated, the action of the Supreme Allied Commander and the rôle of our forces in Siam should be limited necessarily or solely to matters concerned with the surrender of Japanese forces. But, once the state of war with Siam has been liquidated (by the conclusion of an Agreement based on our Heads of Agreement and its Annex as an integral whole) the situation will be different. We should then see no objection to the question of facilities for Allied troops in Siam being linked to the conclusion of all matters of military concern to the Allies arising out of the settlement of the war in Japan, including in particular the removal of all Japanese forces from Siam. This is of course without prejudice to any action which the United Nations organisation might see fit to take, either after the admission of Siam to membership in the United Nations or before such admission in virtue of Clause 2 of Section C of the Heads of Agreement.

G[EORGE] B. S[ANSOM]

[WASHINGTON,] 11/IX/45.

741.92/9-1945

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Government of the United States has studied carefully the *aide-mémoire* from the British Embassy dated September 8, 1945 relating to Siam and the revised Text of Heads of Agreement with Military Annex presented to the Department of State on September 10.

The expression by the British Government of its desire to go as far as possible to meet the views of this Government is appreciated. This Government has approached its consideration of the proposed agreements in similar spirit and with a desire to avoid embarrassing the British Government or any of its allies which are at war with Siam. This has already been demonstrated by the withdrawal last month, at

the urgent request of the British Government, of this Government's resolution to extend the scope of UNRRA operations to include Siam.⁵⁷

Siamese Rice

This Government welcomes the acceptance in principle by the British Government of the principles of the tripartite agreement relating to Siamese rice which it proposed. It concurs in the change suggested by the British Government that export duties on Siamese rice should be limited, without the consent of the Rice Commission, to those in force on December 7, 1941 instead of August 15, 1945, as set forth in the American proposal. It agrees also that the prices to be paid for rice should be fixed by the Siamese Government in agreement with the Rice Commission having regard to the controlled prices of rice in other Asiatic producing areas. The meaning of the suggestion that the operations of the Rice Commission be under British direction is not clear, but it is assumed that it is intended by this suggestion that at least the senior personnel engaged in the execution of operations approved by the Rice Commission be British. This Government has no objection to the suggestion as so understood, and, indeed, it would be agreeable to having the chairmanship of the Rice Commission British and most of the operational personnel British, it being understood, of course, that all decisions of the Rice Commission governing such operations would be by agreement between the British and American representation on the Commission.

With regard to the Rice Commission, this Government has recognized the need for combined Anglo-American dealing with Siamese rice because of the urgency of the problem. It does not wish to be understood as opposing future representation on the Commission of other major rice importing or exporting countries should circumstances arise indicating the desirability of adding such representation to the Commission.

The United States Government regrets the decision of the British Government to require a levy on Siamese rice unless the Siamese make a voluntary gift of rice to the United Nations. This Government also has been informed that the Siamese are considering such a gift, but it has no information as to the contemplated procedure by which such gift would be made. The most desirable procedure would appear to be a gift to the United Nations Relief and Rehabilitation Administration. This Government believes that there would be serious administrative and political difficulties if the allocation of a free contribution of Siamese rice had to be made by the Combined Food

⁵⁷ Withdrawal was directed by the Department in telegram 6533, August 4, 2 p. m., to London, which read: "Reurtel 7860 of August 4. Dept favors alternative (B)." (840.50 UNRRA/8-445) For telegram 7860, August 4, 1 p. m., from London, see vol. II, p. 1003.

Board, as every rice-importing nation might wish a share regardless of practical considerations.

If a free contribution is not made by the Siamese Government and if the British Government adheres to its decision to require a levy on Siamese rice, this Government believes that that is a matter for British-Siamese determination and should not be part of any agreement entered into on behalf of or for the benefit of the Allies. This Government is unable to concur in the suggestion that discharge of such a levy should precede the application of the principles proposed in the tripartite agreement and that such agreement should apply only to further production and exports of rice. It believes that the United States and other countries not at war with Siam should be able to purchase, from rice stocks presently available in Siam as well as those hereafter available, the amounts of rice allocated to them by the Combined Food Board at the same time that the British procure the amounts allocated to them by the Combined Food Board. If the British Government insists upon a levy on Siamese rice some British-Siamese arrangement might be made bilaterally whereby rice allocated from time to time by the Combined Food Board for British use could be procured by the British free of charge until the total agreed amount of the levy had been so allocated and procured. By this procedure, the interests of the nations not participating in such levy as well as the interests of the British Government would be fully protected.

With regard to the amounts of rice stocks now available in Siam, this Government has already communicated informally to the British Embassy an estimate which it has received, made on August 2, 1945 by the Siamese authorities in Bangkok, that the amount of rice available for export from the 1944 crop will be about 780,000 metric tons and that the coming crop will probably yield, because of early rains and a drastic reduction in tilled acreage, an export surplus of only 510,000 metric tons. This Government had received earlier an estimate from the Siamese Minister in Washington that stocks on hand totalled about 1,500,000 tons, but it was never able to secure verification of this estimate which it believes may have been based on prewar exports.

This Government welcomes the prompt action which the British Government is taking for the immediate collection, bagging, transport and shipment of Siamese rice as indicated in Paragraph 19 of the Embassy's *aide-mémoire* of September 8. It is assumed that such shipments will be in accordance with Combined Food Board allocations and any questions of prices or of procurement without charge will be settled later in accordance with agreements made by the Siamese with the proposed Rice Commission and any British-Siamese

agreement relating to free rice. This Government would appreciate receiving information on matters affecting Siamese rice obtained by any British rice personnel who may enter Siam before American rice personnel.

It would appear that the British and American Governments are in agreement on the principle that the control of Siamese rice and certain other exports should continue during the immediate emergency period that these commodities are in short supply. This Government, however, attaches much importance to the specifying of a date when an agreement of the nature contemplated would expire, with such provision as seems advisable for the renewal of the agreement for a specific period or for its prior termination upon a clearly determinable event. This Government assumes that the acceptance in principle by the British Government of the principles of the suggested tripartite agreement includes the provisions for its termination and renewal as set forth in Paragraphs 10 and 11 of the Annex to the Department's *aide-mémoire* of September 1.

It is understood that the provisions of Clauses 15 and 16(b) of the Military Annex are not intended for inclusion in an agreement to be negotiated by the Supreme Allied Commander, but are intended to summarize in succinct form the basic principles to be included in the proposed tripartite agreement. To avoid possible confusion and ambiguity, it is hoped that Clauses 15 and 16(b) of the Military Annex will be amended so as to conform, in respect to duration and termination, to the provisions of Paragraphs 10 and 11 of the principles of the proposed tripartite agreement.

This Government considers that the references in Clauses 15 and 16(b): "an appropriate organization which may be set up by the United Nations", "such similar authority as may replace these Boards", and "other authority acting on behalf of the Allies", are also not sufficiently definite. It would urge that any such references should be to "any successor body [to the Combined Board]⁵⁸ determined by the United States and Great Britain".

It is noted that there has been added to Clause 15 the phrase "to regulate trade in and production of these commodities", which phrase did not appear in Clause 22 of the Text of the Military Agreement originally communicated to the Department on August 20. This Government would have no objection to the phrase if amended by the insertion of the word "stimulate" before the word "production". Any connotation of limitation on production implicit in the word "regulate" would thus be avoided, and the phrase would more accurately reflect the objectives sought.

⁵⁸ Brackets appear in the original *aide-mémoire*.

If the foregoing suggestions are approved by the British Government, this Government will be glad to agree that the principle of combined instead of competitive action in the stimulation of production and export of rice from Siam during the period of the proposed tripartite agreement be accepted from the outset.

Military Annex

This Government understands that those clauses included in the Military Annex which are of Allied military or quasi-military concern will be included in a military agreement to be concluded by the Supreme Allied Commander, South East Asia Command, with the Siamese Military Mission acting on behalf of the Siamese Government; while those clauses not of such military or quasi-military concern will be covered by other agreements such as the proposed tripartite agreement relating to rice and Combined Board allocations.

It is assumed that it would be proposed to include Clauses 1 through 14 and Clause 17 in the military agreement. This Government welcomes the changes which have been made by the British Government in the revision of those clauses. There are still, however, a few points on which this Government hopes that a closer reconciliation of views can be achieved.

Clause 4. This Government has taken note of the British viewpoint that Siam must make compensation for all losses or damages sustained by British property, rights and interests regardless of whether the Siamese Government or the Japanese were responsible therefor. This Government has expressed its view that it would not be just to require Siam to pay compensation for Japanese looting or other damage, especially prior to the Siamese declaration of war, because the only Siamese responsibility for such loss or damage was their yielding after several hours of resistance to overwhelming Japanese armed aggression. It hopes that the British Government may yet accept that view.

It recognizes, however, that insofar as British interests are concerned the matter of compensation to be paid by Siam is a matter for British-Siamese determination. In the text of Heads of Agreement that point is fully covered on behalf of British interests. In Clause 4 of the Military Annex identical language is used applicable to all Allied property, rights and interests. By its terms the United States would thus be included. This Government believes that even though the British Government may desire to retain intact Clause 3 of the Text of Heads of Agreement, Clause 4 of the Military Annex should be amended by adding the words: "for which Siam might be deemed responsible." This Government does not believe that the requirement that Siam pay compensation for all losses or damage sustained should be included in the military agreement. Clause 4, if amended as re-

quested, would meet the minimum requirements on which all are agreed and permit the countries concerned to negotiate by separate agreement (as the British Government proposes to do in the Heads of Agreement) for additional compensation if they desire to do so.

Clause 11. This Government would prefer to see the provisions of Clause 11 limited in their application to matters of military concern to the Allies arising out of the settlement of the war with Japan. It is understood, however, that the British Government attaches considerable importance to not expressly so limiting the application of that clause and it does not desire to embarrass the British Government by pressing for an amendment. This Government understands that when the state of war has been liquidated by the conclusion of an agreement based on the Heads of Agreement and its Military Annex as a whole, it would be the intention of the British Government to limit the application of Clause 11 to such matters. Under the circumstances, this Government does not request an amendment of Clause 11 but it expresses the hope that the Supreme Allied Commander will in actual practice limit its application to matters of military concern arising from the settlement of the war with Japan.

Clause 13. This Government would not be willing to have Clause 13 included in an Allied military agreement, and would prefer to see its omission from the Military Annex believing that the question of a military mission is a matter to be raised by the Siamese with the Government or Governments whose advice the Siamese desire.

Clause 14. This Government would also be unwilling to have Clause 14 as now stated included in an Allied military agreement. It would not object to the inclusion of the first part of the clause (through the word "Allies") if inserted as a subparagraph of Clause 11 and if subject to the same understanding which this Government has with reference to Clause 11. It could not be associated, however, with controls over the Siamese economy which were not related to matters of military concern to the Allies in the settlement of the war with Japan or not embodied in the principles of the proposed tripartite agreement relating to rice and Combined Board allocations as set forth in the Annex to the Department's *aide-mémoire* of September 1 and as modified by this *aide-mémoire*.

Clauses 15, 16(a) and 16(b). As stated in the discussion on Siamese rice, this Government assumes that it is not intended to include the points covered by Clauses 15, 16(a) and 16(b) in any military agreement to be negotiated by the Supreme Allied Commander. It hopes, however, that those clauses will be changed as indicated in that discussion before their final inclusion in the Military Annex.

Heads of Political Agreement

This Government welcomes confirmation of its understanding as to the use of the term "Siamese Liberation Government" in the text of Heads of Agreement communicated to the Department on August 20.

It also welcomes the change of language which has been made to clarify the intent of Clause 5 of Section D with regard to tin and rubber.

Section E was not communicated to this Government until after the Department's *aide-mémoire* of September 1 had been prepared and was therefore not considered in its comments in that *aide-mémoire*. That section has now been examined and this Government has no comments to offer thereon.

It regrets that its study of Section C relating to postwar strategic cooperation is not yet concluded but it hopes to communicate its views on that section within a very few days.

Its views with regard to the requirement that Siam pay compensation for all losses or damage sustained by British property, interests or rights have been set forth in the discussion of the Military Annex.

This Government has, therefore, only one matter in the Heads of Agreement on which it desires here to comment. It welcomes the assurance by the British Government that Clauses 2, 3 and 4 of Paragraph D of the revised Heads of Agreement are not intended to preclude the granting of equally favorable treatment to nationals of any or all United Nations. This Government does not feel, however, that that assurance clarifies the intent of the British Government on the basic question raised in the Department's *aide-mémoire* of September 1. The British Government has given repeated assurance that it desires Siam to resume her place in the community of nations on the basis of full equality with other sovereign and independent states. This Government would, of course, have no objection to the British Government seeking from Siam national and most favored nation treatment on a basis of mutuality; but the language of Clause 4 could be interpreted to prevent the Siamese Government without the consent of the British Government from establishing any monopolistic industrial, commercial or economic enterprise, whether publicly or privately owned; or from reserving ownership of certain industrial, commercial or economic enterprises to Siamese nationals; or from reserving certain economic or professional pursuits to Siamese nationals. Any such unilateral limitation in the opinion of this Government would deprive Siam of full equality with other sovereign and independent states. This Government did not intend to imply in the Department's *aide-mémoire* of Septem-

ber 1 that representations against unreasonable restraints on participation in Siamese economy and trade might be made by the British Government during a period when it did not have diplomatic relations with Siam. It did mean to object to such an infringement of Siamese sovereignty, as the language of Clause 4 might be construed to imply, and to offer to join with the British Government, after Siamese sovereignty and independence is reestablished and diplomatic relations resumed, in opposing any action which the Siamese might take along the lines suggested unreasonably restricting participation by United Nations nationals in Siamese economy and trade.

This Government again urges the British Government to give assurance that by Clauses 2, 3 and 4 of Section D it does not intend to seek unilateral control, insofar as British interests are concerned, over the power of the Siamese Government in the exercise of a sovereign right to determine conditions relating to Siamese economy and trade.

Recognition of Siamese Government

In the Department's *aide-mémoire* of June 25 there were set forth the conditions on which this Government proposed to recognize the Siamese Government. Under conditions as they now exist this Government would expect to resume diplomatic relations with the Siamese Government at Bangkok when that Government has abrogated the treaties and agreements entered into by the Pibul government with the Japanese. It believes that such abrogation will take place shortly.

It would like to have a diplomatic representative in Bangkok as soon thereafter as possible, but it would not wish to take action which might cause any embarrassment to the British Government. It would not feel justified in delaying resumption of diplomatic relations for any considerable period, but if the British Government contemplates that its negotiations will be completed and that it will resume diplomatic relations with Siam in the near future, it would be willing if desired by the British Government to defer action on its part for a reasonable period of time so that resumption of diplomatic relations with Siam can take place concurrently.

On resumption of diplomatic relations, this Government proposes to assign a Chargé d'affaires ad interim pending the arrival of a Minister, which might be deferred for several weeks. If concurrent recognition takes place as suggested, it is believed that it would be desirable that the first diplomatic representatives of the two Governments have equal status and this Government hopes that such suggestion would be agreeable to the British Government.

WASHINGTON, September 19, 1945.

740.00119 PW/9-2145: Telegram

*The Acting Secretary of State to the Commissioner in India
(Merrell)*⁵⁹

WASHINGTON, September 21, 1945—6 p. m.

733. Deptel 673, Sep 6. For Yost.⁶⁰ Dept would have preferred Brit and French negotiations with Siamese political mission not held at Kandy whether at SEAC headquarters or otherwise (Wartel Crax 28172 Wheeler, Sep 16 and Wartel Tst 504 Oakes, Sep 17⁶¹) but under all circumstances does not consider further protest desirable.

In view of Siamese negotiations Dept considers that if agreeable to Wheeler it would be helpful to have Yost at Kandy.

Yost authorized in his discretion to inform Siamese political mission that because acquired with Japanese suasion after Japanese aggression commenced, US does not recognize validity of 1941 transfer Indochinese territories to Siam and considers territories must be restored. US position is not to be considered as supporting or opposing merits of pre-1941 border and is without prejudice to subsequent border readjustments or territorial transfers by peaceful, orderly processes.

Proposed French terms not known here and should be ascertained as soon as possible. US would not object to reasonable provisions no more onerous than Brit Heads of Agreement without Military Annex if modified as US has requested. US would oppose more onerous terms and understands Brit will not support French negotiations except with regard restoration Indochinese territories. Brit have furnished French with Brit Heads of Agreement but not, it is believed, Military Annex.

Embassy London reported Sep 8⁶² that Sterndale Bennett, head Far East Division FonOff, believes Indochinese territorial *status quo ante* should first be restored and after passions cool fresh start might be commenced. Brit would have no great objection, he implied, if Siamese inserted some phrase that agreement for return of territories was not prejudicial to subsequent negotiations on Indochinese boundary problems.

Sent to New Delhi for Yost. Repeated to Colombo for Yost.

ACHESON

⁵⁹ Repeated to Colombo as telegram 104.

⁶⁰ Charles W. Yost on September 12 was designated Chargé d'Affaires at Bangkok and given temporary assignment as Political Adviser to the Commanding General of United States Army Forces in the India-Burma Theater. Yost was in New Delhi at this time, en route to his post at Bangkok.

⁶¹ Neither found in Department files.

⁶² In telegram 9224, p. 1315.

741.92/9-2445: Telegram

The Political Adviser in the India-Burma Theater (Yost) to the Secretary of State

KANDY, 24 September, 1945—11:16 a. m.

[Received 24 September.]

558. [For Moffat:] General Timberman⁶³ and I met with Dening this morning. He states that he has explicit instructions from Foreign Office to present to Thai delegation immediately upon their arrival this afternoon (24 Sept local time) the draft agreement with military annex in form submitted to Dept by British Sept 10. He will then give Thais 24 hours to study draft. If they object to certain points he will submit these objections to London by cable for approval or disapproval. He expects London would reply to cable within day or so and that Thais would then be asked to sign agreement as finally cleared by London.

2. Dening stated he had absolutely no authority from London to negotiate with U.S. concerning terms of agreement and therefore was unable even to discuss with me points raised in Dept's No. 105 September 21 to Colombo.⁶⁴ He said he understood Anglo-American conversations on the subject are still proceeding in Washington and that if British accept any of U.S. points before agreement is signed appropriate changes could be made in draft. He emphasized, however, that he is under strict instructions to proceed with immediate negotiation and conclusion of agreement with Thais without reference to course of Anglo-American conversations.

3. I stated it seemed to me that a serious misunderstanding had occurred between London and Washington since we had believed we had received assurances from British Gov at time of signature of Interim Military Agreement that no further agreement would be signed with Thais until Anglo-American views had been reconciled between State Dept and Foreign Office. (See Dept's 96 Sept 8 to Colombo.⁶⁵) I added that the whole point of the negotiations which had been proceeding between Dept and British Embassy in Washington would seem to be negated by apparent British decision to proceed with conclusion of agreement with the Thais within the next few days without regard to course of Anglo-American conversations.

4. Dening stated that the assurances to which I referred related only to agreement with the Thais by SACSEA in the name of the Allies

⁶³ Brig. Gen. Thomas S. Timberman, Head of the Liaison Staff of the Commanding General of United States Army Forces in the India-Burma Theater.

⁶⁴ Not printed. This telegram was sent to London, Chungking, New Delhi, and Colombo with a summary of the British Embassy *aide-memoire* of September 8, the texts of the Heads of Agreement and Military Annex handed by the British Embassy to the Department on September 10, and the Department's *aide-memoire* of September 19, pp. 1309, 1316, 1319, 1323, respectively.

⁶⁵ Not printed.

and did not cover agreements negotiated between HMG and Thais. He said he understood Dept had stated it had no intention of questioning right of HMG to conclude separate agreement with Siam.

5. I replied that this is of course the case but that basis of the misunderstanding seemed to me to be British assumption that since such agreement was removed from sphere of SACSEA there was no longer an American interest involved. I pointed out that, regardless of the machinery employed, U.S. had definite interest in (1) settlements arising out of a war in which we had played a major role and (2) maintenance of sovereignty of Siam whose position as only independent nation in SEA gave it a unique importance throughout area. I added that our failure to declare war on Siam could hardly be taken as a basis for assuming that we had no interest in an overall settlement with Siam of the character contemplated by HMG.

6. In conclusion I referred to fact that British had informed Thais that the draft agreement had been transmitted to U.S. Gov and expressed view that, if we remain silent, the Thais may well believe, especially in view of long Anglo-American association in SEAC, that draft has our approval. I said that, if HMG proceeded to the conclusion of the agreement without further reference to U.S. views, I personally felt that we would be obliged in our own interest to state to Thais facts of case, that is, that while we found most of the draft reasonable and satisfactory there are several points with which we do not agree and which we are discussing with the British. Denning replied that HMG would be displeased with such a step as it would retard their negotiations.

7. The conversation was friendly but could lead to no result in view of Denning's binding instructions from London. It appears to me that our only alternatives are either (1) to abandon our objectives and let the agreement be signed as is or (2) to ask London urgently to instruct Denning not to conclude the negotiations until Anglo-American views have been reconciled. I should recommend the latter course. In the meantime I should greatly appreciate receiving instructions as to (1) whether there is any further step which the Dept desires me to take here with the British and (2) whether I am authorized, in case the British proceed to the immediate conclusion of the agreement as it stands, to make to the Thais a statement of the U.S. position along the lines suggested in para 7 [6?] above. I am keeping in close touch with Denning and also shall be in contact with the Thai delegation.

8. I hope to obtain shortly the necessary information to reply Dept's 104 Sept 21 to Colombo.⁶⁶

[Yost]

⁶⁶ See footnote 59, p. 1331.

741.92/9-2545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 25, 1945—1 p. m.

8416. Yost, US political adviser General Wheeler, SEAC, was informed by Dening at Kandy Sep 24 that Dening was to present revised Text of Heads of Agreement with Military Annex to Siamese delegation that afternoon, planning to give Siamese 24 hours to study draft and then telegraph any objections to London for approval or disapproval. Yost requested delay in concluding agreement until reconciliation current Anglo-American discussions but Dening stated instructions forbade delay. Yost pointed out US interested in all final settlements arising out of war and especially interested Siam as only independent nation SEA, and added that as Brit had informed Siamese that Brit had transmitted text of Agreement to US, if US remains silent Siamese will assume that US approves agreement.

Dept promptly on Sep 24 informed Brit Embassy of foregoing and expressed urgent hope that FonOff would immediately instruct Dening to delay conclusion of agreement. In view of Brit informing Siamese that US had been furnished text of agreement, Yost has been authorized to inform Siamese of US views if Dening proceeds to immediate conclusion of agreement in present form.⁶⁷ Brit Embassy so informed.⁶⁸

Please discuss with FonOff urging need for delay and deprecating unilateral action during Anglo-American consultations in one of final settlements from war in which US played major role. Views apparently nearly reconciled and US considers Anglo-American unity important. US has scrupulously refrained unilateral action relating Siam or embarrassment of Brit and anticipates reciprocal treatment.

ACHESON

741.93/9-2545

Memorandum of Conversation, by the Chief of the Division of Southeast Asian Affairs (Moffat)

[WASHINGTON,] September 25, 1945.

Mr. Everson called to say that the Embassy had received a telegram from Dening reviewing his conversation with Yost on the British Heads of Agreement to be presented to the Siamese and stating that Dening had understood Yost to claim that the Anglo-American dis-

⁶⁷ The Department message was sent to the OSS on September 24 for transmittal to Mr. Yost and was transmitted by the OSS as No. 1024, September 25.

⁶⁸ See *infra*.

cussions had been transferred to Kandy. I stated that I thought this was entirely a misunderstanding as obviously the consultations were continuing between the Department and the Embassy and that it may have arisen from the explanation of the American views which Yost desired to give Dening in support of his request that Dening delay concluding the agreement.

Mr. Everson then said, speaking without instructions, that he thought it would be unfortunate if the United States injected itself as a third party into a British-Siamese discussion by authorizing Yost to tell the Siamese the United States views on the agreement. I stated that Yost had been authorized to do so because we had been brought into the picture by Dening's statement to the Siamese that the text of the proposed agreement had been furnished us and because, with the long record of Anglo-American Allied action and cooperation in Southeast Asia, our silence thereon could be construed by the Siamese only as approval of the agreement. I explained that at no time had we ever said anything to the Siamese about any of the proposed agreements, military or political, or about the Anglo-American discussions.

I remarked that for months we had been endeavoring to secure unity of Anglo-American policies toward Siam and to reconcile conflicting views and that in the middle of our discussions on the proposed military agreement a 48-hour ultimatum had unilaterally been presented to the Siamese without even the terms being shown our military representative although they were Allied terms. I said that that situation was straightened out; but just when a reconciliation of views seemed very imminent we have been confronted again with hasty unilateral British action and as we were implicated in this agreement by the British themselves, we have had to act to protect our position. It seemed immaterial to me that Siamese acceptance of the Heads of Agreement would be followed by a formal agreement in which modifications to meet United States views might be made, because we had no assurance that our views would so be met and because acceptance by the Siamese of the Heads of Agreement might militate against such modifications.

I also pointed out that we were not concerned with the purely British-Siamese aspects of the settlement of the state of war; and after stating our views on those aspects, we had indicated our non-concern therewith; but that we had a deep interest in the long-range economic and security aspects of the proposed agreement and were concerned therewith.

A[BBOT] L[OW] M[OFFAT]

892.01/9-2545 : Telegram

The Consul at Colombo (Oakes) to the Secretary of State

COLOMBO, September 25, 1945—9 a. m.

[Received 7:50 p. m.]

219. From Yost. Reference my September 24 thru War Department. Suni of Thai Delegation called on me September 24. He stated Thais had not yet seen British draft agreement but are meeting with Dening September 25. He inquired whether we had in fact seen draft and whether we considered any part objectionable. I limited myself to stating that we had received draft but are still studying and discussing it with British.

Suni said Delegation had full power to negotiate but could not conclude agreement without referring to Bangkok. He expressed especial apprehension at long term economic controls which he feared British might attempt to impose. He felt that strategic arrangements were for negotiation with United Nations Organization rather than with British alone. He said that he was instructed to keep in close touch with me throughout negotiations.

He said British had indicated Thais would also be expected to negotiate agreement with French at Kandy but Thais did not consider they had been at war with France and saw no reason to negotiate with French agreement analogous to that with British.

In regard to Siam-Indochina frontier, Suni expressed view that, the transfer of territory having been freely negotiated with recognized French Government of the day, Siam is justified in holding its gains. I took the opportunity to state the view set forth in third paragraph of Department's 104, September 21 to Colombo.⁶⁹

Suni stated that his Government is extremely eager to see the prompt reopening of Thais [*United States?*] Legation in Bangkok and added that the Pibul treaties with Japan had now been definitively abrogated.⁷⁰ [Yost.]

OAKES

741.92/9-2645

The Department of State to the British Embassy

AIDE-MÉMOIRE

In its *aide-mémoire* of September 19 commenting on the revised Text of Heads of Agreement with Military Annex presented to the Department of State on September 10, the Department stated that it

⁶⁹ See footnote 59, p. 1331.

⁷⁰ See telegram 8698, October 2, 5 p. m., to London, p. 1348.

hoped to communicate within a few days its views on Section C relating to measures for postwar strategic cooperation.

This Government has considered carefully the three clauses included in that section and the message clarifying the intent of Clause 1 which was communicated to the Department on September 18.⁷¹

This Government has no comment to offer on Clause 2 or Clause 3 of Section C.

It would urge, however, that Clause 1 be substantially modified. It does not consider that acceptance of Clause 1 by the Siamese is necessary in order to make easier the negotiation of a regional scheme of defense in the world organization for the areas specified and it is concerned lest the clause as now stated might later be construed as an advance commitment by the Siamese for measures of a military or strategic nature to which this Government might have serious objection.

Furthermore, Clause 1 does not accord with the statement in Mr. Eden's letter of November 22, 1944⁷² that the British Government considered it a matter of ordinary prudence to stipulate as a condition to the restoration of Siamese sovereignty and independence that the Siamese "should accept such special arrangements for security or economic collaboration as may be judged necessary to the functioning of the postwar international system".

Although this Government has expressed the view that it would not be desirable to make acceptance of such arrangements a condition to the restoration of Siamese sovereignty and independence, in view of the interest of the British Government in the matter and inasmuch as this Government is in accord with the basic objectives stated by Mr. Eden, it would not object to the inclusion in the Heads of Agreement of a clause requiring Siamese cooperation in international security arrangements under a United Nations Organization.

It would request, therefore, that the British Government amend Clause 1 to accord with Mr. Eden's statement so that it may read in substance as follows: "Agree to collaborate fully in all pertinent international security arrangements approved by the United Nations Organization or its Security Council and especially such international

⁷¹ On this date, Mr. Everson made the following statement in a telephone call to the Chief of the Division of Southeast Asian Affairs: "The object of the clause is to render it easier to negotiate a regional scheme of defense in the world organization by warning the Siamese that they will in the future be expected to play their part in defense schemes for the areas specified." This statement was made part of a memorandum of September 19 by the Chief of the Division of Southeast Asian Affairs to Raymond E. Cox of the State-War-Navy Coordinating Committee, not printed (Records of the State-War-Navy Coordinating Committee, Lot 52-M45, Series 5).

⁷² See airgram A-1404, November 24, 1944, from London, *Foreign Relations*, 1944, vol. v, p. 1319.

security arrangements as may relate to the countries of southeastern Asia, the Indian Ocean and the Southwest Pacific areas”.

This Government believes that by consultation and by scrupulous respect for the position and interest of the other with relation to Siam a reconciliation of British and American views with regard to that country has been nearly achieved. It hopes that this co-operative approach will be continued so that there may be complete Anglo-American community of views in relation to Siam.

It would appear that there are only two points in relation to the Heads of Agreement in which the United States and British Governments are not yet fully in accord:

(1) Clause 1 of Section C. The United States Government believes that that clause should be amended so as to provide expressly for Siamese collaboration in pertinent international security arrangements within the international security framework.

(2) Clause 4 of Section D. In its present form this Government believes that that clause might be construed to limit legitimate Siamese restrictions relating to Siamese economy and trade and so infringe on Siamese sovereignty and independence contrary to the American position and to the assurances given this Government by the British Government.

With regard to the Military Annex there are only five points on which a community of views has not been achieved:

(1) Clause 4 relating to payment by Siam of compensation for losses or damage sustained by Allied property. The United States believes that the requirement should not exceed that upon which both the British and American Governments are agreed, the question of additional compensation, if any, being left for separate negotiation by the countries involved.

(2) Clause 13 relating to a military mission to Siam. The United States would not wish to have provision for such a military mission included in an Allied military agreement and it would prefer to see the clause omitted from the Military Annex and treated as a matter for Siamese initiative.

(3) Clause 14 for temporary Allied economic controls. The United States believes that the provisions of this clause should be limited to the same duration and understanding as the proposed temporary military controls specified in Clause 11.

(4) Clauses 15 and 16(b) relating to Combined Board controls and the production and export of Siamese rice. The United States believes that these clauses should be amended so that they may conform more accurately to the principles of the tripartite agreement proposed by the United States which, in principle, the British Government has approved.

(5) Clause 16(a) providing for a levy on Siamese rice. The United States strongly disapproves such a levy, but considers that if the British insist thereon, such a levy should be a matter for separate British-Siamese agreement with no reference to the Allies or impli-

cation that the Allies as such are concerned therewith, and that such a levy should not interfere with procurement in accordance with Combined Board allocations of Siamese rice, whether stocks on hand or future production, by the United States and other countries not concerned with such a levy.

WASHINGTON, September 26, 1945.

Records of the Bangkok Legation,
Lot F167, 800 Political Affairs: Telegram

*The Political Adviser in the India-Burma Theater (Yost) to the
Secretary of State*

[KANDY,] 26 September, 1945.

575. Reference Dept's 1024 Sept 25 through OSS.⁷³ Greatly appreciate Dept's prompt reply to my 558. Effect has been at least to slow up tempo here. Dening did not meet with Thais until Sept 25 and at that time, contrary to his original intention as stated to me, did not lay down any 24-hour or other time limit within which he expected Thais to comment on draft.

Thais are now studying draft and have also referred it to Bangkok. Their primary concern is with military annex and fact that no time limit is specified for wide powers conferred on "Allied Military Authorities". They also fear that paragraphs 15 and 16 of agreement may develop into more or less permanent control of their export trade. They will give me further reactions in day or so.

Suni is persistently attempting to learn from me which, if any, clauses of agreement US finds objectionable in order that, as he says, Thais may concert their policy with ours. In the hope that there may be further reconciliation of US and British views within next few days, I have continued to reply merely that my Government is studying draft and discussing it with British. The Dept may wish, however, should it develop that British are adamant on any point we consider vital, to instruct me immediately to advise Thais of our views on that point. It should be kept in mind of course that such advice from us might well cause Thais to refuse to accept point in question and thus result in impasse in negotiations.

French have Foreign Office Delegation in Kandy to negotiate agreement with Siam but negotiations have not yet begun. Dening tells me French draft follows British very closely, though containing one or two additional clauses of petty but irritating nature. I hope to see French representatives today and will report fully.

Yost

⁷³ See footnote 67, p. 1334.

741.92/9-2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 26, 1945—7 p. m.

[Received September 26—6:15 p. m.]

9988. We have just seen Sterndale Bennett regarding Depts 8416, September 25, and he tells us British Embassy Washington has been instructed to make clear to Dept that Denning was not told to give Siamese only 24 hours before having them sign agreement. Heads of Agreement and Military Annex are according to Sterndale Bennett basis upon which formal agreement will later be signed. Foreign Office is now studying latest memorandum from Dept and before final agreement is signed it may be possible to revise certain items to bring them more in line with United States ideas. Bennett said there was considerable misunderstanding over scope of Military Annex, that it might be signed as one agreement or be split up into series of agreements, but that there was no thought of implicating United States in any of its provisions. The Heads of Agreement on the other hand he said contain a purely British-Siamese agreement for winding up the state of war between the two nations. Bennett made it clear that on this the British were not "consulting" the United States as we were not at war with Siam but because of the strong British desire for Anglo-American understanding on Asiatic questions Foreign Office was informing us in advance of British terms and was pleased to receive any comments. He pointed out that British have made considerable modifications to meet United States viewpoint and might make more before final formal agreement is signed but that probably on some points "we would have to agree to disagree".

WINANT

741.92/9-2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 27, 1945—6 p. m.

8550. Urtel 9988 Sep 26. Dept appreciates assurance by Sterndale Bennett that there was no intention implicate US in Brit-Siamese agreement and that further modifications to meet US views under consideration. Brit Embassy informed Dept Sep 26 that Denning himself notified Siamese that US had some objections to agreement. This eliminated Dept concern that Siamese would believe US supported agreement. US has no desire to interfere in bilateral Brit-Siamese negotiations. Yost has said nothing which might prejudice negotia-

tions and Dept has expressly instructed him ⁷⁴ not to convey to Siamese US views on any points or details of agreement or military annex.

Please inform Bennett of foregoing. At same time it might be well to explain that on short term conditions to settlement of war US after offering its views expressly recognized that those conditions were of Brit-Siamese concern only; but that proposed agreement is one of final war settlements and US is concerned in long range aspects of agreement such as Clause 1 of Section C and Clause 4 of Section D. For your information Dept is especially anxious that Brit meet US views on latter clause.

ACHESON

Records of the Bangkok Legation,
Lot F187, 800 Political Affairs: Telegram

The Political Adviser in the India-Burma Theater (Yost) to the Secretary of State

[KANDY,] 28 September, 1945.

587. Following are recent developments in Anglo-Thai negotiations. Thai Delegation has completed study British draft and, though final instructions not yet received from Bangkok, will probably present comments to Dening today. Following are principal points in British draft on which Thais raise questions:

A3. Thais do not wish to repudiate agreement with Japs by which latter agreed repay credits extended to them by Thais.

C1. Thais, while eager to participate in United Nations security arrangements, are puzzled concerning intent this paragraph.

C3. Thais argue this should be matter United Nations rather than purely Anglo-Thai concern.

D1. Thais do not understand reference to "good neighborly policy in regard to coastal shipping" since normal international practice reserves coastal shipping to domestic carriers.

D5. Thais fear 1937 agreement may not be in all respects compatible with Chicago agreements ⁷⁵ to which Seni subscribed.

E2b and E3. Thais fearful broad implications these clauses.

Military Annex 4. Thais willing to compensate but wish establishment Allied Commission to assess all allied damages and determine Thai capacity to pay.

11. Thais wish to limit duration these powers to period required to disarm and intern Japs.

11d. Thais wish to limit censorship to prevention anti-allied propaganda.

⁷⁴ Telegram 111, September 27, 6 p. m., to Colombo, not printed.

⁷⁵ International Air Services Transit Agreement and International Air Transport Agreement, both opened for signature December 7, 1944; for texts, see Department of State Executive Agreement Series Nos. 487 and 488, or 59 Stat. (pt. 2) 1693 and 1701, respectively. For documentation on discussions regarding international civil aviation at Chicago, see *Foreign Relations*, 1944, vol. II, pp. 355 ff.

11e. Thais wish to state merely they will cooperate in matters of civil administration with allied military authority.

13. Thais believe this paragraph should be in body of agreement rather than Military Annex and should be tied in to United Nations security arrangements.

14. Thais object to vagueness purpose and duration this paragraph.

15. Thais fear complete and prolonged Allied control their export trade.

16a. Thais willing to make gift rice to Allies or Britain on behalf Allies but offer presently limited 20,000 tons monthly for one year.

As Dept will note Thais in far more confident frame of mind than when Regent so promptly accepted original agreement number 2. Whether confidence will evaporate if British begin pounding table remains to be seen.

Suni continues urge daily that US inform Thais its attitude toward various clauses of draft as Thais do not wish approve any clause to which US objects. Suni also fears sudden British demand to sign before Thais have been notified US attitude. I have informed Suni that since this is British draft I presume my Government will wish to present first to British any comments it may have and that, only if British decline to recognize a point US considers vital to its interests, will we wish to make representations to Thais.

Since Dening will presumably today or tomorrow submit Thai comments to London for approval or disapproval, believe Dept would be well advised to obtain at earliest possible moment final British decision US *aide-mémoire* Sept 19.

YOST

741.92/9-2945

*The British Embassy to the Department of State*⁷⁶

AIDE-MÉMOIRE

In accordance with the intention expressed in paragraph 28 of His Majesty's Embassy's *Aide-Mémoire* of September 8th His Majesty's Government instructed Mr. Dening on September 10th to arrange for a Siamese Mission to visit Kandy and to present to the Head of the Mission on his arrival the Heads of Agreement and Annex. Action on these instructions is now proceeding. His Maj-

⁷⁶ Handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on September 29. In a memorandum of conversation of that date, Mr. Moffat stated that Mr. Everson "informed me that he was instructed to state that with regard to Clause 12 of the Military Annex it was intended that all Siamese shipping should be controlled by U[nited] M[aritime] A[uthority] which would apply the usual principles, and that no reallocation was contemplated of vital Siamese river or coastal vessels. He also stated that in Clause 17 the British agreed to eliminate the word 'such' in the opening clause of the second sentence." (741.93/9-2945)

esty's Government have nevertheless studied most carefully the State Department's further memorandum of September 19th with a desire to contribute what they can to bringing their views and those of United States Government into still closer harmony.

Siamese Rice

2. The questions raised in the State Department's memorandum as to the procurement and distribution of rice do not in the view of His Majesty's Government raise serious difficulties. It is common ground that all rice procured from Siam, as from elsewhere, should be sent to those recipients to which the Combined Food Board gives highest priority. These would not necessarily be the recipients most equitably entitled to participate in the distribution of the free rice.

[Here follow paragraphs numbered 3 through 6 dealing with various procedural matters regarding rice including the procurement of exportable rice by the Rice Commission, the allocation of free rice, and the payment in foreign exchange to Siam for the remainder of its rice exports.]

7. His Majesty's Government welcome the State Department's willingness that the Chairmanship and the bulk of the operational personnel shall be British. As regards the direction of the Commission His Majesty's Government agree that all decisions of the Commission should be reached by agreement between the British and American Representatives on it, any serious difference of opinion being settled by discussions between London and Washington. There must however be a very large number of questions not all of which can be settled locally e.g. procurement and distribution of bags, milling, and the allocation of shipping, and the relative unimportance or urgency of which may render undesirable reference to more than one authority. His Majesty's Government contemplate that in such cases, the decision will be taken by them though naturally the United States Government will be kept fully informed.

8. All information on matters affecting Siamese Rice obtained by any British Rice personnel who may be situated in Siam before the American Rice personnel will of course be communicated to the United States Government.

9. His Majesty's Government agree to take paragraphs 10 and 11 of Annex to State Department's *Aide-Mémoire* of September 1st as the basis of discussion regarding the duration and termination of the proposed agreement but would like to give further consideration to the precise terms of these paragraphs.

10. As regards paragraph 11 of the State Department's memorandum His Majesty's Government are confident that any successor body to the Combined Boards determined by the United States and Great Britain would satisfy the requirements of Clauses 15 and 16(B) and

that the Siamese Government could readily be brought to accept this view if any question should arise. His Majesty's Government consider therefore that there is no need to alter the existing wording in order to meet the points in State Department's Memorandum.

11. His Majesty's Government agree to the amendment to Clause 15 described in paragraph 12 of the State Department Memorandum.

Annex

12. As regards the general observations of the State Department on the Annex His Majesty's Government feel that these are in part based on a misapprehension as to the exact scope of their proposals. The Heads of the Agreement and Annex together constitute the terms on which His Majesty's Government are prepared to liquidate the state of war with Siam and to resume normal and friendly relations with the Siamese Government. As stated in Clause 6 of Section B of the Heads of Agreement, all or any of the matters specified in the Annex may be covered either in an Agreement or Agreements with the Supreme Allied Commander or in such other manner as may be satisfactory to His Majesty's Government. Clauses 3, 6 and 11(A) of the Annex have already been covered by Military Agreement No. 1 concluded by Admiral Mountbatten with the Siamese Military Authorities. As regards the remaining Clauses of the Annex, His Majesty's Government have not yet reached definite conclusions as to the manner in which they should be covered, but in view of the State Department's observations regarding Clauses 4, 13 and 14 they can at once give an assurance that these Clauses will not be included except with the concurrence of the United States, in any Agreement to be signed by Admiral Mountbatten in his capacity as Supreme Allied Commander.

13. His Majesty's Government have given very careful further consideration to the views of the United States Government on Clause 4 of the Annex but they regret that they cannot see their way to amending this Clause as suggested. In terminating the state of war between Siam and themselves in the manner now proposed they feel a certain responsibility for safeguarding the legitimate interests of their Allies and it would be difficult for them to justify a limitation on compensation for loss and damage to Allied property rights and interests which they are not prepared to adopt where British interests are concerned. It will of course be for each of the Allied Governments to decide whether or not to avail itself of Clause 4.

14. As regards Clause 11 His Majesty's Government think there is some misunderstanding since the text handed to Siamese Mission by Mr. Dening in fact opens with the words "for so long as may be necessary for the conclusion of all matters of military concern to

the Allies arising out of the settlement of the war with Japan". The views of the United States Government in this respect have already therefore been met.

15. The views of the United States Government regarding Clause 13 are still under consideration by the departments of His Majesty's Government concerned. It is hoped to communicate views of His Majesty's Government on this matter very shortly.

16. As regards Clause 14 His Majesty's Government are reluctant to accept any restriction which might have the effect of hampering them in any action which may be necessary in connexion with concealed Japanese assets or other matters such as *SAFEHAVEN*⁷⁷ or indeed any financial or economic matters arising out of the war with Japan.

Heads of Agreement

17. Clause 4 of Section D is intended to bridge the gap until the pre-war Treaty of Commerce which was abrogated by the Siamese Declaration of War can be replaced by treaties to be freely negotiated under Clauses 2 and 3 of that Section. Clause 4 provides for the observance by Siam of (a) the provisions of 1937 Treaty and (b) certain additional provisions which are such as His Majesty's Government and Government of India would hope to see embodied in the new treaty to be freely negotiated by Siam. In an endeavour however to meet the views of United States Government, His Majesty's Government are now proposing to amend Clause 4 in two respects:

(1) for the words "in addition" substitute the words "except in regard to matters where the treaty specifically provides to the contrary";

(2) after the words "British professional men" insert the words "on grounds of nationality". It is true that the requirements of Clause 4 impose some limitation on Siamese freedom of action as indeed do all other stipulations which His Majesty's Government think it reasonable to put forward as conditions on which they are prepared to resume relations with the Siamese Government. The United States Government may rest assured however that His Majesty's Government will interpret this restriction in a reasonable manner. His Majesty's Government can moreover give an assurance that they do not seek to exercise this temporary unilateral control over the power of the Siamese Government to determine the conditions relating to Siamese economy and trade in such a way as to confer any exclusive privileges on British nationals or to secure any benefit which they would not consider it equally reasonable for United States nationals to obtain from the Siamese Government.

18. His Majesty's Government have noted with appreciation the readiness of United States Government to defer the resumption of diplomatic relations with Siam for a reasonable period and are happy

⁷⁷ For documentation on this subject, see vol. II, pp. 852 ff.

to concur in the United States Government's proposal that British and United States recognition of the Siamese Government should, if possible, be simultaneous and that the first diplomatic representatives of the two Governments should have equal status.

851G.014/10-145

*The Secretary of State to the French Ambassador (Bonnet)*⁷⁸

The Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and has the honor to refer to the Embassy's note of August 22, 1945 with regard to the Indochinese territories acquired by Siam in 1941.

The United States Government recognizes that those territories were acquired by Siam with the support of Japan after the course of Japanese aggression had commenced. In accordance with its established policy this Government does not recognize the validity of the transfer of those territories to Siam; it concurs in the view of the French Government that the question of their restoration is not a matter for arbitration; and it believes that those territories should in fact be restored by Siam.

It will be understood, of course, that the foregoing view is not to be considered as supporting or opposing the merits of the pre-1941 Indochinese-Siamese border, and that the position of this Government that the Indochinese territories acquired by Siam in 1941 should be restored is without prejudice to any border readjustments or transfers of territory which may be effected by orderly, peaceful processes subsequent to their restoration.

In accordance with instructions of the Department of State a Department representative has conveyed the foregoing views of this Government to the Siamese political mission which is now at Kandy, Ceylon.⁷⁹

This Government hopes that mutually satisfactory relations between France and Siam will shortly be achieved and aid in the early establishment of peace, stability and tranquility in southeastern Asia which, in view of the enormous investment in life and treasure which the United States has made to achieve peace and security in the Far East and in view of the future responsibility laid upon this nation to help maintain such peace and security, are a matter of deep concern to this Government.

WASHINGTON, October 1, 1945.

⁷⁸ Handed to the French Minister (Lacoste) by the Director of the Office of Far Eastern Affairs (Vincent) on October 4; see memorandum of conversation, p. 1349. The substance of this note was furnished to the British Embassy in an *aide-mémoire* of October 9.

⁷⁹ See telegram 219, September 25, 9 a. m., from Colombo, p. 1336.

741.92/10-145 : Telegram

The Consul at Colombo (Oakes) to the Secretary of State

COLOMBO, October 1, 1945—11 p. m.

[Received October 1—9:50 p. m.]

222. Re Department's telegram 111, September 27 to Colombo.⁸⁰ From Yost. 1. I have been careful, much to Thai disappointment, not to convey to Thais US views on any points of Agreement or Military Annex. See my 575, September 26 and 587, September 28.

Both Denning and Thais emphasize harmonious course of negotiations here. Thais have been entertained socially by Supreme Allied Commander Southeast Asia and other British in cordial manner. Denning believes many of Thai comments set forth in 587 are reasonable and that London will be prepared to make concessions. He submitted comments to London September 29 and hopes to have reply within few days. It may not be too presumptuous to suggest that Department's positive expressions of interest at psychological moment has contributed to friendly treatment of Thais by British.

In specific comment on some of points recapitulated in Department's telegram 109, September 27 to Colombo⁸¹ Denning states:

C1.⁸² He believes some satisfactory rewording will be worked out in London.

D4. Thais themselves have not raised this point.

Military Annex use [*one*] three. Clause originally drafted before end hostilities with view to facilitating Thai military action against Japs and presumably should be modified now. British Military Mission is now attached to Thai Army, Bangkok, to further cooperation of latter in disarmament and internment of Japs.

15 and 16. Denning has made it clear to Thais UK does not desire rice for own exclusive use but any rice contributed will be distributed accordance with Combined Board allocations.

2. Present understanding here is that immediately after conclusion Anglo-Thai agreement Bird,⁸³ now at Kandy, will proceed to Bangkok as Political Advisor to British Commanding General. When diplomatic relations are resumed Bird will become Consul General and a diplomatic officer will be sent in to assume charge of Legation.

3. Clarac⁸⁴ has presented note to Thais stating that France, "considering itself in a state of hostility with Siam", is ready to negotiate the reestablishment of normal relations on the basis of a return to the

⁸⁰ Not printed; but see telegram 8550, September 27, 6 p. m., to London, p. 1340.

⁸¹ Not printed; it summarized the Department's *aide-memoire* of September 26 to the British Embassy, p. 1336.

⁸² This and similar references are to the Heads of Agreement and Military Annex handed by Sir George Sansom to Mr. Ballantine on September 10, p. 1316.

⁸³ Hugh Rudolph Bird, British Foreign Service Officer.

⁸⁴ Achille-Marie Clarac, French Foreign Service Officer serving as Diplomatic Counselor to the French High Commissioner for Indochina.

conditions of June 1940. Clarac hopes Thai delegation will be authorized to negotiate now in Kandy and believes his government will be willing adopt any changes made in British draft as a result of Anglo-Thai negotiations.

In this connection Thais have asked that ref to Indo-China be dropped from paragraph C1 of Anglo-Thai agreement but Dening believes that if territories are to be listed Indo-China must be included. [Yost.]

OAKES

741.92/10-245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 2, 1945—5 p. m.

8698. Dept notified by Siamese Legation⁸⁵ of official abrogation by Siam of all treaties and agreements with Japan entered into by Pibul Government and that Japan so informed. US therefore ready to resume diplomatic relations but will defer reasonable period so that Brit and US may act concurrently (Para. 12 Deptel 8298, Sep 21⁸⁶). Dept has inquired informally of Brit Embassy how soon Brit will be ready. Dept should have about 2 weeks' notice to arrange arrival Legation staff with Yost, but anxious to resume as promptly as possible.

Repeated to Chungking, New Delhi and Colombo for Yost.

ACHESON

740.00119 PW/10-245 : Telegram

The Consul at Colombo (Oakes) to the Secretary of State

COLOMBO, October 2, 1945—midnight.

[Received October 3—3: 16 p. m.]

224. From Yost. Unless attitude of Thai delegation here is overruled by Bangkok, there seems to be little likelihood that Franco-

⁸⁵ On September 14, the Siamese Legation advised the Department of State that the Siamese Government on September 11 officially notified the Japanese Government of the termination of the Pact of Alliance of 1941 and all related agreements, including the treaty transferring Malayan and Burmese territory to Siam (792-94/9-1445). On October 1, the Siamese Legation advised that all remaining treaties concluded with Japan during Marshal Luang Pibul's premiership had been denounced on September 26 (792.94/10-145). For Department statements on the two notes of the Siamese Legation, see Department of State *Bulletin*, September 30, 1945, p. 498, and *ibid.*, October 7, 1945, p. 521.

In a note of September 19, the Siamese Legation stated that a law had been enacted to intern all persons in Siam who were enemies of the United Nations and to control and manage their property; the Japanese Embassy had been closed; and the Legation of Manchoukuo had been ordered to cease functioning (740-00119 PW/9-1945).

⁸⁶ Not printed.

Thai negotiations will make rapid progress. Thai attitude is that, there having been no declaration of war between France and Siam, no state of war exists and French assertion to the contrary is *ex post facto*. They therefore see no pressing need to conclude agreement with French, though would be willing to undertake negotiations in Bangkok with an accredited French diplomatic representative. As to frontier question, their attitude is that transfer was approved by recognized French Govt and that compensation was paid by Siam. They state moreover that should they now return territory to French, Indochinese elements who are resisting French would resent such action and relations between Thais and the peoples of Indochina to whom they are related by blood would be jeopardized. Furthermore Thais ask to whom they could turn over territory since French are not in control of Indochina.

I have re-stated US position set forth in Dept's 104, September 21,⁸⁷ laying stress on fact that our interest is in maintenance, regardless of circumstances in a particular case, of the general principle that territorial changes resulting from the exercise of Axis military powers shall be considered null and void. I have emphasized that we consider Siam fully entitled, after territories are restored to Indochina, to raise the question by whatever peaceful means or before whatever international bodies may seem appropriate. Our views have been transmitted to Bangkok for consideration. As long however as the French are as insecure in Indochina as at present it seems probable that Siamese will pursue delaying tactics. [Yost.]

OAKES

851G.014/8-2245

Memorandum of Conversation, by the Director of the Office of Far Eastern Affairs (Vincent)

[WASHINGTON,] October 4, 1945.

Mr. Lacoste called this morning at 11 o'clock at my request. I handed him our note of October 1 in regard to Siam and communicated to him the views expressed in the attached memorandum.

Mr. Lacoste expressed appreciation of the considerate manner in which we had communicated our views but went on to say that these views would probably cause some perturbation in the French Foreign Office. He said that the Foreign Office would naturally assume that there had been conversations between us and the Siamese with regard to what the Siamese wanted in the way of territorial concessions and that the French Foreign Office would be hesitant to give the assurances we had suggested regarding the re-examination of the Indochinese-

⁸⁷ See footnote 59, p. 1331.

Siamese border without knowing in advance just what the scope of the discussions might be. I told him that there had been no discussion whatsoever between us and the Siamese with regard to the scope or character of their territorial claims.

[Annex]

*Memorandum Prepared in the Department of State*⁸⁸

Recommended Oral Communication to be made⁸⁹ to the French Ambassador when handed note regarding the Indochinese territories acquired in 1941 by Siam.

In connection with our deep concern, referred to in the note, for the early reestablishment of peace, stability and tranquility in southeastern Asia, this Government would like to suggest that in its view it would be most helpful to all the nations concerned with that area if the French Government would give serious consideration to offering voluntarily to the Siamese, immediately following their agreement to restore the Indochinese territories which they acquired in 1941, some public assurance that opportunity would be afforded at an early date for a reexamination of the Indochinese border; and that such reexamination, having in view the possible elimination of potential sources of future unrest or international discontent, would consider the question of making possible changes in the border by orderly and peaceful procedures on their practical merits and with due regard to the opinions and attitudes of the peoples concerned in the border areas.

This suggestion on our part is not made in any spirit of criticism of the legal border between Indochina and Siam as to the appropriateness or desirability of which this Government had no knowledge, nor is it offered in advocacy or support of Siamese claims to territory lawfully within Indochina. It is offered solely in the belief that such a voluntary assurance by the French Government immediately following Siamese agreement to restore the Indochinese territories which they acquired in 1941 would contribute materially to the early reestablishment of peace, stability and tranquility in southeastern Asia; would redound greatly to the credit of the French Government in world public opinion; and would strengthen the prestige of all western powers among the peoples of the Far East.

⁸⁸ Prepared by the Chief of the Division of Southeast Asian Affairs on September 27; substance communicated to Mr. Everson of the British Embassy on October 9.

⁸⁹ October 4.

741.92/10-645

*The British Embassy to the Department of State*⁹⁰

AIDE-MÉMOIRE

In a sincere endeavour to bring their views into harmony with those of the United States Government, His Majesty's Government decided to amend in certain respects the conditions on which they were prepared to liquidate the state of war between themselves and the Siamese Government. These amendments, together with His Majesty's Government's observations on certain other points raised in the State Department's memorandum of September 19th, were communicated to the State Department in His Majesty's Embassy's memorandum of September 27th.⁹¹ The Embassy's memorandum did not of course refer to the State Department's further memorandum of September 26th, which was not received in time to permit its consideration before despatch of instructions to His Majesty's Embassy.

His Majesty's Government have now studied the State Department's memorandum of September 26th, on which they desire to express the following views:

As His Majesty's Embassy have already indicated to the State Department,⁹² the object of clause C 1 of the Heads of the Agreement is to make it easier to negotiate a regional scheme for defence in a world organisation by warning the Siamese that they will in future be expected to play their part in defence schemes for areas specified. The text suggested by the State Department in paragraph 6 of its *Aide-Mémoire* would be a natural development of this idea and His Majesty's Government are ready to embody the substance of it in their Heads of the Agreement with the Siamese Government as a corollary of, though not in place of, clause C 1. In view of the special concern of Great Britain with the security of British territories and of sea routes adjacent to Siam, His Majesty's Government think it important to have on record this recognition by the Siamese Government of the importance of Siam to the defence of those territories and sea routes. They would propose therefore to retain clause C 1 unaltered, but to replace clause C 2 by a new clause to read as follows: "Agree to collaborate fully in all international security arrangements approved by the United Nations Organisation or its Security Council which may be pertinent to Siam and especially such international security arrangements as may relate to countries or areas specified in the preceding clause."

⁹⁰ Handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on October 9.

⁹¹ See undated *aide-mémoire* from the British Embassy handed to the Chief of the Division of Southeast Asian Affairs on September 29, p. 1342.

⁹² See footnote 71, p. 1337.

It is hoped that the explanation and assurances given in paragraph 17 of the Embassy's memorandum of September 27th will have gone far to remove the objection which the United States Government originally felt to clause 4 Section D of the Heads of Agreement.

As regards clause 4 of the Annex, His Majesty's Government feel unable to modify the views expressed in paragraph 13 of the Embassy's memorandum of September 27th. The United States Government will appreciate that their insistence on this point is not due to any concern for British interests, which are already fully protected under clause 3 of Section B of the Heads of Agreement, but solely to a sense of their responsibility vis-à-vis their allies.

As regards the limitations of clauses 11 and 14, His Majesty's Government intend to limit the extent as well as the duration of these clauses to the purposes set out therein, but they would prefer not to modify the wording of the clauses since to do so might lead Siam to suppose that this would make more difference in practice than His Majesty's Government think in fact it will.

While in the view of His Majesty's Government the question of a Military Mission is not one which can necessarily be left to Siam's initiative, they are prepared to omit clause 13 of the Annex from the terms now to be accepted by Siam and to treat the matter as one for subsequent negotiation with the Siamese Government.

As regards clauses 15 and 16 B of the Annex, His Majesty's Government are still considering the precise terms of paragraphs 10 and 11 of the Annex to the State Department's memorandum of September 1st.

His Majesty's Government hope that the explanations given in paragraphs 2 to 7 of the Embassy's memorandum of September 27th will have served to allay any United States anxiety that a free contribution of Siamese rice might interfere with or delay procurement and distribution, in accordance with the Combined Food Board's allocations, of rice for the United States and other countries, whether or not they may wish or be entitled to participate in free rice.

WASHINGTON, 6 October 1945.

741.92/9-2945

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Department of State has considered carefully the *Aide-Mémoire* of September 29, 1945 presented by the British Embassy in relation to Siam.

Siamese Rice

2. The Department believes that the views of this Government and of the British Government are essentially in harmony with regard to procedures relating to the procurement and export of Siamese rice. It would not, however, wish the Commission, as such, to purchase rice as might be implied from sub-paragraph 3 (c) of the Embassy's *Aide-Mémoire*. It believes that the direct purchases contemplated by that sub-paragraph should be made by the Siamese Government or by the British or American or possibly other purchasing authorities. The Commission, this Government believes, should be an administrative agency for stimulating rice production and controlling the export of rice, but should not itself be a purchasing agency.

3. The Department agrees that settlement of the questions of the allocation of any free rice and of the procedures for payment in foreign exchange for purchased rice are not of immediate urgency. It adheres, however, to the principles set forth in paragraph 8 of the Annex to the Department's *Aide-Mémoire* of September 1 subject, of course, to such modifications as may be required in connection with any free rice, and it would point out that this Government will doubtless desire to make its payments to Siam as promptly as practicable and once the Commission is in operation and agreement on prices reached, it would not ordinarily wish to place its payments in a suspense account or arrange for shipments on provisional invoices.

4. Unfortunately the intent of paragraph 7 of the Embassy's *Aide-Mémoire* is not clear to this Government. The British Government may be assured that this Government desires to cooperate in every way in expediting the work of the Commission so that it may most effectively carry out its responsibility of stimulating the production and maximizing the export of Siamese rice in accordance with recommended Combined Food Board allocations. To this end it is anxious to simplify procedures and so far as may be possible to obviate needless delays. It will, of course, have particular concern for the prompt procurement and shipment of rice which it purchases in accordance with recommended allocations of the Combined Food Board and for the equitable distribution of needed facilities. Without a clearer understanding of the proposal advanced by the British Government in that paragraph, especially as such proposal might affect various aspects of American procurement, this Government is not in a position to express its agreement or disagreement. It would request, therefore, amplification and clarification of the proposal that under certain circumstances the British authorities take unilateral action.

5. This Government believes that it is important that the proposed tripartite agreement be concluded at the earliest practicable moment

and in order to expedite agreement between this Government and the British Government on the details of that agreement for presentation to the Siamese it will furnish to the Embassy within a few days a draft agreement for discussion and comment.

Military Annex

6. With regard to the Allied military agreement, which would include a number of the points set forth in the Military Annex, this Government appreciates the assurance that Clauses 4, 13 and 14 will not be included, except with the concurrence of the United States in that agreement.

7. As regards Clause 14 of the Military Annex, this Government recognizes that the problem of concealed Japanese assets or SAFE-HAVEN or similar financial and economic matters arising out of the war with Japan may extend beyond the period necessary for the conclusion of matters of Allied military concern. It understands the reluctance of the British Government to accept any restriction which would hamper necessary action in relation to such matters. The language of Clause 14 as now stated, however, would give to the Allies complete control over the specified aspects of Siamese economy until the last of such matters was settled and would permit unlimited exercise of that control whether or not related to such matters. In view of the comments in paragraph 16 of the Embassy's *Aide-Mémoire*, this Government is willing to withdraw its suggestion that the first part of Clause 14 be inserted as a sub-clause of Clause 11 and it would be agreeable to its inclusion in the Allied military agreement if that part of Clause 14 which follows the word "Allies" were changed to read "insofar as may be necessary for the conclusion of matters of military, economic and financial concern to the Allies arising out of the settlement of the war with Japan".

8. There has apparently been some confusion as to the views of this Government with regard to Clause 11. Clause 11 does not conform to the views of this Government but, in an effort to meet the views of the British Government, this Government has expressed its willingness not to press for an amendment. It would prefer to have the opening section of Clause 11, when included in the Allied military agreement, read "Insofar as [instead of 'For so long as']"⁸³ may be necessary for the conclusion of matters of military concern to the Allies arising out of the settlement of the war with Japan".

Heads of Agreement

9. This Government appreciates the willingness of the British Government to try to meet the views of this Government with regard

⁸³ Brackets appear in the original.

to Clauses 2, 3 and 4 of Section D. Unfortunately, the meaning of paragraph 17 of the Embassy's *Aide-Mémoire* is not entirely clear to this Government. That paragraph refers to the restriction on Siam proposed in Clause 4 of Section D as a temporary unilateral control over the power of the Siamese Government to determine certain conditions relating to Siamese economy and trade. The text of Clauses 2 and 3 of Section D of the Heads of Agreement, however, would require that such unilateral control be one of the principles on which a new treaty of commerce and navigation which Siam must negotiate should be based.

10. This Government is concerned over the implications of such unilateral control as a matter of fundamental policy. It believes that no independent and sovereign country should be subjected to unilateral control by another government over its power to determine conditions relating to its economy and trade. The existence of such a unilateral control negates the independence and sovereignty of that country. It believes that future world economic welfare and the effective development of international cooperation must be founded on the fundamental principle of reciprocal treatment in all commercial and economic relations between countries. This Government again therefore earnestly requests that the British Government reconsider Clauses 2, 3 and 4 of Section D so that the economic, commercial and professional relations between Siam and Great Britain may be founded upon the principle of mutuality and not upon unilateral control.

WASHINGTON, October 9, 1945.

741.92/10-1245 : Telegram

The Secretary of State to the Ambassador in the United Kingdom
(Winant)

WASHINGTON, October 12, 1945—8 p. m.

9096. Paragraph 4 A Deptel 9024, Oct 11.⁹⁴ Dept has informed Brit Embassy orally⁹⁵ that it welcomes Brit position regarding Section C of Heads of Agreement on Postwar Security and Brit assurance that Clause C 1 is only designed to make easier negotiation for regional schemes of defense in world organization by warning Siamese they must play part in defense of southeastern Asia, and that C 2 is corollary of C 1. Dept pointed out, however, that C 1 standing

⁹⁴ Not printed; paragraph 4 A summarized that part of the British Embassy *aide-mémoire* of October 6 which dealt with Clause C of the Heads of Agreement (741.92/10-1145)

⁹⁵ On October 11.

alone is historically the language of a protectorate and it requested that C 1 and C 2 be joined by the word "and" and stated in a single clause. By such combination expressed Brit intent to which US has no objection would be accurately stated and unfortunate connotation C 1 when stated without relation to C 2 would be avoided. Repeated to Chungking, New Delhi and Colombo for Yost.

BYRNES

892.01/10-1545

*The Siamese Legation to the Department of State*⁹⁶

EXCHANGE OF VIEWS BETWEEN THE SIAMESE AND FRENCH MISSIONS
AT KANDY, CEYLON

At the beginning of October 1945, the head of the French Mission in Kandy approached the head of the Siamese Mission (which had been sent to negotiate with the British authorities) and asked him to inform the Regent of Siam that the Provisional Government of Siam [*France*] considered itself in a state of hostility with Siam but was nevertheless prepared to negotiate for the restoration of a normal relationship on the basis of a return to conditions prior to June 1940.

The head of the French Mission intimated that the French demands would be on the same lines as the heads of the agreement already offered by the British to the Siamese but without the annex to the agreement. He added that the French Government would demand the return of the territories retroceded to Siam in 1941 and, incidentally, the handing over to France of the image of the Emerald Buddha.

The following is the substance of the reply made by the Siamese Government through its mission in Kandy:

1. The Siamese Government can find no ground for the French contention that a state of hostility exists between France and Siam as there have been no hostilities and no declaration of war since the conclusion of the treaty concluded early in 1941.

2. The Free Siamese movement worked for the Allied cause against Japan in the same manner as the Free French movement. In the case of Indo-China, the U.S. and British authorities can testify that the Free Siamese Movement loyally and effectively supplemented the military information supplied by the French underground. At the present moment, the heads of the Free Siamese and Free French Movements have become heads of their respective governments.

⁹⁶ Accepted unofficially from the Siamese Chargé (Bhakdi) by the Chief of the Division of Southeast Asian Affairs on October 15.

3. Throughout the war in the Far East, Siam has consistently maintained a friendly attitude towards France and Indo-China and has proved this attitude by giving shelter and assistance to French nationals who came to take refuge in Siam.

4. In its desire to promote lasting peace in Asia, the Siamese Government is willing to negotiate with the French Government through normal diplomatic channels but not through missions sent to Ceylon for a different purpose.⁹⁷

5. As regards the immediate return of territories which France retroceded to Siam in 1941, the Siamese Government would contend that, quite apart from the question of the rightful ownership of the territories, it would be utterly contrary to humanitarian principles to project the peoples of these territories into an area where violent disorder and bloodshed have accompanied attempts at pacification. Besides, since their re-integration in the Kingdom of Siam, the peoples of the disputed territories have enjoyed the rights of full citizenship under the Siamese constitution and share in the government of the country through their freely-elected representatives in the National Assembly.

6. The Siamese Government is however prepared, in a spirit of conciliation, to relinquish the administration of the disputed territories to a four Power Commission, representing the U.S.A., Great Britain, China and the U.S.S.R., so that they may supervise the holding of a plebiscite in due course.

7. The French demand for the delivery to France of the image of the Emerald Buddha is regarded as unwarrantable and seems difficult to reconcile with any genuine desire to promote lasting peace and friendly co-operation.

[WASHINGTON,] October 15, 1945.

851G.014/10-1645

The French Ambassador (Bonnet) to the Secretary of State

[Translation]

No. 832

WASHINGTON, October 16, 1945.

The Ambassador of France to the United States presents his compliments to His Excellency the Secretary of State and has the honor to acknowledge receipt of the note which he was good enough to transmit

⁹⁷ In telegram 233, October 13, 10 p. m., from Colombo, Mr. Yost reported that after the Thai Delegation had stated its unwillingness to negotiate with the French at Kandy, the French representatives left Kandy (740.00119 P.W./10-1345).

to him on October 4 concerning the Indochinese territories annexed by Siam in 1941.⁹⁸

Mr. Henri Bonnet thanks Mr. Byrnes for the said courteous communication, which was at once brought to the knowledge of the French Government, which fully appreciated its spirit and value, and begs to inform him that, in the opinion of his Government, any suggestion that the American Government might make to the Siamese Government with a view to persuading the latter to issue instructions without delay to its representatives at Kandy to conclude with the French representatives who are now there, the necessary agreement to efface the consequences of the events of 1940-1941, would furnish a very useful contribution to the stability and tranquility of Southeast Asia, to which France, like the United States, is profoundly attached. The French Government hopes for the restoration, between France and Siam, of relations imbued with confidence and friendship. Now, it is evident that only after such an agreement can normal diplomatic relations be restored.

Accordingly, the French Government expresses in advance to the American Government all its gratitude for any steps which the latter might be good enough to contemplate taking for the purpose of facilitating the conclusion of the agreement in question.

Mr. Henri Bonnet is happy to avail himself [etc.]

751.92/10-1645

Memorandum of Conversation, by the Chief of the Division of Southeast Asian Affairs (Moffat)

[WASHINGTON,] October 16, 1945.

Mr. Lacoste called by appointment to give an oral communication from the French Government in response to the oral communication which the Department had made⁹⁹ suggesting the possibility of a French assurance to the Siamese that they would have opportunity for reexamination of the Siamese-Indochinese border. His communication was in substance as follows:

France realizes that for the peace and security of Southeast Asia it is necessary that the territory wrenched from Indochina by Siam in 1941 with Japanese help should be restored but that this restoration must be accompanied by a policy on the part of France which will give the Siamese people public, moral satisfaction and make impossible in the future propaganda of the type which led to the 1940-1941 events. On the other hand, it is necessary to avoid the danger of falling into

⁹⁸ See note of October 1, p. 1346.

⁹⁹ *Ante*, p. 1350.

the trap which everybody followed in the late thirties by adopting an appeasement policy as this can lead only to adding more fuel to military and totalitarian propaganda and claims.

It is felt dangerous to give, at the moment that the territories are reacquired by France, a public assurance to Siam that they will have opportunity to reexamine the border. Such assurance would favor militaristic propaganda as it would inevitably be represented as an acknowledgment of the reasonableness of Siamese claims to the territories and would encourage the Siamese to try to obtain satisfaction. Furthermore, such assurance would be construed as a betrayal of French duty as protectors of Laos and Cambodia.

Mr. Lacoste at this point emphasized his own personal view that this was of great importance, pointing out that these countries are different ethnically from Siam, have strong individuality and governmental institutions under royal families, and that such a statement would cause confusion and unrest in the restored areas as it might be interpreted to indicate their later return to Siam. He added that many Cambodians had fled from Battambang to Cochinchina to flee the Siamese and to remain under the French rule.

On the other hand, the French Government, he continued, recognizes the need of making easier the task of the Regent and the Premier in restoring to France the territories taken by Siam. The Government recognizes that both the Regent and the Premier were always pro-Allied and anti-Japanese. Furthermore, it desires to point out that in 1937 when the present Regent was negotiating with France, his only claim was to certain islands in the Mekong River, and the turning over of those islands to Siam might be considered in the realm of future possibility. The President of the Assembly [Phya Manvarej?],¹ during the period of Siamese aggression, personally informed the French that he did not approve the Siamese acts and the French are also grateful to him.

France, desiring to approach this situation in the same spirit as the United States, is therefore now considering when and how and under what conditions French assurance can be given to the Regent and the Premier so as to encourage their liberal tendencies. They are seeking a formula to assure the Siamese Government, after the *status quo ante* has effectively been reestablished and after consultation with as many people in Cambodia and Laos as may be necessary, that they are willing in a good-neighborly spirit to examine all questions of French-Siamese relations. The declaration which they would make must, therefore, of necessity be more general and vague and broader than the assurance which this Government suggested. It would probably

¹ Brackets appear in the original.

not refer specifically to a border but would imply its inclusion in the questions to be discussed. As to the border, the discussion could of course apply only to matters of local interest and local community and could not include any substantial transfers of territory or Pan-Siamese claims for a Greater Siam (Dai-Pan-Thai). The French Government wished to make it very clear that such a declaration would not be a condition or a counterpart for the restoration of the territories to Indochina.

Mr. Lacoste concluded by stating that in the way suggested the French Government felt it could make it easier for the Siamese Government and at the same time avoid the risk of aiding the military party or agitators.²

A[BBOT] L[OW] M[OFFAT]

740.00119 PW/10-2545

*The Department of State to the British Embassy*³

AIDE-MÉMOIRE

The Department of State has considered the suggestion communicated orally by the British Embassy⁴ that the terminal date of the proposed tripartite agreement with Siam be September 1, 1947 instead of March 1, 1947. In conformity with that suggestion, this Government is agreeable to providing in that agreement for a second renewal of six months at the request of the British and American Governments. The suggested revised language of Clause 15 of the Military Annex, however, should it believes exclude reference to the United States or should be revised to read ". . . under the direction of a special organization the establishment of which the British and American Governments desire to negotiate with the Siamese Government . . ."

Unfortunately, there is one important matter upon which it is now apparent that there has been a misunderstanding. From the suggested revised language of Clause 16a of the Military Annex communicated to the Department on October 19 [16], it would appear that the British Government still proposes to impose on Siam a levy of one and a

² The substance of the French note and oral communication of October 16 were communicated orally to Mr. Everson of the British Embassy on October 26 (751.92/10-2645).

³ Handed to Mr. Everson by the Chief of the Division of Southeast Asian Affairs on October 26.

⁴ On October 16. In a memorandum covering the conversation the Chief of the Division of Southeast Asian Affairs stated that Mr. Everson had handed him a proposed revision of Clauses 15, 16 (a), and 16 (b) of the Military Annex; and that he had informally given to Mr. Everson a copy of a draft of a proposed tripartite agreement promised in the Department's *aide-mémoire* of October 9 (741.92/10-1645). Mr. Everson gave corrections of the proposed revision to the Chief of the Division of Southeast Asian Affairs on October 18 (741.92/10-1845).

half million tons of sound white rice or its equivalent in paddy. In its *Aide-Mémoire* of September 8 the British Government expressed the view that Siam had "been able in war conditions to accumulate a very large surplus of a commodity essential to the life of neighboring territories", and that it would be unjust if Siam were "allowed to unload these involuntarily hoarded stocks at the present scarcity prices". The British Government felt that "Siam should contribute out of her abundance to the needs of other countries" and explained that she should be compelled to contribute one and one-half million tons of rice "unless in the meantime Siam makes an offer of a voluntary contribution of the same amount". The *Aide-Mémoire* then continued that it was estimated that the amount of rice so accumulated and on hand was one and one-half million tons. This Government had understood from the foregoing that the levy was intended to be on the rice accumulated during the war, and that if in fact the stocks of rice so accumulated proved to be less than the estimate upon which the British Government apparently relied, the amount of the proposed levy would be correspondingly reduced. That understanding was supported by Paragraph 17 of the same *Aide-Mémoire* which drew a sharp distinction between future production and the million and a half tons of rice on which it was proposed to levy.

This Government is deeply perturbed that the amount of the proposed levy has not been reduced as, according to the best estimate presently available to this Government, the amount of rice accumulated during the war amounted to less than 800,000 tons. Furthermore, there is every indication that the present crop will be unusually small. The amount of the proposed levy would, therefore, equal not only all the stocks accumulated in war conditions, but in addition all the surplus of this year's crop and a substantial part of next year's crop. This Government, while as hitherto stated disapproving any levy, considers that a levy which exceeds in amount the stocks of rice actually accumulated in Siam during the war would be so burdensome upon the Siamese economy and have such wide reaching effect on the interests of this nation and other countries concerned that it most earnestly requests that the amount of the levy be reduced to the amount of stocks so accumulated either by acceptance of the estimate of 780,000 tons made by the Siamese Government prior to the negotiations, or by leaving the determination of the amount so accumulated to a finding by the Rice Commission.⁵

⁵ In telegram 930, November 6, noon, from New Delhi, Mr. Yost stated that, at his request, the Strategic Services Unit had made a thorough reexamination of the exportable rice surplus in Siam and had reported that not more than 800,000 tons would be available from November 1945 to November 1946, including the holdover remaining from the last two years (892.61317/11-645). The SSU was successor to the Office of Strategic Services for those functions of the latter inherited by the War Department.

This Government feels that it should raise also at this time a question involving the implementation of the proposed British-Siamese agreement which is of direct concern to it. It is settled American policy that no country, not even the major aggressor nations, should be compelled to pay reparations which, either in amount or kind, will impair its ability to provide for the essential peaceful requirements of its civilian economy without external financial assistance. When it appears that a nation's capacity to pay may not be adequate to meet all reparation claims in full in accordance with the foregoing standard, it is American policy to recommend that all claimant governments associate themselves to make a joint determination of capacity to pay and an equitable settlement of claims.

In the opinion of this Government it is doubtful that the Siamese Government can, from its own resources and without serious impairment of the essential civilian economy of Siam, provide compensation in full for all claims which Allied Governments may advance and in addition meet the proposed rice levy. Indeed, it seems by no means certain that the Siamese economy could provide full compensation even if the value of the proposed rice levy were to be credited against the claims for damage or losses to Allied property, rights and interests. Although the claims of the United States will be relatively small, this Government is directly concerned in the preservation for the Siamese people of an adequate standard of living and of an opportunity for economic progress without dependence upon immediate or future financial aid from any other government. It believes that the prompt and orderly stabilizing of the Siamese economy is an essential element in the establishment and maintenance of peace, stability and tranquility throughout Southeastern Asia.

This Government considers, therefore, that in implementing Paragraph B 3 of the Heads of Agreement and Clause 4 of the Military Annex an Allied Claims Commission should be established to pass upon the claims against Siam for losses or damages sustained by Allied property, rights or interests, to determine Siam's capacity to pay such claims including, of course, the effect of the proposed rice levy, and the method and allocation of compensation to be made. Because the rice surplus accumulated during the war may constitute a major portion of such resources as may be available for meeting external claims, this Government believes that it should be recognized as constituting reparations in kind, and that its allocation should be determined by the Allied Claims Commission.

While the foregoing views relate to the implementation of the proposed agreement, this Government would suggest that possibly some

difficulty in concluding the British-Siamese negotiations could be obviated by clarifying the suggested revised language of Clause 16 *a* of the Military Annex by substituting the words "an Allied Claims Commission" for the words "organization to be indicated by His Majesty's Government in the United Kingdom".

WASHINGTON, October 25, 1945.

124.92/10-3145

*Memorandum by the Director of the Office of Far Eastern Affairs
(Vincent) to the Under Secretary of State (Acheson)*⁶

[WASHINGTON,] October 31, 1945.

Sir George Sansom called this morning to say that, after talking with me last week about Siam,⁷ he had sent a wire to London stating that we expected to send Yost to Bangkok early in November and that he would probably be designated Chargé of the Legation, which would signal our resumption of diplomatic relations with Siam. He went on to say that the Foreign Office had telegraphed the Embassy, indicating that the British Government was considerably perturbed by this information, and directing Lord Halifax⁸ to call on the Secretary to request delay in our resumption of diplomatic relations with Siam. Sir George said that he had called simply to let me know in advance that Lord Halifax intended approaching the Secretary as soon as possible. He went on to explain that the British Government considered it very important that they be given a little more time to complete their negotiations with the Siamese before we reestablish diplomatic relations with that country, and asked whether it would not be possible for Yost, with any number of assistants who wished to accompany him, to proceed to Bangkok simply for the purpose of investigating the situation and keeping us informed, without assuming the title of Chargé. He referred to the fact that the British Foreign Office has similar representation in Bangkok and said that he could fully sympathize with our desire to have someone there.

I told Sir George I would on my own authority, subject however to confirmation by Mr. Acheson, agree to a postponement in our designation of Yost as Chargé. I said that Yost, in some other capacity than Chargé, and his assistants would proceed as soon as possible to Bangkok but that we would feel free a month from now to carry out

⁶ Marginal notation: "OK D[ean] A[cheson]."

⁷ Memorandum of October 25 by Mr. Vincent not printed.

⁸ British Ambassador.

our stated intention of appointing Yost as Chargé and resuming diplomatic relations with Siam.⁹

Sir George thanked me and said that in view of what I told him Lord Halifax would not find it necessary to call upon the Secretary in regard to this matter.

J[OHN] C[ARTER] V[INCENT]

741.92/11-245

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom have been considering the view expressed by the Department of State in the *Aide-Mémoire* which was presented to His Majesty's Embassy in Washington on the 9th October, 1945.

Siamese Rice

It is proposed that rice will be purchased by the Siamese Government from the millers at a controlled price and then delivered to the rice unit free on board. The rice unit will ship the rice to destinations determined by the Combined Food Board allocations. But while the Siamese Government may thus incur the major part of the expense of acquiring rice for export, it is considered inevitable that the rice unit will incur certain expenses. The unit may have to engage in the procurement and distribution of bags, it will have to supervise milling, check weights and quality and arrange transport and shipment. The procedure for effecting payment for the rice is being further considered by His Majesty's Government and their proposals will be communicated to the United States Government as soon as possible.

With regard to paragraph 4 of the State Department's *Aide-Mémoire*, it is thought that circumstances may arise in which the rice unit will require urgent instructions on matters concerning the procurement and shipment of rice and it was thought that in urgent cases His Majesty's Government should take the necessary decisions. The establishment in London of a Sub-Committee of the Rice Committee of the Combined Food Board charged with the programming of rice

⁹ In telegram 154, November 1, 8 p. m., to Colombo, the Department informed Mr. Yost that it had agreed to defer the official opening of a Legation at Bangkok, reserving the freedom, however, to designate him as Chargé a month hence, and directed him with staff of three to proceed promptly to Bangkok (124.92/10-2745). In a memorandum of conversation the same day, the Chief of the Division of Southeast Asian Affairs stated that he had telephoned the Siamese Chargé (Bhakdi) that "Yost and several others were expected shortly to proceed to Bangkok; that this did not mean resumption of diplomatic relations, but that Mr. Yost would be there probably in his capacity as political adviser to General Terry". (711.92/11-145) Maj. Gen. Thomas A. Terry became Commanding General, United States Forces in the India-Burma Theater on September 29.

exports from Siam within the framework of the Combined Food Board allocations, with the procurement of supplies for the industry and with the determination of price policy, should reduce the number of such cases to a minimum. It is not contemplated that His Majesty's Government will resolve unilaterally differences of opinion between the American and British representatives within the rice unit.¹⁰

Military Annex

As the State Department are aware, His Majesty's Government are prepared to omit Clause 13 of the Annex and to treat the question of a Military Mission as one for subsequent negotiation with the Siamese Government.

With regard to the suggested substitution of "in as far as" for "as long" in Clause 14 (now Clause 13), His Majesty's Government can readily give the United States Government assurance that the intention in this clause is simply that the measures indicated shall be enforced only in so far as they may be necessary in the judgment of the Allied Authorities for the purposes stated and with no other objective in view. His Majesty's Government trust that the United States Government will be satisfied with this assurance since it is felt that to modify the wording as suggested would leave room for the misinterpretation by recalcitrant and obstructionist elements of the obligations to be assumed by Siam and of the authority to be vested in the Allied Authorities under these clauses. His Majesty's Government are agreeable however to widen the terms of Clause 14 to include a reference to Military matters. The clause as redrafted will read as follows:

"To control banks and businesses, foreign exchange and foreign commerce and financial transactions as required by the Allies for so long as may be necessary for the conclusion of matters of military, economic and financial concern to the Allies arising out of the settlement of the war with Japan."

Heads of Agreement

It is not the intention of His Majesty's Government that the new treaties of Commerce and Navigation referred to in paragraphs D2, D3, and D4 of the Heads of Agreement should be based on the principle of unilateral control. The principles in Clause 4 would be reciprocally applied. In this connection reference is invited to the provision in Clause 4 that the obligation imposed by it should lapse at the end of three years if no treaty has by then been concluded. In order therefore to make the meaning free from any doubt His

¹⁰ The Department and the British Embassy exchanged further *aide-mémoire* on November 26 and December 10, not printed (the latter, Embassy No. G289/61/45), which dealt with various aspects of the operations of the Rice Commission (741.92/11-2645 and /12-1045, respectively).

Majesty's Government now propose to insert the words "reciprocal application of the" before the word "principles" in Clauses D2 and 3.

It will be recalled that the *Aide-Mémoire* presented to the State Department on the 29th September contained an assurance that His Majesty's Government would interpret Clause D4 in a reasonable manner and that they would not seek to take advantage of the clause to determine the conditions relating to Siamese economy and trade in such a way as to confer any exclusive privileges on British nationals or secure any benefit which they would not consider it reasonable for United States nationals to obtain from the Siamese Government.

WASHINGTON, November 2, 1945.

124.92/11-745 : Telegram

The Secretary of State to the Chargé in China (Robertson)

WASHINGTON, November 8, 1945—9 p. m.

1824. Urtel 1938, Nov 7.¹¹ You may inform FonOff informally that US intends to reestablish regular diplomatic relations and recognize present Government of Siam and that it has been ready to do so since Siam disavowed war and repudiated all agreements and treaties with Japan entered into by the Pibul administration. It is, however, anxious to secure liquidation Brit-Siamese state of war and recognition of Siam by UK. Brit believe resumption of diplomatic relations by US at this time might prejudice early conclusion Brit-Siamese negotiations and US has agreed to defer formal resumption relations for a few weeks. US hopes that Brit resumption of diplomatic relations can be concurrent with US action and would welcome establishment of Chinese relations at same time. It will be glad to keep FonOff informed of American plans.

You may of course also stress US position strongly favoring restoration complete Siamese sovereignty and independence and our attitude regarding Indochinese territories acquired by Siam in 1941.

Please keep Dept informed of Chinese plans and if possible trend of discussions referred to.

Sent to Chungking. Repeated to London and to AmPolAd,¹² Bangkok.

BYRNES

¹¹ Not printed; it reported the Chinese Government's interest in whether the United States intended to establish diplomatic relations with and recognize the present government of Siam and recommended that "consideration be given to promptly informing Chinese Govt more fully regarding our intentions regarding Siam". (124.92/11-745)

¹² American Political Adviser (Yost).

741.92/11-1245

*The British Embassy to the Department of State*¹³

AIDE-MÉMOIRE

His Majesty's Government note that the United States Government agree that the terminal date of the proposed tripartite agreement with Siam should be 1st September, 1947, instead of 1st March, 1947, and that in conformity the United States Government are agreeable to providing in that agreement for a second renewal of six months at the request of the British and American Governments. His Majesty's Government also note the suggested revision of Clause 15 (now 14) but inasmuch as the negotiations with the Siamese Government for the establishment of the special organization referred to may be protracted, and inasmuch as His Majesty's Government consider that it is essential that the Siamese Government should be bound by the provisions of that clause forthwith, His Majesty's Government accept the suggestion that reference in it to the United States of America should be deleted.

2. His Majesty's Government are happy to confirm that it was from the outset their intention that the amount of the free contribution of rice should be limited to that of the accumulated stocks and that there was no wish to levy on future production. The figure of 1,500,000 tons was based on the best available estimates at a time when first-hand information could not be had. In fact His Majesty's Government have reason now to believe that it fell short of reality. M. Seni Premoj informed a member of the Foreign Office that the accumulated stocks in the hands of the Siamese Government were of the order of one and a half million tons.¹⁴ More recently experts of the Siamese Rice Unit in a telegram dated 11th October, stated that investigations showed a likelihood that a surplus of 2,500,000 tons of paddy, which is the equivalent of 1,700,000 tons of rice, had been accumulated. This estimate has been confirmed in a subsequent telegram of October 29th.

3. His Majesty's Government would therefore be very well content to accept the United States Government's suggestion that the amount of the free contribution should be the exact surplus, which should be left to be determined by the Rice Commission after full investigation of the facts, but for the fact that if this course were adopted the Siamese would probably be prejudiced. They would therefore prefer to confine their demand to the original estimate of 1,500,000 tons.

¹³ Handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on November 13.

¹⁴ In a memorandum of June 27 of a conversation with the Thai Minister and various members of his staff, the Chief of the Division of Southeast Asian Affairs reported a statement by Phra Bhisal, adviser to the Minister on postwar relief and reconstruction, that "there are about 2 million tons of rice ready for export in Thailand". (892.61317/6-2745)

4. As regards the compensation to be paid by the Siamese Government under Section B.3 of the Heads of Agreement and Clause 4 of the Annex, His Majesty's Government note that it is the policy of the United States Government that reparations should not be exacted from a defeated enemy beyond his ability to pay without crippling his peacetime civilian economy. But they do not agree that to make the proposed contribution of rice and at the same time to pay the compensation provided for would unduly strain Siam's economy or jeopardise the stabilisation of that economy, which His Majesty's Government no less than the United States Government earnestly desire to expedite and assist. The free contribution of rice involves a deprivation of a potential source of foreign exchange which in view of Siam's well-known foreign exchange position she can face with equanimity. Apart from her substantial holdings of gold, the sterling assets of Siam at present in the hands of the United Kingdom custodian of enemy property, when ultimately released after all due deductions have been made, will undoubtedly still constitute very substantial assets. The claims for compensation will for the most part fall to be met in Siamese currency; and whilst it is of course impossible to assess in advance of proper investigation of the facts what will be the amount of these claims, His Majesty's Government are confident that they will not be so large as to impose any intolerable strain on Siam's internal economy. The obligation to restore British and Allied interests, with compensation as and when necessary, is one which has been provided for in all the Armistice terms in Europe and it is not one which His Majesty's Government are prepared to forego in the case of Siam, which, in the last resort, is in a far stronger position as regards foreign exchange than any other defeated enemy, and has a good foreign exchange earning potential.

5. The suggestion that the free contribution of rice should be substituted as reparations in kind for all or part of the compensation Siam will be called upon to pay under Section B3 of the Heads of Agreement and Clause 4 of the Annex is therefore unacceptable to His Majesty's Government. This contribution is regarded by His Majesty's Government as implying no such penal connotation as does the word "reparations". It is their intention that it shall constitute a special measure of reconciliation and aid by Siam towards those of the United Nations who suffered directly through denial of Siam's rice exports during the war years; and that it should be allocated by agreement amongst the recipients in accordance with the criteria previously suggested.

6. As for the suggestion that claims for compensation should be brought within the scope of an Allied Claims Commission, which would be charged with the task of assessing Siam's capacity to pay

and of allocating compensation accordingly, His Majesty's Government would not regard it as appropriate for any Government which is not in a state of war to be associated in determining either the capacity of an enemy to pay reparations or the equitable settlement of claims. They would naturally expect that such claims should rank for reparations ahead of those of States which had not been at war. The disposal of British claims against Siam would appear to be a matter for direct settlement between His Majesty's Government and the Siamese Government.

WASHINGTON, November 12, 1945.

741.92/11-1545: Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, [November 13, 1945.]

[Received November 15—11 a. m.]

2. 1. Landon,¹⁶ Major Thompson, and I called today on Regent, Seni, FonOff and Bird. We conveyed to Seni unofficially gist of Department's 2963.¹⁷

2. In regard to British agreement, Regent took position that, since Siam did at a great sacrifice concede to a rice levy, British should at least make some minor concessions. He attached great importance to this in order to demonstrate to Siamese public that agreement was result of negotiation and not a dictated peace. He spoke strongly of hardships imposed on Siam by rice levy and confirmed that not more than 800,000 tons exportable surplus now in country. British are accepting only unbroken rice, which, according to Regent, will require 3 years' crops to meet demand of 1½ million tons, thus mortgaging future of nation. Bird, on the other hand, took position that HMG would insist on signatures agreement exactly as presented and did not consider it subject for negotiation. He therefore feared that conclusion of agreement might be delayed until new Assembly could meet and revoke restrictions placed on Seni by old Assembly. He felt Dening's optimism unjustified and saw no reason to resume Anglo-Thai conversations until Siamese ready to accept British terms. He insisted 1,700,000 tons rice exportable surplus on hand.

3. On relations with France, Seni reiterated that Siam was ready to submit frontier question to United Nations and accept their decision,

¹⁶ Kenneth P. Landon, Special Consultant to the Political Adviser in Siam.

¹⁷ Copy not found in Department files. This number was not part of the Department numbering system for messages to Bangkok and possibly refers to a message transmitted for the Department by the Strategic Services Unit.

but Government would be thrown out if it turned over territory to French without arbitration. Such action would also be resented by Annamese at time when they are fighting for independence. Seni did, however, suggest possibility of making public statement prior to arbitration to effect that Siam recognized manner of its recent acquisition of territory had been improper and ill-advised.

4. On relations with China, Seni said Siamese Government desires to resume diplomatic relations, and he had so informed Assembly. He did not wish to act, however, until relations had been resumed with US and Britain.

5. Fuller report on each of subjects dealt with in this message will be submitted shortly.

Yost

741.92/11-2145 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, November 21, 1945—11 a. m.

[Received November 22—8:58 a. m.]

[14.] British *aide-mémoire* summarized in Dept's No. 8, undated,¹⁸ demonstrates same intransigent attitude reflected by Bird here. British, while granting it is not in their interest to impose intolerable burden on Siamese economy, attach great importance to acceptance by Siamese of heavy penalties as public admission of guilt. British attitude is to some extent irrational but nonetheless obstinate and would seem to demonstrate definite intention to proceed with unilateral policy in Siam whenever they do not find us amenable.

It seems to us that Dept would now be fully justified in presenting to British strong note of protest at unilateral manner in which they are proposing to act. US contribution to victory in Far East was certainly sufficiently great to warrant our having a substantial voice in peace settlement in SEA (South East Asia), particularly in case of only independent country in that area treatment of which by any of the Allies is bound to affect overall relations of West with East. British have no right to make fact they were at war with Siam and we were not excuse for unilateral settlement since our policy was not expression of disinterest in Siam but on contrary one of sympathy and support.

If Dept does not wish to present to British note of protest along above lines, following possible alternative is suggested. British claim they will be willing to reduce penalties on Siam if it proves in fact after signature of agreement that burden on Siamese economy is such

¹⁸ November 15, 1 p. m., not printed; it summarized the British *aide-mémoire* of November 12, p. 1367.

as to cause permanent dislocation. Siamese on other hand maintain that once they have committed themselves they would have no assurance that burdens would ever be lightened. Situation might be met without changing text of agreement by British addressing to Siamese delegation at time of signature a letter stating that should implementation of agreement place intolerably heavy strain on economy of Siam His Majesty's Govt would be glad to consult with Siamese Govt at latter's invitation with view to taking steps necessary in interest of Siamese domestic economy, her international commercial relations and economic stability of SEA. While such a step would be far less satisfactory than our proposal of an Allied Claims Commission to assess all compensation and reparations, it would nevertheless make clear to all parts so [*parties*] that modification of terms was envisaged if conditions warranted. We would then, even though not a member of an Allied Commission, have a lever to exercise pressure on British through diplomatic channels as soon as we felt situation so demanded. Letter might moreover meet Regent's need (ref my No. 2, November 13) for some British concession, however slight, to demonstrate to Siamese that govt has had some voice in negotiations.

If British prove unwilling to reply favorably in case of either alternative approaches above, we believe wisest course would be for us to resume diplomatic relations with Siam without more ado. While this would be step to which British could hardly take exception in view of long period we have already waited at their request, we feel it would give them serious pause and might be more effective than any other move on our part so causing them to reconsider their policy.

[Yost]

741.92/11-1245

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Department of State welcomes the information in the British Embassy's *Aide-Mémoire* of November 2, 1945 that the British Government proposes to insert before the word "principles" in Clauses D 2 and D 3 of the proposed Heads of Agreement with Siam the words "reciprocal application of the" so as to remove any doubt as to the meaning and intent of those Clauses.

It notes with appreciation also the willingness of the British Government as indicated in the Embassy's *Aide-Mémoire* of November 12, 1945 to delete the reference to this Government in the proposed revision of Clause 15 (now 14) of the Military Annex.

On October 9 the Department offered further comments on Clause 14 (now Clause 13) of the Military Annex. The assurances of the British Government with regard to the application and intent of that Clause were subsequently received the same day.¹⁹ In view of those assurances and the proposed change set forth in the Embassy's *Aide-Mémoire* of November 2, the Department withdraws its request for further amendment to or for the treatment of this Clause in a different manner from Clause 11.

This Government welcomes the confirmation of its understanding that the free contribution of Siamese rice demanded by the British Government is intended not to exceed the surplus rice stocks accumulated in Siam during the war, and that the British Government has no wish to levy on future Siamese production. The Department notes that the British Government, while agreeable to the suggestion that the amount of such accumulated surplus be determined by the Rice Commission, now believes the amount of such surplus rice accumulated during the war to have been approximately two and one-half million tons of paddy or the equivalent of 1,700,000 tons of rice; considers that if the levy were to be fixed at the exact accumulated surplus the amount might therefore be greater than the present demand; and accordingly would prefer to confine its demand to the original estimate of 1,500,000 tons.

In view of the estimate made by British personnel in Siam this Government can appreciate the view expressed by the British Government. The Department has, however, within the past few days received from Mr. Yost in Bangkok an estimate, based on an American survey, which indicates that the total amount of surplus rice available for export from Siam from November 1945 to November 1946 will be less than 800,000 tons. This figure, furthermore, includes not only the surplus stocks accumulated prior to the Japanese surrender, but also the proceeds of the coming crop.

In view of the great discrepancy between the British and American estimates, each estimate may properly be considered open to some doubt and it would seem that the actual amount of surplus Siamese rice accumulated during the war should be determined as accurately as possible by an impartial body such as the proposed Rice Commission. If the principle is accepted by the Siamese that they should make a free contribution of the surplus rice stocks accumulated during the war, it would not be reasonable for them to object if the facts disclosed an amount somewhat in excess of the original British estimate. On the other hand, if the recent American estimate is proved to be more nearly in accordance with the facts, the British Government will not

¹⁹ See *aide-mémoire* from the British Embassy, October 6, p. 1351.

wish to insist on a free contribution in excess of the actual accumulated surplus stocks as that would involve a levy on future production. Accordingly, this Government again earnestly requests the British Government to adopt the foregoing procedure rather than to base its demand on its original estimate of 1,500,000 tons. The British Government may rest assured that Mr. Brookhart²⁰ and Mr. Willich,²¹ the proposed American members of the Rice Commission, would approach any finding as to the amount of such surplus rice stocks with complete impartiality and objectivity.

The Department notes the concern of the British Government that this procedure might be prejudicial to the Siamese should such finding establish that the accumulated surplus in fact exceeded 1,500,000 tons. This Government concurs in the view that this would not be desirable and suggests that it could be obviated by limiting the maximum amount of free rice demanded to 1,500,000 tons. Such a ceiling would in no way endanger the British demand if the British estimate is later established as correct, and it would avoid the uncertainty of a later increase in the demand if the accumulated surplus is found to have been larger than that figure. This Government would warmly welcome action by the British Government in adopting such a ceiling.

There remains only one point regarding the terms of the proposed Heads of Agreement and Military Annex on which this Government has commented and as to which as yet no reply has been received. As explained orally to an officer of the British Embassy on October 11, this Government appreciated the change in Clause C 2 of the Heads of Agreement set forth in the Embassy's *Aide-Mémoire* dated October 6, but was still concerned that Clause C 1, standing alone and unrelated to its corollary in Clause C 2, might be subject to possible misconstruction or misinterpretation at some future date. The Department urged therefore that Clauses C 1 and C 2 be conjoined in a single clause. Such change would be quite in accordance with the views and objectives set forth in the Embassy's *Aide-Mémoire* of October 9 and the earlier statements of Mr. Eden referred to in the Department's *Aide-Mémoire* of September 26. At the same time such change would obviate the possible danger which this Government considers inherent in the present arrangement of the two Clauses standing separately and unrelated. This Government again earnestly requests, therefore, that these two Clauses be conjoined in a single clause.

WASHINGTON, November 23, 1945.

²⁰ Charles E. Brookhart, Consul at Calcutta, was given the temporary designation of Consul at Bangkok on October 23.

²¹ Theodore C. R. Willich of the Foreign Economic Administration.

741.92/11-2445 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, November 24, 1945—11 a. m.

[Received November 26—9:15 a. m.]

18. Negotiations with British were subject of Cabinet meeting November 22, according to Suni who was present. Two members urged immediate and unconditional acceptance of British terms but Cabinet decided, with concurrence of all other members, government would hold to commitment to Assembly that, in exchange for yielding of rice levy, it would insist on British acceptance points proposed by Siamese. Minor points might be abandoned but not points of substance. If British refuse to accept Siamese modifications, Siamese would announce publicly that negotiations were not free and they were confronted with an ultimatum. That being made clear they would sign the agreement. Prime Minister later informed Suni Regent had approved Cabinet decision and it will unless policy subsequently changed represent Siamese strategy when negotiations are resumed. There is no word yet as to when that will be.

Modifications proposed by Siamese are substantially those outlined in my War Department message 587, September 28 and my SSU message October 10 from Kandy.²² Particular importance is attached by Siamese to:

(1) Creation of Allied Claims Commission to assess damage and determine extent of Siamese responsibility;

(2) Definition of term "Settlement of war with Japan" to mean disarmament and internment but not evacuation of Japs (Gen. Evans confirms evacuation will probably take 6 months or more);

(3) Some limit on Siamese responsibility for supporting British troops since cost of supplies alone is now 100,000 bahts per day;

(4) Clarification of Paragraph 11 (E) of Military Annex to make certain Britain does not intend to take over administration of Siamese territory;

(5) British proposed that if Siamese consented to rice levy there be no mention of levy in agreement but Siamese wish it mentioned.

Suni also said rumors are being widely circulated in Bangkok, he believes by British, that present government is standing in way of restoration of normalcy and economic stability and, if agreement were signed without further argument, difficulties now confronting country would vanish (we have also encountered these rumors). Suni added that certain political elements following out this line and encouraged by British are attempting to discredit Prime Minister and unseat Cabinet. Finally rumors which, according to Suni, have received credence in highest quarters suggest that US decision not to

²² Latter not printed.

resume diplomatic relations was intended as a warning to Siamese that they should sign agreement in its present form if they wished formal relations with US resumed. I assured Suni this last rumor is wholly without foundation.

Comment: Suni was obviously sent by Prime Minister who in several conversations with us has exhibited intense discouragement. US obviously does not wish to be placed in position of supporting certain Siamese politicians vis-à-vis others but, on the other hand, we feel it is not in our interest that acts of ours such as failure to resume diplomatic relations be used to discredit a Cabinet endeavoring to maintain Siamese independence and to replace it by one which might be composed of British puppets. I am inclined to believe Regent will be skillful enough to avoid latter eventuality but it cannot be wholly ruled out. For further background and recommendation on this question see my No. 19, November 24.

Yost

892.01/11-2445 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, November 24, 1945.

[Received November 27—9:50 a. m.]

19. Growing dissatisfaction among Siamese with present Government under control of the Revolutionary Party arises from (1) its long tenure of office, (2) its failure to reestablish normal relations with Britain and United States, and (3) to solve internal problems of inflation and corruption among civil officials. Siamese speak constantly of desire for capable Government satisfactory to Britain and U. S. [Here follows a reference to rumors of abdication by the King and of his possible successors.] However, unless monarch assumed more authority than at present change of monarch not as significant as possible shift away from current control of Revolutionary Party. It is generally known that British are making efforts through pro-British Siamese to organize a party with political influence but as yet have secured no outstanding leaders. In conversation with Bird was informed that British dislike Revolutionary Party leaders almost without exception and regard their regime as inimical to welfare of Siam and that British would like to see a change for the better. In this connection Siamese believe that British are attempting to achieve their ends by pressing harsh terms on Siamese while making unofficial promises that if a government is set up which is satisfactory to the British the actual implementation on terms will be mild. This ties in with Bird comment to us that after agreement is signed if Siamese feel terms are too harsh they can open negotiations for amelioration.

It becomes increasingly clear that Britain is using peace terms to strengthen its already preponderant political and economic influence in Siam. Respectfully suggest that continued delay by U. S. to resume diplomatic relations is likely to be increasingly interpreted by Siamese as U. S. support of British terms and to contribute to forcing Siam into British hands. We believe that these facts lend weight to recommendations contained in my #14, dated November 21.

Yost

741.92/11-2745 : Telegram

*The Secretary of State to the Ambassador in the United Kingdom
(Winant)*

WASHINGTON, November 27, 1945—8 p. m.

10303. Dept informed that about Nov 20 Mountbatten recommended to Brit CS²³ that strong military representation should be continued by Brit in Siam and that a Major General should be appointed head such military. Reasons given by SAC were:

A. About 117,000 Japs in Siam must be guarded and returned to Japan ultimately.

B. On the Burma-Siam Railroad are approximately 20,000 Malayan rubber estate and other laborers who must be evacuated through Bangkok.

C. Adequate export Siamese rice must be assured. This point he stated could not be over-emphasized.

D. Would aid in securing conclusion Siamese Agreement and in assuring its implementation.

Please discuss foregoing with FonOff indicating following views. Dept recognizes that question of guarding Japs is primarily military but feels that Siamese cooperation should, as a political decision, be availed of to maximum extent possible in accordance Allied military agreement. Dept considers:

1. Brit military are in Siam pursuant to Allied military agreement with Siam concluded early Sep for disarming Japs, repatriating POWs²⁴ and internees, and securing Jap property, and are not there to force conclusion of Brit-Siamese Agreement.

2. POWs have all been repatriated, practically all Japs have been disarmed and concentrated in camps, and Dept understands Malayan APWI²⁵ are to be shortly evacuated.

3. Neither under military agreement nor under proposed Brit-Siamese Agreement have Brit military any duties or responsibilities relating export Siamese rice. Brit and American Govts have agreed on principles governing export of Siamese rice under civilian aus-

²³ Chiefs of Staff.

²⁴ Prisoners of war.

²⁵ Allied Prisoners of War and Internees.

pices. Unnecessary continuance of strong Brit military may on contrary create antagonism which will prevent wholehearted Siamese cooperation needed to assure maximum export.

4. Under specific Brit assurances to US as to application and intent of provisions of Heads of Agreement and Military Annex strong military representation will not be required following conclusion of Brit-Siamese Agreement and would appear contrary to principle involved in resumption Brit diplomatic relations and in promised friendly cooperation with Siam as an independent, sovereign nation.

Sent to London. Repeated to AmPolAd, Bangkok, for information.

BYRNES

741.92/11-2845

*The Department of State to the British Embassy*²⁶

AIDE-MÉMOIRE

This Government appreciates the consideration which the British Government has given to American comments on the terms of the proposed British-Siamese Agreement.

It realizes that unity of British and American approach to Siamese problems is complicated by the fact that Great Britain declared war on Siam and considered it a satellite enemy while the United States ignored the Siamese declaration of war as not representative of the will of the Siamese people and considered Siam a country to be liberated from the enemy. In a sincere effort to maintain unity of British-American action with regard to Siam this Government has earnestly endeavored to accommodate itself to the British position. It withdrew its proposal that Siam, along with Korea and Formosa, should be eligible for UNRRA aid. It has so far declined to reply to Siamese requests for comments on the proposed British-Siamese Agreement. Twice, at British request, it has deferred resumption of diplomatic relations with Siam. It has refrained from pressing its objections to certain of the terms of the proposed British-Siamese Agreement which appear to it unduly harsh in the light of the record of Siam both during and since the war.

This Government, however, is now deeply concerned at the views expressed in the Embassy *aide-mémoire* of November 12, 1945 that the United States may not properly be associated with the British Government in determining Siamese capacity to pay compensation for damage to Allied property and that the claims of the United States and other Allies not at war with Siam must be subordinate

²⁶ In a memorandum of November 28 to the Under Secretary of State (Acheson), the Director of the Office of Far Eastern Affairs (Vincent) recommended that the Under Secretary deliver this *aide-mémoire* personally to Lord Halifax "to emphasize its importance". (741.92/11-2845) This was done on November 29.

to those of the countries which are at war. This position it is felt would be sound if the British state of war with Siam were unrelated to the war with Japan or if the United States had been a neutral in that war. On the basis of actual facts, however, this Government cannot acquiesce in the British position. Except for the purely technical status raised by the British declaration of war against Siam, the British and American Governments have been completely allied in the war in the East. Siam was in an Allied theatre under combined Anglo-American Command. All operations affecting Siam were Allied in character and were directed solely against the Japanese in that country. Both Governments aided the Siamese. Both Governments requested Siam not to enter the war against Japan until Siamese efforts could be coordinated with the overall Allied strategy against Japan. The surrender of the Japanese in Siam was compelled by the Allied defeat of Japan. Siamese aid in disarming the Japanese and repatriating prisoners of war was provided by an Allied agreement concluded with Siam.²⁷ Both Governments are equally concerned with the establishment of peace, prosperity and stability in Southeast Asia.

This Government cannot agree that, because of the different technical status in its relationship vis-à-vis Siam, the United States is not concerned equally with Great Britain in the settlement of Allied claims against Siam or that it is not equally concerned in Siam's capacity to pay such claims.

In the same *aide-mémoire* the British Government expresses the view that the rice levy demanded by it is not to be considered as having the penal connotation implied in the word "reparations", but rather as a "special measure of reconciliation and aid by Siam towards those nations who suffered directly through denial of Siam's rice exports during the war years". This Government believes that if this view were to be accepted, a similar demand could logically be made against Indochina and indeed against every country whose normal exports were cut off by the exigencies of war. Furthermore, this view would ignore the fact that Siam and each of such countries has been denied the imports which normally they would have received for those exports.

The singling out of Siam for a special "act of reconciliation" is, in the opinion of this Government, penal in effect and this view is supported by the statement in the Embassy's *aide-mémoire* of September 8, 1945 indicating that one purpose of the levy is to prevent Siam ending the war "in an incomparably better financial position than any of the other nations which were in a position to offer resistance to the aggressor".

²⁷ See footnote 43, p. 1307.

It is noted also that the British proposal does not provide for an allocation of Siamese rice free of cost to those countries suffering a rice shortage. Allocations of Siamese rice will be made by the Combined Food Board or successor body in accordance with regular procedures and quite unrelated to the proposed levy. According to the understanding of this Government the British proposal is actually to distribute among certain of the Allied countries which suffered more from the war than did Siam the value of the rice which Siam is to contribute free of cost. The value of that rice may well exceed one hundred million dollars. The rice purchased pursuant to Combined Food Board allocations by countries not sharing in this distribution would be paid for at controlled prices, while the countries sharing in the distribution would not be required to pay for the rice which they receive until delivery of their share of free rice had been completed. The effect of the rice levy is thus to require Siam to contribute huge sums to the governments of the neighboring colonial areas as a penalty for not suffering as did those areas, for the briefness of Siamese resistance to Japan, and for the declaration of war by the Pibul administration.

Regardless of the technical term applied to such penalty this Government believes that it will have a definite bearing on the economy of Siam and on the ability of Siam to pay Allied claims.

This Government would consider it neither just nor reasonable that the settlement of Allied claims should be subordinated to the benefits of the proposed rice levy to be distributed among other countries which may or may not have claims against Siam. Accordingly it feels strongly that if it be determined that Siam has not the capacity to meet the full levy and in addition pay compensation for Allied claims in full, the value of the levy in whole or in part should be applied in settlement of those claims. It would follow that the Allied Claims Commission, establishment of which has been requested by this Government, should have some control over the distribution of the benefits of the rice levy.

This Government recognizes that Siam has considerable gold and foreign exchange. It is possible, as stated in the Embassy's *aide-mémoire*, that Siam would be able to meet the rice levy, pay all Allied claims in full and still have sufficient foreign exchange assets so that she would not have to turn to other nations for financial assistance. It is also possible that the effect of the huge rice levy and the payment in full of Allied claims would place an intolerable burden on the internal economy of Siam. Those are matters yet to be determined and this Government cannot accept the view that it may not participate in that determination, which is a matter of Allied concern, on equal terms with those of its Allies technically at war with Siam. Furthermore,

this Government must question the principle implied in the Embassy's *aide-mémoire* that Siam should be penalized drastically simply because she may have relatively substantial gold and foreign exchange assets. Such policy might result in Siam suffering relatively more from the Allied victory over Japan than nations far more at fault than was Siam.

This Government attaches such great importance to the basic principles involved in these questions that the American views have been set forth in some detail. It earnestly requests the British Government to reconsider its position set forth in the Embassy's *aide-mémoire* of November 12 so that an Allied Claims Commission on which the United States will be equally associated with the British Government will be established to consider Allied claims against Siam, to determine Siam's capacity to pay those claims, including the effect of the proposed rice levy, and to bring about an equitable settlement of such claims; to agree what part, if any, of the value of the proposed rice levy should be applied in settlement of such claims; and to pass accordingly on the distribution of the benefits of that levy.

WASHINGTON, November 29, 1945.

741.92/11-2845

*Memorandum of Conversation, by the Under Secretary of State
(Acheson)*

[WASHINGTON,] November 29, 1945.

Lord Halifax called at my request. I handed him a copy of the *Aide-Mémoire*, dated November 29, explaining its contents briefly. I then made the oral statement contained in the attached Memorandum of Oral Communication²⁸ and handed Lord Halifax a copy.

Lord Halifax read me a brief memorandum prepared by Sir George Sansom²⁹ which anticipated that we might press for the resumption of diplomatic relations and urged that this should not be done until the termination of the state of war between Great Britain and Siam. It also urged that we say to the Siamese that they should enter into the agreement which the British proposed.

I said to Lord Halifax that I thought the *Aide-Mémoire* and the written oral statement which I had just handed him pointed out a way for the resolution of these difficulties, and I hoped that the British would find it possible to agree with the suggestions there made in the very near future.

DEAN ACHESON

²⁸ *Infra*.

²⁹ Copy not found in Department files.

741.92/11-2845

*Memorandum of Oral Communication to the British Ambassador
(Halifax)*

[WASHINGTON,] November 29, 1945.

Several weeks ago the Department agreed to defer resumption of diplomatic relations with Siam until December 1, at which time it was explained we would feel free to take such action. The Department does not consider that this Government should defer longer the resumption of diplomatic relations to which it attaches a great deal of importance. We would not wish, however, to take such action without affording the British Government opportunity to reply to the Department's *aide-mémoire* of November 23 and to this *aide-mémoire* dated November 29. I would ask, however, most earnestly, that decision on the requests made in these *aide-mémoire* be hastened so that we may receive a reply within a few days.

We believe that one of the factors which may have been delaying the conclusion of the British-Siamese negotiations has been the knowledge of the Siamese Government that this Government had certain objections to the proposed agreement and has been discussing those objections with the British Government. Those objections have never been stated to the Siamese by us and they have been free to conjecture as to American views. If the British Government can see its way to meet the American points of view expressed in these two *aide-mémoire*, we believe that it might be helpful to the early conclusion of the negotiations and we would have no objection were Mr. Dening to inform the Siamese Mission that the American Government had offered a number of comments on the proposed Agreement and Annex; that the British Government had endeavored to meet many of these comments either by changes in the text or by assurances as to the application and intent of the provisions in question; and that, while obviously the American Government had expressed neither approval nor disapproval of the Agreement, it had informed the British Government that it had no further comments to offer on the terms of the Agreement and annex. If the British Government believes that it would be helpful so to inform the Siamese, this Government feels that, in order to explain the American position, Mr. Dening should at the same time convey to the Siamese the same assurances as to the application and intent of various terms which the British Government has given the American Government and explain the principles of the proposed tripartite agreement which the British and American Governments desire to negotiate with the Siamese.

741.92/12-145: Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 1, 1945—9 a. m.

[Received 2:53 p. m.]

37. Bird states Anglo-Siamese negotiations will probably be resumed in Singapore week of December 2.³⁰ He is not optimistic as to outcome in view Siamese Government's commitment to Assembly to hold out on certain points and His Majesty's Government's continued determination to insist agreement be signed as presented. Strategy of Siamese Government will presumably be that described in my No. 18, November 24, 11 a. m.

Bird did indicate greater flexibility might be introduced into rice levy clause by stipulating that a portion be delivered unconditionally while delivery of remainder would depend on availability. Bird disclaimed knowledge whether His Majesty's Government will bring Indo-China question into negotiations but report from US Military Attaché AHQS (Army Headquarters) indicates British, since Siamese refuse to negotiate with French, may incorporate appropriately ideas from French draft agreement into their own. Such action would greatly complicate and prolong negotiations.

Since focal point of negotiations will in fact be Bangkok rather than Singapore where little if any freedom of action will be left to negotiators, Landon will not proceed to Singapore (ref Deptel 18, November 26, 8 p. m.³¹) unless later developments should so require. GG (abbr[eviation] unknown)³² are asking Timberman to keep us currently informed.

In view attitude governments, it seems likely negotiations will come to quick crisis ending in Siamese capitulation along lines described in mytel referred to above. It is not impossible that accidents may intervene (such as recall of Dening to Batavia or introduction Indo-China border question) which would once more prolong negotiations over many weeks. We suggest Department may wish to set some specific date such as December 20 for resumption diplomatic relations with Siam and so inform British. This would afford British reasonable time for completing negotiations and at same time serve as check on introduction of further complicating factors. We cannot too strongly emphasize unsettling effect on both political and economic conditions

³⁰ In undated telegram 5, received in the Department on November 19, 9:40 a. m., the Political Adviser in Siam stated: "Siamese delegation is by agreement with British returning from Kandy to Bangkok. Negotiations will not be resumed at least until transfer of SAC Political Adviser's office to Singapore, which is now scheduled for November 23." (741.92/11-1945)

³¹ Not printed: it authorized Mr. Landon to proceed temporarily to Singapore in view of the transfer of British-Siamese negotiations to that city (741.92/11-2645).

³² Code room notation.

here of continuation of present diplomatic situation vis-à-vis both Britain and US.

YOST

741.92/12-145 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 1, 1945—2 p. m.

10447. 1. Brit Embassy informed Dept orally Nov 30³³ that Brit could not assent US request for combining Clauses C 1 and C 2 Brit-Siamese Agreement. Denied any special Brit end sought by separate statement Clause 1 and reiterated that only intent is to make easier negotiation with Siam regional scheme of defense "within international organization".

2. Dept attaches deep importance to textual linking of Clause 1 and Clause 2. Such change would express exactly stated Brit intentions. Clause C 1 standing alone might be construed as giving Brit protectorate over Siam or right to military concessions outside international organization denying Security Council jurisdiction. See sections 1 and 2 of Dept *aide-mémoire* Jun 25 to which no Brit reply received. See also Deptel 9791, Nov 21, 1944.³⁴

3. Instructions on which Brit oral statement Nov 30 based were obviously despatched before receipt by FonOff of Dept *aide-mémoire* and written oral communication Nov. 29 (Deptel 10408, Nov. 30³⁵). Please stress to FonOff importance US attaches this matter and urge reconsideration when replying Dept's Nov 29 communications.

Sent to London. Repeated to AmPolAd, Bangkok and Chungking for information.

BYRNES

741.92/12-145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 1, 1945—3 p. m.

[Received December 2—6:17 a. m.]

12567. We have discussed with Sterndale Bennett substance of Dept's 10303, November 27, re strong British military representation in Siam. Bennett stated he had seen some recommendation from

³³ Written confirmation dated December 4 was handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on December 5 (741.92/12-445).

³⁴ *Foreign Relations*, 1944, vol. v, p. 1285.

³⁵ Telegram not printed; it summarized the Department's *aide-mémoire* of November 29, p. 1377.

Mountbatten that British commander in Siam should be major general. There is only about one brigade of British troops in Siam at present and Bennett knows of no intention to increase this number. He promised to find out for us exactly what Mountbatten had recommended in this respect and talk with us again about the matter. He did express the preliminary view that the British military were not in Siam for the purpose of putting pressure on Siamese. He also expressed disagreement with Dept's statement re exports of Siamese rice. While it is true that actual export of Siamese rice will be under civilian auspices, nevertheless the ultimate responsibility for prevention of starvation in southeast Asia (which British feel is a real danger) rests upon military commander.

WINANT

741.92/12-745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 7, 1945—6 p. m.
[Received December 7—5:45 p. m.]

12848. ReDepts 10477, December 1. Wilson-Young, in direct charge of Siamese affairs at Foreign Office, gave us emphatic categorical assurance this afternoon that there is no intent by terms of Clause C-1 of British Siamese agreement to create for the British a special military position of any sort in Siam. He explained that question of linking Clauses C-1 and C-2 is for final determination of Chiefs of Staff and not of Foreign Office. Real reason why British are reluctant to link the two as suggested by US is that there is no assurance as to date when regional security arrangements set up under or approved by United Nations Organization would begin to function. Wilson-Young explained that if, for example, some threat to security of British territory in area mentioned should arise prior to setting up of arrangements envisioned in C-2, Clause C-1 would give British "an in" by which they could go to Siamese and ask them to discuss possible measures to meet the crisis. He stated emphatically that C-1 does not place any obligation on Siamese to do anything. He denied that there was any intent that Clause C-1 should give British rights of protectorate over Siam.

Wilson-Young said that if a form of words could be devised to link Clause 1 and 2 which would preserve British position as outlined above, he thought there would be no objection to making the link. However, the matter would have to be discussed with Chiefs of Staff before any final action could be taken. He did not feel optimistic about an acceptable form of words and suggested that it

might be preferable and meet the Dept's fears for the British to give us a formal written declaration regarding their intentions under C-1 which would make clear as stated above that they are not attempting to create for themselves a special military position in Siam. He promised to talk to us again after seeing the Chiefs of Staff.

WINANT

741.92/12-1045

*The British Embassy to the Department of State*³⁶

G 24/405/45

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom have considered the text of the *Aide-Mémoire* handed to Lord Halifax on November 29th by Mr. Acheson.

2. His Majesty's Government appreciate the State Department's efforts to maintain unity of British and United States approach to Siamese problems and in view of the arguments now advanced His Majesty's Government are prepared to agree that the United States Government should participate on an equal footing with His Majesty's Government in an Allied Claims Commission. The exact scope and functions of the Commission remain to be determined by consultation between the Governments represented on the Commission.

3. His Majesty's Government fully concur in the view expressed in the State Department's Memorandum of October 25th that an adequate standard of living and an opportunity for economic progress without dependence upon immediate or future financial aid from any other Government should be afforded to the Siamese people; while it is the belief of His Majesty's Government that the Siamese Government can without such financial aid both meet full payment of the Allied claims which may be preferred against Siam and supply free of charge the accumulated surplus stocks of rice, they would be willing to reconsider the matter in consultation with the United States Government should this belief prove to be unfounded. Subject to this understanding however the free contribution of rice should not in His Majesty's Government's view for the reasons given in the following paragraph be regarded as available for the settlement of the claims against Siam to be considered by the Allied Claims Commission.

4. As regards the allocation of free rice referred to in paragraph 6 of the State Department's *Aide-Mémoire* of November 29th, it has throughout been intended by His Majesty's Government that although

³⁶ Handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on December 11.

the actual physical allocation of rice should be in accordance with the decisions of the Combined Food Board the allocation of *free quotas* should be made in accordance with the decisions of a conference of those of the United Nations who claimed to participate in this scheme and that as a result, rice free of cost should be allocated to those countries suffering a rice shortage because of deprivation of their normal imports from Siam during the war years. In framing this proposal His Majesty's Government have had in mind the analogy of mutual aid whereby the aid is given where the need lies. As has been made clear in previous communications His Majesty's Government are most anxious that the process of settling claims to share in the free rice contribution shall in no way hamper the maximum possible outflow of rice from Siam which will proceed in accordance with Combined Food Board allocations regardless of whether the recipients are to pay or to receive it free (as explained in paragraphs 3, 4, 5 and 6 of the *Aide-Mémoire* which was handed to Mr. Moffat by Mr. Everson on the 29th September).

5. His Majesty's Government trust that the United States Government will agree that His Majesty's Government have met the two suggestions put forward in the State Department's Memorandum of the 29th November, viz. United States participation in an Allied Claims Commission on an equal footing with His Majesty's Government and recognition that Siam should not be called upon both to meet the rice levy and to pay all Allied claims in full if this were to involve the need for external financial assistance. It is their most earnest desire that the agreement should be signed as soon as possible and they welcome the suggestion of the Under Secretary of State that Mr. Dening should be at liberty to inform the Siamese that the United States Government have no further comments to offer on the Heads of Agreement and Annex.

WASHINGTON, December 10, 1945.

741.92/12-1245 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 12, 1945—11 a. m.

[Received January 4, 1946—10: 59 a. m.]

60. Since Bird left for Singapore and it will be difficult to follow British side negotiations from here, Landon is proceeding Singapore December 15. Prince Wiwat, head of Siamese delegation, informed newspapers before leaving Bangkok he thought negotiations would be over in 2 weeks. This is further indication Siamese are prepared to yield rather promptly provided British do not introduce new factors such as Indo-China frontier.

YOST

892.61317/12-1245 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 12, 1945—5 p. m.
[Received December 12—3: 12 p. m.]

61. Prince Wiwat returned Bangkok today bringing minutes of meeting Singapore with Denning which we have seen.

Denning said Heads of Agreement not a "negotiable instrument", that he was not prepared accept changes of substance but merely changes of form; Siam had declared war on Britain and merely act of grace on Britain's part she did not impose peace terms; Siamese resistance movement had not been sufficiently trained to act effectively and therefore could not have made any contribution to Allied victory, action in making commitment to Assembly that rice gift would be granted only in exchange for British concessions on other points was incomprehensible and unacceptable; rice is not coming out of Siam in adequate quantities and if there is no improvement British will have to inform starving peoples of SEA their plight is due to Siamese procrastination; Siamese Govt is conducting public propaganda campaign to reduce British terms and if continued feelings of British people may be so aroused that terms will be hardened; Siam cannot be member United Nations until she comes to terms with Britain and France; no measures whatsoever to restore Siamese intercourse with outside world can take place until state of war with Britain is terminated; Heads of Agreement minimum terms UK is prepared to accept. Denning concluded by saying further discussion is useless and member of delegation should return to Bangkok to obtain immediately decision from Siamese Govt as to whether it will sign.

Wiwat then enumerated proposed Siamese amendments which were transmitted to Dept. He declared these amendments were of form only and designed merely to enable Siamese Govt to cope with difficult internal political situation. Denning rejected all Siamese amendments and replied in negative to Wiwat's query whether HMG offered any explanation of rejection.

On French question Wiwat said his govt is prepared negotiate at any time in Bangkok with French representative. Denning said French did not wish send representative to Bangkok and he reserved right to include in Anglo-Siamese Agreement at any time up to moment of actual signing a provision for return to Indochina of disputed territories.

At end of meeting Denning gave Wiwat new text of Heads of Agreement which we have not yet seen but which according to Prince differs from Kandy text only in paragraph 15 and 16 of Military Annex. These paragraphs would appear modified in accordance US wishes.

Wiwat must return Singapore Dec 15 and Siamese Govt must decide before then whether to sign.

Seni urgently requested US views. We felt unable do more than reiterate general lines US policy toward Siam, to emphasize our interest maintenance Siamese sovereignty and economy and to state that, according our latest word, discussion Heads of Agreement is still proceeding between Washington and London. We have not given any advice to Siamese as to whether they should sign.

Unless Dening is acting without instructions from London, it would appear British are rushing through conclusion of agreement without further reference our views. In light this fact we would recommend diplomatic relations with Siam be resumed immediately and both Siamese and British be informed that whether or not agreement is signed in present form we will continue resist any infringement Siamese sovereignty, any imposition undue burdens on her economy and any unilateral restrictions on her intercourse with rest of world.

Yosr

711.90/12-1345: Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 13, 1945—3 p. m.

[Received December 22—4:11 p. m.]

63. Reference Dept's 23 November 28³⁷ received 6 December. Careful study will be made as rapidly as possible but following preliminary views on Southeast Asia (not India) submitted on basis: (1) Close observation of Thais, FIC and NEI³⁸ developments during 6 weeks at SACSEA HQ in Kandy, (2) US [Many] conversations with S[trategic] S[ervices] Unit personnel and American newspaper correspondents only [*who*] have been stationed in or visited those territories, (3) Treatment of developments in those areas by Indian, Ceylonese and Thai press, (4) Personal contacts in Bangkok during past month.

1. So-called "reservoir of goodwill" of United States at end of war was very great, though expectations were much higher than United

³⁷ Not printed; it repeated telegram 918, November 28, 8 p. m., to New Delhi, which stated: "An increasing number of reports is reaching the Dept to effect that peoples in India and Southeast Asia are rapidly gaining the impression that there is some kind of an understanding to which U.S. is a party whereby this Govt, tacitly or otherwise, is supporting the policies of Brit and other European powers towards their dependencies in that part of the world. It is further reported that as a result of this impression American prestige in that area is seriously deteriorating." The telegram, requesting evaluation of the situation, was sent also to Bombay, Calcutta, Madras, Rangoon, Colombo, Singapore, and Batavia (711.90/11-2845).

³⁸ French Indochina and Netherlands East Indies.

States could hope to fulfill, United States was looked upon as champion of democracy and of liberation of subject peoples and as sponsor of Atlantic Charter.³⁹ Nationalist parties in FIC and NEI and Thai Govt expected, at least hoped, that United States would follow positive policy of assisting them to resist foreign pressure, restore war-ravaged economies and in the case of subject people obtain treatment analogous to that accorded Philippines.⁴⁰ When we took no such action, disillusionment was correspondingly great and view now finds increasing credence that United States hardly interests itself in Southeast Asia except for limited commercial purposes and intends to leave region wholly to disposition of British, French and Dutch. This shift in view has not produced hostility toward United States which is still looked upon as the most disinterested of great powers but has engendered attitude of skepticism toward our stated aim and ideals and growing conviction the peoples of this region failing support from America must either throw themselves upon mercy of British or seek liberation by force. American abstention therefore does not seem likely to contribute to long term stability in Southeast Asia as it makes probable temporary restoration of prewar arrangements which in fact are often unsuited to present-day conditions and cannot for that reason long be maintained except by force.

2. Factors which are contributing in Thailand to this shift of view towards United States policy are the following: (a) US reluctance to act independently on resumption of diplomatic relations. Our delay is widely interpreted as indication we will not recognize until Thailand has signed agreement satisfactory to Britain. (b) US silence on British peace terms many of which Thais feel infringe this [*their*] sovereignty. General public is, of course, unaware that we have taken a strong position in conversations with British and if our pressure should result in moderating British terms, British not ourselves would get credit. (c) US failure promptly to [send to] Thailand medicines and rehabilitation supplies and to establish stable rate of exchange between baht and dollar. Thai public has little conception of tremendous demands on US shipping and resources. (d) Negative US policy regarding aspiration toward freedom of peoples of FIC and NEI and [failure to] intervene to prevent forcible reimposition of what peoples of this area consider oppressive alien rule. Unfavorable

³⁹ Joint statement by President Roosevelt and British Prime Minister Winston S. Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. 1, p. 367.

⁴⁰ The granting of independence to the Philippines on July 4, 1946, was authorized under the Tydings-McDuffie Act, approved March 24, 1934, 48 Stat. 456. The President of the United States was authorized to advance the date of independence prior to July 4, 1946, under Public Law 380, approved June 29, 1944, 58 Stat. 625; see Department memorandum of March 9, 1944, sent to the Chairman of the House Committee on Insular Affairs (Bell), *Foreign Relations*, 1944, vol. v, p. 1301.

impression is enhanced by use of US vessels to transport British, French, and Dutch troops and use of American equipment by these troops as well as by Mountbatten's retention of title "Supreme Allied Commander", US being generally assumed to be one of the Allies in question.

3. This mission fully realizes that the above is a distorted and one-sided picture and that it contains many basic misconceptions in regard to US policy. We are taking every opportunity to correct these misconceptions in Thailand. We believe it important, however, that the Dept realize that these views are finding increasing acceptance in Southeast Asia. We shall report on this subject in more detail by airmail dispatch along lines of Dept's instructions.⁴¹

YOST

892.61317/12-1245 : Telegram

The Acting Secretary of State to the Political Adviser in Siam (Yost)

WASHINGTON, December 13, 1945—5 p. m.

49. Urtel 61, Dec 12. You should recommend Siamese Govt not to sign agreement while Brit-American conversations are still pending. Winant is being requested by teletype⁴² to discuss immediately and frankly with highest F'onOff officials Dening's intransigent attitude and actions and the rice and postwar security points still unsettled.

You may inform Seni that certain American objections have been met by Brit, but that conversations with Brit are still proceeding in pursuance of American objectives.

If Dening makes any statement to Siamese implying American approval of terms or giving American views on terms of Brit-Siamese Agreement or Annex or on proposed tripartite agreement or claims commission, you are at liberty to reply to Siamese Government requests for American comments on terms, to explain US position on such clauses as Annex 11, 12, and 14 in light of specific assurances furnished by Brit Govt, and to explain also principles of Proposed tripartite agreement and matter of Allied Claims Commission.

ACHESON

⁴¹ In despatch 11, January 4, 1946, the Political Adviser in Siam stated that evidences of the timely and beneficial intervention by the United States in the British-Siamese negotiations "had the most salutary effect in arresting a trend in opinion which bade fair seriously to weaken United States prestige in Siam and in restoring that prestige to a very high level". (711.92/1-446)

⁴² *Infra*.

741.92/12-1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 13, 1945—8 p. m.

10783. Department is increasingly perturbed at the Siamese situation and believes that a solution can be found only by frank discussion, face to face, with top level Foreign Office officials. Exchange of *aide-mémoire* is too dilatory and unsatisfactory.

We had practically completed a full statement of Department views and thinking with request that you have such a discussion as soon as possible when a telegram arrived from Bangkok this morning⁴³ indicating that Dening is attempting a third ultimatum on Siamese. The matter is therefore of even greater urgency.

You have, we believe, all copies of *aide-mémoire* Department has given to or received from British except two dated December 11. Summaries of these are in telegrams 10758 and 10759 despatched noon December 13.⁴⁴

10758 refers to British *aide-mémoire* of November 30⁴⁵ asking immediate despatch of additional American rice to Southeast Asia as situation there desperate and widespread disturbances anticipated in Malaya, Borneo and Hong Kong after this month unless additional rice provided. Reply dated December 11⁴⁵ informed British that Department has strongly supported their request to the Secretary of Agriculture. At the same time, it urged the British to take all possible steps to increase availability and production of rice and pointed out the adverse effect of low control prices in Burma in securing maximum rice available and stated its belief that proposed Siamese rice levy and uncertainty as to effect of British demands on Siam are having similar result.

10759 referred to British *aide-mémoire*⁴⁶ in reply to Department *aide-mémoire* of November 29. British agreed equal American participation on Allied Claims Commission and also agreed that if their belief that Siam can pay Allied claims in full and also rice levy should prove unfounded, they are willing to reconsider in consultation with us. It repeated apologia for rice levy on analogy of mutual aid and repeated view that the allocation of free quotas under the levy should be by the United Nations claiming participation in the scheme.

⁴³ No. 61, December 12, 5 p. m., p. 1387.

⁴⁴ Neither printed.

⁴⁵ Not printed.

⁴⁶ British Embassy reply dated December 10 was received on December 11, p. 1385; it was the second of two *aide-mémoire* "dated December 11" referred to in paragraph 3 of telegram 10783.

The telegram from Yost received December 13 [12] is repeated below. The long memorandum which will follow was prepared for use in anticipated teletype conversation by Mr. Acheson with you. Connection unavailable in time, so it is repeated verbatim at Mr. Acheson's direction. It is hoped this gives complete picture. If there are any questions suggest that you or Allison arrange teletype conversation with Moffat who will be available regardless of hour.

Department wants to stress its serious concern at situation not only on merits, but also on British position here.

Now follows telegram 61 from Bangkok, December 12:⁴⁷

Now follows memorandum prepared for teletype conversation from Mr. Acheson:

PROPOSED TELETYPE CONVERSATION WITH AMERICAN EMBASSY,
LONDON

Please discuss following matters immediately and frankly with the highest Foreign Office officials:

1. We have just received word that Dening has adopted a completely *intransigent* attitude towards the Siamese in the British-Siamese negotiations and directed Prince Wiwat, head of the Siamese Mission, to return to Singapore December 14 and that he has informed the Siamese Government that they must decide before December 15 whether or not to sign the agreement. We prefer to believe, in view of the willingness of this Government to defer resumption of diplomatic relations with Siam so as to give the British opportunity to reply to the Department's *aide-mémoire* of November 23 that Dening is acting without British Government instructions in taking this attitude. But because of this development we feel compelled, in response to the Siamese Government's request for advice, to recommend that they not sign the agreement while the British-American conversations are still pending and a telegram to this effect is on its way to Yost.⁴⁸

Neither point raised in the Department's *aide-mémoire* of November 23 is a matter of sole British-Siamese concern, but each is a matter of direct concern to the United States as well. If Dening proceeds with his *intransigent* attitude, this Government has no course to follow but immediately to resume diplomatic relations with Siam, at which time we will feel free to offer our comments on Agreement and Military Annex and explain fully our position with regard to proposed tripartite rice agreement and Allied Claims Commission. Please urge the Foreign Office to send word immediately to Dening

⁴⁷ Not quoted in record copy; see p. 1387.

⁴⁸ Telegram 49, December 13, 5 p. m., *supra*.

to reverse his attitude and actions and withdraw the demands for immediate action.

2. Even before we learned this morning of the foregoing development, we were about to ask you to discuss very frankly and urgently with the British the question of Siamese rice and the postwar security clauses.

Please explain that while this Government has consistently disapproved the rice levy it has, in an effort to maintain Anglo-American unity, tried to accommodate itself as far as possible to the British view point. There are several new considerations, however, now apparent and we believe that it is of utmost importance that the British reconsider their whole position on the rice levy. We feel it imperative that they at least meet the requests made in our *aide-mémoire* of November 23 to have the amount of surplus stocks determined impartially instead of basing the levy on a very dubious estimate, and we believe most strongly that the proposed levy should in fact be dropped.

(A) The immediate rice shortage in Southeast Asia is acute and will probably remain severe for a long period, probably two or three years. The coming Siamese crop is only fifty percent of normal. The northern Indochina crop is only fifty percent. The Burma crop is substantially off. It is of utmost importance to increase the immediate availability and production of rice in Southeast Asia. The proposed rice levy and other inflationary factors and the uncertainty attendant upon the effect of the British demands on Siam are definitely detrimental to this basic objective not only directly, but also indirectly by weakening the Siamese Government and by destroying Siamese willingness to cooperate.

For your own information, we have just received word that on December 4 Mountbatten recommended as essential that the British demand for 1,500,000 tons of free rice should be at least partially modified, although without prejudice to an ultimate grant of this total, because the "unstable conditions of the country's economy" is drying up the Siamese rice supply with consequent grave repercussions all over Southeast Asia.

(B) You will remember the British estimated that there are in Siam 1,700,000 tons of surplus rice, while Yost reported only 800,000 tons available and Yost's estimate included the existing stock and the new crop. Yost has now secured estimates independently from two different groups Chinese rice dealers. One group estimated 800,000 tons, the other possibly a million but nearer 900,000 tons as available for export during the coming year, including both stocks on hand and the new crop. There is just a possibility, although we consider this doubtful, that in arriving at these estimates a deduction was made from

the stocks on hand to supplement a possible deficiency in the coming crop for domestic consumption. That may account in small part, although we doubt it, for the discrepancies between the British and American estimates. This Government could not consider in "surplus stocks accumulated in war conditions" any part of stocks on hand needed for domestic consumption. Even if the actual accumulated surplus stocks on hand at the conclusion of the war were, under these circumstances, somewhat more than the estimates given, a levy on more than the amounts actually available for export would violate, in our opinion, the theory of the British position and would amount to a levy on new production by taking from the following crop the amount applied to any deficiency in the coming crop.

(C) We believe that both the manner of Denning's negotiating and the severity of the British terms have had a very adverse effect on the British position in Siam and on future Siamese friendship and co-operation which a liberal policy would have cemented. With unrest throughout Southeast Asia, with increasing antagonism which has arisen from the British situation in the Netherlands East Indies and Indochina, and with potentiality of disorders, as the British themselves have informed us, in Malaya, Borneo, and Hong Kong because of food shortages, we consider the Siamese development particularly unfortunate. The British are Siam's closest neighbors and have had a long record of close and friendly relations. In seeking maintenance of the complete political and economic independence of Siam, an open-door, and the promptest possible reestablishment of the Siamese economy, this Government is not trying to disturb those friendly relations which we consider desirable for the stability and security of Southeast Asia. We do not think that it is too late to reverse the present situation by generous treatment of Siam. We sincerely believe that it would be directly to the British interest in Southeast Asia as well as increasing the flow of Siamese rice and a valuable step in British-American relations if the British would drop entirely the demand for free rice and accept the 20,000 tons per month for twelve months—a total of 240,000 tons—which the Siamese offered voluntarily.

(D) The press has given wide publicity to a UP dispatch from Bangkok giving a harsh interpretation of reported British terms. Strong editorial comment adverse to the British is spreading and there is heavy pressure on the Department to state publicly what it is doing to protect American interests and to secure fair treatment for Siam. Public comments discount the British "state of war" as a pure technicality, not justifying a harsh, or indeed any unilateral, action by the British. We have heard that the question is likely to be raised in Congress very shortly. All of this is extremely harmful to British

position here, particularly at this time. We have mentioned this not as a threat but merely as a statement of fact which they should know.

(E) In this connection, it is suggested that the British may wish to consider in their own interest amending certain clauses such as Annex Clauses 11, 12, and 14 (now 13) so as to conform to the specific assurances as to intent and application which they have given this Government. Under those assurances the British gain no advantages from the broad language used, and when the terms are known will receive only severe criticism both in Siam and here which no amount of explanatory assurances can avoid. The text of those terms will be seized on to justify charges of British control, and British explanations will be dismissed as meaningless on the ground that otherwise the terms would have stated accurately British intentions. The Department has accepted the British assurances and is not requesting these changes, but it would point out that it also will be subject to criticism from similar sources for not pressing textual changes.

3. With regard to the points in the British *aide-mémoire* of December 11 [10] in reply to the Department's *aide-mémoire* of November 29, please express this Government's appreciation of British acceptance of equal United States membership on the Allied Claims Commission. The Department understands by that *aide-mémoire* that the British also agree that the UK and US will consult as to the effect on the Siamese economy of the payment of Allied claims and the rice levy and that if the total is found overburdensome, there will be a reduction in the levy.

We have been concerned over the proposed British procedure for the distribution of the suggested free quotas of the rice levy so as to insure against dissipation of Siamese assets which would prevent the payment of legitimate claims in full if the total claims and levy are found to be excessive from the point of view of the Siamese economy. We assume that the British answer meets that point affirmatively.

As a matter of fundamental principle, however, we still cannot approve the British thesis that any country is entitled to receive rice from Siam free of charge because that country did not receive Siamese rice during the war. Such a thesis, if accepted, would establish a new principle in the distribution of the assets of a country with which any of the United Nations has been at war. Until now, so far as we know, such assets have been considered to be subject to allocation only in accordance with claims for damages suffered as a result of the state of war. The mere fact that a country was unable to purchase a commodity during the war period does not, in our opinion, entitle that country to receive that commodity free. We would accept the principle that those countries which have legitimate claims against

Siam and to which rice has been allocated by the Combined Food Board on the basis of need should be entitled, if they wish, to receive such rice free of cost up to the amount of their claims. But we still believe that the proper and advisable procedure would be a gift of the rice by Siam to UNRRA as the organ of all the United Nations. We believe that American public opinion would consider the course proposed by the British as a division of booty unjustifiably seized from a country which never fought the Allies, which in fact aided the Allies and did not enter the war against Japan only because requested not to by the British and American Governments, and which, to be technical, never even surrendered to any of the countries in a state of war with Siam.

4. We have not as yet received a reply to our *aide-mémoire* of November 23 although assured orally by the Embassy that there would be a reply very soon. That *aide-mémoire* raised two points: (1) the amount of the rice levy and (2) the postwar security clauses. We have already discussed in the earlier part of this conversation the point about the amount of the rice levy.

With regard to the postwar security clauses in the proposed Agreement, we cannot follow or understand the British argument stated by Mr. Wilson-Young and reported in your telegram 12848 of December 7. UNO⁴⁹ is to be launched in a few days. No threat to the security of British territory is known here which might develop before security arrangements can be approved by UNO. But even if a crisis developed, there is nothing to prevent the British going to the Siamese and discussing possible measures to meet that crisis. It is scarcely credible that the British must have such a clause inserted in an agreement just to make certain that the Siamese would be willing to talk with the British Empire under those circumstances. The statement that Siam is not obligated to do anything by that clause makes the insistence upon retention of this clause slightly absurd.

We refer again to the earlier British position, to which this Government agreed, that Siam should agree to necessary security arrangements within the international organization. We cannot acquiesce in a clause which gives even the color or appearance of a protectorate, whether founded or unfounded. In our opinion this clause would have that appearance standing alone in a bilateral British-Siamese agreement.

5. Except as stated at the beginning of this conversation in connection with Denning's actions, we are willing to defer resumption of diplomatic relations for a few days longer in order to receive the British replies to the American views on the postwar security clauses and on the amount of the rice levy as set forth in the Department's

⁴⁹ United Nations Organization.

aide-mémoire of November 23 and as amplified in this conversation. Please stress the deep importance which we attach to the British meeting our views in both these matters. Quite frankly, if they cannot meet our views, we are promptly going to resume diplomatic relations with Siam and, of course, when diplomatic relations are resumed, we will feel free to comment to the Siamese as we have commented to the British on the terms of the proposed Agreement and Annex and our position in regard to the proposed tripartite agreement and the Allied Claims Commission. The Department will also probably find itself in a position where it will have to make its views public.

[ACHESON]

741.92/12-1445: Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 14, 1945—11 a. m.

[Received December 14—11 a. m.]

65. Thai Govt has decided to sign British agreement without reservations. Cabinet was almost unanimous though Sidi [*Seni*] stood out to the end. General feeling was that Thailand as a small country faced by a great one has no alternative but to yield, that it has already delayed more than 3 months without improving situation, and that further delay might result in hardening of British terms.

There are only two qualifications on decision to sign:

1. Dening will be asked to address a letter to the delegation stating that these are the minimum terms which British will accept, that it is not willing to negotiate and that it insists on signature of agreement as it stands. This letter would be published along with the terms of agreement. If Dening refuses to write such a letter, it is probable that Thai will sign anyway but will themselves issue a public statement along these same lines.

2. If Dening should at last moment interject French question into the agreement, the whole matter will have to be referred back to Bangkok for reconsideration.

Prince Wiwat returning to Singapore today. It would thus appear that unless Dening refuses to write letter referred to above or introduce French issue, signature of agreement or at least preliminary exchange of letters between plenipotentiaries may take place within next day or two.

YOST

741.92/12-1445: Telegram

The Acting Secretary of State to the Consul at Singapore (Mallon)

WASHINGTON, December 14, 1945—8 p. m.

84. Dept instructed Yost Dec 13 to recommend to Siamese Govt not to sign Brit-Siamese Agreement while Brit-American conversations proceeding. US still pressing hard for further changes.

Top Sec[ret] message from Yost⁵⁰ just received that Siamese have decided to sign Agreement. Message to Yost apparently not received before Siamese action.

Urgent that you at once communicate to Siamese Mission, headed by Prince Wiwat, the recommendation of this Government.⁵¹

ACHESON

741.92/12-1545: Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 15, 1945—3 p. m.

[Received December 15—9:03 a. m.]

68. Immediately upon receipt this morning of Deptel 49, December 13, I saw Seni and Pradit who at once despatched instructions through SSU to Wiwat to delay signing for few days. It is not yet certain Wiwat, who returned to Singapore yesterday, may not have signed before receiving new instructions but not considered likely he had had time to do so.⁵²

Seni and Pradit (who has been named Senior Statesman by Royal proclamation and is still the controlling hand in Govt) took action on own responsibility without risking delay involved in calling Cabinet. Seni expressed some anxiety that this further delay by Siam might result in hardening rather than softening of British terms since some Cabinet members maintain present terms are harsher than original 21 demands. We recommend strongly that in order to relieve Siamese of onus Dept inform British that on this occasion Siamese are delaying pursuant to US recommendation.

Both Pradit and Seni expressed deepest appreciation of Dept's action which came when they were in depths of despair. Both also most grateful for recent San Francisco broadcast on US policy toward Siam. Both inquired, however, what action US will be prepared to take if British remain intransigent and continue to insist on accept-

⁵⁰ *Supra.*

⁵¹ In telegram 58, December 18, 10 a. m., the Consul at Singapore reported his personal delivery of this message to Prince Wiwat at 7 p. m., December 17 (741.92/12-1845).

⁵² In telegram 74, December 17, 3 p. m., the Political Adviser in Siam reported that new instructions had been delivered to Prince Wiwat in time to delay signing the agreement (741.92/12-1745).

ance of terms as they stand. Does Dept wish at this stage to make any reply to this inquiry? Siamese obviously fear possibility that we may be unable to make our support effective and they be left holding the bag.

Yost

741.92/12-1745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 17, 1945—5 p. m.
[Received December 17—3:34 p. m.]

13208. ReDepts 10812, Dec 14; Embs 13197, Dec 17.⁵³ In view of fact that Dept's 10783, December 13, 8 p. m., had not yet arrived, we were unable to discuss detailed objections of Dept to British-Siamese agreement with Foreign Office this afternoon. However we did obtain from Wilson-Young, Acting Head of Far East Dept during absence Bennett in Moscow, definite assurance that no agreement would be signed prior to Wednesday evening Dec 19 London time. He said while it was not certain it would be signed the following day he could give no assurances. Wilson-Young read US [us?] text of Foreign Office telegram sent to British Embassy Washington Dec 14 dealing with rice collecting organization and with strategic clauses of British-Siamese agreement. On question of clauses C-1 and C-2, British Embassy was authorized to give Dept written assurance along lines outlined in this Embs 12848, Dec 7. In view of this Foreign Office message, does Dept still desire signing of agreement held up beyond Wednesday evening?

WINANT

741.92/12-1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 17, 1945—7 p. m.

10846. Brit Embassy has not delivered memorandum pursuant FonOff telegram sent Dec 14 but informed Dept on oral inquiry after receipt urtel 13208, Dec 17 that it does not refer to amount of rice levy. Dept views on suggested Brit assurance regarding Clause C 1 already set forth in Deptel 10783, Dec 13. Dept views situation seriously and requests discussion on highest levels in accordance with

⁵³ Neither printed; the former quoted telegram 65, December 14, 11 a. m., from the Political Adviser in Siam, p. 1397, and the latter reported receipt of telegram 10812 at 11:30 p. m., December 16.

Deptel 10783, Dec 13, and that attempt to conclude Agreement be deferred pending Brit consideration these views. Dept anxious for early conclusion Brit-Siamese Agreement but considers these points definitely of US concern and refers to Brit acceptance of arguments Dept *aide-mémoire* Nov 29 on complete Anglo-American character operations affecting Siam.

ACHESON

741.92/12-1845

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom have been giving further consideration to the last paragraph of the State Department's *aide-mémoire* of the 23rd November. They are most anxious to allay the suspicions which appear to be entertained in the State Department of their motives in including clauses C1 and C2 in the heads of the agreement which they intend to negotiate with the Siamese Government.

2. They wish to inform the United States Government that in their view clause C1 imposes no specific obligation on the Siamese Government and that their object in including it is not to create any special military position or to obtain special rights for themselves in Siam. Their reluctance to link clauses C1 and C2 together arises out of their desire to make some provision for the period before the United Nations Organization enters into its functions, during which period, in the event of any threat developing to the security of British territories in South East Asia, they would have a basis for approaching the Siamese Government with a view to consultation about measures to be taken to meet the threat.

3. His Majesty's Government hope that, with the foregoing assurance, the United States Government will no longer feel it necessary to offer objection to the inclusion of clauses C1 and C2 in the heads of the agreement as they stand.

WASHINGTON, 18 December, 1945.

741.92/12-1845 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 18, 1945—noon.
[Received December 19—10:27 a. m.]

76. Following background information just received from Timberman:

1. Dening has been using every device to get agreement signed in a great hurry. In view his recent press statement stressing how lenient British are being to a defeated enemy but implying if there is more delay the terms will become harsher, Timberman believes British reaction to present delay will be extremely sharp.

2. If Thai negotiations develop favorably, SAC (Supreme Allied Commander) intends withdraw from Thailand Second Brigade (First has already been withdrawn) and Division Headquarters about January 15. If not, present strength will be maintained. In any case present strength will be kept for a while after conclusion of agreement because Dening believes signing of agreement may result in civil disturbances in Thailand.

3. Allied Air CinC (Commander in Chief) has been instructed to grant return passages to Bangkok to Thai delegation without written permission from Dening.

4. SACSEA (Supreme Allied Commander Southeast Asia) has asked MacArthur⁵⁴ if he can furnish Liberty ships for export from Thailand of rice allocated to Philippines by CFB (Combined Food Board). If MacArthur replies in negative, SAC intends to appropriate this rice in SEAC (Southeastern Asia Command).

Yost

741.92/12-1845 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 18, 1945—5 p. m.

[Received December 19—9:35 a. m.]

79. Following reports received by Siamese Govt from Wiwat.

1. On December 15 Wiwat before receiving instructions to delay signature informed Dening Siamese Govt had decided to sign. He added (a) that Govt will have to explain to public that these are minimum terms not subject to further negotiation and (b) that terms requiring legislative action must await implementation until Assembly meeting in January.

2. British have made four new proposals re rice: (a) His Majesty's Govt will sell Siam one to two hundred thousand ounces gold for sterling at official price 172 shillings three pence per ounce, (b) as temporary emergency measure and without prejudice to claim one and one half million tons free rice, HMG will buy rice for sterling until proposal (a) above is implemented, (c) should Siam not have one and one half million tons exportable surplus, HMG agrees to determination exact surplus by Rice Commission, (d) contribution rice may

⁵⁴ General of the Army Douglas MacArthur, Supreme Commander Allied Powers in Japan.

include proportion broken rice to be determined by Rice Commission.

3. Following procedure for conclusion of agreement has been drawn up by Dening and Wiwat: (a) drafts of letters to be exchanged between them (which Siamese wish to contain points (a) and (b) under paragraph 1 above) being prepared by Dening and final text of terms of agreement expected from London at any moment, (b) Wiwat will come to Bangkok December 20 with texts, obtain approval and return to Singapore early next week, (c) letters will be exchanged and formal agreement signed immediately upon his return, (d) only formal agreement will be published.

4. Australian representative who is participating in negotiations has presented draft terms for terminating state of war with Australia. Terms provide for conclusion of treaty between Siam and Australia before March 14, 1946 obliging Siam *inter alia* (a) to carry out such obligations specified in British agreement as Australia may require, (b) to compensate Australia for damages, (c) to undertake regional political, economic and security cooperation consistent with principles of UNO.

5. Clarac who has appeared in Singapore told Wiwat he had come to give last friendly warning that if Siam delays longer in responding to French invitation to reestablish normal relations French people "would be led to draw the necessary conclusions". Clarac pointed out that British and American Govts have made their views clearly known about restoration of provinces to Indochina.

AmPolAd Comment:

1. British would appear to have substantially met US views re rice though not perfectly clear from Wiwat report that levy would be limited to surplus determined by Rice Commission. Purpose of sale of gold not clear to Siamese or US but may be belief that strengthening Siamese currency by this means would assist steady flow of export rice.

2. If statement re Allied Claims Commission quoted in Deptel 46, December 13⁵⁵ means Commission would have power to adjust total compensation to Siamese capacity to pay, British would appear to have met US on this point as well though this concession not yet communicated to Siamese.

3. If these two points definitely clarified, only security clause would remain in dispute between US and British.

4. Only open issues between British and Siamese are (1) whether letter from Dening should cover points (a) and (b) of first paragraph this telegram, (2) whether these points should be publicized, (3) pos-

⁵⁵ This repeated telegram 10759 to London, not printed; see paragraph 5 of telegram 10783, December 13, 8 p. m., to London, p. 1391; and *aide-mémoire* of November 29 to the British Embassy, p. 1377.

sibility of last minute introduction by British of French frontier question.

5. It would relieve growing strain on tempers of all concerned if these points could be cleared up in time to permit signature of agreement next week.

Yost

892.61317/12-1845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 18, 1945—6 p. m.

[Received 6:41 p. m.]

13240. We talked this afternoon with Sargent,⁵⁶ who in absence of Bevin and Cadogan⁵⁷ is highest FonOff official, and Wilson-Young, regarding contents of Depts 10783, Dec 13, and 10846, Dec 17. On question of rice levy we were given copy of a revise of Annex to Heads of Agreement which FonOff states was sent this morning to British Embassy Washington for communication to Dept. Article 10 (a) of revised annex appears to go a long way toward meeting US point. It provides that Siamese Govt shall "make available free of cost at Bangkok to an organization to be indicated by the Govt of the UK and as quickly as may be compatible with the retention of supplies adequate for Siamese internal needs, a quantity of rice equal to the accumulated surplus of rice at present existing in Siam, subject to a maximum of 1½ million tons the exact amount to be determined by the authorities appointed for the purpose of taking delivery of the rice".

Revised annex is considerably shorter than former annex leaving out original paragraphs 1, 2, 3, 6, 7; considerably reducing 11 by eliminating 11 (a), revising (c) by inserting after "services", "for use in Siam", eliminating (d) and (e), revising (f), revising (g) to add after "Siam", "similar to such agreements as have already been concluded by the Allies with one another"; revising 12 and limiting its extent until March 2, 1946; eliminating 13; slightly revising 14; revising 15 and limiting it to Sept 1, 1947. Item 16 (a) becomes 10 (a) in revised annex as quoted above. 16 (b) puts date limit Sept 1, 1947. Item 17 eliminated.

FonOff also promised to refer question of security clauses again to Chiefs of Staff and will report their reaction shortly.

⁵⁶ Sir Orme Garton Sargent, British Deputy Under Secretary of State for Foreign Affairs.

⁵⁷ Sir Alexander M. G. Cadogan, British Permanent Under Secretary of State for Foreign Affairs.

Considerable surprise was expressed that State Dept had seen fit to instruct Yost to urge Siamese not to sign agreement and that US Govt might even go so far as to resume diplomatic relations with a country still at war with one of its Allies.⁵⁸

WINANT

741.92/12-1945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 19, 1945.

10940. At press conference Dec 19 I said US has earnestly represented to Brit and Siamese our hope Agreement not finally concluded while US discussions with Brit proceeding. We think we have definite interest in matter and hope for courtesy of completion US-Brit discussions before definitive Agreement. US has very considerable interest because of prominent role in Far Eastern war and he feels [*I feel?*] it is entitled to have its views patiently considered. There has been long historic connection between US and Siam. Siam has long had American advisors. Great US sympathy and interest in Siamese effort to develop into an independent, democratic country. US interested in whole economic development and stability Southeast Asia. Economic open door cornerstone American policy.

Sent to London. Repeated to AmPolAd, Bangkok.

ACHESON

741.92/12-2145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 21, 1945—2 p. m.

[Received 6 : 18 p. m.]

13391. With reference Embassy's 13374, Dec 21,⁵⁹ reporting *Times* story on British-Siamese agreement, we have just talked with Wilson-Young who tells us that as result of meeting this morning with Chiefs of Staff British opposition to connecting clauses C 1 and C 2 by word "and" has been dropped. British Embassy, Washington, is being instructed to inform Dept.⁶⁰

⁵⁸ In telegram 13273, December 19, 11 a. m., the Ambassador in the United Kingdom reported advice from Mr. Wilson-Young that the revised annex summarized in telegram 13240 had been cleared by the highest civil and military authorities in London but required Lord Mounbatten's approval, for "in all such cases final decision is left to authority on the spot". (741.92/12-1945)

⁵⁹ Not printed.

⁶⁰ On December 22, Mr. Everson sent to the Chief of the Division of Southeast Asian Affairs a revised version of the text of the Heads of Agreement and of the Military Annex, in which the two clauses were combined (741.92/12-2245).

In view this action by British and their revision of Annex to Heads of Agreement, as reported Embassy's 13240, Dec 18, Foreign Office expresses hope that State Dept will see fit to instruct Yost to withdraw his advice to Siamese not to sign agreement and will in fact instruct him to advise Siamese to sign. Wilson-Young states Dening has telegraphed that it is hoped exchange of letters making basis for later signature of formal agreement can be made on Christmas Eve.

With regard to statement in *Times'* article contained Embassy's 13374 that exact amount and quality of rice to be exported from Siam should be examined by international commission, Wilson-Young stated that rice collecting agency envisioned by paragraph 10 (a) of Revised Annex was what is known now as Siamese Rice Unit which operates under orders of British Ministry of Food, but that British are hoping US will agree to join in body and that it can be made truly international. He mentioned talks now going on in Washington regarding possible tripartite agreement which would bring in Siamese as well, and if this should be the case apparently it would be a British-US-Siamese Agency which would determine amount of rice to be collected. He also said that statement in press that signature of agreement may be postponed to allow new Siamese Govt to take office is newspaper "embroidery", basis for which is not known at Foreign Office.

WINANT

741.92/12-2145 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 21, 1945—6 p. m.
[Received December 21—10:57 a. m.]

88. Wiwat returned to Bangkok December 20 carrying new text Heads of Agreement and Military Annex handed him previous day by Dening. New text embodies extensive concessions by British including those listed in Deptel 69, December 19.⁶¹ Other changes not listed Deptel 69 follow :

1. Heads of Agreement. (a) Revision paragraph C-2 along lines Anglo-US conversations (but no linking of paragraphs C-1 and C-2).

(b) Revision paragraphs D-2, D-3 and D-4 as agreed in Anglo-US conversations.

2. Military. Revision paragraphs 14, 15 and 16-B as agreed in Anglo-US conversations. (AmPolAd comment: British would appear to have met US views on rice. There is, however, no mention in new text of Allied Claims Commission nor has our point re security clause been met.)

⁶¹ Not printed; it summarized the contents of telegram 13240, December 18, 6 p. m., from London, p. 1403.

Wiwat confirmed that purpose of sale of gold referred to my 79, December 18, is to strengthen Siamese currency and encourage rice growers to dispose of product.

Wiwat also brought texts of letters to be exchanged between Dening and himself, which do not include points mentioned in paragraph 1 my 79. In view changed circumstances Siamese will probably not insist on inclusion these points in letters as long as covered in general way in communiqué to be issued at time of signature of agreement. Dening has still reserved right to introduce French issue but Wiwat thinks it unlikely he will do so. Dening desires Wiwat to return to Singapore about December 25 to sign agreement. Wiwat reports Dening's attitude mellowed noticeably last few days. Siamese now prepared to sign as soon as receive word that US is satisfied. We would appreciate receiving instructions immediately Dept is ready for Siamese to go ahead.

Siamese cabinet overjoyed at substantial modifications in British terms and deeply grateful to US. Acting Secretary's press statement⁶² has had wide publicity and great effect on official circles and public generally. US prestige has reached new high in Siam.

Yost

741.92/12-1545 : Telegram

The Acting Secretary of State to the Political Adviser in Siam (Yost)

WASHINGTON, December 22, 1945—10 a. m.

78. 1. Brit have agreed combining Clauses C 1 and C 2 as requested.

2. Urtel 68, Dec 15. Please express appreciation to Seni and Pradit for courtesy in agreeing to delay signing during Brit-US discussions. With these concessions on amount rice levy and security clauses Brit-American discussion concluded on terms Agreement⁶³ (though discussion on distribution levy may continue). US therefore withdraws recommendation for delay in signing Agreement. This of course is not to be construed as approval of Agreement.

3. You are authorized to discuss fully with Seni and Pradit American position and actions throughout military and civilian negotiations. Please make clear:

(a) The assurances which Brit have given us regarding Annex old 11 and 14 on basis of which US acquiescing in military provisions. Be sure they understand that military provisions are generally in line with agreements made even with Allied countries except troop pay which Brit has always required be met by enemy or ex-enemy countries, even co-belligerents.

⁶² See telegram 10940, December 19, to London, p. 1404.

⁶³ For Department statement of December 22 regarding the conclusion of British-American conversations on the proposed British-Siamese agreement, see Department of State *Bulletin*, December 23, 1945, p. 1021.

(b) Principles proposed tripartite agreement which we consider most effective procedure expediting rice exports and protecting Siamese interests.

(c) Brit-American understanding as to Claims Commission and consultation on Siamese ability to pay.

(d) That although we disapprove rice levy in principle we feel terms best obtainable.

(e) In view Anglo-American relationships, US although ready since Oct 2 reluctant to resume diplomatic relations with technical enemy of Brit Ally in face of specific requests to defer action. Such deferment was used, however, to increase pressure for modifying Agreement.

4. Purpose of disclosing American position and actions is not only to protect US position but also to strengthen Siamese Govt in planning to meet internal criticisms and opposition to Agreement. You are authorized as conditions and circumstances appear to warrant to make such public statements as, in your discretion, seem desirable to emphasize American position and assistance taking care, however, not to permit any implication that US is supporting Agreement and also not to emphasize Brit-American disagreements or difficulties and requesting Siamese similarly to avoid such implication or emphasis. It is hoped you will be consulted on any statements by Siamese Govt or officials referring to US so that while fully protecting American position the net effect will be to restore Brit-American-Siamese harmony as rapidly as possible and so help rapid implementing and discharge of Agreement obligations and welfare of Siam.

5. Brit informed substance this telegram.

ACHESON

741.92/12-2245 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 22, 1945—11 a. m.

[Received December 23—8:20 a. m.]

89. At press conference December 19 Prime Minister indicated that negotiations with French concerning former Indochina provinces annexed by Siam would probably be undertaken immediately after conclusion of agreement with British. Seni added that question might be referred to World Court for decision.

We learn from Suni who acts as contact man for Pradit and Seni, that Govt is actively considering means of dealing with Indochina question. They are beginning to recognize that act of acquisition of territories of Pibul regime with Japanese aid must be repudiated but hope for domestic political reasons they can:

1. In announcing repudiation refer to an Allied request that they do so.
2. Refer question immediately to UNO for adjudication.

3. Pending UNO decision retain administration of territories, if necessary under supervision of a United Nations commission.

They believe to hand administration of territories immediately back to France would cause grave repercussions among Siamese, Annamites and population of territories. Concrete proposal along these lines may be presented to us informally for consideration in near future.

Yost

711.92/12-2245 : Telegram

The Acting Secretary of State to the Political Adviser in Siam (Yost)

WASHINGTON, December 22, 1945—4 p. m.

80. Dept believes US should not resume diplomatic relations immediately on treaty signing to avoid association therewith, but equally should avoid long delay. Present view is that Jan 1 would be suitable day, but feel we must clear with Brit so that both may act same day, but with US technically in advance in view previous deferment. Please advise Dept immediately your judgment as to most suitable time.

ACHESON

892.014/12-2245

The British Embassy to the Department of State

AIDE-MÉMOIRE

A member of the staff of the French Embassy in London called at the Foreign Office on the 11th December to say that he had heard that the Siamese Government would be willing to cede back to the French the territories in dispute between Siam and France if told to do so by the United Nations Organisation.

The French representative was informed that the view of the Siamese Government, as expressed to Mr. Dening at Kandy, was that any Siamese Government which agreed to restore those territories to the French except at the instance of the United Nations Organisation would lose support in Siam. The opinion of His Majesty's Government was that advice from His Majesty's Government and from the United States Government might move the Siamese from that attitude and that the possibility of such advice being given by His Majesty's Government should not be ruled out.

On the 19th December the French Embassy in London was informed that it was hoped to conclude the exchange of letters with the Siamese by December 25th. The French Embassy was not given the impression that the documents attached to the letters or the formal agreement to

follow the exchange of letters would contain any reference to the disputed territories. The French representative requested, however, that His Majesty's Government should record in a written communication to the Siamese, their non-recognition of the Siamese acquisition of those territories in 1941.

Mr. Dening has accordingly been instructed to exchange letters on the subject with the Siamese representative at the same time as he exchanges letters covering the terms of the agreements which are to terminate the state of war. Mr. Dening will state that His Majesty's Government in the United Kingdom do not recognise the acquisition by Siam of the French territories, and the Siamese representative will reply taking note, on behalf of his Government, of the view of His Majesty's Government.

WASHINGTON, December 22, 1945.

741.92/12-2445 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 24, 1945.

[Received December 26—4:25 p. m.]

95. Reference Deptel 78 of December 22. Department's message has been conveyed to Seni and he fully understands US position and wisdom of policy outlined at conclusion of message. He reiterated again and again heartfelt gratitude of Siamese Government for US action.

Wiwat will proceed to Singapore December 26 and presumably initial Heads of Agreement and exchange letters with Dening December 27. Signature of formal agreement must await arrival of text from London which may require several days. Publication of terms and joint communiqué by two Governments will take place after signature of formal agreement.

Would appreciate being informed of Department's plans concerning timing of resumption of diplomatic relations as we like [apparent omission] for establishment of Tripartite Rice Commission.

Yost

741.92/12-2545 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 25, 1945—1 p. m.

[Received 10:18 p. m.]

96. Reurtel 80, December 22, 4 p. m. Believe January 1 would be wholly suitable day. Formal agreement may not be concluded until

some time in January but it would seem quite proper for us to act after Heads of Agreement have been signed.

YOST

892.014/12-2745 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 27, 1945—10 a. m.

[Received December 27—9:18 a. m.]

102. Ref my telegram 89, December 22. Prime Minister has requested me to ask Dept's reaction to following possible method of dealing with Indochina frontier question.

1. Siamese Govt would repudiate acquisition of territories by Pibul regime under Jap sponsorship.

2. Siam would refer issue to UNO for adjudication.

3. Pending UNO decision, territories would be administered under direction of Commission representing either UNO or principal Allied powers.

Though Cabinet is not enthusiastic over proposal, Seni thinks he can convince them if he can say it has US support. He believes that to return territories immediately to France would have grave political repercussions in Siam as well as seriously injure Siam's prestige with other peoples of Southeast Asia.

If US is agreeable to proposal, Seni will when Cabinet approves discuss it with British and French. He is fully aware of desirability of settling question as promptly as possible.

AmPolAd comment: It seems fairly certain that French would reject this proposal unless it were modified to provide for immediate restoration of French administration. On the other hand, it also seems probable that, if territories are returned outright to France at this time, France will block further action on question by UNO and no impartial judgment of issue will be possible. We should therefore be reluctant, particularly in view of fact that territories were ceded to France under duress as recently as 1907,⁶⁴ to see US advise Siamese restore them outright, relying wholly on generosity of French to permit subsequent submission of question to UNO. We present following three alternative courses for Dept's consideration: 1. Inform French categorically that we consider delimitation of frontier matter for UNO adjudication and that we will feel justified in urging Siamese to restore territories to French administration only if France first agrees to simultaneous submission of question to appropriate UNO body.

⁶⁴ For text of treaty signed at Bangkok on March 23, 1907, see *Foreign Relations*, 1907, pt. II, p. 1003.

2. Inform Siamese we cannot approve or disapprove their proposal but that we consider it a suitable basis for discussion which should be submitted to British and French. Inform latter that if they approve proposal we would be willing to participate in commission suggested by Siamese.

3. Maintain position that territories must be restored outright to France but that Siam is free thereafter to raise question before UNO.

Yost

741.92/12-2745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 27, 1945—7 p. m.

11088. Brit Embassy has submitted revised text of Heads Agreement and Annex⁶⁵ which they believe correct. Dept has requested deletion of "Military" Annex new Clause 7⁶⁶ as contrary to Brit-US understanding that this Clause relates United Maritime Authority.

Dept has also requested deletion "in the preceding Clause" at end of Agreement new combined Clause C 1.⁶⁷

Sent to London. Repeated to AmPolAd, Bangkok.

ACHESON

741.92/12-2845

*The British Embassy to the Department of State*⁶⁸

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom have kept the French Government informed of recent progress in their negotiations with the Siamese Government. The French Government suggested that when Mr. Dening and the Siamese Delegate exchange the letters which are to terminate the state of war existing between their Governments, they should also record in writing the non-recognition by His

⁶⁵ On December 22.

⁶⁶ This clause read: "To place Siamese merchant vessels primarily to meet the civil requirements of Siam under the direction of the competent Allied military authorities until 2nd March 1946 or until such earlier date as may be fixed for the cessation of Allied pooling arrangements."

⁶⁷ This clause read: "Recognize that the course of events in the war with Japan demonstrates the importance of Siam to the defence of Malaya, Burma, India and Indo-China and the security of the Indian Ocean and South-West Pacific areas, and agree to collaborate fully in all international security arrangements approved by the United Nations Organization or its Security Council which may be pertinent to Siam and especially such international security arrangements as may relate to countries or areas specified in the preceding clause."

⁶⁸ Handed by Mr. Everson to the Chief of the Division of Southeast Asian Affairs on December 29.

Majesty's Government of the acquisition by Siam of certain French territories in 1941. His Majesty's Government have agreed that Mr. Dening should act accordingly and the texts of the letters which he will address to and receive from the Siamese Delegate on this subject follow.

(1) Your Serene Highness. With reference to the oral discussions which have been taking place at Kandy and Singapore between the Siamese Delegation headed by Your Serene Highness, and myself, I am instructed by His Majesty's Government in the United Kingdom to place on record their attitude regarding the acquisition of territories by the Siamese as a result of Japanese action or intervention.

His Majesty's Government in the United Kingdom do not recognize the acquisition by the Siamese of any territories acquired later than December 11th, 1940. This non-recognition includes all territories purported to have been ceded by the Vichy Government on May 9th, 1941.

I am to invite Your Serene Highness to take note, on behalf of the Siamese Government, of the attitude of His Majesty's Government in the United Kingdom.

(2) Sir, I have the honour to acknowledge the receipt of your letter of in which you inform me that you have been instructed regarding the acquisition of the territories by the Siamese as a result of Japanese action or intervention.

You have further informed me that His Majesty's Government in the United Kingdom do not recognise the acquisition by Siam of any territories acquired later than the 11th December, 1940, and that this non-recognition includes all the territories purported to have been ceded by the Vichy Government on 9th May, 1941.

I have been instructed by the Siamese Government to inform you that they have taken note of the attitude of His Majesty's Government in the United Kingdom in respect of the territories acquired by Siam later than the 11th December, 1940. I avail etc., etc.

WASHINGTON, December 28, 1945.

741.92/12-2545 : Telegram

The Acting Secretary of State to the Political Adviser in Siam (Yost)

WASHINGTON, December 29, 1945—9 p. m.

91. Dept informed exchange of letters deferred with Dening pressing FonOff to exchange letters, conclude agreement and give full publicity at same time as promptly as possible with Jan 1 recommended date. Dept considers US resumption relations should not precede exchange of letters and is withholding decision date resumption pending FonOff decision on Dening recommendation (urtel 96 Dec 25). If letters and agreement to be signed shortly consider slight delay may be desirable. (ReDeptel 80 Dec 22) Suggest you

discuss with Bird date which seems most desirable under local circumstances and inform Dept your opinion. If, however, agreement not to be signed for some time Dept will reconsider situation and inform you. You are authorized to make such public statement regarding US resumption relations as seems desirable in connection with publication Brit agreement which includes express agreement by Brit "to proceed at once to the resumption of normal relations with Siam and to the exchange of diplomatic representations".

ACHESON

741.92/12-3145 : Telegram

The Secretary of State to the Political Adviser in Siam (Yost)

WASHINGTON, December 31, 1945—4 p. m.

92. 1. Brit-Siamese exchange of letters, signing of Agreement and publication of Agreement to take place 1600 Singapore time Jan. 1. Dept has stressed to Brit Embassy importance in its view simultaneous publication Military Annex because of Allied character and danger reaction to secret clauses.

2. No information yet received regarding Brit plans resumption diplomatic relations. Please wire immediately date you recommend. Dept would prefer concurrent action with Brit but subject to contrary recommendation by you, Dept believes resumption should be not later than Jan 5. Because of danger delay communications you are authorized in your discretion, unless you receive other instructions, to reopen Legation and present letter as Chargé on Jan 5 regardless of Brit action, or sooner and concurrently with Brit if Brit resume relations sooner.⁶⁹ Be certain to telegraph advance information as to your decision under this authorization so that simultaneous action and announcement can be made in Washington. Please keep in close touch with Bird. Dept informing Brit Embassy of foregoing authorization.

⁶⁹ In telegram 7, January 4, 1946, 10 a. m., the Department requested Mr. Yost to reopen the Legation and assume charge the following day (124.92/1-346). In telegram 14 bis, January 5, 1946, Mr. Yost advised that he and Mr. Bird had presented their credentials at 10 and 11 o'clock, respectively, that morning and that he had assumed the functions of Chargé d'Affaires as of January 5 (123, Yost, Charles W./1-546). The same day the Department issued a press release on the resumption of diplomatic relations with Siam which stated: "We look forward to even closer friendship in the future and to the early admission of Siam to membership in the United Nations Organization"; for full text, see Department of State *Bulletin*, January 6 and 13, 1946, p. 5. In telegram 13, January 10, 1946, 1 p. m., the Department requested Bangkok to inform the Siamese Government that "this Govt considers the treaties and agreements in force between the US and Siam on Dec 7, 1941 continue in full force and effect" and furnished a proposed statement to be issued simultaneously by the United States and Siamese Governments (711.92/1-1046). After agreement by the Siamese Government (telegram 56, January 21, 1946, from Bangkok (711.92/1-2146), the Department released the statement on January 24, Department of State *Bulletin*, February 3, 1946, p. 178.

3. Sent to AmPolAd, Bangkok. Repeated to London and Chungking for information.⁷⁰

BYRNES

741.92/12-3145 : Telegram

The Political Adviser in Siam (Yost) to the Secretary of State

BANGKOK, December 31, 1945—5 p. m.

[Received January 1, 1946—3 : 54 a. m.]

118. Pursuant to Department's instruction (Deptel No. 78, December 22), following press release being issued tomorrow⁷¹ following announcement of the United States in Siam.

"I am most happy to learn of the successful conclusion of the Anglo-Siamese negotiations by the signature in Singapore of an agreement terminating the state of war between the UK and Siam.⁷² The US is naturally most pleased to see normal friendly relations reestablished between two nations for both of which it cherishes such cordial feelings.

"My Government considered that the declaration of war against the US issued by the Pibul Regime in January 1942 was an act taken as a result of the occupation of Siam by Japanese military forces and did not represent the will of the Siamese people. We chose therefore not to recognize the declaration. Later events seemed to justify this decision as Siamese forces did not actively engage in combat against Allied forces and as there sprang up within Siam a resistance movement led by many of the highest government officials which informed the Allied military authorities of its readiness at any time to engage in open resistance to the Japanese.

"As we had not recognized Siamese declaration of war we did not participate in the negotiations at Kandy and Singapore which we [were] intended to terminate the state of war between Siam and Britain. This abstention by no means signified, however, that the US was not interested in this settlement which arose out of the victory over Japan in which we played a major part. On the contrary we engaged in prolonged and friendly conversations with the British Government concerning the proposed terms of the agreement and made known our views on a number of points which we considered

⁷⁰ The substance of this telegram was telephoned to the British Embassy on December 31 by the Chief of the Division of Southeast Asian Affairs.

⁷¹ The Bangkok Legation copy of this message reads in part as follows: "Following press release being issued tomorrow: 'As representative of the United States in Siam I am most happy. . .'" (711.9).

⁷² Signed January 1, 1946. For texts of agreement and heads of agreement and related exchanges of notes, see British Cmd. 8140, pts. 1-5, pp. 2-13. For text of the *Communiqué* issued the same day by the Office of the Presidency of the Siamese Council of Ministers, see *The Siam Directory*, 1946, published by the Thai Co., Bangkok, pp. 15 ff. For exchange of notes of January 1, 1946, with a view to terminating the state of war between Siam and Australia, and the Siamese *Communiqué* of the same date, see *ibid.*, pp. 18 ff. The peace agreement between Siam and Australia was signed at Bangkok on April 3, 1946, *British and Foreign State Papers*, vol. CXLVI, p. 553. No similar treaties appear to have been entered into with Siam by other Dominions in the British Commonwealth.

either of direct concern to US or of general concern to those nations interested in the stability and prosperity of Southeast Asia. The British Government found itself able to concur to [*with*] our views on a number of these points and the Anglo-US conversations on this big subject were therefore concluded a few days ago.

“While the agreement just signed at Singapore is an Anglo-Siamese agreement to which the US is not a party and the terms of which it has not therefore been called upon to approve, we wish to express our satisfaction that our two friends have been able to come to an understanding and our appreciation that they proved so willing to take American interests into account. We are confident that the terms of the agreement will be carried out by both nations in a spirit of whole-hearted cooperation with view to making the greatest possible contribution to the security, stability and economic welfare of Southeast Asia. The US will continue to collaborate with Britain and Siam and with the appropriate bodies of the UNO toward the achievement of these same objectives.”

Yost

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