

Doc. No: 1714

I, Susumu MORIOKA, used to travel between Japan and China since my childhood. My last trip (from Japan to China) was in November 1942. I had been in the Army for 35 years, and once the Commander of the 16th Division at Kyoto. At the time of the Manchurian Incident, I was in Hankow. At the time of the Marco-Polo Bridge Incident, I was in Tokyo. In April, 1938, I was ordered to China, to serve on the Peiping Special Service Board, GHQ, Japanese Expeditionary Forces, under General Kita, the Chief of the said Board. When the Board was re-organized, to become the Peiping Office of the Ko-A-In, with Kita as the Liaison Chief, I still worked under him. From March, 1940 to March, 1941, I myself was made the Liaison Chief of the said Office.

The Special Service Board was completely organized by the Army, while its successor, Ko-A-In, had all the administrative departments of the Japanese Government pulled together, with the responsibility to transmit the order of the Japanese Government to the puppet Governments in occupied areas with the purpose of effective control.

The so-called 'Hsin-Min-Hoi' (New People's Association) was created according to the definite instructions of the Headquarters of Japanese Forces in North China in 1937. The Chairman of the so-called 'Provisional Government' at that time was made the Chairman of the said Association, while a Japanese, by the name of ANDO, Sisaburo, was made the Vice-Chairman. The original purpose of this Association was to make known to the people what the policies of the puppet Government were, and to transmit to the puppet Government what the people thought. But, later, its works laid more emphasis upon political and economic affairs.

Since the beginning of the Sino-Japanese Conflict in 1937, the Army leaders, namely Gen. TERAUCHI, Gen. SUGIYAMA, Gen. TADA, and Gen. OKAMURA (the successive Commander-in-Chiefs of the Japanese forces in North China) all strongly urged the persecution of this War in China. But the War against the USA and Great Britain was advocated by TOJO.

Under the puppet Government, opium could be openly sold and bought under the control of the so-called 'Opium Suppression Board' which Japanese Special Commissioners participated. On the other hand, the Japanese Headquarters did issue orders to the effect that no Japanese whosoever was permitted to enter opium dens or to smoke opium.

5/25 - Left  
6/10 - Japan  
6/12 - Tokyo

The Statement above was voluntarily made by myself, after the interrogation by Mr. David Nelson Sutton, of the International Prosecution Section, GHQ, SCAP, in the presence of Mr. H. J. Englehart, of the War Department, USA, Mr. Henry Chiu, the Secretary to the Chinese Prosecutor in the War Eastern Military Tribunal, and Mr. Malcolm Fishida, of the US Army. The Statement was recorded by Mr. Henry Chiu and, after recording, was read by myself and affirmed by myself to be true, without any mistake.

(Signed) Susuru Morioka

DATE: March 24th, 1946

DOC. NO. 1711

DR. LEO KANDEL, M.D., D.D.S.  
9, Hatamen Street  
Peking, China

22 March 1946

I, Leo Kandel, do certify that I am a native of Austria and came to China on 20 March 1939. I was in Shanghai for about two months and then came to Peiping and have resided in and practiced my profession of dentistry in Peiping since that time.

During the period of my residence in Peiping up until the surrender of Japan opium was openly sold in Peiping with the consent of the Japanese controlled government. Heroin was also sold. The opium trade was open and catered to the Chinese. So far as the government could enforce the rule opium was not sold to Japanese. I am advised that even the hospitals gave morphine very freely to the Chinese patients --a practice not applied to other patients.

It was perfectly obvious that the open sale of opium in China was approved and sponsored by the Japanese government for the purpose of weakening and undermining the strength of the Chinese people.

/s/ Leo Kandel  
DR. LEO KANDEL, M.D.  
Dental Surgeon  
Peking, 9 Hatamen Street

The foregoing statement was made by Dr. Leo Kandel transcribed and signed in my presence this 23rd day of March 1946 at Peiping, China.

/s/ David Nelson Sutton, Associate Counsel, International Prosecution Section, Tokyo.

SUMMARY CHART SHOWING CONDITIONS OF SUPPRESSION OF  
OPIUM AND POISONOUS DRUGS AS CONDUCTED BY THE  
MUNICIPAL GOVERNMENT OF PEIPING

(1) Conditions prevailed during the period of occupation by the enemy.

A. Number of Opium Dens: 247

Note Pursuant to the decision of the National Government in 1930 on the policy of opium suppression, to the regulations governing the measures for suppression and to the orders for its suppression in specified periods and for the riddance of smoking habits within certain time-limits, the local authorities had, up to March in 1937, made good progress in carrying out the reforms when the suppression was almost completed. After the July 7th Incident, the Japanese reversed the policy of the National Government by legalizing opium smoking whereby 247 opium dens were licensed with doors thrown wide open to smokers whether or not they possessed permits and regardless of their ages. As a result the number of smokers increased day by day.

B. Opium Addicts

|                                   |         |
|-----------------------------------|---------|
| a. Number of licensed smokers     | 230,000 |
| b. Number of non-licensed smokers | 80,000  |
| c. Number of casual smokers       | 100,000 |

Note The bogus regime encouraged opium smoking by the establishment of numerous opium dens in the central and convenient localities, thus enabling it to issue licenses to 23,000 smokers aside from some 80,000 unlicensed smokers. The number of casual smokers was more than the total of the former, making a daily total of some 200,000.

C. Quantity of opium consumed daily amounts to 3,000 'liang' (Chinese ounces)

Note This quantity is taken from the estimated official figures of the daily sale of the licensed opium dens, exclusive of what the opium merchants clandestinely transported and sold which was about ten times as much. The quantity of daily consumption may therefore be taken as amounting to as much as 30,000 'liang' a day.

D. Sources of poisonous drugs.

- a. The Mongolian Border Association. ( )
- b. The Raw Opium Guild.
- c. The Opium Dens Guild.
- d. The Opium Dens.
- e. The Ready Made Opium Companies.

Note With the exception of the Mongolian Border Association ( ), the above-mentioned organs were all formed under the auspices of the "Peking Opium Suppression Sub-Bureau." The functions of The Raw Opium Guild and The Opium Dens Guild were to undertake the transportation of opium, The Opium Dens, the sale of raw opium, The Ready Made Opium Companies, the sale of prepared opium, while the main sources of supply came from the Mongolian Border Association under the control of the bogus governments of Mongolia which were backed and encouraged by the Japanese to plant opium. The transportation and sale of heroin and morphia were mainly undertaken by the Japanese and Korean ronins whose business it was to supply the Chinese with these drugs, thus making those who became impoverished through smoking opium turn into dope fiends.

(2) Conditions since the inauguration of the present municipality.

A. Quantities of opium, heroin, white powder, etc. seized and burnt.

|                 |                  |
|-----------------|------------------|
| a. Heroin       | 104,604 liang    |
| b. White powder | 575,025 liang    |
| c. Opium        | 958,855.43 liang |

Note All the above mentioned poisonous drugs were burned on 16 January 1946, in Tubg Tan Li PinChang ( ) in obedience to telegraphic orders from President Chiang. Representatives of the related authorities, schools, churches, foreign and local communities were invited to supervise the public burning. After that, quantities of other poisonous drugs consisting of raw opium 100.75 ling, ready made opium 236.37 liang, opium ashes 203,868 liang, opium bulbs 7 liang, white powder 2 liang were seized and are now waiting to be burned.

B Steps to enforce suppression.

Note By order of President Chiang the suppression is to be completed by March 20, 1946 and the municipal government has already ordered the Bureau of Police, Bureau of Social Affairs, and Bureau of Public Health to make effective plan. The measures adopted are as follows:

1. Publicity
2. Registration and Investigation of Addicts
3. Examination of Addicts
4. Prosecution of Narcotics Addicts
5. Curing of Addicts of Habits
6. Instruction of Addicts
7. Examination of Addicts

The above measures are to be gradually enforced.

C. Conditions prevailing in carrying out the Suppression Measures

1. Number of registered smokers 5,501

Note The above addicts have been registered between 10 Feb. and 6 Mar. 1946 when the Bureau of Social Affairs instructed the Chief of Pao ( ) and Chia ( ) to conduct in cooperation with the Bureau of Police and of Public Health investigations and registrations of the addicts whose names appeared in the registration book of addicts of the puppet Peking Opium Suppression Bureau.

2. Number of addicts under treatment for curing 5,501

Note Following the inauguration of the present municipal government all the 247 opium dens licensed by the bogus regime were closed by order. Addicts who have voluntarily given up smoking opium as a result of the rigorous suppressing measures amount to several tens of thousands. Those casual addicts have already cured themselves. The number of addicts who are now under curing amount as many as 5,501.

3. The number of opium and narcotics treatment hospitals

a. For free treatment 11

Note For convenience of the addicts to be cured the municipal government has established in different parts of the city 11 hospitals to cure poor addicts free of charge and to investigate and examine addict suspects. Each hospital can accommodate 360 persons who are expected to get cured in 15 days under the charge of 3 doctors and 16 nurses. Eight kinds of drugs which are made by the Hua Pei Medicine Manufacture Co. from the prescription of the National Health Administration, are distributed to the addicts to be cured attention being given to respective their ages, health conditions by each hospital.

b. For Paid Treatment 18

Note These hospitals are set up in the better accommodated hospitals in the city under the auspices of the Bureau of Public Health. While the numbers of the beds in these hospitals differ, the total number of beds is at present 628.

4. The steps to be taken after the expiration of the time-limits in the suppression of opium smoking.

After 20 March 1946 the deadline time-limit for the suppression of the opium smoking, all offenders, found guilty of resumed smoking or clandestinely smoking, transporting and selling of opium, will be severely dealt with in accordance with the Regulations governing Suppression of Opium and Narcotics.

Municipal Government of Peiping

22 March 1946



**TREASURY DEPARTMENT**  
**BUREAU OF CUSTOMS**  
**INVESTIGATIVE UNIT**  
**TREASURY ATTACHÉ**  
**CARE OF AMERICAN CONSUL**

9506 P1

DEPARTMENT  
COPY

409

SHANGHAI, CHINA

April 20th, 1936.

*Paul Yif mentioned*

Commissioner of Customs,  
Division of Customs Agents,  
Washington, D. C.

Sir:

There are enclosed for the information of the Bureau and other interested Departments copies of a report entitled "Illicit Opium Traffic and Japanese Under-Cover Activities in Fukien".

Respectfully,

*E. W. Johnson*

For U. S. Treasury Attaché.

Encls.

April 17, 1936.

9506 P2

ILLEGIT OPIUM TRAFFIC AND JAPANESE UNDER-COVER  
ACTIVITIES IN FUKIEN.

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I. Persian Opium Shipped to Amoy.

On March 23rd, five boxes of Persian opium of fifty thousand dollars value, each containing forty packages, arrived at Amoy from Formosa by a Japanese steamship and were unloaded at the Tung Wen Wharf that afternoon at five p.m. and later sent to the Opium Company at Cheng Kwan Road ( 中 港 路 ) under a guard of armed ronins. These boxes of Persian opium are a part of a consignment shipped to Formosa in 1930.

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A brief history of the shipment is given in the following:

On June 16th 1930, news was sent out by Reuters that a strange ship was sailing for the Far East with a shipment of opium valued at, \$250,000, but the actual destination of the vessel was then a mystery.

Formerly the Japanese adopted a policy of opium control and gradual suppression in Formosa. At the inauguration of this policy, it was prescribed that only licensed addicts could smoke and that licenses were permitted to be issued only within the fixed period. At the time it was hoped that opium might be suppressed within twenty years, but as the amount of opium consumption decreased with the number of addicts, the financial resources of Formosa were deeply affected. With the approval of Japan, the Governor of Taiwan intended to issue one hundred thousand new licenses, and to meet this demand, four million yen worth of Persian opium was purchased in Europe. This step immediately aroused opposition from many sides and telegrams were sent to

the League of Nations for help in applying preventive measures. As a result, the number of new licenses was reduced to eighty thousand; but meanwhile, the large quantity of Persian opium had already reached its destination.

A part of this opium was manufactured into morphine which was later sold in China by dumping methods, but the greater part of it remained untouched. It was not until after the Manchurian Incident that it was decided to sell this opium and appropriate the money for the expenses of Chinese traitors to carry on campaigns of agitation. In 1933, the intrigues of Tu Chi-yun (杜起雲) in Fukien were totally financed in this way, but after his defeat, the remaining amount of opium was again left unused.

In 1934, three hundred thousand dollars worth of the opium stock was sold to Yeh Ching-he (alias Paul Yap), the "King of Opium" in Fukien, for only one hundred thousand dollars. Nevertheless, an amount estimated at more than three million yen in value was still left.

In consideration of the past, this recent arrival of fifty thousand dollars worth of the Persian opium in Amoy should not be considered only as a case of opium smuggling but also as a prelude to forthcoming under-cover activities.

## II. Cheap Sale Of Persian Opium In Foochow.

The Persian red opium is sold at only \$2.30 per taal in Foochow, the lowest price to be quoted in twenty years. This dumping policy is brought about by two large opium traffickers named Cheng and Yeh, influential members of the former Lu Tung (魯通) and Hai

Feng (洪) companies. By means of dumping, they hope to frustrate all competitors and prevent the Provincial Government from carrying out its new plan for the control of opium sales and transportation.

### III. Fukien's Progressive Sale of Opium.

Owing to geographical conditions and the Japanese drug policy in South China, the opium suppression work in Fukien has not yielded any satisfactory results. As the business term of the San Tung Opium Monopoly Company (三通公司) will expire very soon, some opium traffickers have tried to open a new company under the name of Yuan Tung (遠東) and thereby promise the Provincial Opium Suppression Supervisory Bureau to sell two hundred thousand taels of opium per month throughout the province and increase the amount of monthly sales to two hundred and fifty thousand taels three months after business begins. The new company planned to smuggle Persian red opium for sale in Fukien. In view of the increased amount of opium sales as promised by the new company, the Provincial Supervisory Bureau was about to grant the right of opium monopoly to the former, but when these facts were made known to the old company, they asked the Bureau to return the security of one hundred and sixty thousand dollars and pay an indemnity of two hundred thousand dollars for the goods sold out on credit. As the Bureau cannot meet this demand of the old company, there is no hope for the organization of a new company. But if the aforesaid new company should be established and their plan carried out, the opium menace in Fukien would be aggravated instead of being alleviated.

#### IV. Fukien's Danger Becomes Aggravated.

In spite of the denial of the Japanese, the puppet organization in Fukien is on the eve of materialization. According to information from reliable resources, the long rumored shipment of three thousand guns from Formosa arrived some days ago and was unloaded secretly at Huian (惠安) and Chao-an (詔安). It was also learned that large quantities of ammunition have arrived at Hui-an and Putien (莆田) together with a large amount of opium and morphine. Money obtained from the sale of the drugs will be appropriated for the expenses of the Fukien Autonomy Council.

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#### V. Japanese and Formosan Ronins Forbidden to Stay in Amoy.

Owing to the unlawful activities of the ronins, and in view of the frequent protests of the Provincial Government, the Japanese Consul posted a notice on March 19th to the effect that all ronins are forbidden to stay in Amoy. Japanese policemen were sent to Formosan brothels and smoking dens with orders for their suspension for a short time and to inform them that business may be resumed later. The number of ronins in Amoy is approximately 2,500. An officer in a steamship company stated there were only three Formosan passengers bound for Formosa in the last two days.

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#### VI. Under-cover Activities Still In Progress.

The so-called autonomy movement is being warmly supported by the Japanese Consulate in Amoy and Swatow. At the beginning of March, a Formosan spy named Hwang Hsiang-chi (黃翔琪) who had been recently sent to Swatow for secret activities returned to Amoy with

Li, a noted pirate, and Chen, another character of ill repute in Amoy. It has been learned that they are to participate in the puppet military organization. On March 15th, after a secret talk among the secretaries of the Japanese Consulate, it was decided that the number of executive members in the Autonomy Council would be reduced to thirteen and the number of executive members in the Committee of Military Affairs would be unlimited and subject to an increase when necessary. The office of the Autonomy Council has been removed from the Chung Hua Hotel in Kulangsu to the neighbourhood of the Japanese Consulate. The financial resources of the Council are of three kinds: (1) the profit gained from the sale of smuggled goods and drugs, (2) the income tax of the various departments, and (3), the support of Japan. Large-scale drug companies are planned for establishment in Foochow, Amoy and Swatow while branches are to be set up in Changchow (漳州), Chienschow (泉州), Chaochow (潮州) and Futien (莆田). Opium, morphine and heroin will constitute the main part of the drugs to be sold. According to an estimate, from the third month on net profits for each month will be seventy thousand dollars.

The next day following the Japanese coup d'etat of February 26th, witnessed a suspension of business in the financial market of Amoy. According to information from the Japanese Consulate, the aim of this coup d'etat was to replace the part cabinet by a military cabinet and to carry out reform measures. The young military group of Japan intend to take the whole of China at one stroke and to prepare for an immediate war against Soviet Russia so that Japan may be the only power in Asia.

VII. Foochow To Suppress Opium Dens and Gambling Houses  
Operated By Formosans.

Most of the Formosans in Foochow are owners of brothels, pawnshops, smoking dens and gambling houses and make use of these places to carry on unlawful activities. In view of the frequent protests of the Chinese government, the Japanese Consulate has made a registration of the Formosans in Amoy and constructed a prison. A notice has been given to the effect that any Formosan making trouble in Amoy may be arrested by Chinese police and sent to the Consulate for punishment. Imprisonment below three years shall be served in the new prison and that exceeding three years shall be subject to the Governor's Office of Taiwan. Gambling houses were ordered to be closed by the end of February, many of which have been changed into pawnshops.

The registration of opium addicts in Foochow has been completed with a number exceeding four thousand. According to the regulation, the registered addicts should go to the prepared opium shops to buy prepared opium and when buying it should present their licenses, however, there are many Formosan-owned smoking dens where the addicts may go to smoke without licenses; hence, the registration work has become a failure. Now the local Japanese and Chinese police are making arrangements for joint suppression of these Formosan opium dens.

The Formosan brothels often induce women of good reputation to be prostitutes. If they decline, threats of death follow. Pawnshops are all usurious, pawned articles being charged a daily interest rate of one per cent in addition to a redemption period limited to only one month.



REASURY DEPARTMENT  
BUREAU OF CUSTOMS  
INVESTIGATIVE UNIT  
TREASURY ATTACHÉ  
CARE OF AMERICAN CONSUL

SHANGHAI, CHINA

November 24, 1936.

Commissioner of Customs,  
Division of Customs Agents,  
Washington, D. C.

Sir:

There are enclosed for the information of the Bureau  
and other interested Departments copies of a report entitled:  
"Narcotic Drugs Menacing South Fukien."

Respectfully,

*M. C. Nicholson*  
Treasury Attaché

MRN.G

Enc.

9504 P1  
410  
DEPARTMENT  
COPY

Shanghai, November 23, 1936

NARCOTIC DRUGS MENACING SOUTH FUKIEN

## 1. Morphine Traffic in Amoy and Kulangsu.

The morphine sold in Amoy is principally supplied by the following three Japanese companies: The Kohtoh (江東) Company, the Santyo (三共) Company and the Nanihaya (浪速) Company. When the morphine trafficker places an order with one of these companies for a certain amount of morphine, it is brought to him at the appointed time. The morphine is brought to Amoy by the smuggling ships which are escorted by gunboats. Every year the Nanihaya Company sends a special messenger to Amoy to make arrangements with the local morphine traffickers.

The chief agent for Japanese morphine in Kulangsu is Chen Ching-hui (陳晉惠), a native of Hsian (惠安), while the agents in Amoy are the Kwangsen Pharmacy (廣生為善), the Taisen Pharmacy (太生為善) and the Tafeng Pharmacy (大豐為善), all of which were opened by Chien Sze-yuen (簡士元) and his brother, the former being the vice-chairman of the Formosan Union. Chen Ching-hui has sub-agents in Chingkiang (晉江), Nan-an (南安) and Hsienyu (仙遊) and has made tremendous profits.

The Japanese have recently opened a morphine manufactory in Deiren, so the price of morphine in Amoy is expected to become cheaper. It is learned that Chen Ching-hui is prepared to go to Deiren to make personal arrangements with the new drug plant.

Besides morphine, other drugs are also sold by the pharmacies operated by the Chien brothers. It is very hard to seize these drugs, for as soon as they arrive in Amoy, they are immediately sold.

Morphine sells very well in Hsienyu, for it is served like tobacco and cigarettes on religious occasions and at weddings. The local habit is to dissolve morphine in a cup of water and put it on the table so that the guests may use the morphine juice to moisten their lips.

It is learned that when pig dealers from Hsingwen (興文) and Hsienyu (仙遊) come to Amoy, they spend half their money obtained from the sale of pigs to buy morphine.

There are two morphine manufactories in Amoy, both being owned by Formosans. One makes morphine by machine, while the other makes morphine by hand. The hand method is to fill the entrails of pigs with prepared opium, tie them tight and place them in the water. By this process the juice of prepared opium gradually passes through the membrane of the entrails into the water. The next day the water is boiled until only the morphine element is coagulated.

### 2. Red Pills in Amoy.

Red pills are sold secretly by the smoking dens in Amoy. Six boxes, each containing 1000 tablets, are sold every day. Most of the red pills are imported from Shanghai where there are special secret plants for manufacturing the said drug. The manufacturer sells a box to the chief agent at \$8.00, the agent sells a box to the wholesaler at \$10.00, the wholesaler sells 60 tablets for \$1.00 to the retailer and finally the retailer sells three or four tablets for ten cents to the drug addict. As every one knows, red pills are a very poisonous drug. Once a man is addicted to it, not only will he never get free of it, but also he will have to take more and more. One woman addict in Amoy is known to smoke \$16.00 worth of red pills every day in order to satisfy her craving. The smoking of red pills does not differ from that of opium except that the mouth of the pipe is smaller. The dross left by two pills can be used to make a new tablet.

It is learned from secret sources that Paul Yap, the chief agent for government opium in Amoy, has operated a secret plant for manufacturing red pills, but that in order to avoid discovery, he does not maintain direct relations with his agents.

### 3. Poppy Cultivation Suppressed in Chingkiang.

Poppy cultivation is still carried on by the peasants in the

countries and villages of a part of Fukien. On instructions from the  
Opium Suppression Inspector-General, the Chingkiang ( 清江 ) Hsien  
Government has sent a circular order to various pchie asking them to  
strictly suppress the cultivation of poppies. At the same time a notice  
has been put up to the effect that poppy cultivators shall be punished  
with death.

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TREASURY DEPARTMENT  
BUREAU OF CUSTOMS  
INVESTIGATIVE UNIT  
TREASURY ATTACHÉ  
CARE OF AMERICAN CONSUL

DEPARTMENT  
COPY

9507  
P1

SHANGHAI, CHINA

November 9th, 1934.

Commissioner of Customs,  
Division of Customs Agents,  
Washington, D. C.

Re - Formosan and Amoy Opium Deal.

Sir:

According to a report received from our Amoy agent yesterday, a huge transaction in opium is now under negotiation between the Japanese Formosan Government and the opium combine in Amoy, under the leadership of the notorious Paul Yip, Chairman of the Lu Tung Co. ( 隆通公司 ), Board of Directors, the main opium agency of the Government Opium Monopoly Bureau of Fukien. This information is the result of a careful observation of the activities of the drug ring by our Amoy agent for the past few weeks. It has also been confirmed by a Japanese friend of his who is well acquainted in Japanese army circles in Formosa and who happened to travel on the same steamer with Paul Yip on his return trip to Amoy from Formosa recently. In the light of Paul Yip's close relationship with the Japanese during the past months and judging from information received from other channels, the facts as contained in this report submitted by our Amoy agent are believed well founded.

At the invitation of the Japanese authorities of the Formosan Government Opium Monopoly Bureau, Paul Yip paid a visit to Taihoku with Chen Chang-foo ( 陳長福 ), Chairman of the Formosan Association ( 台灣公會 ) of Amoy, and a noted racketeer. They left Amoy on the 17th of October per S. S. Hosen Maru ( 鳳山丸 ) and returned from Formosa by the same steamer on the 22nd. Their mission was to negotiate with the Japanese authorities in Formosa regarding the purchase of a big shipment of Persian opium for distribution in South China and also for manufacturing into narcotic drugs. The shipment of Persian opium has been held in Formosa for the past four years on account of diplomatic reasons.

~~It is reported that as a result of the great decrease in the number of registered opium addicts in Formosa in recent years, the Japanese monopoly authorities planned to have a registration of new addicts in the year 1930 in order to increase the revenue. Before the registration of new addicts took place, the monopoly bureau in Formosa ordered a big shipment of opium from Persia valued at Yen 10,000,000.00 to meet the potential increased demand of new registered addicts. It happened, however, that the League of Nations sent a commission of inquiry to the Far East to investigate~~

7/24

into opium smoking conditions in the same year. The commission visited Formosa shortly after the arrival of the shipment of opium from Persia. Owing to strong public opposition against the registration of new addicts and on account of change of cabinet, this big shipment of opium attracted considerable attention of the Formosan people. Consequently, this news was reported to the League of Nations Commission, then in Formosa, by some anti-opium leaders there. An inquiry was addressed by the League, to the Japanese authorities regarding the shipment of opium, to which the Japanese gave a flat denial. Finally this big shipment of opium was sealed up at the order of the Formosan Governor so as to avoid any international criticisms.

Since the Manchurian affair, the Japanese army in Formosa planned to create an atmosphere favorable to their intervention and the ultimate annexation of Fukien Province by buying Chinese traitors and supporting rebellious bandit armies in the interior of the province to act as their tools in disturbing peace and order. This naturally required a big sum of money. At the request of the army authorities, the Japanese Government agreed to sell this big shipment of Persian opium and use the proceeds to finance a military campaign in Fukien. Gen General Tu Chi-yun (杜起雲) was sent to Fukien shortly after the failure of the regime of the 19th route army, a Japanese army agent by the name of Genki (嚴崎) came to Amoy and plotted with General Tu regarding the creation of a Japanese puppet state in Fukien. He came with big quantities of Persian opium valued over Yen 100,000.00 which was intended to help Gen. Tu in the re-organization of bandit forces in the interior. The smuggling of this Persian opium by Genki and his men from Formosa into Amoy resulted in several armed conflicts between the Formosan rascals and the Chinese Customs Staff. These incidents are still fresh in the minds of the public. General Tu's treacherous plots were soon discovered by higher authorities. He was subsequently arrested and sent to Nanchang for execution. Genki, the Japanese army agent also met his death soon afterwards. The whole scheme collapsed in this way.

After the failure of the above scheme, an offer was made to Paul Yip by the Japanese army, through Chen Chang Foo, the notorious Formosan racketeer in Amoy, to sell the above mentioned shipment of Persian opium, which originally cost Yen 10,000,000.00 at the reduced price of Yen 5,000,000.00 for distribution in South China and also for the manufacturing of narcotic drugs. All the conditions relating to this transaction have been agreed upon between both parties. According to the agreement Paul Yip must pay a deposit of Yen 1,000,000.00 in advance and the Japanese will guarantee to deliver the shipment of opium in Amoy by carrying it over in gun boats. The remaining Yen 4,000,000.00 will be paid by the Paul Yip combine in a given length of time. The visit to Formosa was made by Paul Yip under great secrecy. Since his return, he has been busily engaged in consulting with his fellow accomplices and in raising of necessary funds for this transaction. It is believed that aside from business considerations, grave political significance is attached to this opium deal.

Respectfully,

*M. R. Nicholson*  
Treasury Attaché

MRN:EMJ

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OFFICE OF  
THE TREASURY ATTACHÉ

UNITED STATES TREASURY DEPARTMENT

AMERICAN CONSULATE GENERAL

SHANGHAI, CHINA

July 27, 1937.

Commissioner of Customs,  
(Investigative Unit),  
Treasury Department,  
Washington, D. C.

Sir:

There are enclosed for the information of the Bureau  
and other interested Departments copies of a report entitled:  
"Paul Yap and Fukien's Special Opium Suppression Commissioner  
Now 'n Hankow Awaiting Trial."

Respectfully,

Treasury Attaché

MRN. CW

Enc.

Shanghai, July 26, 1937.

PAUL YAP AND FUKIEN'S SPECIAL OPIUM SUPPRESSION  
COMMISSIONER NOW IN HANKOW AWAITING TRIAL

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Paul Yap, the "Opium King of Fukien" and Cheng Wun-shan (程溫珊), former Special Commissioner for Opium Suppression in Fukien, were sent to Hankow with a number of minor offenders to be tried by the Opium Suppression Inspectorate-General on charges of having been engaged in illegal opium traffic and violating government opium suppression laws. As we said repeatedly in previous reports, Paul Yap was naturalized as a Japanese subject under the new name of Yeh Chen-sheng (葉振聲) last year, but according to a recent investigation, his naturalization was not made according to regular legal procedure. ~~The real story is as follows:~~

~~At a town called Kaohsiung (高雄) in Formosa there was a merchant by the name of Yeh Chen-sheng (葉振聲) with a small amount of property, who died the year before last. Last year the property of the deceased was bought over at a high price by Paul Yap who immediately assumed the former's name and pretended to be a Japanese subject. There was a movement to raise funds for national defence in Japan during October last when Paul Yap, now alias Yeh Chen-sheng, contributed a sum of \$10,000. But in Amoy Paul Yap still used his old Chinese name, Yeh Ching-ho (葉清和) in social life. Besides,~~

~~he did not participate in the Formosan Residents' Corporation. When he was arrested recently, his family applied for membership for him at the said~~

~~Corporation.~~ Several requests for his release were made by the Japanese Consul, but the provincial authorities denied that he had been arrested. As Paul Yap is a noted drug trafficker involved with international drug cases, the Japanese have no reason to insist on his extradition even though he has assumed a false name. It is now generally known in Amoy that Paul

Yap is not the Yeh Chen-sheng of Formosa, because not only are their appearances different, but their ages do not correspond, for the real Yeh

9502  
P3

- 2 -

Chen-sheng would be 46 years old if he still lived, while Paul Yan is only 42.

It is also learned that Mr. Hsu Hsin-seng (許杏生), Chairman of the Board of Trustees of the Ya Ming Opium Company, has also arrived at Hankow by plane to appear at the court during the trial, as he is also involved with the case.

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DEPARTMENT  
COPY



TREASURY DEPARTMENT  
BUREAU OF CUSTOMS  
INVESTIGATIVE UNIT  
TREASURY ATTACHÉ  
CARE OF AMERICAN CONSUL

SHANGHAI, CHINA

July 10, 1936.

Commissioner of Customs,  
Division of Customs Agents,  
Washington, D. C.

Sir:

There are enclosed for the information of the Bureau  
and other interested Departments copies of a report entitled:  
"Formosan Organizations in Amoy."

Respectfully,

*M. R. Keshel*

Treasury Attaché.

MRH:J

Encl.

July 8, 1936.

FORMOSAN ORGANIZATIONS IN AMOY

~~According to advice received from Amoy, the Formosan organiza-~~  
~~tions have been established there recently to carry on both smuggling~~  
~~and opium traffic.~~

1. The Formosan Trade Union in Amoy.

The Formosans in Amoy have left no stone unturned in their efforts to do injury to the Chinese. All sorts of illegal activities, such as inciting agitation, smuggling of opium, drugs and ammunition, are unscrupulously carried out by them. To safeguard the interests of the Chinese traitors and Formosan residents in smuggling, the Formosan Trade Union in Amoy has been organized, some of its regulations being as follows:

- (1) This Union shall be named the Formosan Trade Union.
- (2) The aim of the Union shall be to protect the special interests of and effect mutual aid among the Union members.
- (3) This Union shall restrict its activities to the areas under the jurisdiction of the Municipality of Amoy.
- (4) This Union shall be under the direction and supervision of the Japanese Consulate.
- (5) The office of the Union shall be opened in Amoy.

It has been learned that the Union will hold a meeting on June 30th at No. 3 Fa-chung Road (大中路).

2. The Cooperative Society of Formosan Residents in Amoy.

The opium traffickers in Amoy are mostly Formosans. Recently, in view of the fact that a new opium company will be organized

by Chien Chi-feng (簡及錫), they tried every means to arouse agitation against its establishment. For furthering their own interests, they have organized "The Cooperative Society of Formosan Residents in Amoy." Some of its regulations are as follows:

- (1) This society shall be named "The Cooperative Society of Formosan Residents in Amoy."
- (2) The office of this society shall be opened in Amoy.
- (3) The aim of this society shall be to protect the material and spiritual interests of the members of the society.
- (4) The members of the society shall consist of the retailers of Amoy.
- (5) The regulations governing the enterprises of the society shall be issued separately.

In the following are given some of the regulations governing the business department of the society:

- (1) The capital of the business department shall be subscribed by the members of the society.
- (2) The business department shall devote itself solely to the buying and selling of opium.
- (3) The capital shall be fixed at \$20,000, to be divided into one thousand shares at \$20 each.
- (4) Every member of the society shall at least subscribe for one share which is payable in four installments. The sum to be paid for the first installment is one fourth of the value of the share while the rest shall be paid at any time provided by notice of the department.



TREASURY DEPARTMENT  
BUREAU OF CUSTOMS  
INVESTIGATIVE UNIT  
TREASURY ATTACHÉ  
CARE OF AMERICAN CONSUL

SHANGHAI, CHINA

April 15, 1937.

Commissioner of Customs,  
(Investigative Unit),  
Treasury Department,  
Washington, D. C.

See 4-14-37

Sir:

There are enclosed for the information of the Bureau  
and other interested Departments copies of a report entitled:  
"Side Lights of Japanese Drug Trade in Fukien."

Respectfully,

*M. C. Nicholson*

Treasury Attaché

MRN.GW

Enc.

413  
9503 P1  
DEPARTMENT  
COPY

Shanghai, April 14, 1937.

SIDE LIGHTS OF JAPANESE DRUG TRADE IN FUKIEN

Japanese are trying hard to narcotize Fukien. In almost every town and village of this province there are Japanese ronin or their agents selling various kinds of narcotic drugs. A study of the drug conditions in Foochow and Amoy will show to what extent Japanese narcotization policy is now menacing Fukien.

Nantai (南台) is the commercial center of Foochow. Off the wide streets in this part there are many small lanes in which Japanese and Formosan drug dens are centered. In front of every den hangs a signboard with the following words: "So and so shop under Japanese management." Below the signboard there are advertizing bills reading "The opium den upstairs is now open to business. Our opium tastes good and sells cheap. Please have a try." Talking in these lanes, you see an opium den every block. Another advertizement reads more strangely as follows: "Superior Persian opium prepared by high class opium expert at the price of \$0.10 per mace (one-tenth of a taal). Beautiful girls serving as waitresses." In all of these dens heroin and morphine are sold besides opium.

In Amoy the situation is even worse. There are three Japanese "hongs" which deal exclusively in narcotic drugs. The monthly volume of business is learned to exceed \$350,000. As to the opium dens, the number is indeed appalling. Official figures place it at only three hundred, but the real number must be two times greater. Over \$5,000,000 of business is done annually by these opium-owned opium dens.

Recently owing to the strict search for drug smokers in the Chinese opium dens, the business of the Japanese dens has been tremendously increased as they are beyond the legal reach of the Chinese authorities.

As a result of continued negotiations and representations made by the Chinese authorities to Japanese consuls in Amoy and Foochow, some of the opium shops and smoking dens were closed, as was reported in previous memoranda. It has been learned recently that most of them have changed into pawn shops and money lending shops which are conducted regardless of Chinese laws and regulations by lending money to poor people at exorbitant interest rates.

Mr. Paul Yap (葉清和), a naturalized Japanese subject and owner of the Yu Ming Opium Company (裕明鴉片公司) and commonly known as the "Opium King" of Fukien, has been a smuggler of opium for a long time. Another recent case of his smuggling has just come to light. On March 16th as soon as an automobile hired by the Yu Ming Company stopped in front of the gate of same, some inspectors of the Yung Cheng Opium Firm (永成土膏行) came forward to make a search as they had received advance information that four tins of contraband prepared opium were in the automobile, but the Yu Ming men in the car refused to be searched and ordered the contraband to be carried inside. As a result of this, the inspectors tried to take the prepared opium by force and a fight ensued. Finally a large quantity of opium was seized by the inspectors, some of whom were wounded.



DEPARTMENT OF STATE  
WASHINGTON

In reply refer to  
FE 893.114 Narcotics/2650

November 20, 1939

STRICTLY CONFIDENTIAL

Attention: Customs Agency Service

*Ans/B*

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury, and encloses herewith, for the strictly confidential information of the Treasury Department, two copies of despatch no. 59, dated September 20, 1939, from the American Consulate at Amoy, in regard to the legalization of the use of opium in the city of Amoy.

Enclosure:

From Consulate, Amoy,  
no. 59, September 20, 1939,  
in duplicate.

*Ans/B*

*SP*

AMERICAN CONSULATE,

Amoy, China, September 20, 1939.

Subject: Licensed Opium Dens in Amoy.

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to submit certain information concerning the legalization of the use of opium in the city of Amoy, which has been under Japanese occupation since May 1938.

Before the city was taken by the Japanese, the sale and use of opium was forbidden by the Chinese authorities, and it is understood that a considerable degree of success attended their efforts to eradicate the traffic. Soon after the Japanese entered, there was a noticeable increase in the trade, and it is understood that it was for the most part carried on by Formosans (Japanese subjects of the Chinese race) who must have had the connivance and tacit approval of the Japanese Navy, which actively controlled the city behind a facade of Chinese puppets.

In the spring of 1939 there was set up the Amoy Liaison Office of the China Affairs Board, which was one of a number of such offices established in various parts of China with the chief object of reconstructing and developing the country  
under

- 2 -

under the Japanese aegis for the creation of "a new order in East Asia." The Amoy Liaison Office was the creature of the Japanese Navy, just as similar offices in North China have been under the control of the Army. Officers were transferred to it from the active service. Ever since its establishment, the organization has interested itself in such legitimate enterprises as the setting up of an Amoy Municipal Government, operation of the water-works and the electric light plant, and the like.

For reasons discussed below, this organization decided to sanction the use of opium in Amoy, and began licensing opium dens. It was recently learned from an accurate source that at the present time there are about fifty such dens in the city, which has a population of roughly 50,000, according to a Japanese estimate, and considerably less according to foreign estimates. In-

formation concerning the source of the opium, the quantity used, the number of addicts, the retail price, and other details has not been received.

The ostensible reason for "legalizing" the use of opium in a city which had been largely free from the traffic was that funds were needed by the puppet Amoy Municipality, and that there was no other readily available source of revenue. At the same time, according to Japanese gossip, the fact was brought to light that certain unscrupulous Chinese merchants "persuaded" certain naval officers in the Liaison Office to advocate the licensing system.

-Whatever-

- 3 -

Whatever the reason, there is no doubt that the Japanese Navy must bear the onus of having re-introduced the legal use of opium in the city of Amoy, populated for the most part by Chinese of the poorest classes. It should also be added that at least three large gambling establishments have been granted licenses, the authorities giving the same excuse of immorality for this action.

Respectfully yours,

K. deG. MacVitty  
American Consul

811.4  
HMB/O

Transmitted in quintuplicate.  
Copy to American Embassy, Peking.  
" " " " Chungking.  
" " " " Tokyo.  
" " Treasury Attache, Shanghai.

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OFFICE OF  
THE TREASURY ATTACHÉ

UNITED STATES TREASURY DEPARTMENT  
AMERICAN CONSULATE GENERAL  
SHANGHAI, CHINA

December 10, 1938.

Commissioner of Customs,  
(Investigative Unit),  
Treasury Department,  
Washington, D. C.

*DNB*

*China*

Sir:

There are enclosed for the information of the Bureau and other interested departments, copies of a report entitled: "Japan's Narcotization Policy in Full Swing in Shanghai."

Respectfully,

*E. U. Jacobson*

For the Treasury Attaché

EMJ.G

Enc.

*Quilley* ✓  
*Murdoch* ✓

*cc: Japan*

9542  
P2

Shanghai, November 30, 1938.

JAPAN'S NARCOTIZATION POLICY IN FULL SWING  
IN SHANGHAI

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For the past few months, the Japanese special service organ of Shanghai has been sending Persian opium into the International Settlement and French Concession from Hongkew for sale by some fourteen secret opium hongs specially permitted by the Japanese authorities to have the privilege of acting as their opium agents. Recently in addition to these fourteen secret hongs in the foreign areas, twenty-two more have been established in the western districts along the extra-Settlement roads in the following terraces: Jen Ho Li (仁和里), Kang Fu Li (康福里), Cheng Hsan Li (誠善里) and Hsin Kang Li (忻康里) at Chaochiatu (曹家渡) and Wuchiochang (五希場). Of these twenty-two, twelve are sanctioned by the "Shanghai City Government" and the remaining ten by the "Reformed Government" of Nanking. In this way these two puppet regimes divide the revenue. Daily protection fees of these shops varies from \$50 to \$100 according to the size of their trade. In addition to the protection fees, revenue of \$1.00 is collected from each tael of opium sold.

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Opium sold in these shops is mostly Persian opium as Jabel opium or Manchurian opium can find no market in this part of China owing to its poor quality. Persian opium had been purchased at Persia and imported into Shanghai by the Mitsui Bussan Kaisha, which acts in accordance with the wishes of the Japanese military. A chest of Persian opium is 160 lbs. or 1920 ounces. It is sold by the Mitsui Bussan Kaisha to the Japanese military special service organ at about \$5.00 per ounce, and the latter sells it to the opium hongs at about \$7.00. The opium hongs retail it at about \$9.00. In this way the Japanese military special service organ can make from \$3,000 to \$4,000 per chest. It is estimated by a Formosan opium merchant that the Japanese special service organ sells an average of no

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less than 1,000 chests of Persian opium per month to the opium hongs in Shanghai and its environs, including Nanking, Chenkiang, Wusih, Changchow, Changshu, Soochow, Kashing, Sungking, Huchow and Hangchow.

Persian opium imported into Shanghai is stored in a secret godown in Hongkew, the location of which is not known to anybody outside. Any opium merchant who wants to buy opium is required to pay the price in advance to the Bank of Taiwan and secure a receipt for same. He then presents the receipt to the authorities in charge of opium at the special service organ in Hongkew. Upon receipt of the bank credit, the special service organ delivers the amount of opium purchased to any part of the city as specified by the purchaser. The Japanese military usually secretly send the cargo out of Hongkew with military trucks. No purchase of less than twenty chests can be made.

Jehol opium is now used mostly for the manufacture of morphine and heroin in Manchuria, Dairen, Tientsin and Hongkew. Japanese morphine and heroin also find their way into Shanghai in large quantities. In Japan and Formosa opium is being grown secretly in many of the big sugar and other plantations to supply the raw material for the narcotic industry. Morphine now costs about \$500 per lb. in Japan, to be sold for approximately \$1,500 in Shanghai. For this reason nearly every Japanese coming to this city brings with him at least two pounds of morphine for sale. In this way any Japanese who comes to China can make enough money to cover his traveling and hotel expenses, besides leaving a good balance for himself when he returns home.

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the attached document, IPS No. 9561, was obtained by me from the Mitsui Bussan Kaisha, Ltd., in the conduct of my official business.

Signed at Tokyo on this  
7th day of June, 1946.

Edward P. Monaghan (signed)  
Edward P. Monaghan

Witness: William C. Prout (signed)

Investigator, I.P.S.  
Official Capacity

The Import of Persian Opium  
by  
The Mitsui Bussan Kaisha, Ltd.  
(1937/1940)

| Year  | Quantity    |              | Amount<br>(Cost & )<br>(Shipping)<br>( Charge ) | From    | To       | At                   | by S/S          | Sold to                           |
|-------|-------------|--------------|---|---------|----------|----------------------|-----------------|-----------------------------------|
| 1937  | Cases       | Lbs.         | (Nil)   |         |          |                      |                 |                                   |
| 1938  | 428         | 68,480)      | ¥ 2,803,000.00                                  | Bushire | Shanghai | April (?)            | Singapore Maru  | The Opium Bureau of the Re-       |
| 1939  | 972         | 155,520)     |   | "       | "        | Beginning of January | Akagisan Maru   | formed Government, Shanghai.      |
| "     | 1,000       | 160,000)     | ¥ 4,114,286.00                                  | "       | "        | April 26             | - " -           | - " -                             |
| "     | 1,000       | 160,000)     |   | "       | "        | October(?)           | Tamagawa Maru   | The Opium Bureau of Middle China. |
| 1940  | 500         | 80,000       | ¥ 2,469,136.00                                  | "       | "        | October 26           | Mogamigawa Maru | - " -                             |
| "     | 500         | 80,000       | ¥ 2,291,000.00                                  | "       | "        | Nov. or Dec. (?)     | Kanogawa Maru   | - " -                             |
| Total | Cases 4,400 | Lbs. 704,000 | ¥11,682,422.00                                  |         |          |                      |                 |                                   |

This is to certify that the above figures are the only figures we have now in connection with the Persian Opium transactions and were taken from the following data.

1. "General Business Report" made by the General Business Department
2. "Particulars of Sales Contract" made by our Teheran Office.

Hajimu Imai (signed)  
Manager of General  
Business Dept.,  
Mitsui Bussan Kaisha.



OFFICE OF  
THE TREASURY ATTACHÉ

UNITED STATES TREASURY DEPARTMENT

AMERICAN CONSULATE GENERAL

SHANGHAI, CHINA

422  
9543  
P,

December 27, 1938.

*JWP*  
Commissioner of Customs,  
(Investigative Unit),  
Treasury Department,  
Washington, D. C.

Sir:

*China* ✓

There are enclosed for the information of the Bureau and other interested departments, copies of a report entitled: "Opium Monopoly Bureau Starts Working at Broadway Mansions."

Respectfully,

*Ella H. Jackson*  
For the Treasury Attaché

EMJ.G

Enc.

*Anslinger* ✓  
*Mordoch* ✓  
*Nichols* ✓

9543  
P2

Shanghai, December 27, 1938.

OPIMUM MONOPOLY BUREAU STARTS WORKING AT  
BROADWAY MANSIONS

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It is learned from circles in close touch with the puppet regime that as a measure to increase the receipts to meet urgent military expenses, the Japanese authorities recently conferred with the puppet authorities in Nanking to enforce a uniform system of opium monopoly. All the district opium monopoly setups will be abolished immediately and a central opium monopoly bureau called the "General Opium Suppression Bureau for Kiangsu, Chekiang and Anhwei (蘇浙皖禁烟總局) will be established to take the full responsibility of opium monopoly, including the importation, transportation and distribution of opium, issuance of licenses, appointment of sales agents and collection of opium revenues in the whole occupied area in this part of China. This bureau is to be under the jurisdiction of the "Ministry of Interior", the minister of which is Mr. Chen Chun (陳君祥), formerly a close associate of Mr. Tu Yueh-seng in opium and other rackets. The bureau is required to deliver \$3,000,000 per month to the Japanese military headquarters in Shanghai for their war expenses, and may keep the remaining receipts for the expenses of the puppet regime. It is expected to collect approximately \$6,000,000 revenue per month. A few days ago the puppet Executive Yuan appointed Mr. Yu Chun-ching (俞均清) as director of this bureau, which is already functioning at its head office on the fifth floor of Broadway Mansions, North Soochow Road. Three Japanese officials named Tanaka (田中), Nishiki (西室見) and Fuhama (富濱) have also been appointed by the Special Service Organ of the Japanese military to act as advisors to this bureau.

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Head of Police  
one of  
most  
powerful  
men  
next to  
Chungking  
living in

Document No. 9560

Certificate:-

I, T. C. Lui, hereby certify that I am thoroughly conversant with the Chinese and English languages, and as a result of the comparison between the Chinese and the English texts, I have established that this is a true and correct translation of International Prosecution Document No. 9560.

(signed) T. C. Lui

HIGH COURT OF NANKING

25 May 1946

International Prosecution Section  
General Headquarters, Supreme Commander  
For the Allied Powers

Gentlemen:

With reference to your request for material on the subject of opium suppression, we attach herewith authenticated copies of the record of interrogations of Sheng Yu-An and of a written Statement entitled "The Work of Opium Suppression" prepared by Mei Sze-Ping, Minister of Interior in the Puppet Nanking Government. The above documents were referred to us, for incorporation in our proceedings, by the Bureau of Investigation and Statistics of the National Military Council which handled the investigations.

Yours faithfully,

Chao Seng  
President

## THE WORK OF OPIUM SUPPRESSION

Ever since the closing years of the Tsing Dynasty, the planting of, trading in and smoking of opium had been suppressed, but with little result. Owing to the recurrence of civil wars, and the lack of uniformity in laws and statutes, the Suppression Regulations were more or less scraps of paper. The opium situation became even worse. In 1935, however, the Council of Military Affairs of the National Government, with the greatest determination and the most careful planning, strictly enforced the suppression of opium. Substantial results were achieved. The measures adopted at that time are briefly described as follows:

1. With regard to drugs, such as cocaine, heroin, morphine, etc., the policy of immediate suppression and extinction was adopted. Capital punishment were to be dealt to those who manufactured or traded in or transported such drugs. Those who indulged in using such drugs one year after the enforcement of the suppression law were to be punished likewise.

2. In the case of opium, since the situation was more complicated, the policy of suppressing and extinguishing it in five years was adopted. Opium addicts were required to cure themselves of the habits within respective time limits prescribed on the basis of their respective ages. Before being cured, addicts should have licenses for the purchase of limited amounts of opium. Only specially designated merchants could engage in the trading and transporting of opium. They were strictly supervised by the Council of Military Affairs which also controlled the distribution. As to the planting of opium, for one reason or another, the immediate suppression in some provinces had some difficulty. Therefore, it was ordered that the planting of opium was confined to certain border and outlying regions, that the planting in those regions had to decrease from year to year, and that the rest of the provinces were strictly forbidden to plant any opium. For violation of this regulation, both the local authorities and the farmers concerned were to be punished.

The above is a brief description of the opium suppression operations before the War of Resistance. In two years, remarkable results were achieved, particularly in Kiangsu and Chekiang provinces where the accomplishments were the best. If the war had not broken out, the plan for suppressing opium within five years would have been 80% or 90% successfully concluded.

After the invasion of the Japanese militarists in 1937, the work of suppressing opium in North China and the South-eastern provinces which successively came under the Japanese occupation, was naturally interrupted. Even before the war the Japanese militarists and diplomats had the bad habit of obstructing the Chinese policy of opium suppression. It was a current opinion in China that the Japanese had the ultimate motive of poisoning the Chinese people. They would make every Chinese an opium addict or a drug addict, in order to weaken and to impoverish the Chinese. But this was rather a superficial observation. The actual reason behind was that, since the Japanese military forces and special service organs in China were very ambitious in carrying on aggression, the funds allotted to them by the Japanese Government could hardly meet the heavy expenses of their extremely extensive work of the so-called special service activities in China. Therefore, they utilized the Consular Jurisdiction to protect the Japanese, Korean, and Formosan ruffians who engaged in manufacturing drugs or transporting and trading of opium. Moreover, the Japanese garrison forces and consulates usually offered them protection and ordered them to penetrate into the hinterland in exchange for espionage information which they were required to supply to the military headquarters and the Embassy and Consulates. They were further told to contact local Chinese unscrupulous elements and even corrupt officials in order to obtain various information. So the Chinese, as a rule, thought that the Japanese were aiming at poisoning the Chinese people. They failed to see that in fact it was nothing but a mean tactics of the aggressor's secret service. The above is a brief description of how the Japanese tried to break down the Chinese opium suppression policy before the war.

Following the outbreak of the war, the Japanese Army occupied cities in more than ten provinces. The policy of espionage and intelligence under the guise of dealings in opium and drugs was of course intensified. The conditions involved were likewise more complicated and extensive than those before the war. They could be described under two separate headings: drugs and opium.

As to drugs, the Japanese, Korean, and Formosan ruffians could almost go anywhere in their trading without any interference. The Japanese Army, especially the Military Police (Kempaitai), went further to employ the Chinese drug dealers and unscrupulous elements to gather espionage information. It covered a wide area, and so the poison of the drugs was also widespread. The Chinese Government could do nothing at

all. But the drug trade was the dealings of the local low ranking Japanese officials, and not the over-all plan of either the Japanese Government or the Japanese Military Headquarters.

The opium business in China was the systematic policy of high ranking officials of the Japanese Government for two reasons. First, the Mongolian-Singkiang Autonomous Government, which was a puppet organization set up by the Japanese following their occupation of Inner Mongolia, sought to solve the financial deficit problems by purchasing opium in Inner Mongolia where the people used to grow poppy and sell it at a profit. Second, Japan, in addition to scraping every possible gain in China, looked to opium as a possible way out of her own financial difficulties caused by the war. The money for Mongolian puppet government ear-marked for the purchase of opium had to be first remitted to the Finance Ministry in Tokyo, where part of the sums were retained. Although no figures of these retained sums could be estimated as they were kept strictly secret, this remains an undeniable fact. On the other hand, the greater part of the proceeds of the opium sold in Shanghai and other Chinese cities were also sent to Tokyo to be allotted as secret subsidiary funds to Tojo's cabinet as well as to subsidize members of the Diet. This was an open secret although it was guarded as strictly confidential, and it was known that some Japanese people at home were also opposed to this notorious policy of Tojo's cabinet. Evidence for this undeniable fact is, however, difficult to collect. (If the books of the Hung Chi Shan Tang could be obtained, some traces could be found.)

As to the suppression of opium under the Nanking Government, it was quite a complicated story. In 1938, the Reformed Government, following the example of the Provisional Government in North China, installed the Central Board of Opium Suppression under the Executive Yuan. The actual power of opium suppression was, however, in the hands of the Japanese. The Japanese Military Headquarters sent a Japanese ruffian by the name of Satomi (alias in Chinese, Li Chien-fu) to establish the Hung Chi Shan Tang in Shanghai. It was a business corporation in control of the opium trade and transportation. On the Chinese side, the head of the corporation was Sheng Weng-yi. But Sheng was also appointed by the Japanese, not by the Reformed Government. Therefore, the opium trade entirely came under the control of Li Chien-fu and Sheng Weng-yi, and the Reformed Government had no control whatsoever over it. According to Sheng Weng-yi himself, the disposal of the profits was kept highly secret. It was done through direct contact with Tokyo. Even the Japanese organs

in China could not know the details. The Reformed Government only charged a small amount of tax against this corporation. The Government was deprived of rights concerning personnel and administration of the Opium Suppression Board -- rights entirely usurped by the Hung Chi Shan Tang. Therefore, the pre-war opium suppression policy could not be continued. Hung Chi Shan Tang, being a business concern, was not supervised by the Government. Opium was considered one of the controlled commodities. Dealers in opium cared for nothing but profit. Opium dens were openly installed everywhere in cities and in villages. Addicts were not controlled. No such thing as compulsory curing within a time limit was ever mentioned.

In March 1940, the Executive Yuan of the Reformed Government decided to transfer the Opium Suppression Board to the jurisdiction of the Ministry of Interior. Soon, the National Government in Nanking was established. During the four years until the winter of 1943, nothing could be done to improve the situation of opium suppression. The Government found itself helpless, resorting to no other way than simply ignoring the problem.

In December 1943 students held demonstrations in Nanking, Shanghai, Hangchow and other cities against opium, smashing a number of opium shops and opium dens established by the Hung Chi Shan Tang. The public sentiment reached its peak, but the Japanese troops dared not step in to give interference. As a result, the Japanese Government sent an economic advisor to the Nanking Government, expressing their willingness to help China if China wanted to restore her pre-war opium suppression measures, on condition that the Nanking Government should consider the fact that "opium profits were the chief revenue of the Mongolia-Singkiang Autonomous Government". Three probable reasons for the sudden change of the attitude of the Japanese Government regarding the opium business in China were found. First, the Tojo Cabinet had been attacked by the people both inside and outside Japan regarding the use of opium profits for political as well as secret purposes. Second, the Japanese Government wished to lessen the hatred of the Chinese people. The third and the most important factor was that Japan at that time was making scores of times as much income by the control of commodities in occupied China as from opium dealing, so there was no apprehension for lack of funds to defray political and military expenses. Consequently, the Nanking Government had to consider carefully the following points in face of the Japanese request:

1. Since opium revenue was the chief source of income of the Mongolian Government, and if Mongolian Government could dump its opium on Nanking as a result of Japanese pressure, the Nanking Government would become an agent for selling opium imported from Mongolia.

2. The income of the Nanking Government was then enough to cover all expenses and the opium revenue was not considered as an important item. If the Japanese relied on increased collection of the opium tax as ground for lowering other tariffs in favor of Japanese merchants in China, the result would be much worse.

3. Negotiations with the Japanese during many years proved to be painful. On every occasion they declared at first that they would never interfere. But later on they invariably interposed obstructions on every turn, making it impossible for the Chinese authorities to carry on their duties. I am afraid there could be no exception to the opium suppression problem.

Therefore the Nanking Government took the following stand during the negotiations with the Japanese on the opium problem:

1. The opium suppression policy of the former Military Council must be maintained and the five-year suppression plan, which was after operating for two years suspended on account of the war, must be continued. Opium evil must be eradicated within three years, beginning from April 1944.

2. According to the pre-war regulations, the planting of poppy in Inner Mongolia should be prohibited within a definite period of time. Those pre-war measures could, of course, be temporarily allowed to continue. But the amount produced must be drastically reduced. Opium imported from Mongolia which amounted to 3,000,000 ounces per annum by the Hung Chi Shan Tang must be reduced at least by one half.

3. Rules which existed prior to the war regulating producers, dealers and addicts of opium, enforced by the former Council of Military Affairs, should be likewise observed and the Japanese authorities should lend a helping hand in this matter, giving no protection to either Japanese or Chinese ruffians.

4. Japan should help China to stem opium smuggling, otherwise opium suppression would be impossible.

Following the negotiations, Japanese authorities accepted the conditions completely. Wang Chin-wei, Chairman of the Council of Military Affairs happened to be in Japan for medical treatment at that time, so the Council of Military Affairs was unable to take charge of the opium suppression program as it used to do. Besides, Cheng Kung-po, Acting Chairman of the Council of Military Affairs, and concurrently Mayor of Shanghai, was too much occupied to take care of this opium suppression task. Consequently, it was assigned to the Ministry of Interior. Nevertheless, regulations stipulated by the Council of Military Affairs were observed. The former opium agency was operated by specially licensed merchants under government supervision. This agency was taken over by the Central Opium Suppression Bureau for fear that continuance of the former plan would entail manipulation again by Satomi and his associates. Other functions of the Bureau remained the same as those of the former Inspector General of Opium Suppression. The Opium Suppression work from 1 April 1944 to the end of the same year is stated as follows:

1. Since the publication of opium suppression regulations in March 1944, all narcotic producing organs in Shanghai, following the discovery of a number of heroin manufacturies, vanished by themselves. The same condition prevailed in Nanking where, following the execution of Tsao Yu-chen, a notorious narcotic trader and secret service man of the Japanese Gendarmerie, opium and narcotic dealers gradually disappeared in the Nanking-Shanghai Area and the Japanese stopped giving open support to opium trafficking.
2. From April 1944 to the end of the year, the average monthly import of opium from Inner Mongolia was less than 100,000 ounces - less than 40% of the monthly import in the Hung Chi Shan Tang's time.
3. The opium smuggling continued to be unchecked. But it was not more rampant than before - a fact which showed that the addicts were not increasing in number (because Government controlled opium was reduced by more than 50%).
4. Two opium suppression hospitals were established: one in Nanking and one in Shanghai. Public and private hospitals in various cities and districts were intrusted with the opium suppression service.
5. The registration of opium addicts was accomplished.

6. Opium shops and opium dens in all cities and towns were ordered to be closed down.

Taxation on opium was not aimed at for revenue purposes by the Nanking Government. Nevertheless the total opium tax collected between April 1944 and the end of the year amounted to between \$40,000,000 and \$50,000,000 and was handed over to the Ministry of Finance. This could be checked in the files and books.

When Mr. Wang died in November last year, Mr. Chen Kung-po became Chairman of the Council of Military Affairs. Early in December, by decision of the Supreme National Defense Council, opium suppression was again placed under the jurisdiction of the Council of Military Affairs in order to insure its effectiveness. But not until January 1st of this year was the work of opium suppression actually turned over to the jurisdiction of the Council of Military Affairs. The regulations governing its operation underwent no changes.

HEADQUARTERS  
UNITED STATES ARMY FORCES IN KOREA  
Office of the Military Governor  
Office of the Director of Financial Bureau  
Seoul, Korea

A: Statement showing the types, location and ownership of narcotic drug stocks to include raw or semi-processed narcotics and narcotic seed:

(1): The only type of narcotic drug stocks in this area coming under the above classification are opium and its derivatives. The location of this stock is at the Monopoly Bureau Medicinal Drug Factory, (opium factory) at Seoul, Korea and it was formerly owned by and controlled by the Japanese Government General of Korea.

(2): There is no stock of opium poppy seed in this area. In the past all opium poppy seed not held by the poppy farmers for the planting the next years crop was used to make poppy seed oil.

(3): The following is an inventory of the narcotic drugs in the vault of the opium factory which was completed on 3 December 1945. Many of the figures in this inventory were taken from the factory records after the number and contents of the packages were checked:

| <u>Item</u>                                       | <u>Weight in Kilograms</u> |
|---|----------------------------|
| Opium powdered, packaged for sale                 | 23.255                     |
| Morphine Hydrochloride, packaged for sale         | 40.575                     |
| Morphine Hydrochloride, bulk                      | 50.850                     |
| Morphine Alkaloid refined<br>(94 % morphine)      | 63.601                     |
| Morphine Raw (70 % morphine alkaloid)             | 1053.363                   |
| Morphine unrefined                                | 37.482                     |
| Opium alkaloid residue from<br>factory processing | 500.000                    |

|  |               |
|--|---------------|
| Crude opium alkaloids without morphine   | 190.500       |
| Heroin, packaged for sale  | 1.937         |
| Heroin, raw  | 1.500         |
| Opium raw (8 to 12% morphine)  | 27140.000     |
| Opium residue and opium of low morphine content  | 5625.227      |
| Morphine, heroin and opium control samples,<br>laboratory samples, display samples,<br>etc             | twenty boxes. |
| Miscellaneous samples and exhibits of opium<br>and narcotic drugs seized in old<br>Korean Court cases. | 1000.000      |

(Note: With the exception of the first three or four items the narcotic drugs in the above list have little or no value for medicinal purposes. They cannot be refined here and there is no apparent legitimate market for them. In view of these circumstances it is believed advisable to recommend that these useless items be destroyed as soon as possible. It will be necessary to hold a few of the above listed drugs for a short time pending completion of prosecution of criminal cases).

HEADQUARTERS  
UNITED STATES ARMY FORCES IN KOREA  
Office of the Military Governor  
Office of the Director of Financial Bureau  
Seoul, Korea

B: A statement showing the location and ownership of each plant used for manufacturing or processing narcotic drugs and the amounts processed during each year from 1930 to 1945 inclusive:

(1) There is only one plant in this area used for manufacturing and processing opium. It is the Monopoly Bureau Medicinal Drug Factory at Seoul, Korea and it was formerly owned and operated by Japanese Government General of Korea.

(2) There are very few records available here that show any figures on opium production or opium transactions prior to 1935. The following figures on raw opium production in Korea were taken from the records of the Monopoly Bureau Medicinal Drugs Factory:

| Year | Cultivated Area<br>Acres | Raw Opium Produced<br>Kilograms | Number of Farmers<br>growing opium |
|------|--------------------------|---------------------------------|------------------------------------|
| 1935 | 6253                     | 18150.487                       | 14254                              |
| 1936 | 6169                     | 27085.588                       | 18582                              |
| 1937 | 6444                     | 27608.345                       | 23349                              |
| 1938 | 12622                    | 26538.071                       | 30670                              |
| 1939 | 16622                    | 26702.091                       | 40678                              |
| 1940 | 18384                    | 32928.689                       | 52198                              |
| 1941 | 21256                    | 50734.847                       | 69142                              |
| 1942 | 16799                    | 25970.852                       | 65117                              |
| 1943 | 18914                    | 39433.020                       | 79360                              |
| 1944 | 19220                    | 37810.728                       | 82640                              |
| 1945 | Unknown                  | Unknown                         | Unknown                            |

STATEMENT C

HEADQUARTERS  
UNITED STATES FORCES IN KOREA  
Office of the Military Governor  
Office of the Director of Financial Bureau  
Seoul, Korea

C: Statement showing the amounts of narcotic drugs imported, manufactured, exported and consumed during each year from 1930 to 1945, inclusive. Complete records are available only for the years 1935 to 1944 inclusive.

(1) Importation of narcotic drugs: Cocaine, codeine, dionine and cotarnine have been imported in the past from Japan under the control of the Sanitation Section of the Japanese Police Bureau of Korea. Most of the records of the Sanitation Section were destroyed and to date no given figures on the importation of these drugs have been found. The following are the only figures available on the importation of narcotic drugs into Korea:

1931 Imported from Monopoly Bureau of Formosa 292.5 Kg. crude morphine; 1934 Imported from Monopoly Bureau of Formosa 550. Kg. crude morphine.

The following records show the exchange of raw opium for morphine:

1930 Exported 2867.307 kg. raw opium to Kwantung Monopoly Bureau for 408.1 3 kg. morphine hydrochloride.  
1931 Exported 2072.588 kg. raw opium to Kwantung Monopoly Bureau for 393.985 kg. morphine hydrochloride.  
1932 Exported 1952.409 kg. raw opium to Formosa Monopoly Bureau for 293 kg. crude morphine.  
1933 Exported 3186.219 kg. raw opium to Formosa Monopoly Bureau for 534.014 kg. crude morphine.  
1938 Exported 9608.248 kg. raw opium to Manchukuo Monopoly Bureau for 1933.526 of crude morphine.  
1939 Exported 8741.802 kg. of raw opium to Manchukuo Monopoly Bureau for 1492.003 kg. crude morphine.

(After 1939 these exchanges were discontinued).

(2) Manufacture of narcotic drugs by the Monopoly Bureau Medicinal Drug Factory from 1935 to 1945 inclusive: (all weights in kilograms):

HEADQUARTERS  
UNITED STATES FORCES IN KOREA  
Office of the Military Governor  
Office of the Director of Financial Bureau  
Seoul, Korea

| <u>Year</u> | <u>Morphine HCl</u> | <u>Heroin</u> | <u>Powdered Opium</u> | <u>Codeine</u> | <u>Dionine</u> |
|-------------|---------------------|---------------|-----------------------|----------------|----------------|
| 1935        | 84.250              | 12.383        | 5.030                 | None           | None           |
| 1936        | None                | 2.560         | 11.900                | "              | "              |
| 1937        | None                | 3.120         | 63.760                | "              | "              |
| 1938        | 87.050              | 1244.000      | 22.395                | "              | "              |
| 1939        | 141.565             | 1327.100      | 45.380                | "              | "              |
| 1940        | 239.028             | 195.700       | 25.010                | "              | "              |
| 1941        | 184.180             | 10.242        | None                  | "              | "              |
| 1942        | None                | 10.106        | 52.880                | "              | "              |
| 1943        | None                | None          | None                  | "              | "              |
| 1944        | 542.160             | 3.560         | 35.215                | 9.082          | 0.621          |
| 1945        | Unknown             | Unknown       | Unknown               | Unknown        | Unknown        |

(3) Exportation of raw opium and narcotic drugs by the Korean Monopoly Bureau:

a: Raw Opium (weight in kilograms)

| <u>Year</u> | <u>To Monopoly Bureau<br/>Kwantung Leased<br/>Territory</u> | <u>To Monopoly Bureau<br/>Manchukuo</u> | <u>To Monopoly<br/>Bureau of<br/>Formosa</u> | <u>To Japanese<br/>Navy</u> |
|-------------|---|---|--|-----------------------------|
| 1932        | None  | None                                    | 1952.409                                     | None                        |
| 1933        | None  | None                                    | 3186.219                                     | "                           |
| 1934        | None  | None                                    | None   | "                           |
| 1935        | 7500.193  | 3752.996                                | "  | "                           |
| 1936        | 15021.605   | 11283.051                               | "  | "                           |
| 1937        | 6700.002  | 17461.157                               | "  | "                           |
| 1938        | 9010.149  | 28668.158                               | "  | "                           |
| 1939        | 8323.731  | 4258.746                                | 10059.070                                    | "                           |
| 1940        | 12498.126   | 8500.617                                | 7314.856                                     | "                           |
| 1941        | 20109.743   | 17007.930                               | 11472.694                                    | "                           |
| 1942        | 16838.772   | 11031.529                               | 8139.475                                     | "                           |
| 1943        | 17418.142   | 8377.091                                | 4777.452                                     | "                           |
| 1944        | 12000.000   | None                                    | None   | 6011.426                    |
| 1945        | None  | None                                    | 224.292                                      | None                        |

HEADQUARTERS  
UNITED STATES ARMY FORCES IN KOREA  
Office of the Military Governor  
Office of the Director of Financial Bureau  
Seoul, Korea

b: Morphine hydrochloride and heroin (diacetylmorphine hydrochloride): (Weight in kilograms).

| <u>Year</u> | <u>Morphine</u> | <u>Heroin</u> | <u>Consignee</u>          |
|-------------|-----------------|---------------|---------------------------|
| 1937        | 50.000          | 100.600       | Manchukuo Monopoly Bureau |
| 1938        | None            | 1200.000      | " " "                     |
| 1939        | "               | 1200.000      | " " "                     |
| 1940        | "               | 360.000       | " " "                     |
| 1944        | 500.000         | None          | Japanese Army in Korea    |

(4) Sale of narcotic drugs by the Monopoly Bureau Medicinal Drug factory for consumption in Korea: (weight in kilograms):

| <u>Year</u> | <u>Morphine</u> | <u>Heroin</u> | <u>Powdered Opium</u> |
|-------------|-----------------|---------------|-----------------------|
| 1935        | 66.955          | 12.383        | 7.775                 |
| 1936        | 54.765          | 2.560         | 11.300                |
| 1937        | 53.775          | 3.120         | 51.535                |
| 1938        | 88.835          | 4.165         | 18.675                |
| 1939        | 145.400         | 4.335         | 35.875                |
| 1940        | 225.390         | 5.520         | 16.770                |
| 1941        | 57.395          | 6.495         | 24.475                |
| 1942        | 41.005          | 5.675         | 40.300                |
| 1943        | 44.000          | 9.445         | 15.650                |
| 1944        | 51.290          | 2.225         | 19.400                |

PENDING,

HEADQUARTERS  
UNITED STATES ARMY MILITARY GOVERNMENT IN KOREA  
Office of the Military Governor  
Seoul, Korea

TFYMG (FIN)

12 June 1946

SUBJECT: Production, Manufacture, Import and Export of  
Narcotics in Korea from 1930 to 1945.

TO : Supreme Commander for the Allied Powers,  
APO 500

THRU : Commanding General XXIV Corps,  
APO 235

1. Reference: URAD C-61879.
2. Signed copy of report submitted herewith.
3. Since Lt. Col. Walker was readjusted to the United States on 27 May 1946, it is impossible to have subject report sworn. Investigation and report was a result of over a months time in screening various records and reports of the Monopoly Bureau. If necessary, Lt. Col. Walker can be reached through the Commissioner of Narcotics, Treasury Department, Washington, D.C.

FOR THE MILITARY GOVERNOR:

/s/ Seth Wiard

SETH WIARD  
Lt Col ORD  
Civil Administrator

Incl:

1 copy of letter AG 710 (16 Oct 45) PH 31 Jan 46

AG 441 (TFXA G)

1st Ind

CE/rd

Hq XXIV Corps, APO 235, Jun 13 1946

TO: Supreme Commander for the Allied Powers, APO 500

/c/ CE  
C.E.

1 Incl:  
n/c

HEADQUARTERS  
UNITED STATES ARMY MILITARY GOVERNMENT IN KOREA  
Office of the Military Governor  
Office of the Director of the Financial Bureau  
Seoul, Korea

AG 710(16 Oct 45)PH (SCAP)

31 January 1946

SUBJECT: Policy of Narcotic Drug Control.

THRU : Commanding General, United States Army Military  
Government in Korea.

TO : GENERAL HEADQUARTERS, Supreme Commander for the  
Allied Powers, APO 500 (Attention: Public  
Health and Welfare Section).

1: Reference is made to a letter from General Headquarters, Supreme Commander for the Allied Powers, APO 500, identified as AG 710(16 Oct 45) PH, addressed to the Commanding General XXIV Corps, APO 235, regarding the policy of narcotic drug control in Korea south of 38 degrees north latitude and to a letter from this office dated 24 November 1945. Copies of these letters are enclosed for your information.

2: Additional information requested in the letter from General Headquarters is now available and will be found in the following statements attached to this letter:

Statement A: Lists the types, location and ownership of narcotic drug stocks to include raw opium, semi-processed narcotic and seed.

Statement B: Shows the location and ownership of each plant used for manufacturing or processing drugs and the amounts processed during each year from 1930 to 1945 inclusive.

Statement C: Shows the amounts of narcotic drugs imported, manufactured, exported and consumed during each year from 1930 to 1945 inclusive.

/s/ T.J. WALKER  
T. J. Walker, Major M.I.  
Narcotic Control Section  
Monopoly Bureau

Incl:

- 1-Copy of letter AG 710(16 Oct 45) PH
- 2-Copy of letter Fin. Bur. USAFIK (24 Nov 45)
- 3-Copy of Statements A,B,C.

12 June 1946

I certify the above signature to be that of  
T.J. Walker, Major (now Lt Col) MI, of the Narcotic  
Control Section, Department of Finance, Hqs USAMGIK.

/s/ Norman P. Marshall  
NORMAN P. MARSHALL  
1st Lt, FD  
01281773

Incl:

- 1-Copy of letter AG 710(16 Oct 45) PH
- 2-Copy of letter Fin. Bur. USAFIK (24 Nov 45)
- 3-Copy of Statements A,B,C.

12 June 1946

I certify the above signature to be that of  
T.J. Walker, Major (now Lt Col) MI, of the Narcotic  
Control Section, Department of Finance, Hqs USAMGIK.

/s/ Norman P. Marshall  
NORMAN P. MARSHALL  
1st Lt, FD  
01281773

## PERMANENT CENTRAL OPIUM BOARD

Comite Central  
Permanent de L'opium

12A/16615/6047

Geneva, Jan. 29th, 1946.

My dear Commissioner,

The following is a statement of the manufacture of diacetylmorphine in Korea declared by the Japanese Government and published by the Board in its reports to the League of Nations:-

|         | kg. |
|---------|-----|
| 1929    | nil |
| 1930    | 70  |
| 1931    | 144 |
| 1932    | 116 |
| 1933    | 164 |
| 1934    | 90  |
| 1935-39 | nil |

Yours sincerely,

/s/

Secretary,  
Permanent Central Opium Board.The Hon. J. J. Anslinger,  
Commissioner of Narcotics,  
Tower Building,  
Washington, D.C.

BY POUCH

Geneva, Switzerland, February 12, 1946.

Transmitting Information from Drug Control Service,  
League of Nations, for use of War Crimes Office.

The Honorable,  
The Secretary of State,  
Washington, D. C.

I have the honor to invite reference to the Consulate's confidential despatch No. 1106 of January 18 in reply to the Department's telegram No. 923 of November 27, 6 p.m. 1945, requesting that there be obtained and forwarded from the League authorities, if agreeable to them, an official statement that the Japanese Government did not subsequent to 1939 present reports, estimates and statistics required by International Drug Conventions.

The Chief of the Drug Control Service of the Secretariat of the League of Nations has now replied to the Consulate's inquiry, approval thereof having been obtained from the Acting Secretary General of the League. With the idea of supplying the War Crimes Office with the most useful documentation, a copy of the full text of the reply of the Chief of the Drug Control Service is transmitted herewith. This reply which would appear to be self explanatory, taken together with the material previously supplied by the Permanent Central Opium Board constitutes a full answer to the Department's telegram under reference.

Respectfully yours,

Howard Elting, Jr.  
American Consul

Enclosure:

1. Copy of Mr. Renborg's letter dated February 8, 1946.

Original and four to Department  
Copy to Consulate General, Zurich  
811.4  
Howard Elting, Jr./lc

LEAGUE OF NATIONS

In any further communication on this subject please quote No. 12/43266/41702 and address to: The Secretary-General, League of Nations, Geneva.

Geneva, February 8th 1946.

Dear Mr. Elting,

I would refer to your letter dated December 12, 1945 (reference 811.4), asking if the Japanese Government did, subsequent to 1939, present any reports on illicit traffic, annual reports, estimates and statistics, required by the International Drug Conventions.

As statistics come within the competence of the Permanent Central Opium Board, I shall limit my answer to annual reports, reports on illicit traffic and estimates.

No annual report, as provided under Article 21 of the Convention of July 13th, 1931 has been received in regard to Japan, and/or her territories in respect of any year subsequent to the reports covering the year 1938.

No reports of cases of illicit traffic discovered by Japanese authorities have been received from the Japanese Government under the terms of Article 23 of the above-mentioned Convention, in respect of any year subsequent to 1939.

As for annual estimates of drug requirements provided under Article 2 of the Limitation Convention of 1931, the last estimates received from the Japanese Government refer to the year 1940 as regards Japan proper, and to the year 1941 for the Japanese territories (Korea, Formosa, Kwantung Leased Territory, and the Islands of the Pacific held under Japanese mandate).

I am, dear Mr. Elting,

Yours very truly,

(Signed) Bertil A. RENBORG

Chief of the Drug Control Service  
of the Secretariat of the League  
of Nations, Secretary of the  
Supervisory Body.

Mr. Howard Elting, Jr.,  
American Consul,  
American Consulate,  
3 Rue du Mt. Blanc,  
GENEVA.

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Transmittal letter for Document 1154.

WAR DEPARTMENT  
Civil Affairs Division  
Washington 25, D. C.

WDSCA 118.4

25 March 1946

SUBJECT: Transmittal of Material.

TO: Mr. Joseph B. Keenan  
Chief of Counsel  
International Prosecution Section  
GHQ-SCAP  
APO 500, Tokyo, % Postmaster  
San Francisco, California

Transmitted herewith is the following material requested by you:

1. Transcript Nuremberg Proceedings from 20 February to 6 March.
2. Correspondence from the American Consul Geneva and Chief of the Drug Control Service of the Secretariat of the League of Nations relative to Narcotic Reports and Tables in connection with Japan. Also table in two parts prepared by Drug Control Service comparing minimum and maximum penalties provided by Narcotic Drug Legislation in the States of Canada, China, Colombia, Egypt, France, Germany, Siam, United Kingdom and Japan.

Inclosures as listed.

Victor C. Swearingen (signed)  
VICTOR C. SWEARINGEN  
Lt. Colonel, JAGD  
Chief, Eastern Section  
War Crimes Branch  
Civil Affairs Division

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9536  
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444

Tokyo, April 14, 1939

**STRICTLY CONFIDENTIAL**

No. 3830

**SUBJECT: NARCOTIC DRUG TRAFFIC IN OCCUPIED AREAS  
OF CHINA.**

The Honorable  
The Secretary of State,  
Washington.

Sir:

I have the honor to acknowledge the receipt of the Department's instruction No. 1661 of February 16, 1939, and enclosures, relating to the situation in China with respect to the traffic in narcotics and directing the Embassy, after consultation with the British Embassy, to present to the Japanese Foreign Office an aide-mémoire substantially in the form of the draft transmitted with the Department's instruction under acknowledgment.

Inquiry

Inquiry was made of the British Embassy whether instructions had been received from the British Foreign Office to take action along the lines proposed in the Department's instruction. As the Department's instruction was received on March 11th, and the British Embassy notified us on April 10th that instructions had been received from the British Foreign Office to inform us in the event of inquiry that the matter was still under investigation by the British Government, it was decided to carry out the Department's instruction without further delay. Accordingly, the aide-mémoire, without alteration, and its enclosure, were presented to the Foreign Office on April 13, 1939.

The official of the Foreign Office to whom the aide-mémoire and enclosure were presented had no comment to offer other than that the contents would be studied and a reply made in due course.

Copies of the aide-mémoire and enclosure are transmitted  
1/ herewith. A copy with enclosure had been furnished the British Embassy.

Respectfully yours,

Joseph C. Grew

811.4  
JFMCG:am

Copy to Embassy, Peiping  
Copy to Embassy, Chungking  
Copy to Consulate General, Shanghai

9536  
P3  
Enclosure no. 1 to despatch  
no. 3830 of April 14, 1939  
from the Embassy at Tokyo

The American Embassy to the Ministry of Foreign Affairs.

EMBASSY OF THE  
UNITED STATES OF AMERICA

STRICTLY CONFIDENTIAL

AIDE-MÉMOIRE

The Government of the United States appreciates the efforts of the Japanese authorities and of the Japanese companies operating ships in trans-Pacific services in connection with the suppression of the illicit traffic in narcotic drugs between Japan and the United States.

In the parts of China now under Japanese military control, however, according to reports submitted by American officials, Japanese in authority are not taking effective measures to cooperate in the suppression of the abuse of narcotic drugs and illicit traffic therein.

The situation existing in the Japanese-controlled areas in China, as described in the above-mentioned reports received from American officials, is indicated in an enclosure to this aide-mémoire entitled "The Narcotics Situation in the Japanese-Controlled Areas in China".

The Japanese Government shares with the American Government and with other governments the well-recognized obligations under the International Drug Conventions to control the production and distribution of raw opium, to render effective the limitation of manufacture of narcotic drugs to the world's legitimate requirements for medical

and

and scientific purposes, to use its efforts to control or to cause to be controlled all those who manufacture, import, sell, distribute and export narcotic drugs, and to cooperate in other ways provided for in those Conventions. The actions in reference to narcotic drugs of the régimes which have been established in those areas of China controlled by Japanese military forces cannot be regarded as limiting the manufacture or controlling the distribution of narcotic drugs. In the light of the situation existing in those areas of China, the Japanese Government has an inescapable responsibility for the importation of opium into those areas, the shipment of opium from one part of those areas to other parts, the manufacture of opium derivatives in those areas, the distribution within those areas of those derivatives, and the shipping out of opium and its derivatives from the occupied areas of China to third countries.

In urging upon the Japanese Government the importance of there being exercised by the Japanese Government the restraining influence which it is in a position to bring to bear upon its nationals in the occupied areas of China and upon the régimes which have been established therein, the Government of the United States desires to point out that the situation existing in the occupied areas is one of deep concern to it because

1. The evidence in the possession of this Government indicates that the heroin found in the illicit traffic in the United States has since 1935 come in large measure from the Japanese Concession in Tientsin.

2. Practically all of the smoking opium found in the illicit traffic in the United States comes from China and is a blend of Chinese and Iranian opiums. Part of it is prepared in or near Shanghai, part in South China and a little in North China. This type of smoking opium has practically no market in China and is put up solely for the illicit traffic in America. Recent large seizures in the continental United States, at Honolulu, and at Manila point to a substantial increase in the illicit shipment of smoking opium from the Far East to the United States, the amounts of such seized during the last six months of 1938 having been approximately five-sixths of the total amount seized during the year.

Enclosure:

Memorandum, January 14, 1939.

January 14, 1939

STRICTLY CONFIDENTIAL

Subject: The Narcotics Situation in the  
Japanese Controlled Areas in China.

The representative of the United States at the twenty-third Session of the Opium Advisory Committee at Geneva in June 1938 presented information in regard to the traffic in narcotic drugs in Manchuria and Jehol and in other parts of China. This information was based for the most part on official reports and was substantially corroborated by the Japanese representative on instructions from his Government.

The representative of the United States stressed points as follows:

(1) With regard to Manchuria and Jehol, there had been no real or effective improvement during the past year in the conditions obtaining in respect of addiction, illicit import, illicit traffic or opium production.

(2) In China between the Yellow River and the Great Wall, which has for some time past been controlled by the Japanese Northern Army, conditions were worse than they were the year before. Legal control lapsed in August 1937 and the illicit traffic increased. The Peiping "Provisional Government", set up and maintained by the Japanese Army, took a hand in the narcotics situation soon after the establishment of that regime. It rescinded by its Order no. 33 of February 24, 1938, the Chinese Central Government's provisional anti-opium and anti-narcotics laws and regulations and all persons who were being detained under those laws and regulations were promptly released from prison. The narcotics situation became progressively worse.

(3) In a period of fifteen months, 650 kilograms of heroin were exported to the United States from the Japanese Concession in Tientsin

by

Tientsin:

In a report from the American Consul General at Tientsin dated November 3, 1936 it is stated that, notwithstanding an announcement in the local press to the effect that all opium dens in the Japanese Concession of Tientsin had been closed on October 1, many small places in that Concession continue to dispense opium, that the larger dens in the Japanese Concession were closed, but that those dens which had been operating in the Japanese Concession are now operating in the areas nominally controlled by Chinese outside the Japanese Concession, and that the number of such places operating is conservatively estimated at 500. According to a reliable informant at Tientsin, all varieties of habit-forming drugs known to the Japanese trade continue to be readily purchasable in numerous places in the Japanese Concession.

The daily newspaper, Yunapao, published in the Chinese language at Tientsin and controlled by the Japanese authorities, contained the statement in its issue of November 12, 1936 that the Tientsin Branch Consolidated Tax Office had received instructions from its head office in Peiping to permit the operation of an additional 25 opium dens, bringing the total of licensed opium dens in the nominally Chinese-controlled areas of Tientsin to 189.

Peiping:

It is reliably reported that the only restriction existing in Peiping in regard to establishing shops for the sale and/or smoking of opium is the payment of taxes.

by a group operating in this trade there. This amount was sufficient to supply some 10,000 addicts for a year.

(4) In Shanghai, control appeared to have broken down completely except in the French Concession and in the International Settlement.

(5) Huge quantities of Iranian opium were reliably reported to have arrived in North China and in Shanghai consigned to Japanese firms and intended, in some instances, for Japanese army officers, while further large consignments were en route to those destinations under similar auspices and still others were on order.

Since last June, the American Government has continued to receive from official sources additional alarming information in regard to the traffic in narcotic drugs in those parts of China controlled by Japan, as follows:

Manchuria and Jehol:

The Director of the Opium Section of the Municipality of Harbin informed the press on May 4, 1938 that the number of unlicensed opium dens in the city of Harbin was estimated at about 1,000 as against 76 that were licensed.

The authorities in Sinkiang Province (in which Harbin is located) estimated in June 1938 that in the Province there were approximately 2,000 Japanese and Koreans addicted to opium, morphine, or heroin.

The Opium Administration Section of the Department of People's Welfare of "Manchukuo" announced on August 23, 1938 that reports received from provinces and cities, in connection with the 10-year anti-opium campaign, showed that the total number of registered addicts in Manchuria and Jehol was 585,267.

Tientsin:

As a result, there were estimated to be some 300 such establishments in Peiping in October 1938. Heroin was also being sold at that time at many places in the city with no evidence of any effort being made to stamp out the trade.

Tsinan:

At Tsinan, since the Japanese occupation, the Tsinan Branch of the Consolidated Tax Bureau has permitted the sale of opium publicly upon the payment of certain taxes. At the end of September 1938 there were four shops authorized to sell raw opium and 40 shops authorized to sell opium paste. By the end of November 1938 the number of shops selling opium paste had increased from 40 to 138. It was reported that, during November 1938, raw opium to the amount of 100,000 taels arrived at Tsinan via the Tsin-pu Railway from the north and that 10,000 taels of that amount were transhipped at Tsinan to other large cities and towns in the interior.

Nanking:

The American Embassy at Nanking has forwarded copies of a letter dated November 22, 1938 by Professor M.S. Bates, in regard to the narcotics situation in Nanking. In the opinion of the Embassy, Dr. Bates is an experienced investigator and a man of unquestioned integrity. He states that, prior to 1938, the present generation had not known large supply and consumption of opium in Nanking nor open sale in a way to attract the poor and ignorant, especially during the five years preceding 1938, and that heroin was practically unknown.

unknown. Dr. Bates' investigation disclosed that, as a result of changes brought about in 1938, legalized opium sales in Nanking amounted to \$2,000,000 monthly and that heroin sales in the area of which Nanking is the center amounted to \$3,000,000 monthly (Chinese currency). Dr. Bates reported that, according to a private estimate, there were at least 50,000 heroin addicts in a population of 400,000. He stated that there were many young people of both sexes among the addicts; that the public opium system in Nanking, the major supplies for which are reported as coming from Dairen through Shanghai, was controlled by the "Opium Suppression Bureau" which is under the Finance Office of the Nanking Municipal Government; and that the Bureau's regulations and by-laws were concerned mainly with bringing all private trade and consumption into the revenue net. Dr. Bates also stated:

"It is commonly reported that the Special Service Department of the Japanese Army has close and protective relations with the semi-organized trade in heroin."

He further pointed out that:

"There is general testimony that a good deal of the wholesale trade is carried on by Japanese firms which outwardly deal in tinned goods or medicines, but handle heroin through rooms in the rear."

#### Shanghai:

The American Consulate General at Shanghai, in forwarding copies of a series of articles by Mr. C. D. Alsott which were published in The China Press on December 4, 5, 6, and 7, 1938, observed that the articles were believed to give a fairly accurate picture of the present narcotics situation in Shanghai, as much of the factual matter contained therein was understood to have been obtained from the Narcotics Section of the Shanghai Municipal Police and from the records of the Special District Courts. The

Consulate General added that the traffic was most active in areas controlled by the Japanese; that no visible efforts were being made by the Japanese or the new administrations to suppress the traffic; and that the traffic appeared likely to increase in Japanese controlled areas around Shanghai.

Pointing out that the application and enforcement of the drastic anti-narcotic laws and regulations promulgated by the National Government during the latter part of 1936 had resulted in a marked diminution in the traffic in heroin and morphine and in some decrease in the opium trade, Mr. Alcott writes that, since the Shanghai area came under Japanese control, heroin, morphine, and similar derivatives have been reintroduced into the area; that the importation and distribution of these drugs have been steadily increasing; that between 60 and 70 stores located in areas immediately adjacent to the International Settlement and the French Concession are now selling these drugs; that a total of about \$1,500,000 (Chinese currency) is being spent monthly by the addicts for narcotic drugs, of which \$850,000 is spent for heroin; that an increasing number of coolies and poor laborers are using heroin and derivatives; that Jehol opium is now the chief source of supply for cheap drugs in the Shanghai area and that most of the heroin comes from Dairen and Shan-haikwan; that no effort is being made by the Japanese authorities or the Chinese administrations under their direction to suppress the traffic in narcotics in the areas controlled by them; and that, in fact, there is considerable evidence to show that many Japanese are deeply involved in the importing and sale of opium, heroin and other derivatives, including, according to some authorities on the subject, a group within

the

the Special Affairs Organ of the Japanese military.

The alarming description given by Mr. Alcott of conditions in the Shanghai area is in large measure substantiated by information received from other reliable sources.

DEPARTMENT OF STATE  
WASHINGTON

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In reply refer to  
ILH 894.114 Narcotics

26 December 1945.

My dear Colonel Hornaday:

Reference is made to despatch no. 3830, dated April 14, 1939, from the American Embassy at Tokyo, in regard to the traffic in narcotic drugs in the occupied areas of China.

For your information and use, the records of this Department disclose that the Japanese Government did not acknowledge the receipt of or make reply to the aide-memoire which is enclosure no. 1 to the above-mentioned despatch.

Sincerely yours,

/s/ Otis E. Mulliken  
Otis E. Mulliken  
Chief, Division of International Labor  
Social and Health Affairs

Lieutenant Colonel William T. Hornaday,  
War Crimes Office,  
Munitions Building,  
Washington, D. C.

COLLECTION OF LAWS AND REGULATIONS  
-- NORTH CHINA POLITICAL COUNCIL --

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## PROVISIONAL REGULATIONS

## RELATING TO OPIUM SUPPRESSION IN NORTH CHINA

Promulgated by the North China Political Council on 31 August 1940, by Order 'Hui' No. 56, to come into effect 1 Oct 1940

ARTICLE 1 The North China political Council, for the purpose of opium suppression, establishes by this regulation the Opium Suppression Bureau, under the direct control of the Board of Finance, to deal with matters relating to opium suppression. The Bureau, when necessary, may establish Branch Bureaux. The organic laws of the Opium Suppression Bureau and of its branches will be separately prescribed.

ARTICLE 2 Opium stated in this Regulation includes raw opium, manufactured opium and opium for medical use.

ARTICLE 3 Smoking of opium is forbidden. But those who are over fifty years of age addicted to smoking are exempted.

Those who are over thirty years of age addicted to smoking on account of illness and being certified by physicians as necessary for medical treatment are temporarily and specially permitted to smoke.

The Proviso of the first paragraph and the Provisions of the second paragraph of this Article do not apply to civil servants, educational service, students, and representatives of people.

ARTICLE 4 The importation and exportation of opium and of instruments for smoking are prohibited unless permission of the competent government authority is obtained.

ARTICLE 5 The manufacturing of opium shall be carried on by Government licencees only.

Instruments for smoking shall not be manufactured without the permission of the Government.

ARTICLE 6      Transporting, selling, buying, delivering, receiving, owning, or possessing opium or instruments for smoking opium is forbidden unless Government permission has been obtained.

ARTICLE 7      With the exception of Government licensed dealers, no one shall sell, buy, give, receive, own or possess opium, but the opium ashes owned or possessed by opium smokers, as a result of their smoking opium, are exempted.

ARTICLE 8      With the exception of Government licensed opium dealers, no one shall, for the purpose of pecuniary gain, furnish other people with places or establishments for smoking opium.

ARTICLE 9      Without Government permission the planting of poppy is forbidden. Those for the purpose of manufacturing opium substitutes are likewise forbidden.

ARTICLE 10      Selling, buying, giving or receiving the seed of poppy for the purpose mentioned in the preceding Article is forbidden, except the sale or gift of the same by Government licensed poppy planters.

ARTICLE 11      Licensed poppy planters shall sell the raw opium raised by themselves to those designated by the Government.

ARTICLE 12      Licensed opium sellers are forbidden to mingle foreign substance into opium for sale or delivery.

ARTICLE 13      The manufacturing, buying, giving, receiving, owning,

or possessing any substance in which opium is contained is forbidden unless for medical purposes in accordance with law separately provided.

ARTICLE 14 The competent authorities, for the purpose of curing the habit of opium smoking, may administer necessary punishment to opium addicts.

ARTICLE 15 The competent authorities may order the persons to whom licenses are issued under Article 4 to Article 9 inclusive, to submit reports on matters which the said authorities may deem necessary.

ARTICLE 16 The competent authorities, when necessary, may send inspectors to the residences, the manufacturing places, or other places of the persons to whom licenses have been issued under Article 4 to Article 9 inclusive, for the purpose of examining the conditions relating to raw materials, machines and equipments for manufacturing, accounts and receipts, and other relative documents. The said authorities may take restrictive or corrective measures whenever necessary.

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ARTICLE 17 When the instruments for smoking opium are no longer needed due to the death of opium addict or otherwise, they should be reported to the competent authorities in charge of opium suppression, by the addict himself or his successor. The left over opium and the instruments for smoking opium should be turned in.

When a person permitted to manufacture, transport, buy, sell, transfer, own or possess opium and instruments for smoking is dead, his successor, or the executor of his will, or the administration of his legacy may succeed to or administer them, provided it is

reported to and registered with the competent authorities.

ARTICLE 18 Violations of the provisions in Articles 4 to 7 inclusive, and Articles 9 to 13 inclusive, shall be punished with imprisonment or not more than five years or a fine of not more than five thousand dollars, or both, if it is for pecuniary gain; and shall be punished with imprisonment of not more than three years, if not for pecuniary gain.

ARTICLE 19 Violations of the provisions in Article 3 and Article 8 shall be punished with imprisonment of not more than one year or a fine of not more than one thousand dollars, or both. Physicians giving false certification shall be likewise punished.

ARTICLE 20 Anyone who committed one of the following offenses shall be punished with detention or a fine not more than one hundred dollars:

- (1) failure to report or to turn in as prescribed in Article 15 and Article 17, Section 1, or making a false report.
- (2) intentional resistance to, or interference with, or evasion of the inspection prescribed in Article 16 or failure to make a statement or making a false statement of the items under investigation, or failure to observe the orders of the competent authorities.

ARTICLE 21 A manager of a juristic person or of a commercial firm or a representative or a manager of a nonjuristic organization shall be deemed to be a joint principal offender whenever his employee or his other assistant violates the Provisions of these Regulations, whether such violation is with or without his knowledge or participation.

ARTICLE 22      Anything supplied, in violation of the Provisions of the present Regulations, to commit an offense, or poppy, opium or instruments for smoking, obtained for the purpose of committing an offense shall be confiscated, whether or not it belongs to the offender.

         In case it is no longer possible to confiscate the whole or a part of the above mentioned thing or things, a fine of its or their equivalent value shall be imposed.

ARTICLE 23      Offenders of these Regulations shall be punished by courts, providing that punishment under Article 20 may be applied under summary procedure.

ARTICLE 24      These provisional Regulations shall come into effect on 1 October 1940.

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## EXCERPT FROM

SIXTH REPORT ON PROGRESS IN MANCHURIA TO 19395 Reorganization of Japanese  
Jurisdiction

P.8 Up to 1931, the Japanese jurisdiction in Manchuria presented a quadruple front, the Kwantung Government in the Leased Territory, the South Manchuria Railway Company in the Railway Zone, the Consulates in various consular districts, and the Kwantung Army. Although each one of these organs had its own special mission, the desire for a unified administration was growing everywhere.

The outbreak of the Manchurian Incident and the subsequent establishment of Manchoukuo helped to materialize this desire in a sweeping change which was effected in 1932. Under the new three-in-one system, the Commander of the Kwantung Army became simultaneously the Governor of the Kwantung Leased Territory and the Ambassador to Manchoukuo. This was an improvement but various difficulties were still felt both in Manchuria and in Tokyo. This was largely due to the fact that the shift was made only on the Manchurian front and no changes were effected at the sources of control in Tokyo.

After a further study, therefore, another sweeping reorganization was effected late in 1934 (For details, see Fifth Report, Section 3). This time, the two-in-one unification was effected by combining the Commander of the Kwantung Army and the Ambassador to Manchoukuo. The office of the Governor of the Kwantung Leased Territory was abolished and a new office was created under the name of the Kwantung Bureau. The General Director of the Kwantung Bureau and the Councillor of the Embassy, both under the direction of the Ambassador, respectively supervised the general Japanese jurisdiction and the diplomatic activities in Manchuria, while the Governor of the Kwantung District Government at Port Arthur, removed to Dairen in 1937, administered the Kwantung Leased Territory under the general supervision of the General Director of the Kwantung Bureau and the South Manchuria Railway Company came under the direct supervision of the Ambassador. In Tokyo, a new office was created under the name of the Manchurian Affairs Bureau under the Cabinet supervision and the Prime Minister supervised the jurisdictional activities of the Ambassador through this office, while the Foreign Minister supervised only the purely diplomatic details of the Ambassador through the Councillor of the Japanese Embassy at Hsinking. Moreover, the Army Minister simultaneously held the office of the President of the

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China to War

P.9 Manchurian Affairs Bureau, thus effecting the coordination between the civil and military administrations. General Jiro Minami became the first Ambassador and Commander-in-chief of the Kwantung Army, succeeded in 1936 by General Kenkichi Uyeda who continues to serve in the same office to-day.

The relinquishment of extraterritoriality in Manchoukuo and the transfer of the administrative rights over the S. M. R. Zone as of December 1, 1937, again necessitated a slight reorganization in the Japanese jurisdiction, although the general principle of two-in-one administration remains unchanged. The changes were effected by an Imperial Ordinance dated December 1, 1937, which went into force on the same day. In the Kwantung Bureau, the Police Department was abolished with the transfer of Japanese police forces to Manchoukuo and the Education Department was created to supervise School Associations and Federation of School Associations (See below, Section 14:2) which took over Japanese educational activities in Manchuria. In the Kwantung District Government, all offices including police and postal services which were operating in the S. M. R. Zone were transferred to Manchoukuo, two Departments of Finance and Civil Engineering were added, and the Dairen Civil Administration Office was abolished, placing the City of Dairen under the direct supervision of the Kwantung District Government which was already moved from Port Arthur to Dairen. Moreover, various activities of purely Japanese character which were carried on by post offices in the S. M. R. Zone were entrusted to similar Manchoukuo post offices for the time being (See below, Section 15).

Another far-reaching result of the relinquishment of extraterritoriality, including consular jurisdiction, was the abolition of several Japanese consulates in Manchoukuo. This momentous decision was announced by the Japanese Embassy in Hsinking early in January, 1939. The shift included the abolition of Consulates-General at Mukden, Kirin, and Tsitsihar and Consulates or branches at Antung, Chinchou, Chengte, Chihfeng, Paichengtzu, and Yenchi, leaving open for the time being the Consulates-General at Hsinking and Harbin and Consulates in Northeast Manchuria. The Mutankiang Branch of the Harbin Consulate-General and the Hunchun Branch of the Yenki Consulate were raised to regular Consulate in view of the growing importance of north-eastern frontiers.

(Doc. 1801)

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the attached document, IPS No. 1801, the Sixth Report on Progress in Manchuria to 1939, was obtained by me from Lt. Robert S. Teaze, ATIS Document Section, in the conduct of my official business.

Signed at Tokyo on this

10th day of June, 1946

Witness: /s/ William C. Prout

/s/ Edward P. Monaghan

Name

Investigator

Official Capacity

I.P.S.

-----

I, Robert Teaze, hereby certify that ATIS Document No. SA 10090, Item 1, described as follows:

"SIXTH REPORT ON PROGRESS IN MANCHURIA TO 1939", South Manchuria Railway Company, May 1939,

was obtained by me in the course of my official duties and on 10 Jun 1946 was delivered to Mr. E. P. Monaghan of the International Prosecution Section.

Date 24 Jul 1946

/s/ Robert S. Teaze

ROBERT S. TEAZE

2d Lt., AUS

ATIS Document Section

AFFIDAVIT

I hereby trustfully state the following facts of enemy atrocities which I personally witnessed:

I owned the Yun Shing grocery store in the Wu Yuan City. While the Japanese forces occupied Wu Yuan on February 2, 1940, several Japanese soldiers under the command of Mitsukawa, Teisuke, Commander of the Japanese Garrison in Western Suiyuan, came to my store by motorcar, plundered the entire stock in cloths and other groceries, and burned my store to the ground.

The above statement contains facts free from falsehood. If the enemy atrocities stated above be eventually brought to trial in a court, I am willing to appear either as an accuser or as a witness and to undergo punishment for any malicious accusation or false testimony.

NAME: WANG Ken Chou  
SEX: finger print  
SEX: male  
AGE: 45  
NATIVE PLACE: Wu Yuan District Suiyuen  
OCCUPATION: merchant  
ADDRESS: Wu Yuan City

Before making the statement, the above named was told the meaning of signing an affidavit, and the punishment for malicious accusation and false testimony. After the statement was made, it was shown and read to him, and was acknowledged by him as correct.

INVESTIGATOR'S NAME: YANG Shih Ping  
SEX: (yes)  
SEX: male  
AGE: 38  
NATIVE PLACE: Wu Yuan  
OFFICIAL POSITION: Police officer

DATE: 21 April 1945

Translated from Chinese by  
Chinese Division, IPS

## LIST OF WAR CRIMES

1. Murder and massacres - systematic terrorism
2. Putting hostages to death
3. Torture of civilians
4. Deliberate starvation of civilians
5. Rape
6. Abduction of girls and women for the purpose of enforced prostitution
7. Deportation of civilians
8. Internment of civilians under inhuman conditions
9. Forced labour of civilians in connection with the military operations of the enemy
10. Usurpation of sovereignty during military occupation
11. Compulsory enlistment of soldiers among the inhabitants of occupied territory
12. Attempts to denationalize the inhabitants of occupied territory
13. Pillage
14. Confiscation of property
15. Exaction of illegitimate or of exorbitant contributions and requisitions
16. Debasement of the currency and issue of spurious currency
17. Imposition of collective penalties
18. Wanton devastation and destruction of property
19. Deliberate bombardment of undefended places
20. Wanton destruction of religious, charitable, educational and historic buildings and monuments
21. Destruction of merchant ships and passenger vessels without warning and without provision for the safety of passengers and crew
22. Destruction of fighting boats and of relief ships
23. Deliberate bombardment of hospitals
24. Attack and destruction of hospital ships
25. Breach of other rules relating to the Red Cross
26. Use of deleterious and asphyxiating gases
27. Use of explosive or expanding bullets and other inhuman appliances
28. Directions to give no quarter
29. Ill-treatment of wounded and prisoners of war
30. Employment of prisoners of war on unauthorized works
31. Misuse of flags of truce
32. Poisoning of wells

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This list was originally framed by the Responsibilities Commission of the Paris Peace Conference in 1919, and is now adopted by the United Nations War Crimes Commission as the working list. The advantage of working on the basis of this list is that of the present chief Axis Powers, Italy and Japan are parties to its preparation and Germany has never questioned the inclusion of any particular item in it.

## CHART I. SHOWING THE CLASSIFICATION AND GEOGRAPHICAL DISTRIBUTION OF JAPANESE WAR CRIMES COMMITTED IN CHINA

--Based upon the 678 cases confirmed by the Far-Eastern and the Pacific Sub-Commission, United Nations War Crimes Commission up to April, 1946--

Prepared by the Ministry of Judicial Administration, Republic of China

( Official Seal of the Ministry )

## CRIMES CLASSIFIED ACCORDING TO THE OFFICIAL LIST ADOPTED BY THE UNITED NATIONS WAR CRIMES COMMISSION

SUB-TOTAL

| AREAS        | 1   | 2 | 3   | 4 | 5   | 6  | 7 | 8  | 9  | 10 | 11 | 12 | 13  | 14 | 15 | 16 | 17 | 18  | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 |     |      |   |
|--------------|-----|---|-----|---|-----|----|---|----|----|----|----|----|-----|----|----|----|----|-----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|------|---|
| KIANGSU      | 12  |   |     |   | 4   | 1  |   |    | 1  |    |    |    | 1   | 1  | 1  |    | 1  | 9   |    |    | 1  |    |    |    |    |    |    |    |    |    |    |    | 32  |      |   |
| CHEKIANG     | 25  |   | 3   |   | 7   |    |   |    | 2  | 1  |    |    | 9   | 3  |    |    | 1  | 15  | 2  |    |    | 1  |    |    |    | 2  |    | 1  | 1  | 1  |    |    | 74  |      |   |
| ANHUEI       | 23  | 1 | 7   |   | 5   | 1  | 2 |    | 4  |    | 2  |    | 11  | 1  |    |    | 1  | 9   |    | 1  |    |    |    |    |    |    |    |    |    |    |    |    | 68  |      |   |
| HUNAN        | 86  | 1 | 20  |   | 44  | 3  | 1 | 4  | 13 |    | 1  |    | 33  |    | 3  |    | 2  | 42  | 1  | 2  |    |    |    |    |    | 3  |    |    |    |    |    |    | 259 |      |   |
| HUPEH        | 114 | 1 | 24  |   | 36  | 1  |   | 2  | 10 |    | 2  |    | 73  | 4  | 5  |    | 1  | 53  |    | 2  |    |    |    |    |    | 4  |    |    | 6  | 1  |    |    | 339 |      |   |
| SHENSI       | 1   |   |     |   |     |    |   |    |    |    |    |    |     |    |    |    |    | 1   | 1  |    |    |    | 1  |    |    |    |    |    |    |    |    |    | 4   |      |   |
| KWANGTUNG    | 7   |   | 1   |   | 5   | 1  |   |    |    |    |    |    | 1   |    | 1  |    |    | 2   |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 18  |      |   |
| KWANGSI      | 15  |   | 3   |   | 2   | 3  |   | 2  | 5  |    | 1  |    | 10  |    | 2  |    |    | 5   |    | 1  |    |    |    |    |    |    |    |    | 1  |    |    |    | 50  |      |   |
| KWEICHOW     | 3   |   |     |   |     |    |   |    | 2  |    |    |    | 3   |    |    |    |    | 2   |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 10  |      |   |
| SHANGTUNG    | 5   |   | 4   | 1 | 1   | 3  | 1 |    |    |    |    |    | 1   |    |    |    | 2  | 2   |    |    |    |    |    |    |    | 2  |    |    |    |    |    |    | 22  |      |   |
| SHAHSI       | 64  | 1 | 24  |   | 10  | 1  |   | 3  | 4  | 1  | 2  |    | 34  | 5  | 4  | 1  |    | 21  |    |    |    |    |    |    |    |    |    |    | 3  |    |    |    | 178 |      |   |
| HOPKI        | 12  |   | 3   |   | 3   | 1  |   | 2  |    |    |    |    | 7   | 2  |    |    | 1  | 9   |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 40  |      |   |
| HONAN        | 23  |   | 4   | 1 | 12  | 1  |   |    | 7  |    |    |    | 16  | 1  |    |    | 1  | 10  |    |    |    |    |    |    |    | 1  |    |    | 2  |    |    |    | 79  |      |   |
| LIAONING     | 4   |   | 3   |   |     |    |   |    | 1  |    |    |    |     |    |    |    |    |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     | 8    |   |
| KIRIN        |     |   |     |   |     |    |   |    | 1  |    |    |    |     |    |    |    |    |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     | 1    |   |
| HEILUNGKIANG | 3   |   | 1   |   |     |    | 1 | 2  |    |    |    |    |     |    |    |    |    |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     | 7    |   |
| FUKIEN       | 18  |   | 14  |   | 10  |    |   |    |    |    |    |    | 4   | 1  | 8  |    |    | 3   |    | 1  |    |    | 1  |    |    |    |    |    |    |    |    |    |     | 60   |   |
| SUIYUEN      | 3   |   |     | 1 | 1   |    |   |    |    |    |    |    | 2   |    |    |    |    | 2   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     | 9    |   |
| JEHOL        | 5   |   | 1   |   | 1   |    |   |    |    |    | 2  |    |     |    |    |    |    | 3   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     | 12   |   |
| KIANGSI      | 100 | 3 | 35  | 2 | 29  | 1  |   | 3  | 17 |    |    |    | 64  | 7  | 2  |    | 5  | 48  |    | 1  |    |    |    |    |    | 1  |    | 1  | 5  |    |    |    |     | 324  |   |
| SHANGHAI     | 3   |   | 2   |   | 1   |    | 1 |    |    |    |    |    | 1   |    |    |    |    | 4   |    |    |    |    |    |    |    | 1  | 1  |    |    |    |    |    |     | 14   |   |
| PEIPING      | 3   |   | 1   |   |     |    |   |    |    |    |    |    |     |    |    |    |    |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     |      | 4 |
| HONGKONG     | 1   |   | 1   |   |     |    |   |    |    |    |    |    |     |    |    |    |    |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     |      | 2 |
| GRAND TOTAL  | 530 | 7 | 151 | 5 | 171 | 17 | 5 | 17 | 68 | 2  | 10 |    | 270 | 25 | 26 | 1  | 15 | 241 | 4  | 8  | 1  | 1  | 2  |    |    | 14 | 1  | 2  | 18 | 2  |    |    |     | 1614 |   |

CHART II. SHOWING THE NUMBER OF CASES RE JAPANESE WAR CRIMES COMMITTED IN CHINA AS REPORTED  
BY GOVERNMENTAL INSTITUTIONS FROM AUGUST 1945 TO MARCH, 1946.

--Prepared by the Ministry of Judicial Administration, Republic of China--  
( Official Seal of the Ministry )

| <u>JUDICIAL INSTITUTIONS<br/>IN:</u> | <u>NUMBER OF GOVERNMENTAL<br/>INSTITUTIONS IN CHARGE<br/>OF INVESTIGATING JAPANESE<br/>WAR CRIMES.</u> | <u>NUMBER OF CASES<br/>INVESTIGATED AND<br/>REPORTED.</u> |
|--------------------------------------|--|---|
| NANKING                              | 1  | 721   |
| SHANGHAI                             | 1  | 13,186  |
| KIANGSU                              | 3  | 6,492   |
| CHEKIANG                             | 63   | 35,365  |
| ANHWEI                               | 23   | 3,039   |
| KIANGSI                              | 6  | 404   |
| HUPEH                                | 13   | 600   |
| HUNAN                                | 19   | 594   |
| SZECHWEN                             | 17   | 2,923   |
| FUKIEN                               | 2  | 517   |
| KWANGTUNG                            | 36   | 14,081  |
| KWANGSI                              | 52   | 4,664   |
| YUNNAN                               | 1  | 65  |
| KWEICHOW                             | 23   | 603   |
| SHANTUNG                             | 1  | 3   |
| HUNAN                                | 48   | 2,538   |
| SHANSI                               | 3  | 16  |
| SHENSI                               | 10   | 514   |
| KANGSU                               | 5  | 495   |
| TSINGHAI                             | 1  | 1   |
| OTHER INSTITUTIONS:                  | <u>77</u>  | <u>8,970</u>  |
| GRAND TOTAL                          | 405  | 95,791  |

- NOTE: (1) Judicial institutions, on account of its recent resumption of administration in liberated areas, are still continuing investigation of war crimes cases.
- (2) Each case, referred to in this chart, includes crimes committed against one person, or a whole family, or a whole village. Hence no total number of victims should be inferred from the number of cases herein.

## CHART III. SHOWING THE CLASSIFICATION AND GEOGRAPHICAL DISTRIBUTION OF JAPANESE WAR CRIMES COMMITTED IN CHINA

--Based upon the 620 Cases, already confirmed, among 95,791 Cases reported and under Investigation, by Governmental Institutions, up to March, 1946--

PREPARED BY THE MINISTRY OF JUDICIAL ADMINISTRATION, REPUBLIC OF CHINA

(Official Seal of the Ministry)

## CRIMES CLASSIFIED ACCORDING TO THE OFFICIAL LIST ADOPTED BY THE UNITED NATIONS WAR CRIMES COMMISSION

SUB-TOTAL

| AREAS       | 1   | 2 | 3  | 4 | 5   | 6 | 7 | 8  | 9  | 10 | 11 | 12 | 13  | 14 | 15 | 16 | 17 | 18  | 19  | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32    |
|-------------|-----|---|----|---|-----|---|---|----|----|----|----|----|-----|----|----|----|----|-----|-----|----|----|----|----|----|----|----|----|----|----|----|----|-------|
| KIANGSU     | 11  |   | 2  |   | 4   |   |   |    |    |    |    |    | 1   |    |    |    |    | 3   |     |    | 1  |    |    |    |    |    |    |    |    |    |    | 22    |
| KWANGSI     | 34  |   | 2  |   | 2   | 5 |   | 2  | 12 |    | 2  |    | 32  |    |    |    |    | 20  | 6   | 1  |    |    |    |    |    |    |    |    |    |    |    | 118   |
| CHEKIANG    | 20  |   | 7  |   | 11  |   |   | 1  | 2  |    |    |    | 11  | 3  |    |    |    | 17  |     |    |    |    |    |    |    | 2  |    | 1  |    |    |    | 75    |
| HOPEI       | 8   |   | 1  |   | 2   | 1 |   |    | 1  |    |    |    | 14  |    |    |    | 1  | 8   |     |    |    |    |    |    |    |    |    |    |    |    |    | 36    |
| SHANTUNG    | 3   |   | 2  | 2 |     |   |   |    |    |    |    |    |     |    |    |    |    |     |     |    |    |    |    |    |    |    |    |    |    |    |    | 7     |
| YUNNAN      | 2   |   |    |   |     |   |   |    |    |    |    |    | 6   |    |    |    |    |     | 4   |    |    |    |    |    |    |    | 1  |    |    |    |    | 13    |
| KANGSU      | 3   |   |    |   |     |   |   |    |    |    |    |    |     |    |    |    |    | 10  | 14  |    |    |    |    |    |    |    |    |    |    |    |    | 27    |
| SZECHWEN    | 39  |   |    |   |     |   |   |    |    |    |    |    |     |    |    |    |    | 48  | 58  |    | 1  |    |    |    |    |    |    |    |    |    |    | 146   |
| HUNAN       | 69  |   | 4  |   | 33  |   |   | 3  | 8  |    |    |    | 47  | 1  |    | 1  |    | 36  | 3   |    |    |    |    |    |    | 9  |    |    |    | 3  |    | 217   |
| KWEICHOW    | 3   |   |    |   |     | 1 |   | 1  | 2  |    |    |    | 3   |    |    |    |    | 5   | 5   | 2  |    |    |    |    |    |    |    |    |    |    |    | 22    |
| HUPEH       | 82  |   | 11 |   | 33  |   |   | 3  | 11 |    | 2  |    | 91  | 3  | 2  |    |    | 92  | 2   | 2  |    |    |    |    |    |    | 11 |    |    | 3  |    | 348   |
| KIANGSI     | 5   |   | 2  |   | 5   |   |   |    | 3  |    |    |    | 2   |    | 1  |    |    | 3   |     |    |    |    |    |    |    |    |    |    |    |    |    | 21    |
| HONAN       | 33  |   | 4  |   | 12  | 1 |   |    | 5  |    |    |    | 19  |    |    |    | 1  | 14  | 1   |    |    |    |    |    |    |    |    |    |    |    |    | 90    |
| SHANSI      | 41  | 1 | 10 |   | 7   |   |   | 6  |    |    | 2  |    | 14  | 3  | 2  |    |    | 15  | 2   |    |    |    |    |    |    |    |    |    |    |    |    | 103   |
| HONGKONG    | 1   |   |    |   |     |   |   |    |    |    |    |    |     |    |    |    |    |     |     |    |    |    |    |    |    |    |    |    |    |    |    | 1     |
| SUI YUEN    | 2   |   |    |   |     |   |   |    |    |    |    |    | 2   |    |    |    |    | 3   | 1   |    |    |    |    |    |    |    |    |    |    |    |    | 8     |
| SHENSI      | 7   |   |    |   |     |   |   |    |    |    |    |    |     |    |    |    |    | 10  | 12  |    |    |    |    | 1  |    |    |    |    |    |    |    | 30    |
| FUKIEN      | 7   |   | 2  |   |     |   |   |    | 1  |    |    |    | 7   | 1  | 4  |    |    | 6   |     | 3  |    | 1  |    |    |    |    |    |    |    |    |    | 32    |
| NANKING     | 3   |   |    |   |     |   |   |    |    |    |    |    |     |    |    |    |    | 1   | 1   |    |    |    |    |    |    |    |    |    |    |    |    | 5     |
| ANHUEI      | 6   |   | 1  |   | 4   |   |   |    | 3  |    |    |    | 3   |    |    |    |    | 9   |     |    |    |    |    |    |    |    |    |    |    |    |    | 26    |
| JEHOL       | 1   |   |    |   |     |   |   |    |    |    |    |    | 2   |    |    |    |    | 1   |     |    |    |    |    |    |    |    |    |    |    |    |    | 4     |
| SHANGHAI    | 1   |   |    |   | 1   |   |   |    |    |    |    |    |     |    |    |    |    |     |     |    |    |    |    |    |    |    |    |    |    |    |    | 2     |
| GRAND TOTAL | 381 | 1 | 48 | 2 | 114 | 8 |   | 16 | 48 |    | 6  |    | 254 | 11 | 9  | 1  | 2  | 301 | 109 | 8  | 2  | 1  | 1  |    |    | 11 | 12 | 1  |    | 6  |    | 1,353 |

NOTE: Mang Courts in different provinces or Areas have not yet fully resumed their administration.  
So figures for such Provinces or Areas are by no means complete.

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Excerpts from "Official Announcements Concerning Foreign Relations, Board of Information, Seventeenth Year of Showa (1942)" (Page 22)

"XXI. ANNOUNCEMENT OF THE BOARD OF INFORMATION CONCERNING THE GRANT OF LOAN TO THE NATIONAL GOVERNMENT OF CHINA - July 28, 1942

With a view to contributing toward the sound development of the note issuing system of the Central Reserve Bank of China, the Japanese Government have, in response to the desire of the National Government of China, decided to grant a loan of ¥100,000,000 and the contract with respect to the said loan has been signed today between the Bank of Japan and the Central Reserve Bank of China."

Excerpts from "Official Announcements Concerning Foreign Relations, Board of Information, " Seventeenth Year of Showa (1942) (Pages 34, 35, 36, and 37)

XXVI. MINISTRY OF GREATER EAST ASIATIC AFFAIRS AN OUTLINE OF ITS ESSENTIAL PURPOSE, ORGANIZATION AND FUNCTIONS

Announcement by the Board of Information

September 1, 1942

I. Basic Policy

For the purpose of bringing the War of Greater East Asia to a successful end and to ensure the construction of Greater East Asia, a Ministry shall be created to take charge of administrative affairs pertaining to the various foreign countries and other areas within Greater East Asia and organs in the aforesaid countries and areas shall be perfected to conform with the policy and functions of the said Ministry.

II. General Principles

A. Central Organization

1. The Ministry of Greater East Asiatic Affairs shall be established to serve as the unifying organ with respect to the conduct of administrative affairs relative to the sphere of Greater East Asia excepting Japan Proper, Chosen, Taiwan and Karafuto. However, all matters of a purely diplomatic nature shall be under the jurisdiction of the Ministry of Foreign Affairs.
2. The Ministry of East Asiatic Affairs shall be in charge of the following:
  - a. Matters pertaining to the execution of affairs in the political, economic and cultural fields in Greater East Asia, excepting matters of a purely diplomatic nature;
  - b. Matters pertaining to Japanese subjects residing in foreign countries in Greater East Asia and matters pertaining to the protection of Japanese trade and commerce in the said sphere;
  - c. Matters pertaining to settlers and the development of natural resources in Greater East Asia;

- d. Matters relative to the supervision of businesses of the companies established under special laws for the purpose of carrying on enterprises in Greater East Asia;
- e. All matters pertaining to cultural activities in foreign countries and other areas in the said sphere;
- f. All matters relative to the training of men required for service in the territories in Greater East Asia;
- g. All matters pertaining to the Kwantung Bureau; and
- h. All matters pertaining to the South Seas Board

Furthermore, in order to cooperate fully with the military command, the Ministry of East Asiatic Affairs shall undertake all administrative work in the occupied areas in Greater East Asia.

- 3. The work of the Manchurian Affairs Board, the China Affairs Board, the East Asiatic Affairs and South Seas Affairs Bureau of the Ministry of Foreign Affairs, the Northern Development and Southern Development Bureau of the Ministry of Overseas Affairs, and the South Seas Board will largely be incorporated into the Ministry of Greater East Asiatic Affairs.
- 4. Military and naval officers and persons from the people at large shall be made appointable as official of the Ministry of Greater East Asiatic Affairs.
- 5. A liaison committee shall be created in the Ministry of Greater East Asiatic Affairs to coordinate work with the other Ministries concerned. (Note: The Manchurian Affairs Board, the China Affairs Board, the East Asiatic Affairs and South Seas Affairs Bureau of the Ministry of Foreign Affairs and the Ministry of Overseas Affairs shall be abolished following the creation of the Ministry of Greater East Asiatic Affairs.)

B. Organization in the foreign countries and areas in the region of Greater East Asia.

1. All Embassies and legations and other organs in the countries in Greater East Asia shall be incorporated into the Ministry of Greater East Asiatic Affairs and shall be made subject to the jurisdiction of the said Ministry. All matters pertaining to the status of officials in the overseas government agencies above referred to shall be placed under the jurisdiction of the Minister of Greater East Asiatic Affairs. The said officials shall be subject to the direction and supervision of the Minister of Greater East Asiatic Affairs in connection with their duties. However, on matters of a purely diplomatic nature these officials shall receive the direction and supervision of the Minister of Foreign Affairs.
  2. Officials for the said government agencies in Greater East Asia shall be made appointable from among civil officials of the various Ministries, military and naval officers and from among the people at large.
- I. With the establishment of the Ministry of Greater East Asiatic Affairs, the following steps shall be taken in connection with the administration of overseas possessions:
- A. The administration of Chosen and Taiwan shall, to the extent necessary, be handled with the view to according the same treatment as Japan Proper. The question as to how this shall be done shall be separately studied and considered. However, the general administration of Chosen and Taiwan shall be conducted as heretofore.
  - B. Karafute shall be incorporated in the administration of Japan Proper.

From 'Office of Announcements Concerning Foreign Relations Board of Information.' Seventeenth Year of Showa (1942)  
(Pages 52 and 53)

"XXXII. STATEMENT OF THE MINISTER OF GREATER EAST ASIATIC AFFAIRS - November 1, 1942

I am profoundly moved by my unexpected assignment to the heavy responsibilities of the Minister of Greater East Asiatic Affairs with the establishment of the Ministry today.

The main purpose of the establishment of the Ministry of Greater East Asiatic Affairs is as previously announced by the Government. The present War of Greater East Asia means construction itself and the construction of Greater East Asia is one and inseparable with the prosecution of the war. This war of construction is aimed at establishing a new order based upon morality and righteousness, by realizing on the basis of the fundamental principle which guided the founding of our Empire, the great principle of Hakko Ichiu, throughout Greater East Asia so as to enable all countries and peoples in the Greater East Asia sphere to have each its proper place with Japan serving as the pivot. However, in order to realize this ideal it is absolutely imperative to perfect a system and structure necessary for winning out the current war, and therefore the speedy strengthening and replenishment of our nation's power to prosecute the war must be said to be of the utmost urgency of the moment. For this reason the Government must, in carrying out the plan of constructing Greater East Asia and other governmental affairs, cooperate increasingly closely with the High Command and at the same time assure a very speedy and precise management of affairs under a unified and comprehensive structure.

The Ministry of Greater East Asiatic Affairs has been established to meet this urgent requirement and I keenly feel the great mission and heavy responsibility of the Ministry. I am determined to do all in my power in serving the State in order to discharge my duties.

Under the August Virtue of His Imperial Majesty brilliant victories have been won by the superb stratagem and the courageous efforts of the officers and men of the Imperial forces in the current War of Greater East Asia and our invincible position has already been established on a secure basis. However, the task of successfully prosecuting this war and of constructing the Greater East Asian Co-Prosperity Sphere is a colossal undertaking which has no precedent in history. For this purpose it is necessary for us externally to tighten our bonds with our allied and friendly Powers and internally further to solidify the unity of the one hundred millions of our people,

giving full play to our total power in our respective occupations with a persevering and indomitable spirit. From this standpoint, I intend to render still closer and stronger, in conformity with the stipulations of treaties, our nation's cooperation with these countries in the sphere of co-prosperity such as Manchoukuo, the Republic of China, Thailand and French Indo-China, which have special relations with Japan. At the same time, it is my fervent hope that these countries also, understanding the real meaning of the present war, will extend further their cooperation for the realization of the ideal of establishing the new order of Greater East Asia."

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. \_\_\_\_\_

Statement of Source and Authenticity

I, TAKAHASHI, Michitoshi, hereby certify that I am officially connected with the Japanese Government in the following capacity: Secretary of Cabinet and that as such official I have custody of the document hereto attached consisting of 253 pages, dated \_\_\_\_\_, 19\_\_\_\_, and described as follows: "Official Announcements concerning Foreign Relations, Seventeenth Year of Showa (1942) Board of Information." (In English and corresponding translation in Japanese).

I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Cabinet.

Signed at Tokyo on this  
29th day of July, 1946.

/s/ M. Takahashi  
Signature of Official  
(SEAL)

Witness: /s/ R. Furiyama

\_\_\_\_\_  
Official Capacity

-----  
Statement of Official Procurement

I, Edward P. Monaghan hereby certify that I am associated with General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
29th day of July, 1946.

/s/ Edward P. Monaghan  
NAME  
Investigator, I.P.S.  
Official Capacity

Witness: /s/ Richard H. Larsh

793.94/10608

*First Report Adopted by the League of Nations Assembly on October 6, 1937*<sup>80</sup>

The Sub-Committee has not attempted to deal with the historical and underlying causes of the conflict in the Far East. It has not, for instance, thought it necessary to revert to the Manchuria affair, which is dealt with in the report adopted by the Assembly on February 24th, 1933. Nor has it attempted to describe in detail the development of events either in the sphere of military action or in that of negotiation and policy. The accounts issued by the two parties in regard to these are contradictory, and on the basis of the material available it would be impossible to do so, especially in view of the fact that Japan, which, since March 28th, 1935, is no longer a member of the League, did not agree to send a representative to sit on the Committee.

In any case, a detailed study is unnecessary. At the beginning of July 1937, there was no indication from either side that there was anything in their relations which could not be settled amicably. All that the Committee has to do is to describe and assess the events which led from a state of peaceful relations to a situation where large armies are in conflict.

It has, accordingly, been possible—in the time available to trace the main development of events—to examine the treaty obligations of the parties to the conflict and to draw conclusions which are set out at the end of this report.

## I

At the beginning of July 1937, there were about 7,000 Japanese soldiers in Northern China. These troops were kept there on the basis of the Protocol of September 7th, 1901 (and its annexes), concluded between China and the Powers having legations at Peking. Under these Agreements, China recognised the right of each Power to maintain a permanent guard in the legations quarter at Peking and to occupy twelve specified points\* for the maintenance of open communication between the capital and the sea. Under the terms of a supplementary Agreement of July 15th-18th, 1902, the foreign troops stationed at these points had "the right of carrying on field exercises and rifle practice, etc. . . . without informing the Chinese authorities, except in the case of *feux de guerre*".

<sup>80</sup> This text of the "First Report of the Sub-Committee of the Far-East Advisory Committee adopted by the Committee on October 5th, 1937," is reprinted from League of Nations document, A.78.1937.VII, Geneva, October 5, 1937. Footnotes designated throughout by symbols appear in the original.

\*The points are Huang-tsun, Lang-fang, Yang-tsun, Tientsin, Chunliang Ch'eng, Tang-ku, Lu-tai, Tang-shan, Lan-chou, Chang-li, Ch'in-wang tao, Shan-hai kuan.

The Powers other than Japan which at present† maintain contingents at Peiping (Peking), and certain of the points specified in the Protocol of September 7th, 1901, only have very small detachments there. The number of British troops stationed in North China at the beginning of July this year was 1,007; that figure includes the 252 members of the Legation guard. Similarly, the strength of the French effectives stationed in Hopei varies between 1,700 and 1,900, the bulk of whom are at Tientsin. The rest are divided among the garrisons of Shan-hai-Kuan, Chin-wang tao, Tongku and Peking, the detachment in the latter town forming the Embassy guard. At present, the total strength of those troops is 1,600 men and 60 officers; the Embassy guard consists of 120 men.

In addition to the events and developments in Manchuria and Jehol, Japan's political activity in North China, the presence of Japanese effectives greatly in excess of the contingents of the other Powers, and the frequency of their exercises and manoeuvres‡ disquieted the Chinese. It was in an atmosphere of tension that on July 7th last an incident occurred which was not essentially different from those which had preceded it, but which was the occasion from which flow the Japanese army's present operations in Northern China.

This initial incident occurred at Loukouchiao, thirteen kilometres to the south-west of Peiping (Peking), between the Chinese garrison and the Japanese troops carrying out night manoeuvres in that district.

The Chinese and Japanese versions of the incident differ.

*According to the Japanese version*, it was the Chinese soldiers of the 29th Army who opened fire; a temporary cessation of hostilities was arranged on the morning of July 8th by the Chinese and Japanese military authorities—this was to permit of the immediate opening of negotiations between these same authorities, with a view to the settlement of the incident; the Chinese soldiers did not abide by this agreement, nor by the agreement concluded next day for the mutual withdrawal of the Chinese and Japanese troops; this aggressive attitude on the part of the Chinese troops rendered vain the agreements§

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†The Union of Soviet Socialist Republics, having from 1924 onwards given up Russia's right to maintain troops in China in virtue of the 1901 Protocol, now keeps no military contingent there.

‡In point of fact, the Japanese Embassy guard carried out manoeuvres every summer in the country to the west of Peking. The other foreign guards do not seem to have been in the habit of engaging in manoeuvres in the strict sense of the term; they confined themselves to musketry exercises on the rifle-range and route-marches in the country-side.

§This Japanese version is to be found in the dispatches of the Domei News-agency. The agreement of July 11th consisted of three points:

(1) Apology by the representatives of the 29th Army and punishment of those directly responsible;

(2) Chinese troops to evacuate Loukouchiao and to be replaced by the Peace Preservation Corps for the purpose of keeping the Chinese troops sufficiently separated from the Japanese;

(3) Adequate measures to be taken for curbing the activities of the Blue Shirts and Communists.

concluded on July 11th for the settlement of the incident by the Japanese military authorities on the one hand and the Mayor of Tientsin and the Chief of the Public Safety Bureau of Hopei on the other.

*According to the Chinese version*, on the pretext that one of their men was missing, the Japanese troops which were carrying out manoeuvres in the night of July 7th asked permission to enter Wanping (Loukouchiao) in order to make investigations; this having been refused, Wanping (Loukouchiao) was attacked by the Japanese infantry and artillery; the Chinese garrison resisted; the situation was aggravated, not by the action of the Chinese troops, which even before the Japanese troops had begun their withdrawal, complied with the agreement for the withdrawal of troops, but by the action of the Japanese troops, which, having received large reinforcements, resumed the offensive in the Wanping (Loukouchiao) zone, extending their operations to the immediate vicinity of Peiping; the Chinese Government made no objection to the terms of the agreement concluded on July 11th between the Chinese local authorities and the Japanese army, but the Japanese attempted to impose measures supplementary to this agreement; moreover, disregarding the agreements concluded for the mutual withdrawal of troops, the Japanese army extended its operations in Northern China.

Leaving on one side the obvious discrepancies between these Chinese and Japanese versions of the events, it may be observed that, while these discussions between local authorities for local settlement were going on, and while communications were passing between the Japanese Government and the Chinese Government, the former insisting that a local solution which would confirm its influence in North China should be obtained without Nanking, extensive movements of troops were making the situation worse. As a result of the arrival at Tientsin and in the suburbs of Peiping of reinforcements, hastily sent from Manchuria, the Japanese effectives on July 12th, according to Chinese reports, exceeded 20,000 men, and the Japanese Air Force consisted of 100 aeroplanes. It was also announced that troops of the Central Chinese Government were moving north.

Just as it had advised Nanking not to intervene in the settlement of the incident of July 7th, the Japanese Government gave the Chinese Government a warning regarding the movements of its troops towards the north. Invoking the Tangku Armistice Convention of May 31st, 1933,<sup>51</sup> and the Umezu-Ho-Ying-ching Agreement of June 10th, 1935, an agreement disputed by China, Japan warned the Nanking Government of the serious consequences that would follow on the despatch of its troops into Hopei.

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<sup>51</sup> See p. 120.

At the end of July hostilities began in North China, at a time when local negotiations were being carried on. The Japanese occupied Peiping and Tientsin and seized the railway lines running south which connect these two cities with Central China. A new Government which favoured the Japanese influence was set up in Hopei.

The Japanese army then progressed towards the west along the railway which connects Peiping and Sui-yuen through Kalgan and Ta-tung. It also progressed along the frontier between Hopei and Chahar Province; the taking of the Nankow Pass, some 80 kilometres north-west of Peiping, facilitated the penetration of the Japanese Manchurian divisions into Inner Mongolia.

The operations of the Japanese troops in North China provoked a lively reaction in China. By the declarations of Japanese statesmen to the effect that China must give way, the emergency financial measures taken at Tokio, and the departure of the Japanese nationals resident in China, the Government and the people of China were led to the conclusion that Japan was determined to break their resistance by force of arms.

They were confirmed in this conviction, when at the end of the second week of August, the Shanghai region became a second theatre of operations, despite the efforts that were made to keep hostilities at a distance from a city in which the interests of China and those of other nations are so closely interlocked.

It will be remembered that, in 1932, the hostilities in the Shanghai region had been brought to an end by the conclusion of the Agreement of May 5th, of which Article II stipulated that the Chinese troops would remain in the positions they occupied at that date pending later arrangements upon the re-establishment of normal conditions in the area dealt with by this Agreement. The Chinese delegation to the Shanghai Conference, in accepting the Agreement, declared in particular that it was understood that "nothing in this Agreement implies any permanent restriction on the movements of Chinese troops in Chinese territory".

The Japanese Minister for Foreign Affairs, in a speech which he made in the Imperial Diet on September 5th, 1937, described as follows the initial incident at Shanghai on August 9th and the difficulties which occurred on the following days:

"... on August 9th, at Shanghai, Sub-Lieutenant Oyama and Seaman Saito, of the landing party, were murdered at the hands of the Chinese Peace Preservation Corps.

"Even then, Japan, adhering to a peaceful cause, sought to settle the affair through the withdrawal of the Peace Preservation Corps and the removal of all military works that had been erected in violation of the 1932 Truce Agreement. China refused to comply with our demands under one pretext or another, and proceeded, instead, to

increase her troops and multiply her military works in the prohibited zone, and finally launched an unwarranted attack upon the Japanese.

"Thereupon, as a matter of duty, our Government despatched small naval reinforcements to Shanghai as an emergency measure to ensure the protection of our nationals in that city."

After describing the efforts of the Powers to exclude Shanghai from the zone of hostilities, M. Hirota said that "in the afternoon of August 13th, the Chinese armies that had been pouring into the Shanghai area took the offensive".

With this version may be contrasted that contained in the Chinese Government's statement communicated to the League of Nations on August 30th.

The incident of August 9th is described as follows:

"One Japanese naval officer, one Japanese seaman, and a member of the Chinese Peace Preservation Corps were killed in a clash arising from the Japanese naval men's attempt to approach the Chinese military aerodrome near Shanghai regardless of Chinese warnings."

Recalling, moreover, the above-mentioned declaration by its representative at the time of the conclusion of the Agreement of May 5th, 1932, the Chinese Delegation, while mentioning that its Government had repeatedly ordered the local authorities of Shanghai to take special precautions against the occurrence of any untoward incident, maintains that movements of Chinese troops in Chinese territory cannot be considered as a breach of the Agreement.

The opening of hostilities at Shanghai is described by the Chinese note in these words:

"Within less than forty-eight hours, Japan concentrated about thirty warships at Shanghai, and had her armed forces there increased by several thousand. At the same time, however, demands calculated to remove or undermine Chinese defence were made on the Chinese authorities. The expected attack opened on August 13th, four days after the incident."

Since then furious fighting has been going on round Shanghai. At the beginning of July, the strength of the Japanese troops stationed in the International Settlement and on the extra-Settlement roads amounted to 4,000 men. At the end of September, under the protection of 38 Japanese warships assembled at Woosung, reinforcements had been landed which the Chinese authorities estimated at over 100,000 men.

During the last few weeks, Japan has developed her military action, not only in the Yangtse valley, where, *inter alia*, Japanese aircraft have several times bombed the capital of China, but along the Chinese coast and in the interior, where numerous aerial bombardments have been carried out.

At present, apart from the operations of the Japanese armies in North and Central China, and the raids carried out by Japanese aircraft on the ports and the cities of the interior, the Japanese fleet, while continuing to co-operate with the army, more especially before Shanghai, is patrolling the coast to prevent supplies from being brought to China by Chinese ships, a number of which have been sunk.||

Since July 7th, faced by a growing resistance, Japan has not ceased to intensify her action, employing larger and larger forces and more and more powerful armaments. According to Chinese estimates, in addition to the 100,000 men in the Shanghai region, the strength of the Japanese troops operating in China exceeds 250,000 men.

As regards the activity of the Japanese aircraft, the Advisory Committee, in its resolution of September 27th, condemned the aerial bombardments of open towns in China. The Assembly has endorsed this resolution.<sup>†</sup>

## II

For the purpose of examining the facts of the present situation, it does not seem necessary to discuss the treaties regulating commercial matters and such matters as the extra-territorial status of Japanese nationals in China. There are only three main treaties which are relevant to our present purpose—namely, the Final Protocol of September 7th, 1901, the Nine-Power Treaty signed at Washington in 1922, and the Pact of Paris of 1928, to which may be added the Hague Convention No. I of October 18th, 1907,\*\* which has a somewhat different character. There are, in addition to these, an indeterminate number of bilateral agreements which have been negotiated at various times locally between Chinese and Japanese authorities. The exact terms, the scope, the interpretation of the validity of these agree-

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|| On August 25th, 1937, Vice-Admiral Hasegawa, commanding the Japanese naval forces, published the following proclamation at Shanghai:

"A blockade of the Chinese coasts from 32°4' North and 121°44' East to 23°14' North and 116°48' East on and after 6 p. m., on August 25th, against Chinese vessels, is hereby proclaimed.

"Vessels of a third party and also Japanese vessels are free to pass the blockaded area."

On September 5th, the Tokio Navy Office announced that, from noon of that day, the entire coast of China would be closed to Chinese vessels. The port of Tsingtao and the leased territories of third Powers are excluded.

<sup>†</sup> The Assembly, at its meeting of September 30th, adopted a report of the Sixth Committee whereby the said Committee, having heard a statement from the Chinese delegate, urged that in armed conflicts artistic monuments and cultural institutions representing the high-water mark of civilizations should be spared.

\*\* China and Japan have signed and ratified the Hague Convention No. I of October 18th, 1907. Under Article 1 of that Convention, the contracting Powers, "with a view to obviating as far as possible recourse to force in the relations between States", agreed "to use their best efforts to insure the pacific settlement of international differences". The Convention recommends recourse, according to the case, to mediation, arbitration, or international commissions of inquiry.

ments are matters of dispute. They cannot affect or override the obligations undertaken by either of the parties in the three multilateral engagements referred to above.

Under the Protocol of September 7th, 1901, and annexed instruments, Japan, together with certain other Powers, is entitled to station troops at certain points in the province of Hopei, along the Peiping-Mukden Railway, for the purpose of keeping open communications between the legations in Peiping and the sea. These troops "will have the right of carrying on field exercises and rifle practice, etc., without informing the Chinese authorities, except in the case of *feux de guerre*".

Under the Nine-Power Treaty of 1922 regarding the principles and policies to be followed in matters concerning China, the contracting Powers, other than China, agreed, *inter alia*, to respect the sovereignty, the independence and the territorial and administrative integrity of China; to provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable Government. The contracting Powers (including China) further agreed that whenever a situation arose which, in the opinion of any one of them, involved the application of the stipulations of the Treaty and rendered desirable discussion of such application, there should be full and frank communication between the contracting Powers concerned.

Under the Pact of Paris of 1928, the parties solemnly declared in the names of their respective peoples that they condemned recourse to war for the solution of international controversies and renounced it as an instrument of national policy in their relations with one another. They further agreed that the settlement or solution of all disputes or conflicts, of whatever nature or of whatever origin they might be, which might arise among them, should never be sought except by pacific means.

### III

*Prima facie*, the events described in the first part of this report constitute a breach by Japan of her obligations towards China and towards other States under these treaties. The conduct of hostilities by Japanese forces under the circumstances described by land, water and air throughout China is *prima facie* inconsistent with an obligation to respect the sovereignty, the independence and the territorial integrity of China, and also with the obligation never to seek the solution of a dispute with China, of whatever origin or character, except by pacific means. It would seem that only if it could be shown to be a measure necessary for self-defence (including the defence of the Japanese forces and nationals lawfully upon Chinese territory)

could the position of the Japanese forces in China possibly be reconciled with Japan's treaty obligations.

Among the elements by which this question can be judged must be included the official statements made by the Parties themselves as to their attitude and policy during the development of the conflict up to the present time.

The attitude of China was set out by the President of the Executive Yuan, Generalissimo Chiang Kai-shek, in a speech made on July 17th, 1937, in which he emphasised that national existence and international co-existence were the twin aims of the external policy of the Chinese National Government. . . . China was not seeking war; she was merely meeting attacks on her very existence. On the other hand, she was still seeking peace. Whether it would be peace or war depended entirely on the movements and activities of the Japanese troops. He then mentioned four points as representing the minimum considerations on the basis of which a pacific solution could be sought. These points were:

- (1) Any settlement must not contain any terms constituting an encroachment on China's sovereign rights and territorial integrity;
- (2) Any unlawful alteration in the administrative systems of the two provinces of Hopei and Chahar would not be allowed;
- (3) The removal of the provincial officers appointed by the Central Government, . . . through outside pressure, would not be allowed; and
- (4) No restrictions should be imposed on the garrison districts of the 29th Route Army.

In the memorandum presented by the Chinese Foreign Office to the Japanese Embassy in Nanking on July 19th, the Chinese Government "renewed its proposal for simultaneous cessation of troop movements on both sides and mutual withdrawal of troops to their respective original positions on a date to be agreed upon by both parties". It also unequivocally stated that for the settlement of the incident the Chinese Government was prepared to accept any pacific means known to international law or treaties, such as direct negotiations, good offices, mediation and arbitration.

The general attitude of the Japanese Government towards the dispute was set forth in a statement made by the Japanese Prime Minister on July 27th, when, in answer to a question in the Diet, he said:

"Japan has no territorial ambitions whatever in China. If she had such designs as the Chinese professed, the army might already have occupied the whole of North China. Surely the Chinese Government and the Powers realise this. Japan wants Chinese co-operation, not Chinese territory. By co-operation, I do not mean that Chinese interests are to be subordinated to those of Japan, but that the two countries should contribute on a basis of equal mutual assistance to the development of Far-Eastern culture and prosperity."

In his speech before the Diet of September 5th, M. Hirota, the Minister for Foreign Affairs, declared that the policy of the Japanese Government had been one of local settlement and non-aggravation and that the Japanese Government had exerted every effort to effect a speedy solution.

On September 15th, the spokesman of the Japanese Foreign Office declared that the Japanese Government, in accordance with the policy of local settlement and non-aggravation, had done everything to arrive at a speedy settlement.

Statements such as these appear to show that both sides believe that at an early stage of events the incident could have been localised and a pacific solution found. This result, however, proved unattainable.

It is noteworthy that Japanese official statements declare that it was the movements of Chinese troops and the aggressive intentions of the Chinese Government which frustrated the pacific intentions of the Japanese Government. Chinese official statements, on the other hand, bring exactly the same charge against Japan—namely, that it is the invasion of Japanese troops and the aggressive intentions of the Japanese Government that have swelled a local incident into a great catastrophe.

At a comparatively early stage, it began to appear that Japan, in addition to reaching a local settlement, was also determined to obtain a settlement of all the questions at issue between China and Japan.

On the evening of July 11th, a statement prepared at the Cabinet meeting earlier in the day was issued by the Japanese Foreign Office. The effect of the statement was that, though anxious to maintain peace and order in North China, the Japanese Government intended to take all necessary measures for despatching military forces to that region.

On July 27th, Prince Konoye made a speech in which the following statement occurred:

“I think that not only must problems with China be settled locally but also we must go a step farther and obtain a fundamental solution of Sino-Japanese relations.”

M. Hirota said in the Diet on September 5th that “it is hardly necessary to say that the basic policy of the Japanese Government aims at the stabilisation of relations between Japan, ‘Manchukuo’ and China, for their common prosperity and well-being. Since China, ignoring our true motives, has mobilised her vast armies against us, we cannot do otherwise than counter the mobilisation by force of arms. . . . We firmly believe that it is in accordance with the right of self-defence as well as with the cause of righteousness that our country is determined to deal a decisive blow to such a country (China), so that it may reflect upon the error of its ways. . . . The sole recourse open to the

Japanese Empire is to administer the foregoing blow to the Chinese army, so that it may lose completely its will to fight."

On the Chinese side, Generalissimo Chiang Kai-shek issued a statement on July 30th, containing the following observations:

"The declaration I made at Kuling and the minimum four conditions laid down by me for the settlement of the Loukouchiao affair are unalterable. It is out of the question that, having reached this crucial juncture, we could still consider the situation of Peiping and Tientsin as a matter for local settlement, or that the Japanese army could be tolerated to run rampant in the North or to set up another puppet government there. The only course open to us now is to lead the masses of the nation, under a single national plan, to struggle to the last. In short, the Government's policy vis-à-vis Japanese aggression remains the same and has not changed. It is to preserve China's territorial integrity and political independence."

The Japanese Government has on a number of occasions stated its desire for a peaceful settlement and for harmonious co-operation between Japan and China. It has, however, insisted throughout that this result must be achieved by China and Japan alone, without any interference from third parties. Thus, in reply to a suggestion in the Budget Committee of July 29th that the Governments should make a firm statement to forestall the intervention of third Powers, the Japanese Minister for Foreign Affairs replied that he did not anticipate intervention, and that were any such proposals to be made, the Government would not fail to reject them.

Further, in his telegram of September 25th declining the Advisory Committee's invitation to take part in its work, M. Hirota declared that as regards the settlement of the present affair the Imperial Government, as it has stated on many occasions, is firmly convinced that a just, equitable and practical solution of the questions concerning Japan and China can be found by the two countries.

As regards the attitude of China, reference may be made to the statements made by the Assembly and the Committee by the Chinese Delegation. There seems no reason to doubt that the memorandum of July 19th, which has already been quoted, continues to represent the policy of the Chinese Government.

#### IV

#### CONCLUSIONS

It is clear that the two countries take very different views as to the underlying grounds of the dispute and as to the incident which led to the first outbreak of hostilities.

It cannot, however, be challenged that powerful Japanese armies have invaded Chinese territory and are in military control of large areas, including Peiping itself; that the Japanese Government has

taken naval measures to close the coast of China to Chinese shipping; and that Japanese aircraft are carrying out bombardments over widely separated regions of the country.

After examination of the facts laid before it, the Committee is bound to take the view that the military operations carried on by Japan against China by land, sea and air are out of all proportion to the incident that occasioned the conflict; that such action cannot possibly facilitate or promote the friendly co-operation between the two nations that Japanese statesmen have affirmed to be the aim of their policy; that it can be justified neither on the basis of existing legal instruments nor on that of the right of self-defence, and that it is in contravention of Japan's obligations under the Nine-Power Treaty of February 6th, 1922, and under the Pact of Paris of August 27th, 1928.

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*Second Report Adopted by the League of Nations Assembly on  
October 6, 1937*<sup>52</sup>

1. In the report which the Sub-Committee has already submitted to the Advisory Committee, the facts of the present situation in China and the treaty obligations of Japan have been examined. That report shows that the action taken by Japan is a breach of Japan's treaty obligations and cannot be justified.

2. The establishment of the understandings of international law as the actual rule of conduct among Governments and the maintenance of respect of treaty obligations in the dealings of organised peoples one with another are matters of vital interest to all nations.

3. The present situation in China is a matter of concern not only to the two States in conflict but, to a greater or lesser degree, to all States. Many Powers are already directly affected in the lives of their nationals and in their material interests. But even more important than this is the interest which all States must feel in the restoration and maintenance of peace. This, indeed, is the fundamental purpose for which the League exists. It has thus the duty as well as the right to attempt to bring about a speedy restoration of peace in the Far East, in accordance with existing obligations under the Covenant and the treaties.

4. The Sub-Committee has considered in the first place the obligations which the Covenant places in such circumstances upon Members of the League.

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<sup>52</sup> This text of the "Second Report of the Sub-Committee of the Far-East Advisory Committee adopted by the Committee on October 5th, 1937", is reprinted from League of Nations document, A.80.1937.VII, Geneva, October 5, 1937.

5. The Advisory Committee has been set up under the wide terms of Article 3 (3) of the Covenant, which authorises the Assembly to deal at its meetings with any matter within the sphere of action of the League or affecting the peace of the world.

6. This Article places no limit upon the action of the Assembly, and Article II [11] which, *inter alia*, has been invoked by China provides that "The League shall take any action that may be deemed wise and effectual to safeguard the peace of nations".

7. The Sub-Committee has examined the situation with a view to determining what action would be "wise and effectual".

8. It cannot be admitted that the present conflict in the Far East, which has been shown to involve an infringement of Japan's treaty obligations, is one which can as of right only be settled by direct methods between the Chinese and Japanese Governments. On the contrary, the whole situation must be taken into the fullest consideration and in particular any appropriate means by which peace may be re-established, in conformity with the principles of the Covenant and of international law and with the provisions of existing treaties, must be examined.

9. The Sub-Committee is convinced that even at this stage of the conflict, before examining other possibilities, further efforts must be made to secure the restoration of peace by agreement.

10. In attempting a settlement, by negotiation, of the present conflict, the League cannot lose sight of the fact that one party is not a member of the League and has, in relation to the work of the Advisory Committee, explicitly declined to co-operate in political matters with the League.

11. The Sub-Committee notes that under the Nine-Power Treaty signed at Washington, the contracting Powers, other than China, agreed, *inter alia*, to respect the sovereignty, the independence, and the territorial and administrative integrity of China, and that all contracting Powers, including China, agreed that, whenever a situation should arise which involved the application of the stipulations of the Treaty and rendered desirable the discussion of such application, there should be full and frank communication between the Powers concerned. It appears, therefore, to the Sub-Committee that the first step which the Assembly should take, in the name of the League, would be to invite those Members of the League who are parties to the Nine-Power Treaty to initiate such consultation at the earliest practicable moment. The Sub-Committee would suggest that these Members should meet forthwith to decide upon the best and quickest means of giving effect to this invitation. The Sub-Committee would further express the hope that the States concerned will be able to associate with their work other States which have

special interests in the Far East to seek a method of putting an end to the conflict by agreement.

12. The States thus engaged in consultation may at any stage consider it desirable to make proposals through the medium of the Advisory Committee to the Assembly. The Sub-Committee recommends that the Assembly should not close its session and should declare the League's willingness to consider co-operation to the maximum extent practicable in any such proposals. The Advisory Committee should in any case hold a further meeting (whether at Geneva or elsewhere) within a period of one month.

13. Pending the results of the action proposed, the Advisory Committee should invite the Assembly to express its moral support for China and to recommend that Members of the League should refrain from taking any action which might have the effect of weakening China's power of resistance and thus of increasing her difficulties in the present conflict, and should also consider how far they can individually extend aid to China.

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*Press Release Issued by the Department of State on October 6, 1937*<sup>53</sup>

The Department of State has been informed by the American Minister to Switzerland of the text of the report adopted by the Advisory Committee of the League of Nations setting forth the Advisory Committee's examination of the facts of the present situation in China and the treaty obligations of Japan. The Minister has further informed the Department that this report was adopted and approved by the Assembly of the League of Nations today, October 6.

Since the beginning of the present controversy in the Far East, the Government of the United States has urged upon both the Chinese and the Japanese Governments that they refrain from hostilities and has offered to be of assistance in an effort to find some means, acceptable to both parties to the conflict, of composing by pacific methods the situation in the Far East.

The Secretary of State, in statements made public on July 16 and August 23, made clear the position of the Government of the United States in regard to international problems and international relationships throughout the world and as applied specifically to the hostilities which are at present unfortunately going on between China and Japan. Among the principles which in the opinion of the Government of the United States should govern international relationships, if peace is to be maintained, are abstinence by all nations from the use of force in the pursuit of policy and from interference in the internal affairs of other

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<sup>53</sup> Reprinted from Department of State, *Press Releases*, October 9, 1937 (vol. xvii, No. 419), p. 284.

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DOCUMENT PURPORTING TO ESTABLISH  
PROVISIONAL GOVERNMENT AT PEIPING AND  
RESTORATION GOVERNMENT AT NANKING

Pages 1149 to 1176

The Provisional Chinese Government

In 1937, following the collapses of TEH-CHOW, SUIYUAN, CHANGTE, TAIYUAN etc. in North China, at the end of November the National Government had broken up and removed to HANKOW, CHONGKING and CHONSHA and finally NANKING collapsed on 13 December, deciding the general trend of war situation. Thus the opportunity to establish a new regime which was pre-arranged among the important men in North China had matured.

The circumstances which WANG KO-MIN consented to become the head of the North China regime are as follows: At the beginning of the Incident he was at HONGKONG. The head of special service facilities in PEKING, major general KITA, eagerly made efforts through Fuji YAMAMOTO, who was in SHANGHAI, to persuade WANG to accept the invitation; meanwhile, staff officers from PEKING and FORMOSA were specially dispatched to HONGKONG for the same purpose. As the result WANG came to SHANGHAI on 24 November, and on 6 December made a flight to FUKUOKA and went to North China with YAMAMOTO and YU CHIN.

It is said that when WANG entered SHANGHAI, he had not yet consented to become the head of the North China regime but on condition that he make an inspection trip he consented to the journey.

The North China army authorities had made great efforts under the plan to establish the North China regime as the Central Government of China in the future and arranged to invite not only WANG but other influential men from South China through YOSHINO and IMAI (military officers) who were stationed in SHANGHAI. Toward this policy the central army and General TERAUCHI gave approval; however, a section of the military officers in SHANGHAI expressed opposition, especially Colonel KUSUMOTO was opposed to pulling out many influential men from SHANGHAI, on the ground that there is no necessity to determine North China as the political center from the beginning.

After the arrival in PEKING, WANG Ko-Min decided to accept the chairmanship of the North China regime and determined Government organization and fundamental principles. On 14 December 1937, the Provisional Chinese Government was established in PEKING.

The Government organization and the fundamental principles are as follows:

(1) The Government shall be organized, under the head of the Government, with mutual legislative independence, the executive and the judicial and with the independent committee mentioned below:

- (a) The Committee of discussing policies (to discuss important national policies and general political affairs).

The head of Committee: TAN Erh-ho

The Executive Committee: WANG Ko-min, CHU SHEN, TUNG KANG,  
WANG I-Tang, CHI HSIEH-YUANG

The Committee: CHIANG CHAO-TSUNG, KAO LING-WEI

- (b) The administrative committee (organ which undertakes general administration and is divided into five sections of secretariat, administration, public peace and order, education, legislation and relief).

The head of Committee: WANG KO-MIN

The head of "administrative section": WANG KO-MIN

The head of "public peace order section": CHI HSIEH-YUANG

The head of "education section": TANG ERH-HO

The head of "legislative section": CHU SHEN

The head of "welfare section": WANG I-TANG

The head of HOPEI province and the special mayor of  
TIENTSIN: KAO LING-WEI

The special mayor of PEKING: CHIANG CHAO-TSUNG

The head of judicial committee: TUNG KANG

- (2) The national flag: 5 colored flag

- (3) The gist of the declaration.

- (a) We restore democracy and eliminate unclean party politics.

- (b) We absolutely abolish communism.

- (c) We enhance the morality of the Far East and promote friendly relations between other nations.

- (d) We exploit industries and improve national welfare.

- (e) We accept complete responsibilities for the duties declared by the previous Government.

As the result of the new establishment of the Provisional Government, the Committee of maintenance of Peace in 'Peking district, the Committee of maintenance of Peace in Tientsing and the Federation of maintenance of Peace in Ping-Tsien had joined and on 30 December, the KITUNG regime combined with the new Provisional Government.

*Jun 1938*

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According to the "Fundamental principles to manage the Incident (A)" which was decided soon after the establishment of the Provisional Government at the Cabinet meeting, the Japanese Government will cooperate with the Nanking Government to save the situation if the Nanking Government reconsiders. However, if the Nanking Government does not reconsider and continues the so called long-term resistance, Japan will not expect to negotiate with the Nanking Government in the future, and furthermore to meet the necessity to manage the vast areas occupied by the Japanese forces, henceforth Japan will take separate measures.

In North China, the main policies are to promote public peace and welfare; politically, to establish a regime which has anti-Comintern aims, pro-Japanese and Manchukuo policies; economically, to establish an indivisible relationship between Japan, Manchukuo and China and gradually expand and strengthen this regime to make the central power of the regenerated China. However, if the negotiation between the old Nanking Government are brought about, this Government shall be adjusted in accordance with the conditions of peace.

X Further, based upon "the basic policy on the disposition of the China Incident decided by the Imperial Conference met on the 11th of January 1938, our Government has set up its policy to the effect that as regards the Central Government, we reserve a right to negotiate with the old Nanking regime on the basis of the peace terms drawn up separately in case it makes reflection, changes its mind and approaches us with sincerity, seeking peace; that, if on the contrary it makes no peace offer to us we drop our idea to seek a solution of the conflict through further negotiation with it; that we help create a new Chinese regime and cooperate with it to build up a new reform China by making an arrangement with it to regulate the relations between the two countries; that we on the other hand endeavor either to crush the old Nanking regime or to get it merged into a new central regime.

X With regard to the peace negotiation which we have so far been taking up through the intermediary of the German Government, the old Nanking Government has on January 14th advised us through the German Ambassador in Nanking that in order for it to arrive at a final decision, it desires to have further details of our demand on the ground that this demand is too extensive in scope. We have taken it for granted that the present answer from the Chinese contains no trace of a sincere wish for peace and is designed merely to delay the settlement, since they ought to have a full knowledge through Germany as to the basic peace terms set forth by the Japanese. Thus our government on or about January 15th has ceased to entertain any hope for a peace out of our negotiations with the Nanking Government, and the Cabinet has decided its policy to start the second phase of our measure in line with the policy decided by the Imperial Conference of January 11th, i.e. to take steps to help create and develop a new Chinese regime. In this connection our Government has on the 16th made public a statement domestically and abroad as to the foregoing and at the same time notified the Chinese to terminate our peace negotiation between us.

## 2. Movement for establishment of a new government in Central China.

XX When the Japanese force crushed the Chinese army in Shanghai and its vicinity, and subsequently on December 13th, 1937, captured Nanking, movements for creating a new regime in the Central China were launched. First of all, the Shanghai Tatao Municipal Government was organized in Shanghai on December 5th. In various places other than Shanghai public order maintenance associations came into being. Among these, the major organs are the Nanking Public order maintenance association and the Hangchow Public Order Maintenance Association established on January 1st 1938. Nevertheless, in Shanghai area the influence of the Chiang regime and the Nationalist Party proved to remain strong, far more than what was anticipated, even after the fall of Nanking.

so that it was impossible for the pro-Japanese elements to openly approach the Japanese even in the International Settlement. Thus, the matter of building up a substantial regime had long been difficult unlike the case in North China.

The movements for establishing new regimes started during the fall of Nanking up till the date when the Restoration Government came into being may be summarized as follows:

(1) Shanghai City Tatao Government (Tatao Municipal Government).

With regard to the above government, it is reported that Colonel KUSUOTO of the office of Embassy Military Attache and Colonel KAGISA of the Headquarters of General Staff had consulted with each other and helped towards its formation. The naval authorities and the Foreign Ministry officials on the spot were entirely uninformed thereof until the moment when this government started to assume a concrete form. Thus, this government was at the time generally very unpopular (Mayor SU Hsi-wen is a Fukuienese, a graduate of Waseda University, and was one time an official with duties in salt affairs).

This municipal government put under its jurisdiction the following districts: Pu Tung, Nanking, Hu Si, Chapei, Chi Ju, the center of the City, Wusung, Peh Kiao, Kiatung, Paoshan, Fengsien, Nanhui, Chuansha, and Tsungming, and consists of the following: Secretariat office, special district administration office, social affairs section, police section, finance section, education section, sanitation section, estate section, transport section, engineering section, legal board, general rural district administration office.

(2) Shanghai War-Zone Relief and Rehabilitation Association.

The above association, mainly organized by a group of traders headed by YU Ya-ching and some others, backed by the Tsingpan controlled by CHANG Hsioling attempts to undertake the duties pertaining to the maintenance of public order and rehabilitation of commerce and industry, and all sorts of remedial jobs in the war-zone of Shanghai. Although it is termed as relief and rehabilitation association, it is rather a political body. A committee-system is adopted by it, headed by a chairman nominated by the committee by vote, and it had attempted to take up a representative system. This movement was launched, sponsored by influential members of the inhabitants in Shanghai, but it had, after all, ceased to run without a chance to develop into a form of government.

(3) The Movement sponsored by the Sishan faction to uphold TANG Shao-i.

In the early stage of the warfare in China, Commander MATSUI caused SUGANO Nagatomo to come to Shanghai with him. SUGANO, together with YAMEDA Junzaburo and some others, then began to get in touch with CHEN Chung-fu, and tried to have the Sishan Faction, including TANG Shao-i, HSU Chung-chi, CHU Cheng and others, form a new regime. This effort, however, made no rapid

progress. On the other hand, the TANG Shao-i group was skeptical and feared that the Japanese might come to a compromise with the Chiang regime in future or might attempt to create a purely puppet government. Thus, the attitude of this Chinese group was then rather passive. (Later TANG Shao-i and WU Pei-fu started cooperation with each other and their collaboration showed signs of assuming material development, but the Tang-Wu coalition, which was to come into power, was frustrated owing to the incident in which TANG fell a victim of assassins, which occurred in August 1938).

(4) The peace movement sponsored by the KUNG Hsiang-Hsi Group.

Among the KUNG Hsiang-hsi Group, KUNG Ping, son of KUNG Hsiang-hsi (assisted by FAN Kuang) was secretly trying in Shanghai to fathom the attitude of the Japanese. After the departure to Hongkong of KUNG, Jr., CHIAO Fu-san, secretary of KUNG, senior, HSUEH Hsueh-hai and some others attempted to maintain a liaison with the Japanese, but only in vain.

(5) The movement sponsored by financiers and industrialists in Shanghai.

Among the men in the banking and industrial circles in Shanghai, there were a number of persons who also launched a movement, these being CHOU Tsuo-min, HSU Hsin-lieu, LING Kang-hou, LI Ping and some others. These men are almost of the same origin as those who initiated the movement backed by the Tsing-pan, referred to in one of the preceding paragraphs. CHOU Tsuo-min, in particular, went over to Hankow in December, and was reported to have had a conversation with Chiang Kai-shek who was then said to be staying in Hengshan, and thus tried to gather from Chiang his attitude upon Japan. CHOU, presumably, was inclined to negotiate with the Japanese, should there be a possibility of peace. His attempt was also unsuccessful.

(6) The movement of the HSIUNG Pin Group.

HSIUNG Pin too was active in Shanghai, and was apparently trying to cooperate with HO Ying-chin with a view to rise when the time proved to be ripe enough some time later on; for which purpose he attempted to form a public order maintenance association in Kiangsu.

With regard to the movements (2) to (6), it was ascertained that the Army Special Service organ took the attitude of denunciation of any movement which aspired to come to power under the sponsorship of the old political groups. Thus, nothing else than the Tatao Municipal Government of Shanghai was able to develop into a tangible form of government.

With regard to the WANG Ching-weh group: At an earlier stage of development CHENG Po-fang, Chinese merchant-resident of Kobe, primarily LI Sheng-tu, WANG Yen-sung, and some others were trying in Shanghai to keep contact with the Japanese. (Further, there were a number of men who maintained the view that the central regime in Central China should directly from the beginning be one which could deal with the North China regime in harmony. As a matter of

fact, our central authorities once worked out a "Guiding Program on administrative affairs in Central China" (January 27th, 1938), which, I believe, might serve to give a hint as to our government's policy to help and control the new regime.)

### 3. The Restoration Government of the Republic of China.

The movement for establishing a central regime in Central China has progressed to maturity when LIANG Hung-chi, JIN Yuan-tao, CHEN Chun and WEN Tsung-yao entered the political arena. It was rumored that Major General HAFADA, and Colonel KUSUMOTO of the Army Special Service organ and the Naval Special organ in Shanghai gave assistance to all of these different streams of men in order to expedite collaboration between them. In connection with the establishment of the above government, however, the North China group soon began to create strong opposition.

The major factors in the structure of the Restoration Government and its platform at the time when it was formally established on March 28th may be summarized as follows:

(1) This government was a tripartite coalition in the form of a democratic constitutional government with three councils and seven departments in its formation.

#### (A) Administration Council:

|   |                 |
|---|-----------------|
| Chairman of the Administration Council (acting) | LIANG Hung-chih |
| Chief of the Foreign Department                 | CHEN Lu         |
| Chief of the Interior Department                | CHEN Chun       |
| Chief of the Sui-ching Department               | JIN Yuan-tao    |
| Chief of the Finance Department                 | CHEN Chin-tao   |
| Chief of the Education Department               | CHEN Tse-min    |
| Chief of the Transport Department               | LIANG Hung-Chih |
| (Concurrently)                                  |                 |
| Chief of the Industry Department                | WANG Tzu-hui    |
| Secretary-General of the Administrative Council | WU Yung-wei     |

#### (B) Judicial Council:

|                                  |               |
|----------------------------------|---------------|
| Chairman of the Judicial Council | WEN Tsung-Yao |
|----------------------------------|---------------|

#### (C) Legislative Council:

|                                     |                                    |
|-------------------------------------|------------------------------------|
| Chairman of the Legislative Council | (Nomination has not yet been made) |
|-------------------------------------|------------------------------------|

(2) National Standard: 5-color standard has been adopted.

## (3) Gist of the platform.

- (A) A constitutional form of government under tripartite coalition has been adopted, abolishing the single party absolutism.
- (B) The government will carry out anti-Comintern measures as far possible.
- (C) As regard foreign relations, the government will endeavor to guarantee equality, preservation of sovereignty, neutrality and amity, peace in East Asia and friendly relations with all the foreign nations.
- (D) The government will take steps for the relief of war sufferers, to provide aid to them for their return to normal business life, and for carrying out regional purges.
- (E) The government will take measures for the exploitation of natural resources, promotion of agriculture and industry, introduction of foreign capital and economic collaboration with foreign countries which are on friendly terms.
- (F) The government will endeavor to develop commerce, industry and banking, thereby to increase the national wealth.
- (G) The government will take steps to advance the scientific knowledge of the nation on the basis of its own peculiar culture, and to purge radical education.
- (H) The government will rationalize its finance to make it more fit, and take steps to lessen the burden on the people.
- (I) The government will open the door for men of ability, permit freedom of press, speech and criticism of politics.
- (J) Abolition of irregular agents and measures to carry out a purge of government personnel.

As a result of the establishment of the aforementioned Restoration Government a number of local governments were then going to be created under its control because the public order maintenance associations in all different places were to be dissolved. Thus, the provincial governments in Kiangsu Province, Chekiang Province and Anhui Province, and the Governor's Municipal Public Administration office of Nanking came into being on May 23rd, June 20th, July 23rd and April 24th respectively. While in Shanghai the Governor's Municipal Public Administration office of Shanghai was established on April 28th, taking over the whole organization of the Tatao Government together with virtually a nominal change made in its formation. This Municipal Government discarded the name of "Tatao" and was specially put under direct control of the Administration Council.

(Pages 1187 - 1189)

Program for the direction of Central China administration. (This program covers the period until little after the establishment of the New Regime)

(Provisionally decided on Jan. 27, 1938)

#### I. General Principles

- (1) They shall found a highly pro-Japanese regime, gradually free themselves from dependence on Europe and America, and establish the foundation of a district in China dependent on Japan.
- (2) The direction of that regime shall be so exercised that the regime, in the course of its future development shall smoothly amalgamate with the North China Regime. The direction shall stop at general inner direction by Japanese advisors. Detailed direction and interference in administration by appointing Japanese officials shall be avoided.
- (3) CHIANG Regime shall be annihilated. At the same time, elimination of Communists and destruction of the Nationalist Party in a short time within the area under Japanese occupation shall be realized. Afterwards similar operations shall be speedily extended to neighbouring areas.

#### II. Program for Direction

- (4) In directing administrative affairs, emphasis shall be placed on the highest political organization, above all, the Legislative Department, and the domestic administration (chiefly peace maintenance), financial, industrial and educational sections of the Administrative Department, which is the executive organ. In and around SHANGHAI, special facilities shall be created, in order to establish the foundation for the economic development of Central China.
  - (5) In directing Provincial Governments and lesser local governments, participation by Japanese advisors shall be avoided as much as possible, so that directions from upper administrative organs shall be smoothly carried out.
- In areas under Japanese occupation, especially in war areas, easing people's minds and giving them employment shall speedily be realized.
- (6) The foundation of finance shall speedily be established, banking organs adjusted, and Japan-China economic collaboration in Central China realized. Measures for it are described in another program.

- (7) As for armaments, minimum army shall be trained for maintenance of peace and order, and make efforts, under the guidance of the Japanese army, to restore public order. But the navy and air force shall be included in the defence plan of Japan.
- (8) Throughout the whole area, peace maintenance corps set-up belonging to administrative organs shall be strengthened. For this purpose, several Japanese police officers shall be appointed as instructors in order to establish police administration.
- (9) Establishment of special schools to train model officials and promote cultural activities, and the creation of a special lateral organ to promote political purge, shall be otherwise planned.
- (10) Local autonomous bodies shall be gradually abolished, as administrative organization is improved.
- (11) The first-stage administrative area shall be the district under Japanese occupation. The area shall be successively extended.

(Pages 1190 -- 1193)

Program for the Establishment of Central  
China New Regime (in accordance with the  
program for the administrative direction)

(Tentatively decided on Jan. 27, 1938)

#### I. General Principles

- (1) Name of the New Regime shall be as follows:--  
Central China Provisional Government
- (2) Site of the Government shall be as follows:--  
For the time being: SHANGHAI  
In the future: NANKING
- (3) National Standard:--  
5 Colour Flag
- (4) Form of Government:--  
To be decided separately.
- (5) Declaration and Platform as described in a separate copy.
- (6) Organization of the New Regime:--  
As shown in the diagram.

(7) The New Regime shall be speedily set up, and, by nurturing it, antagonistic influences shall be destroyed with physical and moral pressure.

For this purpose, local autonomous bodies which are being set up successively in the areas under Japanese occupation, shall be strengthened, and public sentiments desiring the establishment of a New Regime backed by Japan shall be powerfully stimulated. Moreover, in and around SHANGHAI, economic rehabilitation shall be speedily realized, thereby to contribute to the establishment of the New Regime set up.

(8) Of the expenditures in the initial stage of the New Regime, considerable part shall be borne by Japan.

(9) For the relief of war-sufferers, and rehabilitation of industries, emergency measures shall be speedily taken. Especially, agricultural produce shall be smoothly supplied to the market; and farmers shall take to spring farming without uneasiness.

For this purpose, maintenance of local peace shall be undertaken by the Japanese Army to the best of their ability until the establishment of new local government organs.

(10) Order of the establishment of the new administrative setup is as follows:

- 1 Central Government setup, especially legislative and executive departments.
- 2 SHANGHAI Special Municipality setup
- 3 Provincial Governments setup
- 4 Organization of county autonomous bodies and downwards

(11) In parallel with the execution of 1 and 2, the influence of TSINGPAN and CHINPAN shall be turned pro-Japanese, and made to assist the New Regime directly and indirectly.

(12) In fixing new administrative districts, former ones shall generally be preserved.

(13) In foreign settlements, with the strengthening of the New Regime, Japanese influence shall be gradually extended, and, after the establishment of the New Regime, the organs of the old regime under the control of Japanese Army and Navy shall be taken over by the New Regime at proper opportunity, causing at the same time outstanding issues to be speedily settled.

(14) TATAO Municipal Government, Citizens' Association, and other

newly-born organs shall be co-ordinated into the new SHANGHAI Municipal Government setup.

(15) Purely administrative organs of the Province and downwards shall be generally left as they are, but educational system and contents shall undergo wholesale revision, as separately planned.

(Doc. 2203)

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.F.S. No. 2203

Statement of Source and Authenticity

I, Takio Oda, hereby certify that I am officially connected with the Japanese Government in the following capacity: Chief of the General Affairs Section, General Affairs Bureau of the Foreign Ministry of Japan and that as such official I have custody of the document hereto attached consisting of numbered pages 1129-1256, inclusive, dated January, 1946, and described as follows: "PART V-CHINA INCIDENT", and part of the records of the General Affairs Section, General Affairs Bureau of the Foreign Ministry of Japan.

I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): that said document is a true and correct copy of the original records of the Japanese Government which were destroyed by bombing. I certify the authenticity of said Document and that it is a true and perfect copy of the original Document and records.

Signed at Tokyo on this  
2 day of August, 1946.

Witness: /s/ A. A. Muzzey

/s/ Takio Oda  
Signature of Official  
Chief of the General (SEAL)  
Affairs Section, General Affairs  
Official Capacity Bureau

-----  
Statement of Official Procurement

I, A. A. Muzzey, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
2 day of August, 1946

Witness: /s/ Wm. C. Prout

/s/ A. A. Muzzey  
NAME  
Investigator  
Official Capacity  
Inv. Div.

#190

479

Translation

Treaty Concerning the Basic Relations Between  
Japan and China

The Imperial Government of Japan and  
The National Government of the Republic of China:

Being desirous that these two countries should respect their inherent characteristics and closely cooperate with each other as good neighbours under their common ideal of establishing a new order in East Asia on an ethical basis, establishing thereby a permanent peace in East Asia, and with this as a nucleus contributing toward the peace of the world in general, and

Desiring for this purpose to establish fundamental principles to regulate the relations between the two countries, have agreed as follows:

Article 1

The Governments of the two countries shall, in order to maintain permanently good neighbourly and amicable relations between the two countries, mutually respect their sovereignty and territories and at the same time take mutually helpful and friendly measures, political, economic, and cultural and otherwise.

The Governments of the two countries agree to eliminate, and to prohibit in the future, such measures and causes as are destructive of the amity between the two countries in politics, diplomacy, education, propaganda and trade and commerce, and other spheres.

## Article 2

The Governments of the two countries shall closely cooperate for cultural harmony, creation and development.

## Article 3

The Governments of the two countries agree to engage in joint defense against all destructive operations of communistic nature that jeopardize the peace and welfare of their countries.

The Governments of the two countries shall, in order to accomplish the purpose mentioned in the preceding paragraph, eliminate communistic elements and organizations in their respective territories, and at the same time cooperate closely concerning information and propaganda with reference to the defense against communistic activities.

Japan shall, in order to carry out the defense against communistic activities through collaboration of the two countries, station required forces in specified areas of Meng-chiang and of North China for the necessary duration, in accordance with the terms to be agreed upon separately.

## Article 4

The Governments of the two countries undertake to cooperate closely for the maintenance of common peace and order until the Japanese forces sent to China complete their evacuation in accordance with the terms as provided for separately.

The

The areas for stationing Japanese forces for the period requiring the maintenance of common peace and order and other matters pertaining thereto shall be determined as agreed separately between the two countries.

#### Article 5

The Government of the Republic of China shall recognize that Japan may, in accordance with previous practices or in order to preserve the common interests of the two countries, station for a required duration its naval units and vessels in specified areas within the territory of the Republic of China, in accordance with the terms to be agreed upon separately between the two countries.

#### Article 6

The Governments of the two countries shall effect close economic cooperation between the two countries in conformance with the spirit of complementing each other and ministering to each other's needs, as well as in accordance with the principles of equality and reciprocity.

With reference to specific resources in North China and Mengchiang, especially mineral resources required for national defense, the Government of the Republic of China undertake that they shall be developed through close cooperation of the two countries. With reference to the development of specific resources in other areas which are required for national defense, the Government of the Republic of China shall afford necessary facilities to Japan and Japanese subjects.

With

With regard to the utilization of the resources referred to in the preceding paragraph, while considering the requirements of China, the Government of the Republic of China, shall afford positive and full facilities to Japan and Japanese subjects.

The Governments of the two countries shall take all the necessary measures to promote trade in general and to facilitate and rationalize the demand and supply of goods between the two countries. The Governments of the two countries shall extend specially close cooperation with respect to the promotion of trade and commerce in the lower basin of the Yangtze River and the rationalization of the demand and supply of goods between Japan on the one hand and North China and Mengchiang on the other.

The Government of Japan shall, with respect to the rehabilitation and development of industries, finance, transportation and communication in China, extend necessary assistance and cooperation to China through consultation between the two countries.

#### Article 7

According to the development of the new relations between Japan and China under the present Treaty, the Government of Japan shall abolish extraterritorial rights possessed by Japan in China and render to the latter its concessions; and the Government of China shall open its territory for domicile and business of Japanese subjects.

#### Article 8

Article 8

The Governments of the two countries shall conclude separate agreements regarding specific items which are necessary to accomplish the object of the present treaty.

Article 9

The present Treaty shall come into effect from the date of its signature.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed the present Treaty and have affixed thereto their seals.

Done in duplicate, in the Japanese and Chinese languages, at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 29th year of the Republic of China.

Translation

Annexed Protocol

In proceeding this day to the signature of the Treaty concerning the Basic Relations between Japan and China, the Plenipotentiaries of the two countries have agreed as follows:

Article 1

The Government of the Republic of China, understanding that, during the period in which Japan continues the warlike operations it is at present carrying on in the territory of China, there exists a special state of affairs attendant upon such warlike operations, and that Japan must take such measures as are required for the attainment of the object of such operations, shall accordingly take the necessary measures.

Even during the continuation of the said warlike operations, the special state of affairs referred to in the preceding paragraph shall, in so far as there is no obstacle to the attainment of the object of the operations, be adjusted in accordance with the changing circumstances and in conformity with the Treaty and its annexed documents.

Article 2

While the affairs previously administered by the Provisional Government of the Republic of China, the Reformed Government of the Republic of China and others have been taken over and temporarily maintained as they are by the Government of the Republic of China, those which require adjustment but are not yet adjusted shall be adjusted in  
conformity

conformity with the purpose of the Treaty and its annexed documents through consultation between the two countries, as promptly as circumstances may permit.

### Article 3

When general peace is restored between the two countries and the state of war ceases to exist, the Japanese forces shall commence evacuation with the exception of those which are stationed in accordance with the Treaty concerning the Basic relations between Japan and China signed today and the existing agreements between the two countries, and shall complete it within two years with the firm establishment of peace and order; and the Government of the Republic of China shall guarantee the firm establishment of peace and order during this period.

### Article 4

The Government of the Republic of China shall compensate the damages to rights and interests suffered by Japanese subjects in China on account of the China Affair since its outbreak.

The Government of Japan shall, with respect to the relief of the Chinese rendered destitute by the China Affair, cooperate with the Government of the Republic of China.

### Article 5

The present Protocol shall come into effect simultaneously with the Treaty.

In witness whereof the Plenipotentiaries of the two countries have signed this Protocol and have affixed thereto  
their

their seals.

Done in duplicate, in the Japanese and Chinese languages, at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 29th year of the Republic of China.

Translation

Agreed Terms of Understanding between the Plenipotentiaries  
of Japan and China concerning the Annexed Protocol

In proceeding this day to the signature of the Treaty concerning the Basic Relations between Japan and China, the following understanding has been reached between the Plenipotentiaries of the two countries in connection with the stipulations of Articles 1 and 2 of the Annexed Protocol of the Treaty.

1. With regard to those various organs for collecting taxes in China which are at present in a special condition owing to military necessity, an adjustment shall be made promptly in accordance with the spirit of respecting the financial independence of China.

2. With regard to those industrial, mining and commercial establishments under governmental or private management which are at present controlled by Japanese forces, the necessary measures shall be taken for their prompt transfer to Chinese management in a rational manner, with the exception of those which are of enemy character or under special circumstances of unavoidable character including military necessity.

3. In case any Sino-Japanese joint enterprise requires modification in the evaluation of original assets, the proportion of capital investments and other matters, measures for their rectification shall be taken in accordance with the terms to be agreed upon separately through consultation between the two countries.

4. The Government of the Republic of China shall, in case they find it necessary to institute control on foreign trade, effect such control autonomously. They may not, however, infringe upon the principle of Sino-Japanese economic cooperation mentioned in Article 6 of the Treaty; and they shall consult with Japan with regard to such control during the continuation of the China Affair.

5. With regard to matters pertaining to transportation and communication in China which require adjustment, they shall be adjusted, as promptly as circumstance may permit, in accordance with the terms to be agreed upon separately through consultation between the two countries.

Done in duplicate, in the Japanese and Chinese languages at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 29th year of the Republic of China.

Translation

Joint Declaration by the Governments of Japan,  
Manchukuo and China

The Imperial Government of Japan;

The Imperial Government of Manchoukuo; and

The National Government of the Republic of China:

Being desirous that the three countries should respect one another's inherent characteristics and closely cooperate with one another as good neighbours under their common ideal of establishing a new order in East Asia on an ethical basis, constituting thereby the mainstay of a permanent peace in East Asia, and with this as a nucleus contributing toward the peace of the world in general, declare as follows:

1. Japan, Manchoukuo and China will respect mutually their sovereignty and territories.

2. Japan, Manchoukuo and China will bring about general cooperation on a reciprocal basis among the three countries, especially a good neighbourly friendship, common defense against communistic activities and economic cooperation, and for that purpose will take all the necessary measures in every direction.

3. Japan, Manchoukuo and China will promptly conclude agreements in accordance with the present Declaration.

Done at Nanking on this the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 7th year of Kangte, and to the 30th day of the 11th month of the 29th year of the Republic of China.

EXCERPT FROM TOKYO GAZETTE, VOLUME IV, JANUARY, 1941

DOCUMENTS CONCERNING THE TREATY  
BETWEEN JAPAN AND CHINA

## I

Announcement of the Government, November 30, 1940

(Pages 272-278)

The Plenipotentiaries of Japan and China signed today at Nanking the Treaty Concerning the Basic Relations between Japan and China, the Protocol annexed thereto and the Agreed Terms of Understanding between the Plenipotentiaries of the two countries; following which the Plenipotentiaries of Japan, Manchoukuo and China signed the Joint Declaration of Japan, Manchoukuo and China.

By virtue of the above, the Japanese Government have formally recognized the National Government of the Republic of China headed by Mr. Wang Ching-wei, the National Government of the Republic of China have recognized Manchoukuo, and the Government of Manchoukuo have recognized the National Government of the Republic of China.

The documents relating to the above are as follows:

1. TREATY CONCERNING THE BASIC RELATIONS  
BETWEEN JAPAN AND CHINA

The Imperial Government of Japan and

The National Government of the Republic of China:

Being desirous that these two countries should respect their inherent characteristics and closely cooperate with each other as good neighbours under their common ideal of establishing a new order in East Asia on an ethical basis, establishing thereby a permanent peace in East Asia, and with this as a nucleus contributing toward the peace of the world in general, and

Desiring for this purpose to establish fundamental principles to regulate the relations between the two countries, have agreed as follows:

## ARTICLE 1

The Governments of the two countries shall, in order to maintain permanently good neighbourly and amicable relations between the two countries, mutually respect their sovereignty and territories and at the same time take mutually helpful and friendly measures, political, economic, cultural and otherwise.

The Governments of the two countries agree to eliminate, and to prohibit in the future, such measures and causes as are destructive of amity between the two countries in politics, diplomacy, education, propaganda, trade and commerce, and other spheres.

## ARTICLE 2

The Governments of the two countries shall closely cooperate for cultural harmony, creation and development.

## ARTICLE 3

The Governments of the two countries agree to engage in joint defence against all destructive operations of communistic nature that jeopardize the peace and welfare of their countries.

The Governments of the two countries shall, in order to accomplish the purpose mentioned in the preceding paragraph, eliminate communistic elements and organizations in their respective territories, and at the same time cooperate closely concerning information and propaganda with reference to the defence against communistic activities.

Japan shall, in order to carry out the defence against communistic activities through collaboration of the two countries, station required forces in specified areas of Mengchiang and of North China for the necessary duration, in accordance with the terms to be agreed upon separately.

## ARTICLE 4

The Governments of the two countries undertake to cooperate closely for the maintenance of common peace and order until the Japanese forces sent to China complete their evacuation in accordance with the terms as provided for separately.

The areas for stationing Japanese forces for the period requiring the maintenance of common peace and order and other matters pertaining thereto shall be determined as agreed separately between the two countries.

## ARTICLE 5

The Government of the Republic of China shall recognize that Japan may, in accordance with previous practices or in order to preserve the common interests of the two countries, station for a required duration its naval units and vessels in specified areas within the territory of the Republic of China, in accordance with the terms to be agreed upon separately between the two countries.

## ARTICLE 6

The Governments of the two countries shall effect close economic cooperation between the two countries in conformance with the spirit of complementing each other and ministering to each other's needs, as well as in accordance with the principles of equality and reciprocity.

With reference to specific resources in North China and Mengchiang, especially mineral resources required for national defence, the Government of the Republic of China undertake that they shall be developed through close

cooperation of the two countries. With reference to the development of specific resources in other areas which are required for national defence, the Government of the Republic of China shall afford necessary facilities to Japan and Japanese subjects.

With regard to the utilization of the resources referred to in the preceding paragraph, while considering the requirements of China, the Government of the Republic of China, shall afford positive and full facilities to Japan and Japanese subjects.

The Governments of the two countries shall take all the necessary measures to promote trade in general and to facilitate and rationalize the demand and supply of goods between the two countries. The Governments of the two countries shall extend specially close cooperation with respect to the promotion of trade and commerce in the lower basin of the Yangtze River and the rationalization of the demand and supply of goods between Japan on the one hand and North China and Manchuria on the other.

The Government of Japan shall, with respect to the rehabilitation and development of industries, finance, transportation and communication in China, extend necessary assistance and cooperation to China through consultation between the two countries.

#### ARTICLE 7

According to the development of the new relations between Japan and China under the present Treaty, the Government of Japan shall abolish extra-territorial rights possessed by Japan in China and render to the latter its concessions; and the Government of China shall open its territory for domicile and business of Japanese subjects.

#### ARTICLE 8

The Governments of the two countries shall conclude separate agreements regarding specific items which are necessary to accomplish the object of the present Treaty.

#### ARTICLE 9

The present Treaty shall come into effect from the date of its signature.

In witness whereof the undersigned, duly authorized by their respective Governments, have signed the present Treaty and have affixed thereto their seals.

Done in duplicate, in the Japanese and Chinese languages, at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month or the 29th year of the Republic of China.

#### 2. ANNEXED PROTOCOL

In proceeding this day to the signature of the Treaty Concerning the

Basic Relations between Japan and China, the Plenipotentiaries of the two countries have agreed as follows:

#### ARTICLE 1

The Government of the Republic of China, understanding that, during the period in which Japan continues the warlike operations it is at present carrying on in the territory of China, there exists a special state of affairs attendant upon such warlike operations, and that Japan must take such measures as are required for the attainment of the object of such operations, shall accordingly take the necessary measures.

Even during the continuation of the said warlike operations, the special state of affairs referred to in the preceding paragraph shall, in so far as there is no obstacle to the attainment of the object of the operations, be adjusted in accordance with the changing circumstances and in conformity with the Treaty and its annexed documents.

#### ARTICLE 2

While the affairs previously administered by the Provisional Government of the Republic of China, the Reformed Government of the Republic of China and others have been taken over and temporarily maintained as they are by the Government of the Republic of China, those which require adjustment but are not yet adjusted shall be adjusted in conformity with the purpose of the Treaty and its annexed documents through consultation between the two countries, as promptly as circumstances may permit.

#### ARTICLE 3

When general peace is restored between the two countries and the state of war ceases to exist, the Japanese forces shall commence evacuation with the exception of those which are stationed in accordance with the Treaty Concerning the Basic Relations between Japan and China signed today and the existing agreements between the two countries, and shall complete it within two years with the firm establishment of peace and order; and the Government of the Republic of China shall guarantee the firm establishment of peace and order during this period.

#### ARTICLE 4

The Government of the Republic of China shall compensate the damages to rights and interests suffered by Japanese subjects in China on account of the China Affair since its outbreak.

The Government of Japan shall, with respect to the relief of the Chinese rendered destitute by the China Affair, cooperate with the Government of the Republic of China.

## ARTICLE 5

The present Protocol shall come into effect simultaneously with the Treaty.

In witness whereof the Plenipotentiaries of the two countries have signed this Protocol and have affixed thereto their seals.

Done in duplicate, in the Japanese and Chinese languages, at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 29th year of the Republic of China.

3. AGREED TERMS OF UNDERSTANDING BETWEEN THE  
PLENIPOTENTIARIES OF JAPAN AND CHINA  
CONCERNING THE ANNEXED PROTOCOL

In proceeding this day to the signature of the Treaty Concerning the Basic Relations between Japan and China, the following understanding has been reached between the Plenipotentiaries of the two countries in connection with the stipulations of Articles 1 and 2 of the Annexed Protocol of the Treaty.

1. With regard to those various organs for collecting taxes in China which are at present in a special condition owing to military necessity, an adjustment shall be made promptly in accordance with the spirit of respecting the financial independence of China.

2. With regard to those industrial, mining and commercial establishments under governmental or private management which are at present controlled by Japanese forces, the necessary measures shall be taken for their prompt transfer to Chinese management in a rational manner, with the exception of those which are of enemy character or under special circumstances of unavoidable character including military necessity.

3. In case any Sino-Japanese joint enterprise requires modification in the evaluation of original assets, the proportion of capital investments and other matters, measures for their rectification shall be taken in accordance with the terms to be agreed upon separately through consultation between the two countries.

4. The Government of the Republic of China shall, in case they find it necessary to institute control on foreign trade, effect such control autonomously. They may not, however, infringe upon the principle of Sino-Japanese economic cooperation mentioned in Article 6 of the Treaty; and they shall consult with Japan with regard to such control during the continuation of the China Affair.

5. With regard to matters pertaining to transportation and communication in China which require adjustment, they shall be adjusted, as promptly as circumstance may permit, in accordance with the terms to be agreed upon separately through consultation between the two countries.

Done in duplicate, in the Japanese and Chinese languages, at Nanking the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 29th year of the Republic of China.

4. JOINT DECLARATION BY THE GOVERNMENTS OF  
JAPAN, MANCHOUKUO AND CHINA

The Imperial Government of Japan;  
The Imperial Government of Manchoukuo; and  
The National Government of the Republic of China:

Being desirous that the three countries should respect one another's inherent characteristics and closely cooperate with one another as good neighbours under their common ideal of establishing a new order in East Asia on an ethical basis, constituting thereby the mainstay of a permanent peace in East Asia, and with this as a nucleus contributing toward the peace of the world in general, declare as follows:

1. Japan, Manchoukuo and China will respect mutually their sovereignty and territories.

2. Japan, Manchoukuo and China will bring about general cooperation on a reciprocal basis among the three countries, especially a good neighbourly friendship, common defence against communistic activities and economic co-operation, and for that purpose will take all the necessary measures in every direction.

3. Japan, Manchoukuo and China will promptly conclude agreements in accordance with the present Declaration.

Done at Nanking on this the 30th day of the 11th month of the 15th year of Syowa, corresponding to the 30th day of the 11th month of the 7th year of Kangte, and to the 30th day of the 11th month of the 29th year of the Republic of China.

## EXCERPT FROM TOKYO GAZETTE, VOLUME IV, JANUARY, 1941

## II

## STATEMENT OF THE FOREIGN OFFICE SPOKESMAN, ON THE SIGNING OF THE SINO-JAPANESE BASIC TREATY, AND THE JAPAN-MANCHOUKUO-CHINA JOINT DECLARATION, ISSUED ON NOVEMBER 30, 1940

In Nanking, at 10 o'clock this morning, a Sino-Japanese Basic Treaty between Japan and China was signed between Ambassador Nobuyuki Abe and Mr. Wang Ching-wei, President of the Executive Yuan (Though Mr. Wang became the head of the National Government, he signed the Treaty in the capacity of President of the Executive Yuan), which means that Japan formally recognized the new National Government at Nanking as the legitimate government of China. And at noon General Abe and Mr. Tsang Shih-i, Plenipotentiaries of Japan and Manchoukuo, and Mr. Wang signed the Japan-Manchoukuo-China Joint Declaration, by virtue of which Manchoukuo and the National Government headed by Mr. Wang Ching-wei recognized each other. It is most gratifying that the foundation has thus been firmly laid for the construction of a new order in East Asia through the cooperation between the three Powers.

Following the outbreak of the Sino-Japanese hostilities, and with the advance of Japanese forces, there sprang up societies for the maintenance of peace and order in various parts of China. These were gradually absorbed by and amalgamated with two regimes--namely, the Provisional Government at Peking and the Reformed Government at Nanking, paving the way for the construction of a new China, until finally there appeared the Peace and National Salvation Movement under the leadership of Mr. Wang Ching-wei.

This was a movement aiming at the construction of a new order in East Asia and at establishing for that purpose a government by rehabilitating the Kuomintang, by rejecting both communism and anti-Japanism and by joining hands with Japan. On December 18, 1938, Mr. Wang Ching-wei startled the world by his flight from Chungking.

Prime Minister Prince Konoe's statement (December 22) concerning the construction of a new order in East Asia was followed by Mr. Wang's declaration for peace and against communism (December 30). A few months later Mr. Wang arrived in Shanghai from Hanoi (May 8, 1939), where he established his headquarters for his peace movement. Shortly afterwards he visited Tokyo (May 31) and conferred with the Prime Minister, Baron Hiranuma, and also Prince Konoe, from whom he learned the true attitude of Japan toward his peace movement and decided to proceed in earnest. On August 28 the Sixth Plenary Conference of the Kuomintang was convened in Shanghai, which adopted the resolutions for the restoration of Sino-Japanese relations by fundamental adjustment and for the reorganization of the Kuomintang and the appointment of Mr. Wang as chairman of the Central Executive Committee. At the same meeting the much-abused Three People's Principles were given a proper and authentic interpretation. The Peace and National Salvation

Movement now became a "Peace and National Construction" movement, and the orthodox Kuomintang, casting aside its claim of "Rule the country by the Party," embarked upon the establishment of a new Central Government of China through the co-operation of parties and factions and those belonging to no party or faction. The first important step toward the establishment of a new Central Government was the three-day conference at Nanking, attended by Mr. Wang Ching-wei, Mr. Wang Ke-min representing the Provisional Government and Mr. Liang Hungchi of the Reformed Government. Then, on January 23 this year these three leaders met again at Tsingtao. On February 12, Mr. Wang called a meeting at Shanghai, to which were invited men of social prominence as well as representatives of various parties and factions, and at which an agreement of views was reached concerning the general principles for the establishment of a Central Government and its political platform. This led to the opening on March 20 of the Central Political Conference to decide upon the fundamentals for the establishment of the new Government.

The conference was attended by thirty delegates in all, comprising ten from the Kuomintang, five each from the Provisional and the Reformed Governments, two each from the Federated Autonomous Government of Mongolia, the National Socialist Party and the Young China Party, and four men of recognized influence in society. Twelve important matters, such for instance as the proposal for the adjustment of Sino-Japanese relations, the draft principles for the establishment of a Central Government, the platform of the National Government and the regulations for the organization of a Central Executive Committee, were approved, and the conference closed on March 25. On March 30 the rites and ceremonies marking the return of the National Government to its capital were held in Nanking, at which Mr. Wang Ching-wei issued a proclamation. Then and there the National Government made the first forward step of historic importance as a partner in the construction of a new order in East Asia.

In parallel and inseparable with the activities for the establishment of a Central Government, there progressed negotiations for the adjustment of Sino-Japanese relations. These negotiations made especially notable progress on the basis of the three principles of amity and neighbourliness, common defence against the Comintern and economic cooperation, after the Sixth Plenary Session of the Kuomintang which was held at the end of August of 1939; and on December 30 an informal agreement on basic ideas regarding the adjustment of Sino-Japanese relations was reached at Shanghai between the negotiators of the two countries.

Upon the establishment of the new Central Government on March 30 of this year, the Japanese Government appointed on April 1 General Nobuyuki Abe, Ambassador Extraordinary and Plenipotentiary, who arrived at Nanking on the 23rd of that month. After this, all preparations were completed with despatch for the restoration of Sino-Japanese relations. On July 5 the first meeting of the formal conference took place, attended by Ambassador Abe and Mr. Wang as Acting President of the Republic of China. Mr. Wang on this occasion spoke of what China expected of the conference, while Ambassador Abe set forth the views of the Japanese

Government relative to the negotiations that were to begin. Since then the negotiations were continued for almost two months. It was rather the zeal on both sides for the construction of the new order in East Asia than what may merely be termed mutual concession that enabled the delegates of the two countries to solve the many complex and vexing problems. At the 15th session held on August 28 they agreed upon a draft treaty, which was initialled on August 31. Upon examination by the two Governments from the domestic standpoint of their respective countries, this draft treaty was found to require partial alterations. Accordingly in the latter part of September the negotiations were resumed for the necessary revision, on which an agreement of views was reached, and the treaty in its final form was initialled on October 10.

On the other hand, with Manchoukuo that had always supported without reserve the cause of Sino-Japanese cooperation, negotiations were conducted concerning a Japan-Manchoukuo-China Joint Declaration. Early in November Mr. Wei Huan-chang, director of the Foreign Affairs Bureau of Manchoukuo arrived in Nanking, and the Declaration as published today was initialled on November 8 by the plenipotentiaries of the three countries. Meanwhile, Ambassador Abe, returning to Japan on October 27, met Prime Minister Prince Konoe on October 29 to report on his mission. Following the Imperial Conference of November 13, the Treaty was submitted to the Privy Council, and approved at its full session of November 27. This in brief is the history of the Sino-Japanese Basic Treaty that was signed today at Nanking.

C E R T I F I C A T E

re TOKYO GAZETTE

I, E. E. DANLY, hereby certify:

1. That I am Chief of the Document Division of the International Prosecution Section, G.H.Q., S.C.A.P., and as such have possession, custody and control of original or copies of captured enemy documents obtained by the said Section.

2. That Document No. 1584 was delivered to me from Japanese Institute of Foreign Relations as being an original or copy of an enemy document that had been captured or obtained by military forces acting under the Supreme Commander Allied Forces and such document has been continuously in my custody since such delivery.

Dated: 12 Aug 1946

/s/ E. E. Danly  
E. E. DANLY

I further certify that Document 1584 contains three monthly issues of the "Tokyo Gazette", to wit, January, February and March 1942.

Dated: 15 Aug 1946

/s/ E. E. Danly  
E. E. DANLY

Endorsed on Envelope:

China No. 58

JAPAN-CHINA Fundamental Treaty (8 copies), with Index.  
Annexed Secret Agreement (in Japanese and Chinese)  
Annexed Secret Pact (ditto)  
Notes Exchanged (A) (ditto)  
Notes Exchanged (B) (ditto)

EXCHANGED OFFICIAL DOCUMENT (A)

Nanking,  
November 30, 1940

His Excellency WANG CHAO-MING  
Executive Chief of the National Government  
of the Republic of China

Sir:

I have the honour of writing you this letter. Respectfully, I wish to inform you that I have duly noted the contents of your letter of today, which stated as follows:

"In affixing our names today to the treaty regarding the fundamental relations between the Republic of China and Japan, the following understanding has been established between Your Excellency and myself.

First:

Since Mongolia (the area north of the Inner Great Wall; the wall itself is not included) possesses the peculiarity of being a highly cohesive area for the both countries of China and Japan from the standpoint of national defense and economy, as per stipulations of the aforementioned treaty, Mongolia shall be an autonomous area of highly protective nature against communism, and the comprehensive rights of self-government shall be recognized which shall be based on the present condition.

The Republic of China shall stipulate the rights of Mongolia's autonomy in accordance to the law and ordinance provided for the autonomy of Mongolia, but, in regard to the legislation of such law and ordinance, the Government of the Republic of China shall consult the Government of Japan beforehand.

Second:

(1) In view of the nature of North China (the area in Hopei, Shansi and Shantung, south of the Inner Great Wall - the wall itself is included) as being a close collaborative area between China and Japan from the standpoint of national defense and economy, as prescribed in the aforementioned treaty and annexed document, the Government of the Republic of China shall establish in North China the North China political committee which shall succeed and conduct matters that have been managed by the Provisional Government of the Republic of China. After peace in general is restored between the two countries, the authorized powers of the said committee can be limited to embody the following item (2) and with this in view, adjustment and regulation should be speedily effected.

(2) Among the Sino-Japanese cooperative matters in North China which the North China political committee can locally manage after the restoration of general peace between the two countries are as follows, and in regard to these matters, the Government of the Republic of China shall stipulate them in accordance with the laws and ordinances based upon consultation with the Government of Japan.

A. Matters concerning Anti-communism and cooperation in peace preservation.

(1) Management of matters related to the stationing of Japanese troops.

(2) Management of requisite matters in regard to Anti-communism and cooperation in peace preservation between China and Japan.

(3) Management of other matters in regard to Sino-Japanese military cooperation.

However, the management of the National Defense Army shall be conducted by the military affairs management organ that is to be established by the Government of the Republic of China in North China, and furthermore, as regards the military strength of the Suiching Army maintained by the North China Political Committee, it shall be prescribed separately.

B. Matters concerning the economic concert in North China; particularly, in the development and utilization of underground resources necessary for national defense, and the supply of materials among Japan, Manchukuo, Mongolia and North China.

(1) Matters concerning the grant of facilities to Japan and the Japanese people in developing and utilizing the underground resources; particularly, resources necessary for national defense.

(2) Management in regard to the rationalization and expediency in the supply and demand of materials among Japan, Manchukuo, Mongolia and North China.

(3) Management in regard to the cooperation on currency and exchange among Japan, Manchukuo, Mongolia and North China.

(4) Management in regard to the cooperation on railways, airways, communications and the leading maritime transportation.

C. Matters concerning the appointment and employment of Japanese advisors and officials.

D. The negotiations concerning the purely local management of matters not treated in the aforementioned articles of A, B, and C, between Japan and Manchuria.

(3) The North China political committee shall be permitted to manage matters in regard to local coordination with Mongolia, provided that it is within the scope decided by the Republic of China.

(4) When the North China political committee manages matters indicated in the aforementioned articles of 2 and 3, they shall be reported, from time to time, to the Government of the Republic of China.

## Third:

In view of the fact that it has been decided to materialize the close economic collaboration between China and Japan in the lower areas of the YANGTSE River, as based on the stipulation of the aforementioned treaty and the annexed protocols; and in view of the fact that Shanghai holds an important position in materializing the Sino-Japanese cooperation; Sino-Japanese cooperation shall be materialized in accordance with the following items separately consulted and decided upon, in order to build a new Shanghai with the cooperation of the Japanese Government.

(1) Both countries shall closely cooperate in matters regarding trade, finance, industry and transportation in the lower areas of the Yangtse River, particularly in Shanghai; and furthermore, to establish the Sino-Japanese economic council.

(2) Both countries shall closely cooperate in matters regarding thought, education, propaganda, sanitation, police and cultural enterprises in Shanghai.

(3) In regard to the construction of the Shanghai Special Municipality, the Government of the Republic of China shall give due consideration to the source of its revenue and thereby prevent obstruction in its construction; and to which the Government of Japan shall accord technical cooperation to the above mentioned construction.

(4) In regard to the external negotiations of the Shanghai Special Municipality, both countries shall constantly maintain close liaison and shall cooperate together.

(5) Among matters accompanying the stationing of Japanese troops insofar as the local management in Shanghai is concerned, the Shanghai Special Municipal Government shall be responsible.

## Fourth:

In view of the fact that it has been decided to materialize the close military collaboration and the economic cooperation between the two countries in the specific islands along the coasts of Southern China and relative spots thereof, as based on the stipulations of the aforementioned treaty and annexed documents, the Government of the Republic of China shall take the following measures in accordance with the current conditions based on agreements that are to be consulted and decided separately between the two countries.

(1) A province shall be established from the areas comprising the Hainan Island and the adjoining islands thereof.

(2) The Amoy Special Municipality shall be established from the areas comprising the Amoy Island and its vicinity.

(3) Measures shall be taken so that local management could be carried on smoothly on matters in regard to military cooperation and economic collaboration in the aforementioned area, as provided for in the matters pertaining to Sino-Japanese cooperation.

Fifth:

The Government of the Republic of China shall, in accordance with agreements to be made separately with the Government of Japan, engage Japanese technical and military advisors, and employ Japanese officials in order to manage the cooperative matters between China and Japan.

The Official power and the service regulation of the advisors shall be prescribed by the Government of the Republic of China in accordance with agreements to be made separately between both countries, and the duties of the officials shall be in conformity with the regulations prescribed in the law of the Republic of China.

I wish that your excellency will confirm the aforementioned understanding. The undersigned herewith confirms the aforementioned understanding.

In answering as above, the undersigned extends his respect to your excellency.

Yours cordially,

On the 30th day of November in the 15th year of Showa (1940) at Nanking  
Nobuyaki, ABE

Envoy Extraordinary and Ambassador  
Plenipotentiary of the Empire  
of Japan.

To His Excellency WAN Chao-Ming, Executive Chief of the National Government  
of the Republic of China.

## CERTIFICATE

W.D.C. No. \_\_\_\_\_  
I.P.S. No. 1453 A

I, SHIMODA, Takeso, in the capacity of Chief of the Archives Section, Foreign Office, do hereby certify that the attached document is a true and correct copy of the original described as follows: Note A(A) to Chief of the Executive Yuan Wang from Ambassador Abe, dated November 30, 1940, annexed to the Japan-China Basic Treaty.

Signed at TOKYO on this  
2nd day of August 1946.

/s/

Witness: NAGAHARU OIO

/s/ T. SHIMODA

Chief, Archives Section.  
Foreign Office.

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at TOKYO on this  
2nd day of August, 1946.

/s/

Witness: William C. Prout

/s/ EDWARD P. MONAGHAN

NAME

Investigator, IPS

Official Capacity

CERTIFICATE

W.D.C. No. \_\_\_\_\_  
I.P.S. No. 1453A

I, OTABE, Kenichi, in the Capacity of Chief of the Translation Section, Foreign Office, do hereby certify that the attached document is a correct translation of a document described as follows:  
Note (A) to Chief of the Executive Yuan Wang from Ambassador Abe, dated November 30, 1940, annexed to the Japan-China Basic Treaty.

Signed at TOKYO this

2nd day of August, 1946.

/s/ Kenichi Otabe  
Chief, Translation Section

Foreign Office

(Doc. 1453)

C E R T I F I C A T E

I, E. E. DANLY, hereby certify:

1. That I am Chief of the Document Division of the International Prosecution Section, G.H.Q., S.C.A.P., and as such have possession, custody and control of original or copies of captured enemy documents obtained by the said Section.

2. That Document No. 1453 was delivered to me from the Japanese Foreign Ministry as being an original or copy of an enemy document that had been captured or obtained by military forces acting under the Supreme Commander Allied Forces and such document has been continuously in my custody since such delivery.

August 27, 1946

/s/ E. E. Danly  
E. E. DANLY

## ANNEXED SECRET AGREEMENT

The Plenipotentiaries of Japan and the Republic of China, in signing the treaty regarding the fundamental relations between the two countries today have agreed as follows:

## Article I

The Governments of the two countries have agreed that, in order to promote the common interests of both countries and to secure peace in East Asia, diplomacy based upon mutual concert shall be effectuated and that no measures, which are contrary to this principle, shall be taken on relations with other third countries.

## Article II

The Government of the Republic of China shall comply to the Japanese demands regarding military necessities, in accordance with the agreements that are to be decided hereafter between the two countries, concerning the railways, airways, communications, harbors and waterways located in areas stationed by Japanese troops and in the related areas thereof within the territorial jurisdiction of the Republic of China. However, the executive and administrative rights of the Republic of China shall be respected in ordinary times.

The Government of the Republic of China agree to grant the aforementioned Japanese troops facilities necessary to station troops in accordance with the agreements that are to be decided hereafter between the two countries.

## Article III

The governments of the two countries shall publicly announce, when found necessary, the whole or a part of the articles in this agreement upon consultation.

## Article IV

This agreement shall come into effect with the conclusion of the treaty.

As an evidence of the agreement, the Plenipotentiaries of the two countries have signed and affixed their seals thereon.

Two copies of each, one in Japanese and the other in Chinese, have been drawn up in Nanking this 30th day of November in the 15th year of Showa, or on the 30th day of November in the 29th year of the Republic of China (1940).

s/ ABE, Nobuyuki  
Envoy Extraordinary and Ambassador  
Plenipotentiary of the Japanese Empire

s/ WANG Chao Ming  
Executive Chief of the National Government  
of the Republic of China

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## ANNEXED SECRET AGREEMENT

The Plenipotentiaries of Japan and the Republic of China, in signing the Treaty regarding the fundamental relations between the two countries today, have agreed on the following articles which are being considered concurrent to the said treaty.

## Article I

In accordance with the stipulation in Article V of the treaty, Japanese vessels shall be permitted to freely enter into and anchor at the harbor areas within the territorial jurisdiction of the Republic of China in order that Japanese surface units can be stationed along the Yangtze River banks and in the specified islands along the South China coast and connecting points thereof.

Japan and the Republic of China have agreed that, in order to maintain the common interests of the two countries, it is considered necessary to maintain and safeguard the security of traffic lines in the China Sea and, in accordance with the agreements that are to be decided hereafter, between the two countries based on Article V of the said treaty, that close military cooperation shall be effectuated on the specific islands along the South China coasts and connecting spots thereof.

## Article II

The Government of the Republic of China has agreed to cooperate intimately between the two countries in planning development and production of special resources, especially strategic resources necessary for national defense in Amoy, Hainan Island and the adjoining islands thereof. In regard to the utilization of these resources, the Government of the Republic of China shall, after giving consideration to her needs, positively and adequately facilitate Japan and the Japanese people, especially in replenishing the strategical demands of Japan.

## Article III

The governments of the two countries shall publicly announce this agreement upon consultation, when general peace has been restored between the two countries or at some appropriate time previous to the restoration of peace.

## Article IV

This agreement shall come into effects with the conclusion of the treaty.

As an evidence of the agreement, the Plenipotentiaries of the two countries have signed and affixed their seals thereon.

Two copies of each one in Japanese and the other in Chinese, have been drawn up in Nanking this 30th day of November in the 15th year of Showa, or on the 30th day of November in the 29th year of the Republic of China (1940).

ABE Nobuyuki  
Envoy Extraordinary and Ambassador  
Plenipotentiary of the Japanese Empire

WANG Chao-Ming  
Executive Chief of the National Govern-  
ment  
of the Republic of China

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DOC 1453B

Page 1

CERTIFICATE

W.D.C. No. \_\_\_\_\_

I.P.S. No. 1453B

I, OTABE, Kenichi, in the capacity of Chief of the Translation Section, Foreign Office, do hereby certify that the attached document is a correct translation of a document described as follows: Note (B) to Chief of the Executive Yuan Wang from Ambassador Abe, dated November 30, 1940, annexed to the Japan-China Basic Treaty.

Signed at TOKYO this

2nd day of August 1946.

/s/ Kenichi Otabe

Chief, Translation Section  
Foreign Office

## CERTIFICATE

W.D.C. NO. \_\_\_\_\_

I.P.S. No. 1453B

I, SHOMODA, Takeso, in the capacity of Chief of the Archives Section, Foreign Office, do hereby certify that the attached document is a true and correct copy of the original described as follows: Note (B) to Chief of the Executive Yuan Wang from Ambassador Abe dated November 30, 1940 annexed to the Japan-China Basic Treaty.

Signed at TOKYO on this

2nd day of August 1946.

/s/ Nagaharu Odo  
Witness

/s/ T. Shimoda  
Chief, Archives Section  
Foreign Office.

His Excellency Wang Chao-ming,  
Chief of the Executive Yuan,  
The Government of the Republic of China.

Sir,

I have the honor to acknowledge the receipt of Your Excellency's note of today's date reading as follows:

On signing the Treaty relating to the Basic Relations between Japan and China, an agreement was reached between your Excellency and myself, with reference to the stipulations of Article 1 of the Supplementary Protocol of the said Treaty, that during the period in which Japan continues in the territories of the Republic of China the warlike operations she is now carrying on, the government of the Republic of China will positively cooperate toward the full attainment of the purposes of the said warlike operations of Japan.

I wish that your Excellency will confirm the abovementioned understanding.

It gives me pleasure to confirm the above-mentioned understanding.

In replying to your Excellency, I avail myself of this opportunity to renew the assurance of my highest consideration.

Nanking,  
November 30, 1940.

Nobuyuki Abe  
Envoy Extraordinary and  
Ambassador Plenipotentiary  
of the Japanese Empire.

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
2nd day of August 1946.

/s/ Edward P. Monaghan  
Name

Witness: William C. Prout  
(Signed)

Investigator, I.P.S.  
Official Capacity

(Doc. 1451)

Endorsed on Envelope

China No. 61

Japan-Chinese Republic Alliance Treaty. Signed at Nanking

1. Signed Text, Oct. 30, 18th year of SHOWA (1943), with annexed Protocol. Japanese, Chinese, each one copy.
2. Note Exchanged (Incoming Note). Chinese, one copy.

(Doc. 1451)

Certificate

I, T. C. LUI, hereby certify that I am thoroughly conversant with the Chinese and English languages, and as a result of the comparison between the English and the Chinese texts, I have established that this is a true and correct translation of International Prosecution Documents No. 1451.

3 Sept. 1946.

/s/ T. C. Lui

PACT OF ALLIANCE BETWEEN JAPAN  
AND CHINA

(Translation)

The Government of the Empire of Japan and the Government of the Republic of China,

being determined that the two countries shall closely cooperate, each as a good neighbor respecting the self-asserting independence of the other to establish a Greater East Asia based on justice thereby contributing to the peace of the whole world, have, with the firm and unshakable determination to eradicate all sources of evil in the way, agreed upon the following articles:

## ARTICLE 1.

Japan and China, in order to maintain permanently the relationship of neighborly amity, shall take measures of mutual aid and friendship along all lines while respecting each other's sovereignty and territorial integrity.

## ARTICLE 2.

Japan and China for constructing and securing stability of Greater East Asia, shall extend to each other cooperation and every possible assistance.

## ARTICLE 3.

Japan and China shall carry on between the two countries close economic cooperation on the basis of reciprocity.

## ARTICLE 4.

The necessary details for the execution of the present Pact shall be discussed and decided between the competent authorities of the two countries.

## ARTICLE 5.

The Treaty Relating to the Basic Affairs between Japan and China, signed on November 30 of the 15th year of Syowa, corresponding to November 30 of the 29th Year of the Republic of China, together with all instruments annexed thereto shall cease to have effect as from the date of coming into force of the present Pact.

## ARTICLE 6.

The present Pact shall come into force as from the day of its signature.

In witness whereof, the undersigned duly authorized by their respective Governments have signed and affixed their seals unto the present Pact.

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. \_\_\_\_\_

Statement of Source and Authenticity

I, SHIMODA, Takeso hereby certify that I am officially connected with the Japanese Government in the following capacity: Chief of the Archives Section, Foreign Office and that as such official I have custody of the document hereto attached consisting of 3 pages, dated 19, and described as follows: Treaty of Alliance Pact between Japan and China.

I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Japanese Foreign Office.

Signed at Tokyo on this  
9th day of July, 1946.

/s/ T. SHIMODA

Signature of Official

SEAL

/s/  
Witness: M. EMURA

Official Capacity

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
10th day of July, 1946.

/s/ EDWARD P. MONAGHAN

Witness: /s/ ROBERT F. MAHON

NAME  
Investigator IPS  
Official Capacity

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. \_\_\_\_\_

Statement of Source and Authenticity

I, SHIMODA, Takeso hereby certify that I am officially connected with the Japanese Government in the following capacity: Chief of the Archives Section, Foreign Office, and that as such official I have custody of the document hereto attached consisting of 3 pages, dated 19     , and described as follows: PACT OF ALLIANCE BETWEEN JAPAN AND CHINA (Translation).

I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Japanese Foreign Office.

Signed at Tokyo on this  
10th day of July 1946.

/s/ T. SHIMODA

Witness: M. EMURA /s/

Signature of Official SEALOfficial CapacityStatement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business/

Signed at Tokyo on this  
10th day of July, 1946

/s/ EDWARD P. MONAGHANNAME

Witness: /s/ ROBERT F. MAHON

Investigator I.P.S.  
Official Capacity

STATEMENT OF THE JAPANESE GOVERN-  
MENT REGARDING THE CONCLUSION OF A  
PACT OF ALLIANCE BETWEEN JAPAN  
AND THE REPUBLIC OF CHINA

October 30, 1943.

The Japanese Government have today concluded with the Government of the Republic of China the "Pact of Alliance between Japan and the Republic of China". As a result of the conclusion of this Pact, the Treaty Relating to the Basic Affairs between Japan and China and the Documents attached thereto have lost their validity and, at the same time, the treaty relations between the two countries have entered upon a period of epochal development.

The Japanese Government previously made clear, in their statement of January 9 of this year, their convictions regarding Japan's policy toward China to meet the new situation following the outbreak of the War of Greater-East Asia. Since that time, Japan has steadily translated into action what was publicly declared in that statement and thereby extended her utmost aid toward the speedy establishment of a new China on the basis of self-asserting independence and manifestation of the political power of the National Government, and the latter also, in concert with Japan, have taken measures to reinforce themselves and strengthened their co-operation for the prosecution of the war, resulting in the smooth and satisfactory development of the new relations between the two countries.

With the outbreak of the War of Greater East Asia, the situation in this part of the world has undergone a radical change. Before the War, the aggressive activities of the United States and Great Britain were rampant and consequently Japan was placed in a position where she could not ignore the realities of this situation in determining her treaty relations with China. But after the war broke out, the influence of the United States and Great Britain has been completely expelled and the National Government have also declared

war against those countries. As a result, Japan and China have come to deem it appropriate to readjust their treaty relations to conform with the new situation in order that they may, untrammelled by all past circumstances, revert to their normal and proper status as good neighbors and accomplish their common mission of collaborating to stabilize Greater East Asia and promote its renaissance and prosperity. This indeed is the reason why the new Pact has been concluded.

Japan has already secured with Manchoukuo, Thailand, Burma and the Philippines close co-operative relations based on justice and has now firmly established with the Republic of China a new foundation for their cooperation. Thus, the order to assure the common prosperity and well-being of all countries in Greater East Asia is steadily being realized.

The Japanese Government, confidently expecting an epochal progress of Japanese-Chinese relations in conformance with the spirit of the new Pact and, at the same time, being unstinting in extending every possible assistance for the complete realization of China's self-asserting independence, and expecting that Japan and China will together in close co-operation march vigorously forward toward the successful prosecution of the present war and the establishment of a new order in Greater East Asia, hereby make known their convictions both at home and abroad.

W.D.C. No. \_\_\_\_\_

I.P.S. No. \_\_\_\_\_

C E R T I F I C A T EStatement of Source and Authenticity

I, SHIMODA, Takeso hereby certify that I am officially connected with the Japanese Government in the following capacity: Chief of the Archives Section, Foreign Office, and that as such official I have custody of the document hereto attached consisting of 3 pages, dated \_\_\_\_\_, 19\_\_\_\_, and described as follows: STATEMENT OF THE JAPANESE GOVERNMENT REGARDING THE CONCLUSION OF A PACT OF ALLIANCE BETWEEN JAPAN AND THE REPUBLIC OF CHINA October 30, 1943.

I further certify that the attached record and document is an official document of the Japanese Government, and that it is a part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Japanese Foreign Office.

Signed at Tokyo on this  
10th day of July, 1946.

T. SHIMODA

Signature of Official

SEAL

Witness: M. EMURAOfficial CapacityStatement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
10th day of July, 1946.

EDWARD P. MONAGHAN

NAME

ROBERT F. MAHON

Witness: \_\_\_\_\_

Investigator I.P.S.  
Official Capacity

490

PROTOCOL ANNEXED TO THE PACT OF  
ALLIANCE BETWEEN JAPAN AND CHINA

(Translation)

On signing this day the Pact of Alliance between Japan and China the Plenipotentiaries of the two countries have agreed as follows:

Article 1.

Japan undertakes to withdraw the Japanese forces despatched to the territories of China when general peace between the two countries is restored and the state of war has ceased to exist.

Japan renounces the right of stationing troops she possesses in accordance with the Peking Protocols and supplementary documents relating to the Boxer War.

Article 2.

The present Protocol shall come into force simultaneously with the Pact.

In witness whereof the Plenipotentiaries of the two countries have signed and affixed their seals unto the present Protocol.

Two copies of this in Japanese and Chinese were prepared at Nanking on the 30th of October, 1943 /18th year of Showa/ or 30th day of October of 32nd year of Republic of China.

Ambassador Plenipotentiary of JAPAN  
TANI, Masayuki (Signed)

President, Executive Yuan,  
Republic of CHINA  
WANG, Chao-Ming (Signed)

C E R T I F I C A T E

W. D. C. No. \_\_\_\_\_

I. P. S. No. \_\_\_\_\_

Statement of Source and Authenticity

I, Shimoda, Takeso, hereby certify that I am officially connected with the Japanese Government in the following capacity: Chief of the Archives Section Foreign Office and that as such official I have custody of the document hereto attached consisting of 1 pages, dated \_\_\_\_\_, 19\_\_\_\_, and described as follows: PROTOCOL ANNEXED TO THE PACT OF ALLIANCE BETWEEN JAPAN AND CHINA (Translation)

I further certify that the attached record and document is an official document of the Japanese Government, and that it is a part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Japanese Foreign Office

Signed at Tokyo on this  
10th day of July, 1946

T. Shimoda  
Signature of Official

SEAL

Witness: M. Emura

\_\_\_\_\_  
Official CapacityStatement of Official Procurement

I, Edward P. Monaghan hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
10th day of July 1946

Witness: Robert F Mahon

Edward P. Monaghan

NAME

InvestigatorOfficial Capacity

I. P. S.

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS

AG 091.31 (4 Jun 46) IPS  
(SCAPIN - 1390-A)

*Prep. by Staff* APO 500  
4 June 1946  
*Shuehne*

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT

THROUGH : Central Liaison Office, Tokyo

SUBJECT : Annual Reports of Exports and Imports

It is directed that the Imperial Japanese Government deliver certified copies in Japanese and English of annual reports of imports and exports between Japan and the countries within the East Asia Sphere covering the years 1931 to 1945 inclusive. The reports are to be in such form as to make readily ascertainable the type, the quantity and the value of all products shipped to or exported from the individual countries.

FOR THE SUPREME COMMANDER  
/s/ J. W. Mann  
for B. N. FITCH,  
Brigadier General, AGD,  
Adjutant General.

-----  
TO : GENERAL HEADQUARTERS OF THE SUPREME COMMANDER  
FOR THE ALLIED POWERS

FROM : Central Liaison Office, Tokyo

SUBJECT : Annual Reports of Exports and Imports

C.I.O. No. 4283 (TE)

27 August 1946

1. Reference: SCAP Memorandum AG 091.31 (4 Jun 46) IPS (SCAPIN-1390-A), subject, as above.

2. Certified copies in Japanese and English of the annual reports of imports and exports between Japan and the countries within the East Asia Sphere covering the years 1931 to 1945 inclusive are submitted herewith.

FOR THE PRESIDENT:  
/s/ T. Katsube  
(T. Katsube) by F. Suyama  
Chief of Liaison Section,  
Central Liaison Office.

Enclosure: As stated in paragraph 2, above,  
(This enclosure has been submitted  
directly to the competent official  
of International Prosecution Section,  
GHC).

Doc 2/177

聯合國最高司令官總司令部

AG 091.31 (4 Jun. 46) IPS

APD 500

SCAPIN - 1390 - A

4 Jun 1946

聯合國軍最高司令官 訊問 一三九〇 A

覽 書

日本帝國政府へ、電書

經 由

東京中央連絡事務局

主 題

輸出及輸入、年報

日本帝國政府、一九三一年ヨリ一九四五年ニ至ル期間、  
日本ト東亞圈内諸國ト、同、輸入、年々、報告、英文及  
日本文、謄本ヲ引渡スヤリ命令サル。該報告、伯々、  
國カラ出サレ、個々、國へ輸入サレタ金生産物、種類、  
分量及ビ価格ヲ容易ニ調べ得ル如キ形式クシ

最高司令官 へ

署名

J. W. MANN

(ビー・ダブリュー・マン)

B. M. FITCH へ

(ビー・エイチ・フィッチ)

譯・高級參謀部高級參謀

No. 1

# 联合国最高司令官總司令部宛

東京中央連絡事務局ヨリ

主 題 輸出入年報

中央連絡事務局 四三(三)(E) 一九四六年八月二十七日

一、参照

右件ニ関スル联合国最高司令官實書

AG 091.31 (4 Jun '46) IPS (SCAPIN-1390-A)

二、一九三一年ヨリ一九四五年ニ至ル期間、日本ト東亞圈内諸國

ト、間、輸出入年報、日本文及英文、謄本、コトニ提出ス

總 裁 代

署名

勝 部

中央連絡事務局連絡部長

須 山

同封物

上記二項ニ述ベラレタルモノ、(此、同封物ノ直々ニ

總司令部國際檢察部、当該官吏ニ提出サレタ)

July 5, 1946

Edward Monaghan, Esq.  
Int. Pros. Section

Dear Mr. Monaghan:

I would like to obtain, properly certified for evidence,  
a table showing: (separate chart for each item)

- a) the foreign trade of Manchoukuo, 1932-1943, inclusive;
- b) Manchoukuo, value of exports and imports by countries,  
1932-1943, inclusive;
- c) Manchoukuo, value of principal articles exported;
- d) Manchoukuo, value of principal articles imported;
- e) Manchoukuo, mineral outputs, metric tons.

These tables, as far as a), b), c) and d) and e) are concerned,  
can be based on foreign trade returns, compiled by the Manchoukuo  
Department of Finance and Commerce, and upon statistics compiled  
by the Manchoukuo Department of Industry, as to all charts.

These tables have been summarized in the Fifth and Sixth  
Reports on Progress in Manchuria to 1936, and to 1939, respectively.

Yours very truly,

/s/ H. A. Hauxhurst

H. A. HAUXHURST

P.S. If possible, I would like to have a table showing the importation  
into Manchoukuo of heavy construction materials, 1932-1943, inclusive.

Certificate.

I, SUZUKI, Masakatsu, Chief of the Continental Affairs Section, Economic Affairs Division, Control Bureau, Ministry for Foreign Affairs, hereby certify that these tables are true as well as correct copies of both the tables printed in the Sixth Report on Progress in Manchuria to 1939 and the Toyo Keizai Nenkan published in 17th Showa which were each based upon the statistics for the Manchoukuo Government, and acknowledge the contents of these tables to be true as well as correct.

Tokyo, 10 July, 1946.

/s/ M. Suzuki

## (a) The Foreign Trade of Manchoukuo (1932- 1943)

(Units; MY)

| Years | Imports       | Export      | Total         | Balance     |
|-------|---------------|-------------|---------------|-------------|
| 1932  | 337,672,748   | 618,156,837 | 955,829,585   | 280,484,089 |
| 1933  | 515,832,425   | 448,477,605 | 964,310,030   | 67,354,820  |
| 1934  | 593,562,248   | 448,426,567 | 1,041,988,815 | 145,135,681 |
| 1935  | 604,149,359   | 421,077,753 | 1,025,227,112 | 183,071,606 |
| 1936  | 691,830,312   | 602,758,989 | 1,294,589,301 | 89,071,323  |
| 1937  | 887,411,696   | 645,297,656 | 1,532,709,352 | 242,114,040 |
| 1938  | 1,274,747,601 | 725,454,449 | 2,000,202,050 | 549,293,152 |
| 1939  | 1,816,124,000 | 834,717,000 | 2,650,841,000 | 981,407,000 |
| 1940  | 1,397,716,029 | 544,629,409 | 1,942,345,438 | 853,086,620 |
| 1941  | -             | -           | -             | -           |
| 1942  | 1,397,416,000 | 751,128,000 | 2,148,545,000 | 646,288,000 |
| 1943  | -             | -           | -             | -           |

(b) Manchoukuo, Value of Exports and Imports by Countries. (1932 - 1943)

|                | (1932)       |         |       | (1933) |        |       |
|----------------|--------------|---------|-------|--------|--------|-------|
|                | (Units; M ¥) |         |       |        |        |       |
| Countries      | Exports      | Import  | Total | Export | Import | Total |
| Japan )        |              |         |       |        |        |       |
| China )        |              |         |       |        |        |       |
| Germany )      |              |         |       |        |        |       |
| Great Britain) |              | Unknown |       |        |        |       |
| U.S.S.R. )     |              |         |       |        |        |       |
| U.S.A. )       |              |         |       |        |        |       |
| Netherland )   |              |         |       |        |        |       |
| France )       |              |         |       |        |        |       |
| Italy )        |              |         |       |        |        |       |
| Belgium )      |              |         |       |        |        |       |
| Others )       |              |         |       |        |        |       |
| Total          |              |         |       |        |        |       |

| Countries     | (1934)      |             |               |             | (1935)      |               |
|---------------|-------------|-------------|---------------|-------------|-------------|---------------|
|               | Export      | Imports     | Total         | Export      | Imports     | Total         |
| Japan         | 218,675,000 | 408,601,000 | 627,277,000   | 217,292,000 | 456,675,000 | 673,967,000   |
| China         | 65,694,000  | 57,595,000  | 123,299,000   | 65,353,000  | 31,993,000  | 97,346,000    |
| Germany       | 53,310,000  | 14,486,000  | 65,568,000    | 32,799,000  | 14,742,000  | 47,541,000    |
| Great Britain | 23,712,000  | 37,856,000  | 61,568,000    | 34,450,000  | 36,062,000  | 70,512,000    |
| U.S.S.R.      | 8,423,000   | 4,876,000   | 13,299,000    | 4,662,000   | 1,168,000   | 5,830,000     |
| U.S.A.        | 5,966,000   | 35,277,000  | 41,193,000    | 15,596,000  | 24,936,000  | 40,532,000    |
| Netherland    | 9,782,000   | 7,083,000   | 16,865,000    | 10,776,000  | 5,877,000   | 16,652,000    |
| France        | 2,921,000   | 565,000     | 3,486,000     | 3,570,000   | 463,000     | 4,032,000     |
| Italy         | 4,303,000   | 702,000     | 5,005,000     | 3,864,000   | 1,357,000   | 5,220,000     |
| Belgium       | 1,190,000   | 704,000     | 1,894,000     | 1,148,000   | 1,511,000   | 2,659,000     |
| Others        | 54,448,000  | 25,868,000  | 83,316,000    | 31,568,000  | 29,366,000  | 60,934,000    |
| Total         | 448,424,000 | 593,563,000 | 1,042,770,000 | 421,078,000 | 604,150,000 | 1,025,225,000 |

| Countries        | Export      | (1936)<br>Import | Total         | Export      | (1937)<br>Import | Total         |
|------------------|-------------|------------------|---------------|-------------|------------------|---------------|
| Japan            | 237,508,643 | 507,324,215      | 744,832,858   | 277,087,993 | 627,229,748      | 904,317,741   |
| China            | 128,602,736 | 47,684,840       | 176,287,576   | 113,752,939 | 39,323,670       | 153,076,609   |
| Germany          | 50,278,099  | 13,024,510       | 63,302,609    | 59,051,645  | 17,278,160       | 76,329,805    |
| Great<br>Britain | 27,520,818  | 7,419,198        | 34,940,016    | 9,322,395   | 11,128,272       | 20,450,667    |
| U.S.S.R.         | 1,585,036   | 260,927          | 1,845,963     | 145,660     | 701,314          | 846,974       |
| U.S.A.           | 16,352,551  | 23,735,307       | 40,087,858    | 18,673,846  | 57,523,126       | 76,196,972    |
| Netherland       | 7,071,648   | 631,282          | 7,702,900     | 16,570,020  | 1,527,292        | 18,097,312    |
| France           | 4,837,346   | 788,710          | 5,626,056     | 1,268,235   | 3,366,611        | 4,634,846     |
| Italy            | 382,792     | 1,624,287        | 2,007,079     | 2,644,028   | 1,063,783        | 3,707,811     |
| Belgium          | 953,180     | 1,019,219        | 1,972,399     | 1,272,904   | 3,992,696        | 5,265,600     |
| Others           | 67,369,835  | 20,981,850       | 88,351,685    | 91,270,712  | 26,254,722       | 117,525,434   |
| Total            | 542,462,684 | 624,494,315      | 1,166,956,999 | 591,060,377 | 789,389,394      | 1,380,449,771 |

|               | (1938)      |               |               | (1939)      |               |               |
|---------------|-------------|---------------|---------------|-------------|---------------|---------------|
|               | Exports     | Imports       | Total         | Export      | Imports       | Total         |
| Japan         | 367,706,593 | 936,321,117   | 1,304,027,710 | 521,324,356 | 1,540,755,960 | 2,062,080,316 |
| China         | 121,682,916 | 70,715,557    | 192,398,473   | 169,193,872 | 66,649,964    | 235,843,536   |
| Germany       | 50,395,945  | 37,303,726    | 87,699,671    | 50,358,412  | 52,240,765    | 602,599,177   |
| Great Britain | 5,446,588   | 7,375,746     | 12,822,334    | 3,270,380   | 4,686,212     | 7,965,592     |
| U.S.S.R.      | 29,371      | 31,515        | 60,886        | 14,091      | 23,303        | 37,394        |
| U.S.A.        | 11,360,242  | 93,069,965    | 104,430,207   | 15,395,939  | 87,455,974    | 102,851,913   |
| Netherland    | 8,000,771   | 799,293       | 8,800,064     | 5,041,467   | 300,542       | 5,342,009     |
| France        | 1,511,867   | 5,066,900     | 6,850,146     | 670,328     | 1,319,166     | 1,989,494     |
| Italy         | 3,457,060   | 2,393,086     | 5,850,146     | 12,658,807  | 4,359,215     | 17,018,022    |
| Belgium       | 983,165     | 4,481,929     | 5,465,094     | 2,076,037   | 1,076,602     | 3,152,639     |
| Others        | 101,517,062 | 27,183,262    | 128,700,324   | 54,177,927  | 31,696,268    | 85,874,195    |
| Total         | 692,091,580 | 1,184,742,106 | 1,856,833,676 | 834,181,616 | 1,790,563,971 | 2,624,745,587 |

## (1940) (Jan.-Sept.)

|               | Export      | Import        | Total         |
|---------------|-------------|---------------|---------------|
| Japan         | 378,445,698 | 1,241,483,913 | 1,619,929,611 |
| China         | 139,283,307 | 60,222,737    | 199,506,044   |
| Germany       | -           | -             | -             |
| Great Britain | 1,322,993   | 1,310,579     | 2,633,572     |
| U.S.S.R.      | -           | -             | -             |
| U.S.A.        | 16,107,050  | 55,529,877    | 71,636,927    |
| Netherland    | 115,403     | 16,235        | 131,638       |
| France        | 374,669     | 5,248         | 379,917       |
| Italy         | 5,194,262   | 3,681,940     | 8,876,202     |
| Belgium       | 10,720      | 429,554       | 440,274       |
| Others        | 3,588,860   | 21,236,546    | 24,825,406    |
| Total         | 544,442,962 | 1,383,916,629 | 1,928,359,591 |

(c)

## Manchoukuo, Value of Principal Articles exported (Unit Yuan)

| Articles         | (1936)      | (1937)      | (1938)      |
|------------------|-------------|-------------|-------------|
| Bristles         | 4,404,163   | 6,541,274   | 5,471,914   |
| Soya Beans       | 216,474,556 | 226,076,194 | 234,263,340 |
| Others Beans     | 14,838,428  | 12,541,819  | 15,286,626  |
| Buck wheat       | 2,373,263   | 2,563,927   | 2,683,950   |
| Kaoliang         | 11,726,465  | 9,843,121   | 18,845,746  |
| Maize            | 6,995,450   | 8,525,859   | 18,328,485  |
| Millet           | 18,318,478  | 14,196,991  | 20,260,226  |
| Beans-Cakes      | 53,126,934  | 62,335,743  | 70,575,007  |
| Bean Oil         | 21,091,362  | 25,342,831  | 14,099,414  |
| Perilla Oil      | 6,764,310   | 9,314,604   | 4,646,137   |
| Ground nut       | 16,109,759  | 16,369,566  | 12,115,314  |
| Castor Seeds     | 3,035,863   | 4,383,228   | 2,630,795   |
| Hemp Seeds       | 3,593,399   | 2,269,209   | 3,305,453   |
| Perilla Seeds    | 13,818,145  | 7,885,401   | 7,275,408   |
| Sesamum Seeds    | 831,751     | 2,030,104   | 3,421,298   |
| Coal             | 35,181,459  | 35,610,491  | 28,198,127  |
| Wild Silk        | 6,118,319   | 8,385,885   | 11,118,690  |
| Sheep's Wool     | 1,924,761   | 2,564,140   | 2,524,701   |
| Cotton Yarn      | 6,189,066   | 4,468,231   | 665,075     |
| Ores, Metals     | 18,598,953  | 23,613,885  | 60,354,934  |
| Ammonia Sulphate | 11,423,631  | 9,675,958   | 16,571,204  |
| Salt             | 5,072,710   | 7,236,126   | 8,256,548   |
| Total            | 473,020,525 | 501,765,587 | 560,898,402 |

(d)

## Manchoukuo, Value of Principal Articles Imported (unit:Yuan)

| Articles                          | ( 1936)     | (1937)      | (1938)      |
|-----------------------------------|-------------|-------------|-------------|
| Cotton Piece Goods, Grey          | 32,048,120  | 42,771,052  | 33,983,111  |
| Cotton Piece Goods, White or Lyed | 40,769,121  | 44,435,528  | 30,691,976  |
| Cotton Piece Goods, Printed       | 11,788,930  | 13,934,377  | 11,061,318  |
| Cotton Piece Goods Misc           | 2,894,756   | 3,504,039   | 8,540,632   |
| Raw Cotton                        | 18,601,313  | 32,202,253  | 42,663,883  |
| Cotton Yarns                      | 7,698,579   | 10,740,379  | 5,482,181   |
| Gunny Bags                        | 14,024,752  | 19,273,736  | 20,909,887  |
| Woolen Goods                      | 24,720,584  | 35,900,864  | 23,345,191  |
| Artificial Silk                   | 15,801,090  | 2,129,976   | 38,564,915  |
| Silk Piece Goods                  | 35,647,213  | 30,574,447  |             |
| Copper Products                   | 2,660,683   | 6,176,618   | 9,242,077   |
| Iron and Steel Products           | 50,770,895  | 98,967,760  | 190,612,739 |
| Machinery and Tools               | 38,917,649  | 65,900,611  | 121,500,810 |
| Vehicles and Vessels              | 39,550,331  | 46,406,263  | 81,733,603  |
| Electrical Appliances             | 21,682,443  | 34,014,327  | 39,767,207  |
| Marine Products                   | 12,004,344  | 20,584,738  | 22,985,279  |
| Tea                               | 3,732,382   | 4,120,420   | 6,227,779   |
| Rice and Paddy                    | 12,591,755  | 8,754,187   | 11,393,432  |
| Wheat Flour                       | 27,115,884  | 13,827,593  | 47,088,571  |
| Sugar                             | 22,426,980  | 30,917,586  | 35,778,943  |
| Wine and Beverage                 | 8,368,414   | 9,969,193   | 10,416,561  |
| Tobacco                           | 10,851,593  | 9,950,172   | 9,427,171   |
| Paper and Paper Wares             | 24,251,387  | 34,423,027  | 57,742,360  |
| Boots and Shoes                   | 7,959,326   | 10,737,067  | 12,288,104  |
| Total                             | 486,878,524 | 625,216,219 | 871,447,730 |

(e)

## Manchoukuo, Mineral Outputs (Unit: Metric Tons)

| Products             | (1934)     | (1935)     | (1936)     |
|----------------------|------------|------------|------------|
| Iron Ore             | 1,133,371  | 1,477,940  | 1,795,287  |
| Pig Iron             | 475,826    | 607,949    | 547,402    |
| Sulphuric Iron       | 4,250      | 5,115      | 5,798      |
| Manganese Ore        | 703        | 599        | 280        |
| Gold                 | -          | -          | -          |
| Coal                 | 10,618,961 | 11,186,632 | 12,082,468 |
| Coke                 | 521,253    | 666,844    | 711,712    |
| Oil Shale            | 2,105,760  | 3,227,946  | 3,648,278  |
| Crude Oil            | 58,238     | 120,299    | 123,320    |
| Magnesite            | 100,329    | 225,654    | 191,568    |
| Fire Clay            | 79,457     | 138,184    | 147,494    |
| Soapstone (Talc)     | 49,894     | 69,818     | 80,326     |
| Zechstein (Dolomite) | 166,107    | 170,200    | 179,493    |
| Limstone             | 419,033    | 650,602    | 1,001,726  |
| Asbestos             | 119        | 70         | 69         |
| Silicas              | -          | -          | 815        |
| Felspar              | -          | -          | 1,403      |
| Total                | 15,733,301 | 18,547,852 | 20,617,439 |

(f)

Manchoukuo, Importation of Heavy Construction Materials (1932-1943)  
(unit: 1,000 Yuan)

| Goods                 | (1932) | (1933) | (1934)  | (1935)  | (1936)  | (1937)  | (1938)  |
|-----------------------|--------|--------|---------|---------|---------|---------|---------|
| Iron and Steel)       | 22,178 | 39,997 | 58,227  | 51,540  | 39,506  | 76,429  | 122,074 |
| Products )            |        |        |         |         |         |         |         |
| Machinery & Tools     | 5,113  | 9,544  | 28,056  | 33,510  | 38,918  | 65,901  | 121,501 |
| Vehicles and Vessels  | 5,386  | 22,699 | 30,946  | 38,471  | 38,670  | 44,724  | 81,734  |
| Electrical Appliances | 2,049  | 8,115  | 14,484  | 18,778  | 21,683  | 34,014  | 39,767  |
| Total                 | 34,726 | 80,355 | 131,713 | 142,299 | 138,777 | 221,068 | 365,076 |
| Goods                 | (1939) | (1940) | (1941)  | (1942)  | (1943)  |         |         |
| Iron & Steel Products | -      | -      | -       | -       | -       |         |         |
| Machinery & Tools     | -      | -      | -       | -       | -       |         |         |
| Vehicles & Vessels    | -      | -      | -       | -       | -       |         |         |
| Electrical Appliance  | 63,266 | 55,934 | -       | -       | -       |         |         |

COMMITTEE of CONSERVATORS  
for CLOSED INSTITUTIONS

CERTIFICATE

## Statement of Source and Authenticity

I, S. Suzuki, chairman of the Committee of Conservators for Closed Institutions, do hereby certify under seal that the attached statements, as listed, (pages 1 to 2) are true and correct copies of the original records in the office of the Taiwan Bank Building, Tokyo, Japan, pertaining to the matters certified to:

Page 1 - Compiled from the Annual Reports of the Central China Development Company showing paid-up capital, debenture issued, investments and loans for the years ended December 31, 1938, 1939, 1940 and March 31, 1941, 1942, 1943, 1944, 1945, inclusive.

Page 2 - Compiled from the Annual Reports of the North China Development  
Company showing capital paid in, debenture issued, investment and  
loans for the years ended December 31, 1938, 1939, 1940 and March 31,  
1941, 1942, 1943, 1944, 1945, inclusive.

Dated Tokyo, Japan 22 June 1946.

COMMITTEE OF CONSERVATORS  
for CLOSED INSTITUTIONS

SEAL:

/s/ ( Chairman

## Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Committee of Conservators for Closed Institutions in the conduct of my official business.

Signed at Tokyo on this  
22 day of June, 1946

/s/ Edward P. Monaghan  
NAME

Witness: /s/ Joe B. Williams

Investigator  
Official Capacity

International Prosecution  
Section

Financial Statistics of the Central China Development Company  
(compiled from annual reports of the company)

| Date        | Paid up<br>Capital | Debenture<br>issued | Investments           | Loans           |
|-------------|--------------------|---------------------|-----------------------|-----------------|
| Dec. 31 '38 | Y 31,382,344       | -                   | Y 12,750,123.12       | Y 37,000        |
| Dec. 31 '39 | 37,202,608         | -                   | 34,033,623.12         | 8,681,500       |
| Dec. 31 '40 | 45,047,680         | Y 40,000,000        | 51,526,173.12         | 47,140,000      |
| Mar. 31 '41 | 45,047,680         | 40,000,000          | 54,426,173.12         | 60,664,000      |
| Mar. 31 '42 | 45,047,680         | 100,000,000         | 61,704,400.00         | 108,820,000     |
| Mar. 31 '43 | 62,440,696         | 159,700,000         | 86,762,100.00         | 157,551,800     |
| Mar. 31 '44 | 62,440,696         | 228,050,000         | 83,915,100.00         | 278,277,800     |
| Mar. 31 '45 | 110,864,946        | <u>352,600,000</u>  | <u>144,061,390.00</u> | 4,827,651,860 ✓ |

(SEAL)

Financial Statistics of the North China Development Company  
(compiled from annual reports of the company)

| Date        | Capital<br>Paid in | Debenture<br>issued | Investment       | Loans           |
|-------------|--------------------|---------------------|------------------|-----------------|
| Dec. 31 '38 | Y 99,319,622       | -                   | -                | Y 20,925,000    |
| Dec. 31 '39 | 136,029,660.80     | Y 110,000,000       | Y 104,718,187.50 | 121,891,568.41  |
| Dec. 31 '40 | 218,461,172        | 325,000,000         | 239,349,875      | 313,213,372     |
| Mar. 31 '41 | 218,461,172        | 385,000,000         | 244,339,875      | 368,006,372     |
| Mar. 31 '42 | 218,461,172        | 679,400,000         | 301,048,834.33   | 595,692,038.99  |
| Mar. 31 '43 | 311,750,000        | 1,013,850,000       | 513,326,910.39   | 794,527,609.60  |
| Mar. 31 '44 | 311,750,000        | 1,442,700,000       | 731,454,301.06   | 1,223,142,000   |
| Mar. 31 '45 | 311,750,000        | 2,130,200,000       | 908,318,789.50   | 2,817,312,000 ✓ |

(SEAL)

COMMITTEE OF CONSERVATORS  
FOR CLOSED INSTITUTIONS

CERTIFICATE

Statement of Source and Authenticity

I, S. Suzuki, chairman of the Committee of Conservators for Closed Institutions, do hereby certify under seal that the attached statements, as listed, (pages 1 to 2) are true and correct copies of the original records in the office of the Taiwan Bank Building, Tokyo, Japan, pertaining to the matters certified to:

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Dated Tokyo, Japan 22 June 1946.

COMMITTEE of CONSERVATORS  
for CLOSED INSTITUTIONS

SEAL: (

)  
(SEAL)

/s/ S. Suzuki

Chairman

-----

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Committee of Conservators for Closed Institutions in the conduct of my official business.

Signed at Tokyo on this  
22 day of June, 1946

/s/ Edward P. Monaghan  
NAME

Witness: /s/ Joe B. Williams

Investigator  
Official Capacity  
International Prosecution Section

495

Certified statement of Government Investment in South  
Manchuria Railway, Central China Development Company,  
North China Development Company.  
The Manchuria Heavy Industry Company:  
Also statement of subsidiaries of said companies'  
ownership of capital and amount of capital.

I, M. TANAKA, Chief, General Affairs Section, Economic Affairs Division, Control Bureau, Ministry of Foreign Affairs, do hereby certify under seal that the attached documents, as listed, (pages 1 to 15 inclusive) are true and correct copies of original records in the office of the General Affairs Section, Economic Affairs Division, Control Bureau, Ministry of Foreign Affairs, pertaining to the matters certified to:

- Page 1 - Government investment in stock shares of South Manchuria Railway Co., Ltd., dated 22 June 1946.  
Pages 2 and 3 - Subsidiaries of the South Manchuria Railway Co., Ltd., as of 22 June 1946.  
Page 4 - Government investment in stock shares of the Central China Development Company, Ltd., as of 22 June 1946.  
Page 5 and 6 - Central China Development Company and its Subsidiary companies, December 13, 1945  
Page 6 - Government investment in stock shares of the North China Development Company, Ltd., as of 22 June 1946.  
Pages 7, 8, 9, 10, 11 and 12 - Subsidiary Companies of the North China Development Company as of 22 June 1946.  
Page 13 - Government investment in stock shares - the Manchuria Heavy Industry Company, Ltd., dated June 22, 1946.  
Pages 14 and 15 - Subsidiary companies of the Manchuria Heavy Industry Development Company, Ltd., as of 22 June 1946.

Dated Tokyo, Japan, 22 June 1946.

/s/ M. TANAKA, Chief  
General Affairs Section  
Economic Affairs Division  
Control Bureau  
Ministry of Foreign Affairs

(P.1)

Government Investment in Stock Shares of the South  
Manchuria Railway Co., Ltd.

22 Jun, 1946

| Nominal Capital | Capital              |                               | A:B % | Remark  |
|-----------------|----------------------|-------------------------------|-------|---|
|                 | A<br>Paid up Capital | B<br>Japanese Government owns |       |   |
| Yen             | Yen                  | Yen                           |       |   |
| 1,400,000,000   | 1,400,000,000        | 700,000,000                   | 50,0  | I 31 Mar, 1946<br>2. Manchuria Government owns<br>Yen<br>50,000,000 |

I certify that this is a true and correct copy  
of the original document.

/s/ M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau,  
Ministry of Foreign Affairs.

(P.2)

Subsidiaries of S.M.R. Co.,

22 June 1946.

South Manchuria Railway Co., Ltd.

| Subsidiary Co.                         | Paid up Capital         | S.M.R.Co.Owns % | Remarks      |
|--|-------------------------|-----------------|--------------|
|  | Thousand Yen            | Thousand Yen    |              |
| Dairen Steamship Co.,                  | 25,700                  | 25,700 100      | 31 Mar. 1945 |
| Dairen Municipal Traffic Co.           | 22,500                  | 22,500 100      | "            |
| Kokusai Transportation Co.             | 30,000                  | 30,000 100      | "            |
| Fukusho Labor Supply Co.               | 1,800                   | 1,800 100       | "            |
| Dairen Dock and Iron Works Co.         | 10,000                  | 10,000 100      | "            |
| Dairen Ceramic Co.                     | 2,100                   | 2,100 100       | "            |
| Nippon Paraffin Co.                    | 4,000                   | 4,000 100       | "            |
| Manchuria Mining Co.                   | 10,000                  | 10,000 100      | "            |
| Dairen Agricultural Co.                | 5,000                   | 5,000 100       | "            |
| Mansen Koboku Co. (Woods for Collier)  | 2,250                   | 2,250 100       | "            |
| Manchuria Land & Building Co.          | <del>1,500</del> 15,000 | 1,500 100       | "            |
| Fukin Coal Mining Co.                  | 15,000                  | 15,000 100      | "            |
| Japan Manchuria Warehouse Co.          | <del>1,500</del> 15,000 | 7,500 50        | "            |
| Dairen Industry Co.                    | 1,000                   | 508 50.8        | "            |
| Fushun Cement Co.                      | 6,875                   | 3,438 50        | "            |
| Manchuria Chemical Industry Co.        | 27,600                  | 12,925 46.8     | "            |
| Fukushu Mining Co.                     | 2,000                   | 1,000 50        | "            |
| Tokoshi Hot Spring Co.                 | 250                     | 126 50.6        | "            |
| Japan Manchuria Commercial Trading Co. | 20,090,000              | 10,045,000 50   | "            |
| (P3) Manchuria Livestock Industry Co.  | 2,500                   | 1,125 50        | 31 Mar. 1943 |
| Manchuria Business Promotion Co.       | 5,000                   | 2,500 50        | 31 Mar. 1945 |
| East Asia Engineering Enterprise Co.   | 2,500                   | 1,255 50.2      | "            |
| Kwantung Land Co.                      | 7,500                   | 3,750 50        | "            |
| Manchuria Cinema Association           | 8,500                   | 4,250 50        | "            |
| Manchuria Daily News Co.               | 2,000                   | 894 44.7        | 31 Mar. 1943 |
| Manchuria Artificial Petroleum Co.     | 50,000                  | 15,000 30       | 31 Mar. 1945 |

(P.3)

|                                | Thousand Yen | Thousand Yen                 |      |              |
|--------------------------------|--------------|------------------------------|------|--------------|
| North China Railway Co.        | 381,954      | <del>12,000</del><br>120,000 | 30   | 31 Mar. 1945 |
| South Manchuria Gas Supply Co. | 17,500       | 6,875                        | 37.5 | "            |
| Manchuria Soda Manufacture Co. | 18,250       | 5,125                        | 25   | "            |
| Daido Coal Mining Co.          | 40,000       | 10,000                       | 25   | "            |
| Manchuria Afforestation Co.    | 8,000        | 2,000                        | 25   | "            |
| Kyowa Building Co.             | 2,000        | 500                          | 25   | "            |

I certify that this is a true and correct copy of the company's original document.

(Signed) M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau,  
Ministry of Foreign Affairs.

(P.4)

Government Investment in Stock Shares of  
the Central China Development Co., Ltd.

22 June 1946

| Capital         |                 | B                        |      |              |
|-----------------|-----------------|--------------------------|------|--------------|
| Nominal Capital | A               | Japanese Government owns | A:B% | Remark       |
|                 | Paid up Capital |                          |      |              |
| Yen             | Yen             | Yen                      |      |              |
| 148,424,250     | 110,864,946     | 98,424,250               | 88.9 | 31 Mar. 1945 |

I certify that this is a true and correct copy of the original document.

(Signed) M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau,  
Ministry of Foreign Affairs.

(P.5)

Central China Development Company and its  
Subsidiary Companies.Dec. 13, 1945, Tokyo  
Central China Development Company

| Names of the<br>Sub. Companies                  | Paid up<br>Capitals | Investment<br>Amounts by<br>C.C.D.C. | %      | Remarks |
|---|---------------------|--------------------------------------|--------|---------|
|   | Yen                 | Yen                                  |        |         |
| Cent.China <u>Mining</u> Co.                    | 20,000,000          | 3,500,000                            | 17.50% |         |
| Cent.China Water Works &<br><u>Electric</u> Co. | 109,440,000         | 46,694,250                           | 42.66% |         |
| Shanghai Inland <u>Steamship</u> Co.            | 6,000,000           | 2,705,200                            | 45.08% |         |
| Cent. China <u>Communication</u> Co.            | 40,000,000          | 15,600,000                           | 39.%   |         |
| Cent.China <u>Fishery</u> Co.                   | 6,000,000           | 1,149,000                            | 19.15% |         |
| Shanghai <u>Real Estate</u> Co.                 | 17,500,000          | 3,750,000                            | 21.42% |         |
| Shanghai City <u>Motor Bus</u> Co.              | 15,563,750          | 1,213,500                            | 7.79%  |         |
| Shanghai <u>Gas</u> Co.                         | 6,100,000           | 900,000                              | 14.75% |         |
| Cent.China <u>Railway</u> Co.                   | 64,000,000          | 45,500,000                           | 71.09% |         |
| Wai Nang Coal <u>Mining</u> Co.                 | 15,000,000          | 4,150,000                            | 27.60% |         |
| Cent. China Mail <u>Steamship</u> Co.           | 17,094,200          | 3,063,400                            | 17.92% |         |
| (P6) Cent. China <u>Transportation</u> Co.      | 8,000,000           | 1,600,000                            | 20.%   |         |
| Cent. China <u>Match</u> Manuf. Co.             | 900,000             | 360,000                              | 40.%   |         |
| Cent. China <u>Silk</u> Manuf. Co.              | 10,800,000          | 1,499,040                            | 13.88% |         |
| Chu-Oh <u>Chemical</u> Co.                      | 5,400,000           | 2,137,000                            | 40.50% |         |
| Ryu-Sen Coal <u>Mining</u> Co.                  | Unknown             | 9,000,000                            |        |         |
| Shinko <u>Housing</u> Co.                       | 5,754,000           | 1,190,000                            | 20.55% |         |
| Total   | 347,551,950         | 144,061,390                          | 41.45% |         |

## Note:

- (1) The above-mentioned Investment amounts are of the March 31, 1945, as we have no report from our Shanghai Head Office since that time, and for reference under 20% investment amounts are also written herewith.

I certify that this is a true and correct copy of the Company's original document.

(Sgd.) M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau, Ministry of  
Foreign Affairs.

(P.7)

Government Investment in Stock Shares  
of the North China Development Co., Ltd.

22 June 1946

| Capital         |                 | B                        |      |              |
|-----------------|-----------------|--------------------------|------|--------------|
| Nominal Capital | A               | Japanese Government owns | %    |              |
|                 | Paid up Capital |                          |      |              |
| Yen             | Yen             | Yen                      |      |              |
| 443,000,000     | 311,750,000     | 254,250,000              | 81.6 | 31 Mar. 1945 |

I certify that this is a true and correct copy of the original document.

(Signed) M. Tanaka  
Chief, General Affairs  
Section, Economic Affairs  
Division, Control Bureau,  
Ministry of Foreign Affairs.

(P.8)

Subsidiary Companies of the North China Development Company

| Name                                    | Paid-up Capital | of which N.C.D. Co. owns | %   | Remarks             |
|---|-----------------|--------------------------|-----|---------------------|
|   | Yen             | Yen                      |     |                     |
| Tsiaotso Coal Mining Co. —              | 27,460,000      | 27,460,000               | 100 | 2,9,1940<br>3 (1)   |
| North China Tungsten Mining Co.         | 6,500,000       | 6,500,000                | 100 | 10,31,1941<br>4 (3) |
| Over 90% North China Insulator Mfg. Co. | 2,000,000       | 2,000,000                | 100 | 11,1,1944<br>- (-)  |
| Over 80% Shantung Coal Mining Co. —     | 35,000,000      | 29,142,200               | 83  | 5,12,1923<br>13 (1) |
| Tachingshan Coal Mining Co.             | 5,000,000       | 3,750,000                | 75  | 2,10,1944<br>6 (1)  |
| North China Salt Co.                    | 25,000,000      | 18,750,000               | 75  | 8,20,1939<br>7 (2)  |
| Over 70% Tatung Coal Mining —           | 67,000,000      | 50,000,000               | 74  | 1,10,1940<br>8 (1)  |
| North China Housing Co.                 | 30,000,000      | 18,750,000               | 62  | -                   |
| Over 60% Tsehsien Coal Mining Co.       | 8,000,000       | 5,000,000                | 62  | 2,9,1943<br>6 (1)   |

|             | Name  | Paid-up<br>Capital | of which N.C.D.<br>Co. owns | %  | Remarks               |
|-------------|---|--------------------|-----------------------------|----|-----------------------|
|             | North China<br>Transportation<br>Co.          | 388,254,000        | 229,254,000                 | 58 | 4,17,1939<br>16 (1)   |
|             | Sintai Coal<br>Mining Co.                     | 23,600,000         | 13,900 000                  | 58 | 9,30,1942<br>3 (1)    |
|             | Mengchiang<br>Electric Co.                    | 64,160,000         | 36,580,000                  | 56 | 5,27,1938<br>5 (2)    |
|             | Shansi<br>Industry Co.                        | 80,000,000         | 42,113,100                  | 52 | 4,1,1942<br>unknown   |
| (P.9)       | Chungsing Coal<br>Mining Co.                  | 10,000,000         | 5,000,000                   | 50 | 2,9,1944<br>7 (1)     |
|             | Tawenkow Coal<br>Mining Co.                   | 20,000,000         | 10,000,000                  | 50 | 2,9,1943<br>7 (1)     |
|             | Shansi Coal<br>Mining Co.                     | 8,000,000          | 4,000,000                   | 50 | 2,9,1943<br>7 (1)     |
|             | North China<br>Gold Mining Co.                | 1,700,000          | 850,000                     | 50 | 4,9,1943<br>9 (1)     |
|             | North China<br>Iron Mfg. Co.                  | 100,000,000        | 50,000,000                  | 50 | 12,15,1942<br>6 (2)   |
|             | Tsingtao<br>Iron Mfg. Co.                     | 25,000,000         | 12,500,000                  | 50 | 11,10,1943<br>unknown |
|             | Eastern<br>Chemical<br>Industry Co.           | 18,600,000         | 9,300,000                   | 50 | 3,5,1938<br>7 (3)     |
| Over<br>50% | North China<br>Medical Assoc.                 | 5,000,000          | 2,500 000                   | 50 | unknown               |
|             | North China<br>Nitrogenous<br>Manure Mfg. Co. | 55,000,000         | 26,500,000                  | 48 | 9,1,1942<br>7 (2)     |
|             | North China<br>Electric Co.                   | 305,000,000        | 143,650,000                 | 47 | 2,1,1940<br>15 (2)    |
|             | North China<br>Light Metal<br>Mfg. Co.        | 30,000,000         | 13,500,000                  | 45 | 11,20,1943<br>8 (2)   |
|             | Chinlingchen<br>Iron Ore<br>Mining Co.        | 17,000,000         | 7,500,000                   | 44 | 2,1,1943<br>1 (0)     |
|             | Tsingtao<br>Wharf Co.                         | 22,000,000         | 10,000,000                  | 40 | 9,16,1938<br>6 (1)    |
| Over<br>40% | North China<br>Electric<br>Machine Co.        | 5,000,000          | 2,000,000                   | 40 | 2,10,1945<br>unknown  |

|             | Name  | Paid-up        | of which N.C.D. | %  | Remarks               |
|-------------|---|----------------|-----------------|----|-----------------------|
|             |   | Capital<br>Yen | Co. owns<br>Yen |    |                       |
|             | Shantung<br>Electric<br>Chemistry Co.           | 6,500,000      | 2,210,000       | 34 | 2,14,1941<br>8 (1)    |
|             | Lungyen Iron<br>Ore Mining Co.                  | 108,000,000    | 36,000,000      | 33 | 7,26,1939<br>8 (2)    |
| (P.10)      | North China<br>Electric<br>Wire Co.             | 12,000,000     | 4,000,000       | 33 | 2,15,1941<br>7 (1)    |
|             | North China<br>Telegraph &<br>Telephone Co.     | 67,500,000     | 21,975,000      | 30 | 7,21,1938<br>12 (0)   |
|             | North China<br>Cement Co.                       | 12,500,000     | 3,939,289       | 31 | unknown               |
| Over<br>30% | Tientsin Iron<br>Mfg. Co.                       | 200,000        | 60,000          | 30 | 11,10,1943<br>unknown |
|             | North China<br>Coal Sales Co.                   | 15,000,000     | 4,350,000       | 29 | 10,30,1944<br>10 (1)  |
|             | Tientsin<br>Lighter Co.                         | 14,600,000     | 4,051,200       | 27 | 7,10,1943<br>6 (1)    |
|             | North China<br>Aluminum<br>Mining Co.           | 15,000,000     | 4,050,000       | 27 | 12,9,1939<br>9 (1)    |
|             | Shantung<br>Salt Co.                            | 5,500,000      | 1,500,000       | 27 | 2,15,1937<br>10 (1)   |
|             | Tsingsing Coal<br>Mining Co.                    | 21,600,000     | 5,360,000       | 24 | 7,22,1940<br>10 (1)   |
| Over<br>20% | Yungli<br>Chemical<br>Industry Co.              | 15,000,000     | 3,000,000       | 20 | 3,31,1944<br>unknown  |
|             | North China<br>Mining<br>Development            | unknown        | 5,000,000       | -  | 9,2,1944              |
|             | North China<br>Iron & Steel<br>Trading Co.      | unknown        | 7,500,000       | -  | 4,26,1944             |
|             | North China<br>Chemical Mfg.<br>Controlling Co. | unknown        | 1,500,000       | -  | 1,15,1944             |
|             | North China<br>Daily Necessaries<br>Assoc.      | unknown        | 2,600,000       | -  | 4,1,1944              |
| (P.11)      | North China<br>Corn Trading<br>Assoc.           | unknown        | 20,000,000      | -  | unknown               |
|             | Mongolian<br>Mineral<br>Trading Assoc.          | unknown        | 3,000,000       | -  | 10,5,1944<br>unknown  |

(P.11)

| Name   | Paid up<br>Capital<br>Yen | of which N.C.D.<br>Co. owns<br>Yen | % | Remarks |
|--|---------------------------|------------------------------------|---|---------|
| Mengchian<br>Mineral<br>Trading Co.                          | unknown                   | --                                 | - | unknown |
| Shansi Daily<br>Necessaries<br>Assoc.                        | unknown                   | 140,000                            | - | unknown |
| North China<br>Important<br>Goods Con-<br>trolling Assoc.    | unknown                   | <del>500,000</del><br>5,000,000    | - | unknown |
| North China<br>Laborers' Assoc.                              | unknown                   | 2,000                              | - | unknown |
| un-<br>known North China Iron<br>Industry Material<br>Assoc. | unknown                   | 1,000,000                          | - | unknown |

Note: (a) The figures for the paid-up capital and that part of the capital which was owned by the North China Development Company are those at end of October, 1944.

- (b) The 1st line in the "Remarks" indicates the date of establishment of the company. The 2nd line represents the total number of the officers of the Company, the figure in brackets showing the number of officers appointed by and representing the North China Development Company.
- (c) The Shantung Salt Company and the Shantung Coal Mining Company were established before the outbreak of the China Incident.
- (d) As in the case of the Shantung Salt Company, there are companies which were not under direct control of the North China Development Co.
- (e) As the exact figures are not available, the figures given above are not guaranteed.

(P.12) I certify that this is a true and correct copy of the company's original document.

(Signed) M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau,  
Ministry of Foreign Affairs.

(P.13) Government Investment in Stock Shares of  
The Manchuria Heavy Industry Development Co., Ltd.

22 June 1946

| Capital            |                    | B                        |       |  |
|--------------------|--------------------|--------------------------|-------|--|
| A                  |                    |                          |       |  |
| Nominal Capital    | Paid up Capital    | Japanese Government owns | A:B % | Remark   |
| Yen<br>675,000,000 | Yen<br>506,250,000 | Nothing                  |       | 1. 31 Mar. 1945<br>2. Manchoukuo Government owns |
|                    |                    |                          |       | Yen<br>225,000,000                               |

I certify that this is a true and correct copy of the original document.

(Signed) M. Tanaka  
Chief, General Affairs Section,  
Economic Affairs Division,  
Control Bureau, Ministry of  
Foreign Affairs.

(P.14) The Subsidiary Companies of M.H. I.D. Co.

22 June 1946

Manchuria Heavy Industrial Development  
Co., Ltd.

| The names of the subsidiary Co. |                                       | Paid-up Capital M.H.I.D.C. owns |             | Percent | Remark      |
|---------------------------------|---------------------------------------|---------------------------------|-------------|---------|-------------|
|                                 |                                       | Yen                             | Yen         |         |             |
| 1.                              | Manchuria Iron & Steel Work Co., Ltd. | 640,000,000                     | 475,000,000 | 74.2    | 25 May 1945 |
| 2.                              | Kyowa Iron Mining Co., Ltd.           | 10,000,000                      | 4,000,000   | 40      | "           |
| 3.                              | Ryuen Iron Mining Co., Ltd.           | 108,000,000                     | 36,000,000  | 33.3    | "           |
| 4.                              | Honkeiko Special Steel Work Co., Ltd. | 20,000,000                      | 10,000,000  | 50      | "           |
| 5.                              | Manchuria Coal Mining Co., Ltd.       | 100,000,000                     | 100,000,000 | 100     | "           |
| 6.                              | Fu-shin Coal Mining Co., Ltd.         | 220,000,000                     | 220,000,000 | 100     | "           |
| 7.                              | Tsuruoka Coal Mining Co., Ltd.        | 170,000,000                     | 170,000,000 | 100     | "           |
| 8.                              | Si-An Coal Mining Co., Ltd.           | 70,000,000                      | 70,000,000  | 100     | "           |
| 9.                              | Mitsu-Zan Coal Mining Co., Ltd.       | 200,000,000                     | 100,000,000 | 50      | "           |
| 10.                             | Zarai Coal Mining Co., Ltd.           | 25,000,000                      | 25,000,000  | 100     | "           |
| 11.                             | Keikan Coal Mining Co., Ltd.          | 50,000,000                      | 44,031,000  | 88.1    | "           |

| The names of the subsidiary Co. |  | Paid-up Capital       | M.H.I.D.C. owns | Percent | Remark      |
|---------------------------------|--|-----------------------|-----------------|---------|-------------|
| 12.                             | Eijosi Coal Mining Co., Ltd.                       | 8,000,000             | 6,600,000       | 83.3    | 25 May 1945 |
| 13.                             | Konshun Coal Mining Co., Ltd.                      | 30,000,000            | 15,000,000      | 50      | "           |
| 14.                             | Briquette Manufacture Co., Ltd.                    | 5,000,000             | 5,000,000       | 100     | "           |
| 15.                             | Manchuria Coal Industry Co., Ltd.                  | 10,000,000            | 5,000,000       | 50      | "           |
| 16.                             | Manchuria Light Metal Production Co., Ltd.         | 140,000,000           | 138,100,000     | 98.6    | "           |
| 17.                             | Anto Light Metal Production Co., Ltd.              | 100,000,000           | 25,000,000      | 25      | "           |
| 18.                             | Manchuria Magnesium Production Co., Ltd.           | 20,000,000            | 15,000,000      | 75      | "           |
| 19.                             | Manchuria Light Alloy Industrial Co., Ltd.         | 12,500,000            | 6,250,000       | 50      | "           |
| 20.                             | Manchuria Mining Co. Ltd.                          | 150,000,000           | 150,000,000     | 100     | "           |
| 21.                             | Manchuria Airplane Manufacture Co., Ltd.           | 175,000,000           | 175,000,000     | 100     | "           |
| 22.                             | Manchuria Motor Car Manufacture Co., Ltd.          | 75,000,000            | 75,000,000      | 100     | "           |
| P15) 23.                        | Manchuria Arsenal Co., Ltd.                        | 45,000,000            | 15,100,000      | 33.6    | "           |
| 24.                             | South Manchuria Chemical Industry Co., Ltd.        | 2,500,000             | 625,000         | 25      | "           |
| 25.                             | Mangyo Mine-pile Co., Ltd.                         | 10,000,000            | 10,000,000      | 100     | "           |
| 26.                             | Continental Chemical Industry Co., Ltd.            | 10,000,000            | 2,500,000       | 25      | "           |
| 27.                             | Nissan Steam-ship Co., Ltd.                        | 39,047,750            | 13,986,375      | 35.8    | "           |
| 28.                             | Manchuria Yuasa Copper press and stretch Co., Ltd. | (uncertain 2,000,000) | 915,125         | 45.8    | "           |
| 29.                             | Nanpyo Coal Mining Co., Ltd.                       | 20,000,000            | 10,000,000      | 50      | "           |
| 30.                             | Manchuria Heavy Machine Co., Ltd.                  | 50,000,000            | 45,000,000      | 90      | "           |
| 31.                             | Manchuria Machine Tool Co., Ltd.                   | 20,000,000            | 19,231,000      | 96.2    | "           |
| 32.                             | Manchuria Explosives Mfg. Co., Ltd.                | 14,250,000            | 2,070,000       | 14.5    | "           |

I certify that this is a true and correct copy of the company's original document.

(Signed) M. Tanaka  
 Chief, General Affairs Section,  
 Economic Affairs Division,  
 Control Bureau, Ministry of  
 Foreign Affairs.

(Doc. 2299)

Statement of Official Procurement

I, EDWARD P. MONAGHAN, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the attached document, IPS Document 2299, consisting of certified statements showing Japanese government investments in various development companies in China, was obtained by me from the signing official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this  
23rd day of August, 1946.

/s/ Edward P. Monaghan  
NAME

Witness: /s/ William C. Prout

Investigator  
OFFICIAL CAPACITY  
I.P.S.

11/25/1941 5552  
X  
Exhibit 495

PROTOCOL FOR THE EXTENSION OF THE PERIOD  
OF VALIDITY OF THE AGREEMENT AGAINST THE  
COMMUNIST INTERNATIONAL.

PROTOCOL

The Government of the German Reich, the Royal Italian Government and the Imperial Japanese Government, and further the Royal Hungarian Government, the Imperial Government of Manchukuo and the Spanish Government, in the cognition that the agreements made by them for the defense against the activities of the Communist International have proven most useful, as well as in the conviction that the common interests of their countries necessitate their further close cooperation against the common enemy, have decided to extend the period of validity of the said agreement and for this purpose have agreed on the following stipulations:

Article 1

The Pact against the Communist International, which follows from the agreement and the appended protocol of 25 November 1936 as well as the protocol of 6 November 1937 and which was joined by Hungary by the protocol of 24 February 1939, by Manchukuo by the protocol of 24 February 1939, and by Spain by the protocol of 27 March 1939, will be extended for five years, effective from 25 November 1941.

Article 2

The countries, which on the invitation of the government of the German Reich, the Royal Italian Government and the Imperial Japanese Government as the original signatories of the pact against the Communist International, consider joining this pact, will transmit in writing their declaration of accession to the Government of the German Reich, which will in turn inform the remaining contracting countries of the receipt of this declaration. The accession becomes effective on the day of the receipt of the declaration of accession by the Government of the German Reich.

Article 3

The submitted protocol is drawn up in the German, Italian, and Japanese languages, wherein each text is considered as the original. The protocol goes into effect on the day it is signed.

The High Contracting Parties will confer on the future form of their cooperation in time before the expiration of the period of five years stipulated in Article 1. As proof of this, the signatories, well and properly authorized by their respective governments, have signed this protocol and affixed their seals to it.

Thus done in six copies in Berlin, on 25 November 1941, in XX year of the Fascist era, that is on the 25th day of the 11th month of the 16th year of the Showa era.

(L.S.) signed VON RIBBENTROP  
(L.S.) signed CIANO  
(L.S.) signed OSHIMA  
(L.S.) signed VON BARDOSSY  
(L.S.) signed LU J. WEN  
(L.S.) signed SUNER

AFFIDAVIT

I, W. P. Cumming, being first duly sworn on oath, depose and say:

1. That I am an Attache of the United States Department of State on the Staff of the United States Political Adviser on German Affairs, and as such I am a representative of the Office of Military Government for Germany (U.S.). That in my capacity as above set forth, I have in my possession, custody, and control at the Berlin Documents Center, Berlin, Germany, the original captured German Foreign Office files and archives.

2. That said original Foreign Office files and archives were captured and obtained by military forces under the command of the Supreme Commander, Allied Expeditionary Forces, and upon their seizure and capture were first assembled by said military forces at a Military Document Center at Marburg, Germany, and were later moved by authorized personnel of said Allied forces to said central documents center, above referred to, and known as the Berlin Documents Center.

3. That I was assigned to said document center at Marburg, Germany, on August 15, 1945; and said captured German Foreign Office files and archives first came into my possession and control while I was stationed at Marburg, Germany, and that thereafter the same have continued in my possession and custody and under my control.

4. That the document to which this affidavit is attached is a true and correct photostatic copy of an original German Foreign Office document which was captured from said Germany Foreign Office files and archives, and which came into my possession and custody and under my control in the manner above set forth.

5. That said original document, of which the attached is a photostatic copy, is being held and retained by me in order that it may be examined and inspected by various interested agencies, and a photostatic copy of said original is hereby furnished and certified to because of the unavailability of said original for the reasons above set forth.

s/ W. P. Cumming  
W. P. CUMMING

Subscribed and sworn to before me this 23rd day of April 1946.

s/ G. H. Garde  
G. H. GARDE  
Lt. Colonel, AGD  
Acting Adjutant General

OFFICE OF MILITARY  
GOVERNMENT FOR GERMANY (U.S.)

ON THE FIRST ANNIVERSARY OF THE CHINA INCIDENT  
PRINTED IN THE "EDUCATION MINISTRY REVIEW"  
DATED JULY 1, 1938.

Baron ARAKI, Sadao  
Minister of Education

One year has passed since the outbreak of this Incident which was started by the violent firing of Chinese armed force at the Marco Polo Bridge and the day of July 7 which is never to be forgotten by the Japanese people has come around again. Upon the outbreak of the Incident, strenuous and patient efforts were exerted by our side not to extend the trouble, aiming at an early solution on the spot. Thus reconsideration of the Chinese Government was sought for the maintenance of the peace of the Orient. (T.N. This attitude of Japan), however, was answered by an insulting oppression over her subjects in China. Besides (T.N. the Chinese Government) infringed upon international justice by going hand in hand with communists and arrogant challenges were made on us.

Such being the case, the Imperial Japan took the decisive steps in returning the fire in order to sweep away the enemy of peace from the territories of East Asia.

For the last one year, Chiang Kai-shek has given free play to tyranny for the maintenance of his influential power, sacrificing the welfare of the people, while the war has spread to whole China and the main points of strategic advantages have fallen to the hand of Japanese troops. It has become clear that

the fall of Hankow, the second capitol so to speak, is a question of time.

Yet Chiang's bigoted thought has not shown any symptom of changes and his unspeakable acts of tyranny can never be stopped before he comes to the end of his devil's luck. Our Imperial Japan, who is entrusted by God, took the arm and stood up for justice and humanity, will, of course, inflict chastening blows persistently against CHIANG's Regime and it is our policy that we will not lag down arms until anti-Japanese China is completely crushed to the extent that they can not stand up again. As we announced many times previously the Chinese people are not the enemy of our Imperial Japan.

Furthermore, the peoples under the Chiang Kai-shek's regime have suffered for many years from the misgovernment and they are still wandering on the brink of starvation.

For the Chinese people of four hundred thousand are now under the protection of Japanese Army and they are receiving our Army's warm sympathy.

In the area of North and Central China the lively look has appeared already, promising the reconstruction of the China of tomorrow.

Originally, China, as the senior nation of East Asia has long been in close relations with Japan throughout her history, and this relationship should not be changed forever. Consequently the mission on the part of Japan is to expel from Chinese

territory the Communistic devils, the enemy of humanity, as well as the Chiang Government persisting in their anti-Japanese policies, and save China from the present conflicts and poverty, at the same time speaking her cooperation for the establishment of co-prosperity and the eternal friendship of the two nations. We are now in the situation that the closer cooperation between Japan and China, which is the impelling force for the security of the East Asia, is about to be realized with the growth of the two regimes -- the Temporal Government and the Renovation Government.

The development of this new tendency reveals that Japanese Empire holds the actual power as the real leader of East Asia, and that the existence of China, as a power in East Asia, will fall into a delicate situation without the assistance of our country. And furthermore, this fact proves here clearly that our country takes consistently action with the actual intention to contribute to the establishment of peace relations in East Asia or all over the world and to the promotion of the welfare of mankind. I believe that every country in the world, facing this stern and fixed fact, will be obliged to recognize the Spirit of Japan and its true value. However, as the trend of the international political situations will be intricate and delicate owing to the influence of the Incident, direct or indirect, so we must be prepared for many difficulties in the future in the way of our Empire.

We, the people of Japan therefore, must not be puffed up with victories in the past and must not halloo till we are out of the wood. We must make up our minds to overcome all the difficulties which we may face and not to stop till our object is completely achieved, sacrificing ourselves for the sake of the country.

So in this sense, the spiritual mobilization of the nation should be strongly advocated and understood by all.

With the outbreak of the Incident last summer, the self-awakening of the nation was realized and the aspiration and enthusiasm for surmounting the national crises were pervaded to the whole country, which brought about the solid unification of the people. This awakening and enthusiasm of the people have been embodied as meritorious service in battlefield and as heroic deeds on the home front.

This is the true picture of Japan and it is due to the virtuous merits of successive emperors and to the earnestness of loyalty and patriotism, which runs through the bloodvessels of our people that Japan has won her present prosperity by having surmounted her critical moments in her long history and by protecting infinite national structure. The spiritual mobilization of the nation was realized by the power of inevitability and the work is

steadily bearing fruits under the complete unification of the one hundred million fellow-countrymen. It is a matter of reassuring that the situation is showing the unmovable perfection by cherishing the iron wall on the home front. As the situation will become more serious with the development of the war, it is beyond the question whether the substance of the system of this movement has to be perfected further or not.

We the people even though we shall engage in various occupations according to our divine duties -- such as cultivation of rice-fields, wood-cutting in the forests, fishing along the coasts, beating hammers in the factories, teaching on the platforms, or keeping the homes, we must -- keeping in mind that each of us is one of the elements of the strong motive power in this spiritual movement -- show our sincerity of loyalty and patriotism, assist and encourage each other, old or young and men or women, fill up the storehouses with products by making industries prosperous, endeavor to strengthen finance and economy by performing thrift and savings and moreover, we must be prepared for the aggrandizement of national strength required to wage long-period war.

With deep understanding of the national thought, we should clarify the absolute superiority of our national constitution and the thought of HAKKO ICHIU or the unification of the world under one roof should be pervaded to the whole world.

National Mobilization must be achieved both in the material and spiritual sense, which will promote the conspicuous ever-progressing prosperity of the nation, who must not be left as a power in East Asia only but must be promoted to the world's Japan as the leader of the new era and the proper magnanimity and full vigour of her people should be cultivated so that the mission given to her may be thoroughly fulfilled.

Educators and others who are in the leading position of this movement must take special care to keep this point in their mind, and must set good examples of themselves to the people of the nation. In this sense, the Imperial Rescript on Education should be observed before everything as the fundamental creed of daily life and the path that should be followed by loyal subjects.

The great spirit of the Imperial Way which is free from mistakes throughout all ages and countries is the light shining all over the world forever. In facing the great turning point of the world history and when the cultivation of the nation which will work as impellent force for fulfilling the mission of Japan is in an urgent necessity, the strenuous efforts of the educators and other leaders of cultural fields are strongly aspired.

On the day of the first anniversary of the China Incident, I have stated parts of my opinion demanding the firm resolution of the nation and at the same time, I like to express my heartiest gratitude to the members of the Imperial armed forces in the front who are fighting persistently by overcoming all difficulties and also to those who sacrificed their lives for the ideals of our nation.

C E R T I F I C A T E

W.D.C. No. \_\_\_\_\_

I.P.S. No. 2155-C

Statement of Source and Authenticity

I, Chikara Tsujita, hereby certify that I am officially connected with the Japanese Government in the following capacity: Director of the Investigation Bureau and that as such official I have custody of the document hereto attached consisting of 6 pages, dated 1 July, 1938, and described as follows: The first anniversary of the China Incident speech by ARAKI, Sadao, Minister of Education. I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Ministry of Education.

---

Signed at Tokyo on this  
23 day of Jan., 1947

/s/ Chikara Tsujita  
Signature of Official

SEAL

Director of the  
Investigation Bureau  
Official Capacity

Witness: /s/ Isao Amagi

Statement of Official Procurement

I, 2nd Lt. Eric W. Fleisher, O-935000, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above certification was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo, Japan on this  
23rd day of Jan., 1947.

/s/ Eric W. Fleisher, 2nd Lt.,  
AUS, MI  
NAME

Investigator, IPS

Witness: /s/ Douglas L. Waldorf Official Capacity  
Chief, Inv. Div., IPS.

DOC. NO. 6904-B (1)

500's  
#283  
ATROCITIES  
IN CHINA

OPENING STATEMENT

SUBJECT:

ATROCITIES AGAINST CIVILIANS AND OTHERS AND  
USE OF OPIUM AND OTHER NARCOTICS IN CHINA.

TO BE DELIVERED BY: JUDGE CHE CHUN HSIANG

ASSOCIATES :

COL. THOMAS H. MORRO  
MR. KENNETH N. PARKINSON  
MR. HENRY CHIU (of China)  
MR. DAVID N. SUTTON  
MR. JOHN F. HUMMEL  
CAPT. ARTHUR A. SANDUSKY

INTERNATIONAL PROSECUTION SECTION  
JUNE 1946  
TOKYO, JAPAN.

OPENING STATEMENT

IN RESPECT OF ATROCITIES AGAINST CIVILIANS AND OTHERS  
AND USE OF OPIUM AND OTHER NARCOTICS IN CHINA.

TO BE DELIVERED BY:

JUDGE CHE CHUN HSIANG.

Certain of the atrocities against civilians and others, charged in Counts 44 to 50 inclusive, and 53 to 55 inclusive, of the Indictment, which occurred in the course of the war against China, and which will illustrate the character of that war, and the purpose of the Japanese, will next be presented.

What we now show is but one part of the over-all picture of atrocities against civilians and crimes against humanity which will appear more fully in a phase of the Prosecution's case hereafter to be presented following an opening statement on that subject by Major Pedro Lopez, Associate Prosecutor for the Philippines. What is now to be shown deals only with the war in China.

The evidence to be presented will show that the offenses against civilians included: (1) Murder and Massacre; (2) Torture; (3) Rape; and (4) Robbery, looting and wanton destruction of property.

The commission of these crimes against humanity, by Japanese Troops, took place in every province in occupied China and covered the entire period from 1937 to 1945. An outstanding example of these acts occurred following the Fall of Nanking, December 13, 1937. After all resistance on the part of the Chinese military forces had ceased,

and the city was entirely in control of the Japanese army under command of the defendant General MATSUI, an orgy of violence and crime began and continued unabated for more than forty days. The Japanese soldiers, with full knowledge and assent of their commanding officers and of the High Command in Tokyo, sought by means of these atrocities to crush forever all will to resist on the part of the Chinese people. The details of these crimes (which have come historically to be known collectively as "The Rape of Nanking"), will be shown by the evidence. It is sufficient at this point to state that the crimes included numerous instances of each of the categories which I have described, namely, Murder and Massacre, Torture, Rape and Robbery, looting and wanton destruction of property.

It will be shown that the conduct of the Japanese soldiers at Nanking was no isolated instance. It was typical. Of the numerous incidents of this character, the judicial agencies of China have officially reported more than 95,000 separate cases perpetrated during the period from 1937 to 1945 and in every province in occupied China. Knowledge of these continuing atrocities by Japanese soldiers in China was brought home to the Japanese High Command and to the Japanese Government in Tokyo. Notwithstanding frequent notification and protest, the atrocities continued. This was the Japanese pattern for warfare. These atrocities will be presented to the Tribunal by Mr. David Nelson Sutton of the Virginia Bar, Col. Morrow, Mr. Parkinson, and Mr. Henry Chiu of China.

It will be further shown that as a part of their plan to subjugate China, the Japanese leaders used opium and narcotics as weapons to prepare for and to further aggression in China. This was in violation of obligations of the three Conventions relating to the suppression of opium and narcotic drugs which are now in evidence as Exhibits Nos. 17, 18 and 19, of which Japan was a signatory.

Our evidence will prove that in advance of Japanese armed aggression in any area, Japanese agents, military and civilian, engaged in widespread illegal traffic in opium and narcotics, not only in Japanese concessions but in all parts of China. Such agents introduced the production of heroin, morphine and other opium derivatives into areas where such use had not been prevalent before. They operated almost with immunity because of the existence of Japanese extra-territoriality rights in China. The intent and the effect of this illegal activity was to neutralize or completely defeat Chinese attempts to control the drug menace. The physical effect of drug addiction is so well known as to make it clear that the Japanese intended to render millions of Chinese listless and incompetent to resist aggression.

The official character of this illegal activity is indicated by the repeated failure of Japanese consular authorities to take positive action to prevent Japanese nationals from engaging in narcotic traffic, or to punish adequately Japanese nationals apprehended for narcotic violations by Chinese or other police. This failure is

in sharp contrast with the drastic action taken by Japanese authorities in cases where Japanese nationals sold narcotics to Japanese.

It will be shown that as the Japanese achieved domination of each area in China, that area served as a basis of operations for a narcotics offensive against the next area marked for that form of armed aggression which the Japanese call "Pacification". In this connection it will be shown that beginning with the creation of the puppet government of Manchukuo and then successively through North China, Central China and South China, Japanese controlled puppet governments followed a uniform pattern of abrogating Chinese law in respect of opium and other narcotics and in creating opium monopolies designed to appear as opium suppressing agencies, but which in fact became the sole traffickers in opium and in narcotics in their several territories. There ensued a large increase of opium dens in areas under Japanese control, an increase of areas assigned for the cultivation of the poppy, large importations of opium and narcotics, and a failure to adopt suppressive measures in line with the purported purpose of the opium monopolies.

Under the guise of control of opium for the purpose of suppression, Japanese controlled puppet governments received huge revenues from the opium and narcotic traffic.

It will be shown that in Manchukuo a Japanese loan for the purpose of financing the operations of the puppet government, was secured by pledge of the profits of the opium trade.

In short, the evidence will show that the opium and narcotic traffic was sponsored by Japan for two purposes:

- (1) To weaken the stamina and undermine the will to resist on the part of the Chinese people;
- (2) To provide substantial revenues to finance Japanese military and economic aggression.

The evidence with respect to narcotics will be presented by Mr. Sutton, and Major John F. Hummel and Capt. Arthur A. Sandusky of the United States Army.

## INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST.

THE UNITED STATES OF AMERICA, et al. )

- AGAINST - )

ARAKI, SADAO, et al. )

A F F I D A V I T.

I, SATOMI, Hajime, alias LEE MING, do swear on my conscience that the following is true:

In September or October of 1937, I went to Shanghai as a newspaper man. I had previously been in Tientsin.

Lt. Colonel Sanatake KUSUMOTO asked me in January or February 1938 if I would sell a large amount of opium for the Tokumu Bu. He told me this opium was en route from Persia. The Tokumu Bu was part of the staff of the Commander of the Japanese Military Forces in China. Its function was to handle the political, economic and cultural problems in the zones occupied by the Japanese Military Forces. This lot of opium arrived in Shanghai in the spring of 1938. It was stored in the military warehouses on the wharves used by the military forces. Both the wharves and the storehouses were under military guard. Persian opium comes in a chest of 160 pounds per chest or 1920 liang per chest.

When the opium arrived from Persia, I began selling it in small lots to the Chinese opium merchants. When I received an order from a merchant for opium, I would send a subordinate to the Tokumu Bu who would issue an order to the warehouse to release so much opium to my subordinate. The latter would remove the opium from the warehouse and deliver it to the merchant, the time and place having previously been decided upon. Payment was made by the merchant at the time of delivery of the opium. The money which I received from the sale of this opium was deposited in the Bank of Taiwan in my own account. Once or twice a month I made a report to Lt. Colonel KUSUMOTO. The price at which I sold the opium was determined in a conference between the staff of Tokumu Bu and me. I informed them what the market price was at that time and indicated to them the price at which I would sell the opium. This procedure the Tokumu Bu approved. At the direction of the Tokumu Bu, I paid from the money accumulated in my account the original cost price to the Mitsui Bussan Kaisha, and after deducting my own expenses paid the balance of the money to the Tokumu Bu. From the time of the arrival of this shipment of opium from Persia until the formation of the Restoration Government in March 1939, I sold the opium to the Chinese opium merchants and paid over the proceeds in the manner outlined above.

With the establishment of the Restoration Government, the office of the Tokumu Bu in Shanghai was dissolved, but there was established a

branch office of the Ko-A-In, whose function was to handle the political, economic and cultural matters of the Japanese Government in the occupied areas of China. Lt. Colonel KUSUMOTO became Vice-Chief of the Ko-A-In Branch at Shanghai. The Economic Section of the Ko-A-In was in charge of opium and narcotics. The Ko-A-In decided to turn over the handling of opium to the Restoration Government. The latter organized a General Opium Amelioration Bureau under the Home Ministry. For the distribution of opium itself, there was organized the Hung Chi Shan Tang. (Red mt. ) which was a commercial company whose shareholders were eight large opium hongs. Mr. CHU, the Head of the Opium Amelioration Bureau, requested that I take the post of Vice-President of the Hung Chi Shan Tang. There was no president. The charter and regulations of the Hung Chi Shan Tang were written by the Ko-A-In after discussions with the Restoration Government. I was able to accept this position as Vice-President because of the approval of the Ko-A-In. The Opium Amelioration Bureau issued a special permit to Hung Chi Shan Tang for the distribution of opium. The unsold opium which the Tokumu Bu had had was turned over by them to the Ko-A-In, who in turn gave it to the Opium Amelioration Bureau. Towards the end of 1939 the Hung Chi Shan Tang also sold Mongolian opium. This latter opium was brought in from Mongolia by rail, plane and boat. Most of it, however, came by planes owned and operated by the China Aviation Company ( ) This Mongolian opium was handled differently than the Persian opium.

The main office of the Ko-A-In in Tokyo informed the Mongolian Government of the requirements of opium needed by the various branch offices of the Ko-A-In. The Mongolian Government shipped the opium to Peiping, which was the central distribution point for North China, and to Shanghai, which was the central distribution point for Central and Southern China. From each of these two central distribution points, the opium was shipped to other cities within each of these areas. When the opium arrived from Mongolia, it was stored in Government godowns. The Hung Chi Shan Tang received a permit from the Opium Amelioration Bureau to remove the opium from the godowns. The Hung Chi Shan Tang then took this opium to inspection offices created by the Opium Amelioration Bureau, where it was packaged, sorted and tax stamps placed thereon. The Hung Chi Shan Tang sold the Mongolian opium at a price representing the cost of the opium to the Mongolian Government, plus transportation and insurance charges, plus the duties and taxes determined by the Opium Amelioration Bureau, plus a commission of not exceeding 8% for the Hung Chi Shan Tang. The Ko-A-In determined the cost price paid to the Mongolian Government. The policy of the Ko-A-In was to make the profit for the Mongolian Government as great as possible. The profit made by the Hung-Chi-Shan-Tang on the Persian opium totalled about \$20,000,000, which was paid to the Tokumu Bu when it was in existence, and later to the Ko-A-In. The policies of opium distribution were determined by the Nanking Government and the Ko-A-In. The policy was based on (1) revenue for the Mongolian Government, and (2) the Nanking Government. The demand for opium was always greater than the supply. In a practical sense there was no positive suppression of the use of opium.

Both the Opium Amelioration Bureau and the Hung Chi Shan Tang organized a Preventive Service Corps. Its purpose was to prevent smuggling and smoking of illegal opium.

Towards the end of 1943 there were many anti-opium demonstrations put on by students and the more educated class of people. This gave me an opportunity to resign, and with the permission of the Nanking Government and the Ko-A-In, I did resign.

The peak of opium sold by the Hung Chi Shan Tang occurred in 1941. Altogether, while I do not recall exactly how much opium I did sell, I estimate that it was about 4,000 chests of Persian opium and about 10,000,000 liang of Mongolian opium. At no time were there any statistics on the number of opium users.

The Hung Chi Shan Tang never engaged in the manufacture or distribution of heroin or morphine. However, I do believe that a considerable amount of heroin was smuggled into Shanghai from Darien and Tientsin. It was used by the people who did not have sufficient money to purchase opium for smoking.

(S) Hajime Satomi  
SATOMI, HAJIME

Sworn to and subscribed by the  
above-named SATOMI, Hajime before  
the undersigned officer at Tokyo,  
Japan, this 28 day of June  
1946.

(S) John T. Hamel  
Major, J.A.G. C.

C E R T I F I C A T E.

I, Cecil E. Uyehara, HEREBY CERTIFY That I am fully conversant with the Japanese and English languages, and that I, this day, read the foregoing Affidavit to the above-named SATOMI, Hajime in Japanese, and in so doing, truly and correctly translated the contents thereof from English into Japanese; and that said SATOMI, Hajime stated to me that the contents of said Affidavit were the truth, and that he was willing to sign said Affidavit under oath; and that said SATOMI, Hajime was duly sworn in my presence and signed said Affidavit under oath in my presence; and that all proceedings incidental to the administration of said oath and the signing of said Affidavit were truly and correctly translated from Japanese into English and English into Japanese and fully understood and comprehended by said Affiant.

Dated this 28 day of June, 1946, at Tokyo, Japan.

(S) Cecil E. Uyehara

*not used*

# 289

500's

I, John G. Magee, do make affidavit as follows:

From March, 1912, until May, 1940, I served as a missionary of the American Episcopal Church at Nanking, China.

When the city of Nanking fell on December 13, 1937, all resistance on the part of the Chinese ceased. It was after the Japanese troops were in complete control of the city that the acts of violence by soldiers against the civilian population began and continued for over six weeks. About two days after the occupation of the city by the Japanese troops I saw two long columns of Chinese civilians being marched off by Japanese soldiers. These men were four abreast and had their hands tied in front of them. There were several thousand in these two groups. Later I saw at the hospital a few survivors of such groups whom my investigation disclosed had been wounded and feigned death when the groups were shot with machine guns.

Several days later I saw, and, with the aid of a telescope lense, took pictures of a group of Chinese civilians being gathered together on a road by Japanese troops. An old man and some women knelt before the Japanese troops begging that the men be not taken. Two of the brothers of my chauffeur were taken by Japanese troops at the same time, and were included in a group of approximately five hundred civilians collected at one point by Japanese troops before being marched away. I went with the wife of my chauffeur and tried to get the Japanese sergeant to release these two men, but I was ordered to go away.

On December 17, 1937, I saw two Japanese soldiers shoot a Chinese civilian as he was hurrying from them and had come to a bamboo fence through which he could not pass. He was standing still when the two soldiers walked to within five yards of him and each shot him in the face. Podshivaloff, a Russian, was with me at the time. The soldiers did not even stop talking to each other when they shot and killed the Chinese, and after shooting him they continued walking down the street.

On December 18, 1937, Mr. Tanaka, the Japanese Consul-General, asked me to go with him to Hsiakwan to point out foreign property at that end of the city. At the entrance to each piece of property he had a Japanese Consular policeman put up a notice telling soldiers to keep out. It was only because I was with Mr. Tanaka that I was able to get out of the city gate. He had his chauffeur turn the car into an alley alongside the Episcopal Mission, but there were so many dead bodies in civilian clothes in the alley that we could not get through and had to back out. On the Bund, while Mr. Tanaka and the policeman had gone into the Butterfield and Swire property, I walked from the car to the river side of the Bund road where I could see down to the river. There were hundreds of corpses in three piles on the bank of the Yangtze River. They had been set afire as the clothing was burnt and the bodies were charred.

The Japanese soldiers paid no attention to the notices which Mr. Tanaka had posted. I was with him a few days later and saw Japanese soldiers taking motor cars in his presence near our Safety Zone headquarters. They paid no attention to his remonstrations against such acts. Systematic looting by Japanese soldiers continued for many weeks following the fall of Nanking. Soldiers when looting were frequently accompanied by Japanese civilians.

On the 18th several officers came to the residence of the Manager of the Texas Oil Company, where we had one of our refugee centers. At the entrance to the compound, I pointed to the notice put up by Mr. Tanaka and also one put up by the American Embassy with the Embassy seal stating that this was American property, and tried to close the gate, but they pushed me aside. They tried to take a motor car from the garage but were unable to do so as some essential part had been removed. One of the Japanese asked me in good English for my passport, which I showed him. Some days later I saw some Japanese soldiers driving off with a truckload of Frigidaire electric ice boxes from a Chinese shop on Chung Shan Road. Soldiers kept taking from our people watches, fountain pens, and many other articles which struck their fancy.

Raping of the women by Japanese soldiers went on day by day. I took many women and girls to the University Hospital after such experiences. In many cases women who resisted were stabbed or killed. I saw, and in some instances took pictures of, women who had been wounded and the bodies of those killed. The streets were filled with little groups of soldiers looking for women. I have many times driven them out of women's quarters of various buildings.

On the afternoon of December 18, at the urgent request of a Chinese, I went with Mr. Sperling, a German who was on our Safety Zone Committee, to the new residential district. As we entered a house I saw a woman on the ground floor weeping, and my investigation disclosed that she had been raped. On being informed that a soldier was still upstairs, I went to the room on the third floor and found it locked. Both Sperling and I shouted and pounded on the door. After some time a Japanese soldier came out and walked down the stairs, leaving a Chinese woman in the room.

On the afternoon of December 20, at the request of a Chinese, I took to the hospital a little girl ten or eleven years of age who had been raped by a Japanese soldier.

Returning from the hospital, I went to another house where soldiers were after the girls. I found three soldiers on the second floor, and told them to get out of the house. The Chinese present pointed to a door. I rushed against it and into a room, and found a Japanese soldier in the act of raping a woman. I yelled at him and got him out of the room and followed him until he left the premises.

That same morning I had driven still another soldier out of the women's quarters where we had one of our Refugee Centers.

On, or about, the same day, Consul-General Tanaka told me that the Japanese High Command had already issued two orders to stop this conduct on the part of the Japanese soldiers. There was no apparent result as the outrages continued unabated.

On the afternoon of December 21st, I went with a group comprising practically all of the foreigners in the city to the Japanese Consulate to present a petition from them to the Japanese authorities asking them in the name of humanity to stop the burning of houses which was continuing day by day. Fires were visible most of the time. The Japanese soldiers had burned one of our Episcopal Mission buildings as well as some buildings of the Disciples Mission and the Y. M. C. A., and many other public buildings and private dwellings.

Following the conference I remained and talked to Mr. Tanaka about the fifteen-year old son of one of our Chinese pastors who had been taken in a group of fourteen men from one of our Episcopal refugee centers some days before. I told him that one man who was taken at the same time had come back about five days later and told me they had been marched with about one thousand men to the river bank at Hsiakwan and there shot with machine guns; that this man, Lu Kuan-Wai, said he had escaped by throwing himself on the ground; and that our pastor's son had been pushed out of the crowd before the shooting began. The boy never returned. Mr. Tanaka sent a consular policeman with me to try to find the boy. The policeman would not let me go near the Bund where the boy was reported as last seen, saying the soldiers would bayonet me if I went there. The place to which the policeman refused to take me was the place where I had previously seen the three piles of dead Chinese which had been set afire.

In the same interview, Mr. Tanaka told me that the Division of troops then in Nanking would soon be changed for a better one, and that he thought the situation would be more settled by the 24th of December. However, I could notice no improvement in the situation in Nanking in December.

With Dr. Hsu Chuen-ying I personally investigated what took place at No. 7 Sing Kai Road in the section of the city called Men Tung, inside the South Gate. My investigation disclosed that eleven out of thirteen of the residents of this house had been killed by Japanese soldiers.

On February 1, 1938, a young boy came to the house where the Reverend Ernest Forster and I were staying at that time and told us Japanese soldiers were after a girl. We ran after him to a house about a hundred yards away. When we entered, a Chinese who proved to be the father of the girl pointed to a door which we tried to open. When there was no response to our shouts we threw ourselves against it and broke the wooden bolt. Inside the room were two Japanese soldiers on the bed with a fifteen year old girl. We ran at them shouting, and one jumped for his pistol and cartridge belt and ran off, and the other, who was partially drunk, followed. We found that they had already raped the girl.

Given under my hand this 25th day of June, 1946.

/s/ John G. Magee

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John G. Magee

The foregoing statement was subscribed and sworn to by John G. Magee before me at Tokyo this 25th day of June, 1946.

/s/ John F. Hummel  
Major, J.A.G.D.

AFFIDAVIT

I hereby truthfully state the following facts of enemy atrocities which I personally witnessed:

When the 13th Regiment of the 26th Division under the command of KURODA, Jutoku attacked the Wu Yuan District on 2 Feb 1940, they burned my house and properties. Five rooms were destroyed.

The above statement contains facts free from falsehood. If the enemy atrocities stated above be eventually brought to trial in a court, I am willing to appear either as an accuser or as a witness and to undergo punishment for any malicious accusation or false testimony.

NAME: CHANG Yung Hsing  
SEAL: finger print  
SEX: male  
AGE: 34  
NATIVE PLACE: Wu Yuan District  
OCCUPATION: Chief of the Cha  
ADDRESS: Peh Street, Wu Yuan

Before making the statement, the above named was told the meaning of signing an affidavit, and the punishment for malicious accusation and false testimony. After the statement was made, it was shown and read to him, and was acknowledged by him as correct.

INVESTIGATOR'S NAME: Young Shih Ping  
SEAL: (yes)  
SEX: male  
AGE: 38  
NATIVE PLACE: Suiyuen Province  
OFFICIAL POSITION: Police Officer

DATE: 5 April 1945

Translated from Chinese by  
Chinese Division, IPS

AFFIDAVIT

I hereby truthfully state the following facts of enemy atrocities which I personally witnessed:

When the 13th Regiment of the 26th Division under of command of KURODA, Jutoku attacked the Wu Yuan District on 2 Feb 1940, they burned my house and properties therein. Five rooms were destroyed.

The above statement contains facts free from falsehoods. If the enemy atrocities stated above be eventually brought to trial in a court, I am willing to appear either as an accuser or as a witness and to undergo punishment for any malicious accusation or false testimony.

NAME: WANG Chang-Kuei  
SEAL: finger print  
SEX: male  
AGE: 42  
NATIVE PLACE: Hopeh Province  
OCCUPATION: merchant  
ADDRESS: Peh Street

Before making the statement, the above named was told the meaning of signing an affidavit, and the punishment for malicious accusation and false testimony. After the statement was made, it was shown and read to him, and was acknowledged by him as correct.

INVESTIGATOR'S NAME: YOUNG Shih Ping  
SEAL: (yes)  
SEX: Male  
AGE: 38  
NATIVE PLACE: Suiyuen Province  
OFFICIAL POSITION: Police Officer

DATE: 5 April 1945

Translated from Chinese by  
Chinese Division, IPS

AFFIDAVIT

I hereby truthfully state the following facts of enemy atrocities which I personally witnessed:

Five Japanese soldiers of the 13th Regiment of the 26th Division under the command of KURODA, Jutoku went to the home of WANG Erh Ho on 3 Feb 1940. Failing to get money which they asked for, the Japanese soldiers beated him savagely and put him to death by forcing gasoline down his throat.

The above statement contains facts free from falsehood. If the enemy atrocities stated above be eventually brought to trial in a court, I am willing to appear either as an accuser or as a witness and to undergo punishment for any malicious accusation or false testimony.

NAME: YOUNG San  
SEAL: finger print  
SEX: male  
AGE: 39  
NATIVE PLACE: Wu Yuan District  
OCCUPATION: Head of the Cha  
ADDRESS: Nan Street, Wu Yuan

Before making the statement, the above named was told the meaning of signing an affidavit, and the punishment for malicious accusation and false testimony. After the statement was made, it was shown and read to him, and was acknowledged by him as correct.

INVESTIGATOR'S NAME: Young Chih Ping  
SEAL: (yes)  
SEX: male  
AGE: 38  
NATIVE PLACE: Wu Yuan District  
OFFICIAL POSITION: Police Officer

DATE: 3 April 1945

Translated from Chinese by  
Chinese Division, IPS

AFFIDAVIT

I hereby truthfully state the following facts of enemy atrocities which I personally witnessed:

Three Japanese soldiers of the 13th Regiment of the 26th Division, under the command of Kuroda, Jutoku, came to my home at Si Chie, Wu Yuan District on 3 Feb 1940. They bayoneted my brother named CHANG Chen Teh to death.

The above statement contains facts free from falsehood. If the enemy atrocities stated above be eventually brought to trial in a court, I am willing to appear either as an accuser or as a witness and to undergo punishment for any malicious accusation or false testimony.

NAME: CHANG Chen Yan  
SEAL: finger print  
SEX: male  
AGE: 35  
NATIVE PLACE: Wu Yuan District  
OCCUPATION: merchant  
ADDRESS: Si Chie, Wu Yuan District

Before making the statement, the above named was told the meaning of signing an affidavit, and the punishment for malicious accusation and false testimony. After the statement was made, it was shown and read to him, and was acknowledged by him as correct.

INVESTIGATOR'S NAME: YOUNG Shin Ping  
SEAL: (yes)  
SEX: male  
AGE: 38  
NATIVE PLACE: Wu Yuan District  
OFFICIAL POSITION: Police Officer

DATE: 6 April 1945

Translated from Chinese by  
Chinese Division, IPS