

琉球大学学術リポジトリ

米国管理下の南西諸島状況雑件 沖縄関係 日本政府
援助年度別援助(1)

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一九六四年度

主管課長へ

本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡こう

電信写

38 2574 略 北
ワシントン 1月29日1730発
本 省 30日1018着
大平大臣 朝海大使

米国の沖縄援助に関する件

オノハク号

貴電オノハク号に關し

國務省日本課スエーデン^{在野}の聴取せる
と、以下の通り(なお APPENDIX OF THE
BUDGET OF THE UNITED STATES GOVERNMENT,
1964は1月21日付信財第62号にて
5部送付済につき本件関係は同付属383
より386までを参照ありたい)。

1. 1964年オノハク法案中琉球関係費は行政
費2,366(以下金額単位はすべて千ド
ル)、プライス法に基づく経済援助12,000

外務省

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合計14,366であり、1963年を見積りの
行政費2,007、援助6,950、合計8,957
に比し経済援助額5,050の増額となつて
いる。

2. (行政費及び経済援助を含む) 琉球行政
費14,366の内訳は同付属385ページ
の左の欄の下の表に列挙されている。プライ
ス法経済援助はこの内 GRANTS, SUBSIDIES, AND
CONTRIBUTIONS の11,350と OTHER SERVICES
の628であるが差引きの22は多分 PER-
SONNEL BENEFITS の項目に入っているものと
想像している。なお OTHER SERVICES はプラ
イス法 SECTION 4, PARAGRAPH (B) に基づくも
ので琉球政府による米軍のためのサービス
に対する支払である。

3. GRANTS, SUBSIDIES, AND CONTRIBUTIONS
(11,350) の内容の大体の数字は琉球政
府に対する GRANT 約8,400、RYUKYU DOMESTIC

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WATER CORPORATION に対する約 2,000 及び
災害救助一般資金用としての約 1,000 であ
る (この概略の説明は 383 ページ右の欄
の中段にあり)。

4. フライス法による経済援助以外の経済
援助は 383 ページ右の欄の下段により 385
ページ左の欄の 3 行目まで記載されている
がこの中には経済援助とは言えないものも
含まれており (たとえば GENERAL FUND OF THE
CIVIL ADMINISTRATION) この総額がいくらか
と云うような議論は出来ない。

5. 4. の内に PL 480 に基づく援助が含
まれるか? これには二つあり PL 480 のタイ
トル II に基づく慈善団体による貧困者救済
計画 (63 年会計年交 5,330 万ポンド推
定金額 270 万ドルの救済食料品) とタイ
トル IV に基づく余剰農産物計画とがある。
後者については新しい試みとして米政府と

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琉球政府との間の 3 カ年計画売買契約協定
の交渉が行われており (同じく各結する
ことが期待されている) これによれば 63
会計年交に処理される余剰品金額は約 200
万ドルが見込まれており 64 及び 65 年交
それぞれ 600 万ドルの予定である。

6. なお本法案の成立の見通しについては
現段階で予測を立てることは不可能である
が下院支出委員会の対外活動小委員会委員
長のパスマンは依然として沖縄経済援助に
対しシンパセティックでないので彼が委員長
にいる限り今年交も相当の難航を覚悟せね
ばならないであろう。

(3)

配布先

大連次官 外務省 米米協同 信令局長 豆参
米参次官 米米協同 米米協同 米米協同 米米協同
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極秘

主管課長へ
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電信写

38 12961 暗 米北
ワシントン 5月8日 1930 発
本 省 9日 0847 着
大平大臣 武内大使

キャラウェイ高等弁務官帰米に関する件

第1094号

8日國務省とク定例会談の際キャラウェイ高等弁務官の最近の当地帰米に関し聴取せるところ次々如くなる趣。

同弁務官は下院才出委員会クパスマン小委員会(対外活動関係)において証言を行ふために帰米したものであり同小委員会は本日秘密会で開かれたがエイルズ陸軍次官も出席した。右証言は米政府が明年度予算において昨年改訂されたプライス法の認め最高額ク1200万ドルを対米総援助と

4711 米 (土急)

外務省

極秘

主管課長へ
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して要求せることに関し行なわれたもウて
あり列席したもウは本件につきCAUTIOUSLY
OPTIMISTICな印象を受けた由である。昨
年はケネディ新政策の発表の際とてパ
スマンもこれをまぢかまえて大削減を行な
つたもウであるが今年政府の態度もモデ
ストであるクパスマンも昨年に比べて否
定的態度は少なかったとの印象である。し
かパスマンは支出削減の立て役者であり
た対外援助全体に対する今議会の風当りか
ら見ても希望的観測を抱くことは警戒せね
ばならぬ。

配布先 大臣次官外審官房長 亞米系増口總務部長
亞審米考系 総資口 亞北 米北 増道内

外務省

{別添3}

S. 38

琉球米国民政府

APC 48

琉球高学計

1963年6月19日

琉球政府
行政主務殿

総務部長

陸軍中佐

ケニス S. ヒンチ

琉球に於ける援助計画の執行に当って執るべき原則について

- 1. 別紙は、琉球に於ける援助計画の執行に当って執るべき原則の明細である。
- 2. この明細については、貴職員である計画局長と調整し、その上で、同局長は当該原則所掲の原則に異議はなさらぬ。
- 3. 高等弁務官に代って

同封書一通



琉球に於ける援助計画の執行に当って執るべき原則

- 1. 琉球に於ける援助計画の執行に当って執るべき原則は、高等弁務官の認可する計画によるものとす。
- 2. 別個の生産形式による場合を除くは、琉球政府は、合衆国援助資金のすべて、R.O. 日本政府援助資金のすべてを、同一の方法により執行す。
- 3. 合衆国又は日本政府から資金を受けず事業についてはすべて、琉球政府は、高等弁務官の指導を受け、これについて、その責に任ずるものとす。
 - a. 仕様書の認可、入札案内、契約請負金額、事業はすべて、仕様書により、完成の旨を期する目的の検査、R.O. 資金のすべてについての認可。
 - b. 事業はすべて、高等弁務官の計画、R.O. 該当する場合は、別個の契約により完成する旨の保証。
 - c. 本3項のa号、R.O. 本3項のb号の上書はすべて、高等弁務官の求めがある時は、これを入手出納の旨の保証。
 - d. 進捗中又は完成済の事業のすべてについての評価及び報告。
- 4. 市町村、教育委員会、琉球大学、又はその他援助資金から財政援助を受けている公共団体は、当該資金による援助を受けている事業を請け負う時は、琉球政府は、契約の手順を監督し、R.O. 高等弁務官の求めがある時は、契約書の互換に入手出納の旨の保証をしなければならぬ。
- 5. 援助資金は、署名済の契約書により、しかる使用にいな場合、琉球政府は、資金の認用を拒否し、R.O. 資金を提供している政府に対し、高等弁務官室を通じて、取返済の旨の保証をしなければならぬ。

32 1963年6月20日

PRINCIPLES TO BE FOLLOWED IN THE ADMINISTRATION OF AID PROGRAMS
IN THE RYUKYU ISLANDS

1. All aid funds administered in the Ryukyu Islands will be in accordance with programs approved by the High Commissioner.
2. Except for the use of different funding forms, the GRI will administer all United States aid funds and all Government of Japan (GOJ) aid funds in the same manner.
3. For all projects funded by the U.S. or GOJ, the Government of the Ryukyu Islands, within guidance provided by the High Commissioner, will be responsible for:
 - a. Approving specifications, invitations to bid, award of contracts, inspection to ensure that all projects are completed in accordance with specifications, and approving all payments.
 - b. Ensuring that all projects are completed in accordance with the HICOM program, and, where applicable, in accordance with separate agreements.
 - c. Ensuring that all documents cited in subparagraphs 3a and 3b are available when requested by the High Commissioner.
 - d. Evaluating and reporting on all work in progress or completed.
4. When a municipality, a school board, the University of the Ryukyus, or any other public body receiving support from aid funds, lets a contract for a project supported by such funds, the GRI will supervise the contracting process and ensure that copies of contracts are available when requested by the High Commissioner.
5. In the event that aid funds are not used in accordance with signed agreements, GRI will rectify any misuse of funds and ensure that repayment is made to the funding Government through the Office of the High Commissioner.

20 June 1963

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UNITED STATES CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS
APO 48

19 JUN 1963

HCRI-C

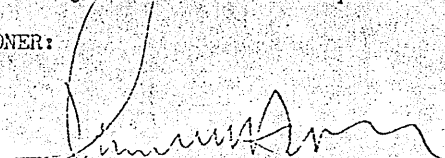
SUBJECT: Principles to be Followed in the Administration of Aid Programs
in the Ryukyu Islands

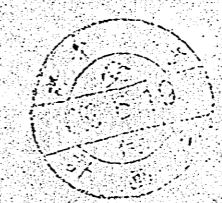
TO: Chief Executive
Government of the Ryukyu Islands

1. Attached is a Statement of Principles to be followed in the administration of Aid Programs in the Ryukyu Islands.
2. This Statement has been coordinated with the Director of Planning, on your staff, who has offered no objection to the Principles as stated.

FOR THE HIGH COMMISSIONER:

1 Incl
as


KENNETH S. HITCH
Lt Col, AGC
Director of Administration



33

紙幣等
米紙等
手帳等
紙幣等

経済局長
次長
職務参事官
米国カナダ課長

経为 5686号
昭和 38年 9月 27日

外務大臣 殿

在 米
武 内 大



1964年度対外関係才出に関
する公聴会の記録送付に関する
件

9月26日下院は、才出委員会対外関係小委
員会が開催した対外関係才出に関する公聴会の
記録（カノ部：輸出入銀行、全米開発銀行、I
D.A.、平和部隊および琉球軍政）を、9月30
日のエンバナーゴ付きて発表したので、同記録
カノ部別添送付する。

付属物空便（行）

送付料 38.10
税関 28

38.10
28

在外公館

写真之力

一九六四年

米田の対沖繩援助

附

米下院才出毒祝事録

外務省
東京都千代田区霞ヶ関2丁目2番地
電話 霞ヶ関(581) 3351番

FOREIGN OPERATIONS APPROPRIATIONS FOR 1964

HEARINGS

BEFORE A

**SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-EIGHTH CONGRESS
FIRST SESSION**

SUBCOMMITTEE ON FOREIGN OPERATIONS APPROPRIATIONS

OTTO E. PASSMAN, Louisiana, *Chairman*

J. VAUGHAN GARY, Virginia
JOHN J. ROONEY, New York
WILLIAM H. NATCHER, Kentucky
GEORGE W. ANDREWS, Alabama
JOSEPH M. MONTOYA, New Mexico
JOHN J. FLYNT, Jr., Georgia
TOM STEED, Oklahoma¹

JOHN J. RHODES, Arizona
GERALD R. FORD, Jr., Michigan
SILVIO O. CONTE, Massachusetts
WILLIAM E. MINSHALL, Ohio

FRANCIS G. MERRILL, *Staff Assistant to the Submitter*

¹Temporarily assigned

PART 1

EXPORT-IMPORT BANK
INTER-AMERICAN DEVELOPMENT BANK
INTERNATIONAL DEVELOPMENT ASSOCIATION
PEACE CORPS
RYUKYU ISLANDS, ARMY

Printed for the use of the Committee on Appropriations



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1963

THURSDAY, MAY 2, 1963.

RYUKYU ISLANDS, DEPARTMENT OF THE ARMY

WITNESSES

STEPHEN AILES, UNDER SECRETARY OF THE ARMY
 LT. GEN. PAUL W. CARAWAY, HIGH COMMISSIONER OF THE
 RYUKYU ISLANDS
 EDWARD W. O'FLAHERTY, CHIEF, ECONOMIC AFFAIRS DIVISION,
 CIVIL AFFAIRS DIRECTORATE, ODCSOPS, DEPARTMENT OF THE
 ARMY

ADMINISTRATION

Object classification

(In thousands of dollars)

	1962 actual	1963 estimate	1964 estimate
11 Personnel compensation:			
Permanent positions.....	1,323	1,518	1,782
Positions other than permanent.....	22	10	10
Other personnel compensation.....	10	6	17
Total personnel compensation.....	1,355	1,534	1,799
12 Personnel benefits.....	113	133	141
21 Travel and transportation of persons.....	142	128	107
22 Transportation of things.....	39	25	75
23 Rent, communications, and utilities.....	27	31	26
24 Printing and reproduction.....	15	21	20
25 Other services.....	346	425	625
26 Supplies and materials.....	35	52	63
31 Equipment.....	20	41	25
32 Lands and structures.....	0	32	32
41 Grants, subsidies, and contributions.....	4,990	6,525	11,850
Total, administration.....	7,072	8,957	14,306
ALLOCATION TO THE U.S. INFORMATION AGENCY			
22 Transportation of things.....	3		
26 Supplies and materials.....	3		
31 Equipment.....	4		
Total, U.S. Information Agency.....	10		
Total obligations.....	7,082	8,957	14,306

Personnel summary

	1962 actual	1963 estimate	1964 estimate
Total number of permanent positions.....	418	431	430
Full-time equivalent of other positions.....	3	1	1
Average number of all employees.....	406	418	426
Number of employees at end of year.....	414	426	427
Average GS grade.....	9.0	9.2	9.2
Average GS salary.....	\$7,522	\$8,244	\$8,710
Average salary in foreign country (local rates).....	\$917	\$1,088	\$1,308

Program and financing

(In thousands of dollars)

	1962 actual	1963 estimate	1964 estimate
Programs by activities:			
1. Administration.....	1,717	2,007	2,306
2. Aid to Ryukyuan economy.....	5,364	6,950	12,000
Total obligations.....	7,081	8,957	14,306
Financing:			
Reimbursements from non-Federal sources (-).....	-1		
Unobligated balance lapsing.....	8		
New obligational authority.....	7,089	8,957	14,306
New obligational authority:			
Appropriation.....	7,089	8,957	14,306
Proposed supplemental due to pay increases.....		87	

Reimbursements from non-Federal sources reflect services of a World Health Organization consultant (10 Stat. 2205).

Comparative summary of obligations by projects and fiscal year

Project No.	Purpose of projects	Actual obligations, fiscal year 1962	Estimated obligations, fiscal year 1963	Estimate, fiscal year 1964	Fiscal year 1964 over fiscal year 1963, increase (+) or decrease (-)
8710	Administrative activities.....	\$1,716,842	\$2,007,000	\$2,306,000	+\$359,000
8711	Pay of civilian employees.....	1,468,165	1,667,000	1,920,000	+298,000
8712	Travel of civilian employees.....	82,833	85,000	150,000	+65,000
8713	Information materials and services.....	74,859	100,000	125,000	+25,000
8714	Incidental operating expenses.....	91,185	155,000	161,000	+6,000
8720	Aid to Ryukyuan economy.....	5,364,709	6,950,000	12,000,000	+5,050,000
8721	Reimbursement for government services.....	927,100	945,000	1,158,000	+206,000
8722	Contribution to government projects.....	4,532,922	5,580,000	7,200,000	+1,620,000
8723	Transportation of commodities.....	6,727	5,000	5,000	
8724	Technical education and training.....	270,742	295,000	470,000	+175,000
8725	Technical cooperation.....	107,338	125,000	175,000	+50,000
8726	Construction of water system.....			2,000,000	+2,000,000
8727	Disaster relief.....			1,000,000	+1,000,000
	Total.....	7,081,551	8,957,000	14,306,000	+5,409,000
	Unobligated balance.....	7,449			
	Total appropriation or estimates.....	7,089,000	8,957,000	14,306,000	+5,409,000

Mr. PASSMAN. The subcommittee will come to order.
 Gentlemen, we have had these prepared statements only about 2 hours so we have not had much time to go over them.

In our consideration of appropriation requests we usually go back several years for purposes of comparison, and I think that is the way you want us to operate.

The rules of the committee have been, and are, that prepared statements be submitted at least 24 hours, and preferably 72 hours, before

the hearing. But as General Caraway had to come in all the way from Okinawa and as the Secretary has been out of the city, there is reason perhaps this time for the delay in submitting the statements.

We shall consider today the request for appropriations for the Ryukyu Islands. Appearing as witnesses are the Honorable Stephen Ailes, Under Secretary of the Army; Lt. Gen. Paul W. Caraway, High Commissioner of the Ryukyu Islands; and Mr. Edward W. O'Flaherty, Chief of the Economic Affairs Division, Civil Affairs Directorate, Department of the Army.

Mr. Secretary, if you have a statement to make to the committee, we shall be pleased to hear from you at this time.

GENERAL STATEMENT OF UNDER SECRETARY OF THE ARMY

Mr. AILES. Mr. Chairman, I appreciate what you said earlier about the prepared statements. In my case I really had not planned to make a statement, but thought at the last minute I would like to, and I did sit down and dictate it so that you would have some chance to see it in advance. It is quite short, but I will read it, if I may.

Mr. Chairman and Gentlemen, I welcome the opportunity to appear in support of the budget request for the fiscal year 1964 appropriation "Administration, Ryukyu Islands, Army." Our principal witness in support of this request will be General Caraway, who has come back from Okinawa for the specific purpose of testifying before this subcommittee. However, I would like to pass on to you some observations of my own as a result of a visit to the Ryukyus which I made in February of this year.

This subcommittee is fully aware of the military significance of the Ryukyu Islands. Army, Air Force, Navy, and Marine units are stationed there and can move quickly to danger points in southeast Asia. Equipment, parts, supplies, and personnel are stocked on Okinawa in vast quantities. En route to Okinawa, I stopped at Headquarters, U.S. Army, Pacific, in Honolulu and reviewed in some detail the operations being conducted in Okinawa in logistical support of our activities in South Vietnam. Suffice it to say that Naha is a great deal closer to Saigon than is Hawaii or our Oakland terminal in California. The importance and significance of Okinawa as a forward base are being demonstrated on a daily basis. I would like to add, if I may, that needless to say our freedom to act in accordance with military needs is an important aspect of our operations there.

In February, in the course of 6 days in the Ryukyus, General Caraway and I traveled extensively on Okinawa and to the southern islands. We visited Miyako, Ishigaki, and Iriomote, and several of the smaller islands nearby. We walked through marketplaces and villages, met and discussed current problems with local delegations in the schoolhouses or town meeting halls, and had a chance to see something of the country and its people. I met most of the Members of the Ryukyuan Legislature, Ryukyuan press, business leaders, and the members of the Golden Gate Club (all of whom have studied in the United States). I talked with many Ryukyuan individuals and with military and civilian representatives of the United States. I believe that I had an opportunity to make some useful appraisals of the situation.

In the course of these visits and discussions, I found the Ryukyuan people to be a sturdy and hard-working lot, enthusiastic about the progress that had been made under the American administration and eager to improve the situation further. I saw no evidence of hostility to the United States in any form; in fact, I would say that the attitude of the Ryukyuan toward this country as a nation and toward the American administration there was friendly. (These impressions were borne out in Tokyo on my trip home, where I learned that fewer complaints from the Ryukyus were now being received by the Japanese than in the past).

Mr. PASSMAN. Even if we did reduce the appropriation below the request last year they are friendly. If we reduced it further this year the relations might be better.

Mr. AILES. You reduced the request but we had quite a bit more in the program last year than the year before.

I would like to point out that, as I say here, there are several factors that are responsible for this.

PROGRESS IN THE RYUKYU ISLANDS

The reasons for the progress being made in the Ryukyus in my judgment are three:

1. The U.S. administration is fair, firm, effective, and sure handed, and, as a result, it is respected. While its firmness is criticized by some on occasion, it seems clear to me that the situation is far better than would be the case if the administration were weak, indecisive, vacillating, and unsure. Furthermore, the administration in a variety of means, including publications and radio and TV programs, is doing a good job of explaining the purpose of the U.S. presence and the nature of U.S. objectives with respect to the Ryukyus. As an example, I visited a cultural center on Ishigaki Island. It is well equipped with books and magazines written in both Japanese and English. It shows exhibits such as U.S. scenes. It has facilities for meetings and is visited by an average of over 400 people a day. The cultural center at Naha receives something like 2,000 people a day. These centers are excellent, in my judgment, and are an example of an activity to show the Ryukyuan people that the United States is genuinely interested in them.

PEOPLE-TO-PEOPLE PROGRAM

The attitude toward the United States is undoubtedly affected by the remarkable people-to-people program carried on under the aegis of the High Commissioner's office by the units of the military service and other members of the American community. Some 150 American volunteers, including many service wives, teach English in Ryukyuan schools. Mercy air flights by U.S. aircraft in emergency medical cases requiring evacuation from remote areas are an important part of the program. A major aspect of the program is assistance by U.S. forces, mostly in off-duty hours, providing technical skills and using engineering equipment in countless small community projects.

I have a list that I brought back of the people-to-people projects that had occurred in 1962, and I imagine it runs into approximately 300 specific items.

As an example of the reaction which these projects create, let me read a quotation from an article written by the principal of a school for the deaf and blind. This is part of an article I saw in a Ryukyuan publication:

In April 1960 the construction of the playground of our school was completed by the servicemen of the Machinato Post Engineer District. It took about 50 days for them to construct the playground by leveling more than 2,000 tsubo (1 tsubo equals 36 square feet) of land near the dormitory under the direction of Sergeant Wall.

I was especially moved by the U.S. servicemen who worked hard. Sometimes they worked in the moonlight, beamed with mud and bathed in perspiration. The teachers and pupils of our school were overjoyed when the playground was completed. Those who took part in the ground-leveling work of our school probably returned to the United States, but their contribution to the improvement of our school facilities will be remembered by our teachers and pupils for a long time to come.

If any members of the committee or the staff are interested in this program, we have a brochure, prepared at my request, containing photographs and more specific information with respect to the type of projects involved. As has been demonstrated all over the world, the American GI in all branches of the service can be extremely effective in promoting good will for the United States.

Mr. CHAIRMAN, I emphasize this because last year when we were testifying you asked me:

What other things are you doing other than sending U.S. money out there?

I personally am convinced that a great deal of really excellent work is being done, as is being done in other parts of the world, by our servicemen and their wives, who are spending their own money and free time in building up the excellent relationship that exists between the United States and the people out there. When you travel around you see evidence of it everywhere.

In short, I believe that our administration and our people are doing an admirable job in creating the kind of atmosphere which will permit the continued use of our Ryukyuan base.

2. The second reason for success is that economic progress in recent years has been impressive. The gross national product has increased substantially. There are extensive signs of progress everywhere, ranging from large projects such as the new extension of the pier at Ishigaki, currently under construction, and the Kin powerplant, for which ground was broken while I was in Okinawa, to water systems, electrical systems, and new roads for remote villages—the latter usually paid for at least in part by the local citizenry.

I traveled around with General Caraway and in the case of each of these projects General Caraway asked what they were prepared to do on their part, and it was surprising how much money they had put up for these projects that they were asking us for assistance on. There is widespread interest in these matters, and a great deal of attention is paid to the American aid program. I even found that a substantial number of people were familiar with the record of the hearings before this committee.

3. The third reason why the situation is developing favorably is that U.S. relationships with Japan are good. Official Japanese support of our presence and our program in the Ryukyus is obviously

helpful. The American presence is based on military need and we do not contemplate ultimate absorption of the Ryukyus into the American community. The Ryukyuan look to Japan as their homeland. Under these circumstances, the situation clearly will be helped if the Japanese support what we are doing. The situation has undoubtedly been helped by the talks between President Kennedy and Prime Minister Ikeda, their joint announcement of June 22, 1961, and subsequent followup steps to work out the implementing arrangements for Japanese cooperation with the United States in aid to the Ryukyus.

These three factors that I have mentioned—a fair and effective American administration; continued economic progress; and a sound and satisfactory relationship with the Japanese—are essential to the continued American presence in the Ryukyus, in my judgment. The appropriation which we have requested for aid to the Ryukyus, which is the subject of the hearing here today, is the key factor in the second of these, continued economic progress.

In my judgment, it is highly important that we continue and expand this program along the lines that General Caraway will describe. We are helping an industrious and hardworking people. The program is going well. It is essential to the maintenance of a military installation of major importance to the United States. This help should be continued, I believe.

At this point, I would like to introduce General Caraway, who is the High Commissioner of the Ryukyu Islands and who has occupied this post since February 1961. General Caraway has two other assignments. He is Commanding General of the U.S. Army, Ryukyus, commanding the IX Corps Headquarters and the Army troops in the islands, and he is the designated representative of the commander in chief in the Pacific, CINCPACREP, which means that he is the senior officer on the islands and is responsible for interservice coordination there.

General Caraway has been a vigorous and effective High Commissioner. He is known throughout the islands and he knows as much about the islands, the Ryukyuan people, and their problems as any man alive. He works at his job throughout his waking hours, and he sets a pace that is difficult to follow, as I can testify, having been with him for 6 days in February. In my judgment, the United States is greatly in his debt for the service which he is performing in the Ryukyus.

Mr. Chairman, I would like to turn it over to General Caraway, who can talk about the program generally. I did want to make these comments based on having been there about 2 months ago.

Mr. PASSMAN. Thank you, Mr. Secretary.

Gentlemen, it is well for us to understand that from the time the Constitution was ratified through 1962, a period of 173 years, our Government collected \$1.312 trillion in revenues. Today out of every 9 hours of work approximately 3 hours go for taxes. Through the years for every dollar received in revenue we have created an obligation in the amount of \$1.81. We owe today \$1.051 trillion for services previously rendered that must come out of future revenues.

PAST APPROPRIATIONS FOR THE RYUKYU ISLANDS

I would like to ask at this time, before we call on the general, that you go back for, say, 9 years and give the amount of money Congress has appropriated each year for the Ryukyu Islands, not for the military but for the comparable program being considered today.

Mr. AILES. They started with \$3.1 million in 1955.

Mr. PASSMAN. Can you go back 9 years?

Mr. AILES. I have a table here.

Mr. PASSMAN. What do you have, Mr. O'Flaherty?

Mr. O'FLAHERTY. This is for a total.

Mr. PASSMAN. Comparable to what you are asking for today?

Mr. O'FLAHERTY. Yes sir. This is the administrative cost of the economic program.

Mr. PASSMAN. That is what you cover in this request?

Mr. O'FLAHERTY. That is correct.

Beginning in 1954, \$1,033,890; 1955, \$1,092,636.

Mr. AILES. He wants both administration and economic aid.

Mr. PASSMAN. You are giving it to us accurately, are you?

Mr. O'FLAHERTY. Yes, sir.

Mr. AILES. He is not talking totals.

Mr. O'FLAHERTY. Mr. Chairman, what I gave was the administrative cost.

Mr. PASSMAN. We want totals comparable to this program for which you are requesting money today.

Mr. O'FLAHERTY. The appropriations comparable to this program, including administrative and economic aid costs were: 1955, \$3,100,000; 1956, \$3 million; 1957, \$2,350,000; 1958, \$2,475,000; 1959, \$2,860,000; 1960, \$5,282,000; 1961, \$6,089,000; 1962, \$7,089,000; and 1963, \$8,957,000.

Mr. PASSMAN. Gentlemen, would you like to think you had a committee representing you who would be that liberal with all the requests that come in here? The time has come, whether we are moving forward with vigor or something else, to bring these things under control.

Last year, whether the reasons for it were justified or not, we moved this appropriation up to nearly \$9 million. Now we look at this request for \$14,366,000, which is nearly five times what it was the first year I served as chairman of this subcommittee. And this is not all. You are getting money out of other funds, and in addition the money for the light plant, which we recommended, is coming out of another of these spigots. There are 9 to 15 spigots and all of them are running over.

Before we hear the general, I wonder if you would tell us how much money you are getting out of other agencies of Government, Public Law 480, for instance?

PUBLIC LAW 480 PROGRAM

Mr. O'FLAHERTY. I will be very happy to.

I can tell you what the Public Law 480 program is—\$13.7 million. As you know, these are loan funds.

Mr. PASSMAN. Will we get paid back in dollars?

Mr. AILES. \$13.7 million is the total program. There are 3 years during which it can be taken down. This is in the form of a loan to

the Ryukyu Development Loan Corporation to enable people in the Ryukyus to purchase surplus commodities here. The Loan Corporation has 30 years to pay this back.

Mr. PASSMAN. When was this requested?

Mr. AILES. It was not requested of this committee.

Mr. PASSMAN. I refer to the request to the Congress.

(The following letter was subsequently provided for the record:)

DEPARTMENT OF THE ARMY,
OFFICE OF THE UNDER SECRETARY,
Washington, D.C., November 7, 1962.

HON. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives.

DEAR MR. CHAIRMAN: In view of the special concern of your committee with our administration of the Ryukyu Islands, I think you will be interested to know that arrangements are being worked out with the U.S. Department of Agriculture for the establishment of a commodities sales program to the Ryukyus pursuant to title IV of Public Law 480. The proposed program, which has been requested by the High Commissioner on behalf of the Ryukyuan Government, envisages the sale over a 3-year period of wheat, rice, feed grains, inedible tallow, soybeans, tobacco, and perhaps some cotton, in quantities which will be consistent with the usual marketing pattern, yet of sufficient magnitude to assist in the much needed expansion of Ryukyuan livestock, poultry, and related industries.

While it is premature to estimate the dollar magnitude of such sales over the next 3 years, Department of Agriculture experts who have studied the matter are of the view that they might reach a cumulative total of commodities having an export market value in the neighborhood of \$12-\$14 million. These amounts would, of course, depend on the demands of Ryukyuan private agricultural entrepreneurs and cooperatives and the degree to which they embark upon a diversification of their agricultural undertakings which are already overly dependent on the production and export to Japan of pineapples and sugar.

Naturally, it is expected that this program will achieve the objectives of title IV of Public Law 480 by creating a new market for U.S. agricultural products and by stimulating new economic activity in the agricultural segment of the Ryukyuan economy.

Sincerely,

STEPHEN AILES,
Under Secretary of the Army.

Mr. AILES. The law was passed some years back.

Mr. PASSMAN. I mean the Ryukyuan?

Mr. AILES. I took it up with them when I was there in February.

Mr. PASSMAN. What has been authorized by the executive for Public Law 480?

Mr. AILES. By the Department of Agriculture. The figure involved is \$13.7 million.

Mr. PASSMAN. In how many years?

Mr. AILES. Three years.

Mr. PASSMAN. What is the rate of interest?

Mr. AILES. Three-fourths of 1 percent a year.

Mr. PASSMAN. That is a service charge, is it not, rather than an interest rate? Also, do you have a right of cancellation of the contract?

Mr. AILES. That I cannot say.

Mr. PASSMAN. What other kinds of aid are they getting out there?

Mr. AILES. The Kin powerplant is also a loan fund. Who actually lent that money?

Mr. O'FLAHERTY. The Congress appropriated money from the Treasury.

Mr. PASSMAN. That is correct. We thought they needed a power-plant. But, it seems we have to keep increasing expenditures everywhere, and we get the money to do it by borrowing from unborn generations.

Mr. O'FLAHERTY. We have estimates under title III of Public Law 480, to be used for the relief of the indigents; and there are a great many of them.

Mr. PASSMAN. How many people are out there?

Mr. O'FLAHERTY. 904,000.

Mr. PASSMAN. The administration has a variety of means of explaining the purpose of the U.S. presence. You could almost handle it by personal visitations with the number of people you have there. How long have we been there?

Mr. AILES. Since the war.

Mr. PASSMAN. But they do not yet understand we are there to protect them!

Mr. AILES. I think they understand it quite well. The point I was making is that in any program, having people understand what you are doing requires constant work, and General Caraway is trying to do that.

Mr. PASSMAN. It is a small island and we have been there 20 years.

What is the length of the island?

General CARAWAY. 67 miles.

OTHER AID PROGRAMS IN RYUKYUS

Mr. PASSMAN. What other aid do you have out there?

Mr. O'FLAHERTY. The relief and school lunch program in fiscal 1963 will approximate about \$2.7 million in U.S. value of commodities.

Mr. PASSMAN. What else?

Mr. O'FLAHERTY. We have the operation of the general fund, of which you are aware, set forth in the budget document. That is not appropriated money.

Mr. PASSMAN. From what source do you get the money?

Mr. O'FLAHERTY. It is derived essentially from the proceeds of GARIOA goods.

Mr. PASSMAN. But it serves the same purpose as appropriated funds.

Mr. AILES. The waterplant and power company had some funds.

Mr. PASSMAN. What other aid?

Mr. O'FLAHERTY. The appropriation for the power corporation you mentioned.

Mr. PASSMAN. That is a loan.

REQUEST FOR PEACE CORPS ASSISTANCE

Do you have the Peace Corps there?

General CARAWAY. We do not.

Mr. PASSMAN. Have you requested Peace Corps assistance?

Mr. AILES. We have talked about it in the past but we have never made a formal request. The Peace Corps could help us. I remember that coming up.

Mr. PASSMAN. Have you made any recommendation to that effect, General?

General CARAWAY. Yes, I requested a Peace Corps group of 50 people to be divided into 10 teams to deal with the requirements of the area in which they would operate. The Peace Corps authorities determined this was not necessary and they turned it down.

Mr. PASSMAN. Here is a clipping, "U.S. Aide in Ryukyus Under Fire." This is an article from Naha, Okinawa, and it says:

The Ryukyu Islands government workers' union called last night for immediate transfer of Lt. Gen. Paul W. Caraway, the U.S. High Commissioner, because he questioned the islanders' ability to govern themselves.

General, if you get the Peace Corps in Okinawa you will probably hear a stronger outcry than that one.

Mr. AILES. This is dated March 7.

Mr. PASSMAN. What other aid do you have out there?

Mr. O'FLAHERTY. Sir, there is provision in the law for \$800,000 for assistance to emigration from the Ryukyu Islands to Bolivia. It is really more assistance to Bolivia than to the Ryukyu Islands.

Mr. PASSMAN. What other aid?

Mr. O'FLAHERTY. From the U.S. Government I believe that is all.

FUNDS AVAILABLE TO THE RYUKYU ISLANDS

Mr. PASSMAN. There are seven or eight other sources of revenue, in addition to this appropriation. At your convenience, could you give us a recapitulation of all the funds available to the Ryukyu Islands in fiscal 1963?

Mr. O'FLAHERTY. We can do that now if you desire.

Mr. PASSMAN. Do you have the total?

Mr. O'FLAHERTY. Yes. If I understand your question, you would like to have also information on the internal revenues of the Ryukyu Islands?

Mr. PASSMAN. No, leave that out. We want them to become self-supporting.

Mr. AILES. Let us supply that.

Mr. PASSMAN. If you will, but what would you estimate the total is for 1963?

Mr. AILES. How do you want the Kin powerplant treated?

Mr. PASSMAN. For what it is, as a loan.

Mr. AILES. Do you want what will be spent?

Mr. PASSMAN. We want the total amount of appropriated funds from all sources, whether through Public Law 480 or not, for the credit of the Ryukyu Islands unliquidated, and then give us the total of 1963 funds. We know you had \$8,959,000. That is what this committee recommended.

Mr. AILES. That includes administrative expenses.

Mr. PASSMAN. We are asking for everything so that it would be comparable to this request, in one column. This has been built up from about \$1 million.

Mr. AILES. I think we understand what you mean.

Mr. PASSMAN. Do you understand what I mean, Mr. Comptroller?

Mr. O'FLAHERTY. I think you want the general fund included?

Mr. PASSMAN. That is right. Could you just give us an estimate?

Mr. O'FLAHERTY. Yes, sir. An estimate, including goods in kind, would be \$26.5 million.

Mr. PASSMAN. \$26.5 million?
 Mr. O'FLAHERTY. Yes.
 Mr. AILES. Do you have the powerplant in there?
 Mr. O'FLAHERTY. There is no drawdown intended in 1963.
 Mr. PASSMAN. This has gone from \$3 million in 1955 up to \$8,959,000 for fiscal 1963 just for what has been requested through this subcommittee, but you are requesting \$14,366,000 for fiscal 1964.
 Mr. AILES. That is correct.
 Mr. O'FLAHERTY. However, for 1955 these figures I gave you did not include the general fund availabilities.
 Mr. PASSMAN. You gave us about nine accounts you were getting funds out of for fiscal 1963.
 Mr. O'FLAHERTY. That is correct.
 Mr. PASSMAN. And you said it was up to about \$26.5 million?
 Mr. O'FLAHERTY. That is an estimate, Mr. Chairman.
 (The information supplied follows:)

Funds available Ryukyu Islands, fiscal year 1963

Source	[In millions of dollars]	Fiscal year 1963
U.S. appropriated funds:		
Aid to Ryukyuan economy	-----	16.9
Administrative activities	-----	2.0
Total	-----	8.9
General fund	-----	18.7
Emigration funds	-----	0.8
U.S. abundant foods, Public Law 480:		
Title III (in kind)	-----	4.7
Title IV	-----	5.4
Total	-----	8.1
Grand totals	-----	26.5

¹ Includes \$0.9 million for reimbursement for GRI services.
² Major portion of these funds are programmed for reinvestment in general fund business-type operations; \$1.6 million payable to GRI in lieu of petroleum taxes; \$1.1 million programmed for economic aid.
³ For emigration of Ryukyuan to Latin America (Public Law 86-785, sec. 4).
⁴ Public relief and school lunch programs.
⁵ Loan funds expected to be generated under title IV, Public Law 480.

Mr. PASSMAN. If you compare that against \$8,959,000 that this committee recommended for fiscal year 1963, it gives you an idea of the amount that is going in. Those people benefit greatly from the fact you have a military installation there, do they not?

Mr. O'FLAHERTY. Yes, sir.

Mr. PASSMAN. General Caraway, if you have a statement we shall be glad to hear from you.

GENERAL STATEMENT OF HIGH COMMISSIONER OF RYUKYU ISLANDS

General CARAWAY. Mr. Chairman and gentlemen, Mr. Ailes has covered already the importance of Okinawa as a base and the reasons for the U.S. presence there. I will cover the responsibilities which have been assigned to the High Commissioner; talk about what is being done to carry out these responsibilities and discuss this year's requests for money. Since February 16, 1961, as High Commissioner,

I have had the responsibility for maintaining the U.S. position in the Ryukyu Islands. This places two requirements on the High Commissioner and his staff; to maintain the U.S. administrative authority in the islands, and, to develop political and social climates in the Ryukyus which assure the continued acceptance of the U.S. presence there.

The High Commissioner's responsibilities are based upon the international agreements of the United States and the mandates of the President and the Congress.

The treaty of peace with Japan gives to the United States the right to exercise all and any powers of administration, legislation and jurisdiction over the Ryukyu Islands. The Congress gave full legal support to this arrangement by Senate ratification of the treaty.

President Eisenhower and President Kennedy have declared on a number of occasions that the Ryukyu Islands will be retained under American jurisdiction as long as conditions of threat and tension exist in the Far East. Knowledgeable observers realize that this means the United States must remain in the Ryukyus for a long time to come. Although the tenure thus expressed is indefinite, it provides a sufficient basis for developing programs in the political, economic, and social fields which will serve United States and Ryukyuan interests.

In addition to the treaty of peace and Executive Order 10713, as amended, the Congress placed an explicit responsibility upon the High Commissioner. The law enacted 3 years ago (Public Law 86-629) directs that "every effort shall be made to improve the welfare and well-being of the inhabitants of the Ryukyu Islands and to promote their economic and cultural advancement, during such time as the United States continues to retain authority over the Ryukyu Islands." This was reaffirmed in 1962. The words, "every effort" are an indication of the will of Congress that economic and technical assistance will be extended to the Ryukyuan economy.

Therefore, in carrying out his mission of assuring that the Ryukyu Islands will contribute most effectively to the peace and security of the free world, the High Commissioner will:

- (a) promote the development of an effective and responsible Ryukyuan Government, based on democratic principles and supported by a sound financial structure; and,
- (b) assist the Ryukyuan people in achieving a continuing improvement in their living standards; a modernized structure of their society, resting upon a sound, expanding economy; and a realization that the above is being achieved due to the interest, sympathetic understanding, and provision of resources by the United States.

The above statement immediately raises the question, "What is the High Commissioner doing to carry out these responsibilities?"

First, there is a self-imposed limitation upon the items contained in the programs presented by the High Commissioner. These limitations rest upon an awareness of the total burden assumed by the United States as the leader of the free world; of the U.S. security requirements in the Western Pacific; and, of the needs of the Ryukyu Islands. The program presented to you does not contain items that would be merely nice to have, or would result in wasteful use of America's resources.

Second, the United States is not asked to pay for programs which the Government of the Ryukyu Islands is capable of supporting. Neither the High Commissioner, nor the Chief Executive of that Government, is making such a request. On the other hand, the United States stands in an unusual position in the Ryukyus in that it has full responsibility for the islands, their people, and their territorial waters and, in fact, occupies the place of a central national government. The funds requested are those necessary to supplement the resources of the Government of the Ryukyu Islands.

Third, the High Commissioner must insure that those projects financed from Ryukyuan resources, as well as those financed through external assistance, are carried to completion honestly and well, and are for the benefit of the Ryukyuan people.

This approach is achieving the hoped-for results. The area is politically stable at the present time. Thanks to U.S. assistance in the form of money, know-how, goods and services, the standard of living continues to rise at a presently acceptable rate. The economy is moving forward. The Ryukyuan people respect the United States as a nation; they are not overly critical of the way the local manifestation of the United States, the High Commissioner and his staff, operates; and, many of them have a genuine liking for the United States as a nation and for Americans as people. The United States expects and receives, with rare exception, the cooperation and acceptance of the people.

The presence of America in the Ryukyu Islands has not been completely one-sided. The Ryukyuan people have benefited.

Under the U.S. administration, the Ryukyuan people possess the right to elect their own legislature, to maintain their own court system, to levy taxes, and budget their revenues. The basic liberties enjoyed by people in democratic countries are preserved to them. In all major respects the rights guaranteed to citizens of the United States under its Constitution apply with equal effect to Ryukyuan people. The Ryukyuan economy is based on a sound financial system. In this environment, the Ryukyuan Government pays from its own revenues the major part of its costs. Price stability compares favorably with that of any country in the world. Standards of living are improving. Annual per capita national income has risen from \$119 prewar to \$257.7 in 1963 in terms of prewar prices.

These benefits are all positive indications of progress. But much remains to be done in the areas of basic needs. These areas in many cases involve not only the Ryukyuan people themselves, but the welfare and well-being of the U.S. servicemen as well.

The gains and improvements which have been made in the Ryukyus have been relative ones. The Ryukyus can never be a rich country nor the Ryukyuan people a rich people. One reason is that the population density for the whole land area of the Ryukyu Islands is nearly twice that of Japan. The average farm is barely one acre in size. All told, the earnings of a farmer, averaged throughout the islands, for 34 hours per week labor with hand tools, amounts to \$210 in a year. If he can get enough water to irrigate his farm during normal weather, he is ahead of the average; if his land is not inundated and wiped out in the typhoon season, he is lucky.

Sections of the city of Naha look prosperous, yet it has no underground sewers; electricity is expensive and, the water supply is inadequate.

There are not enough classrooms in the islands and little or no school furniture for what classrooms there are, except that which is home-made from scrap lumber and a few classrooms furnished by the generous efforts of Americans on the islands through the people-to-people program, and by the \$100,000 appropriated by Congress in fiscal year 1963.

There is a real shortage of doctors and dentists and medical facilities.

Public housing and loanable funds for private housing are scarce.

There are very limited social security provisions, no retirement, medical insurance, or pension programs, and only limited assistance for dependents and handicapped persons. These then, are the economic conditions in the Ryukyus.

In summary, the needs include health and sanitation, water supply, public safety, typhoon damage repair, education, information, and efficient, effective governmental operations. The budget request under discussion here today, within the ceiling approved by Congress, attempts to do something to meet the needs.

I would like to talk now about the specific programs which we feel are designed to meet the above stated needs and to carry out the objectives which Congress stated in Public Law 86-629, as amended.

For high priority requirements in the fields of public health and welfare, \$960,000 is required. This amount will permit operations to prevent and attack disease (giving priority to those types that might threaten the security of the base and the health of the U.S. forces); to replace a dilapidated public health center on Yaeyama; to expand the only Ryukyuan Government mental hospital and the Okinawa Island leprosarium; and to help equip the new Okinawa Central Hospital, now being built with funds appropriated in fiscal year 1963. In the public welfare field, modest contributions can be made to improve the child welfare center and additional orphan care facilities.

Tied in very closely with health and sanitation is a requirement to supplement the resources to be provided from the general fund to expand and develop water sources and distribution facilities of the central water system on Okinawa. This utility is under the control of the High Commissioner and integrates the U.S. military base and Okinawa civilian water resources. For this, an amount of \$2 million is included in the estimates. The High Commissioner will ask for funds for the water system in fiscal year 1965 to supplement approximately \$4 million from the resources of the general fund to carry out the program in that year.

One million dollars are requested to restore or replace facilities damaged or destroyed by natural forces such as typhoons, earthquakes, major fires, and storms. It is a U.S. responsibility to meet these disasters when they arise: there is no other U.S. agency to which the Ryukyuan people can turn except the High Commissioner; and his only resources are those the Congress allot him.

With the request this year, the High Commissioner is presenting a proposal which will enable him to meet the emergency promptly, and which he trusts will at the same time meet with congressional approval. The request is that the funds, this \$1 million, be transferred to the general fund under control of the High Commissioner so that they can be programmed promptly, when the need arises.

In the field of education, it is proposed to contribute \$1,455,000 for high priority educational facilities. This will provide additional vocational training equipment, some of the badly needed senior and junior high school classrooms for the expanding school population, and certain science laboratory equipment for these schools. A portion of these funds will be used to help promote the teaching of English in the schools and in adult education courses, particularly those conducted in night school program; \$1 million is again requested to continue the program of increased pay of Ryukyuan teachers initiated by the Senate Appropriations Committee in fiscal year 1962.

The next major budget item is the inclusion of funds to reimburse the Government of the Ryukyu Islands for services rendered in the field of public safety and public health and sanitation. These funds pay for services which directly benefit the members of the U.S. Armed Forces and their dependents. This amounts to \$1,150,000.

The Congress approved \$50,000 in fiscal year 1963 for the replacement of the first of four police patrol boats operated by the Government of the Ryukyu Islands. Included in this budget is a like amount for the replacement of the second of such patrol boats.

For technical education and training and technical cooperation, \$645,000 is asked; for transportation of charitable donations, \$5,000, and for cultural facilities, \$150,000.

The balance of the \$12 million request, or more than three and a half million dollars, is programed for public works and economic development projects.

These public works and economic development programs can be grouped as follows:

First, the contribution of funds to Government of Ryukyu Islands programs which provide road and bridge construction, seawalls, piers and harbors, sewer systems, municipal housing, irrigation systems, and agricultural, livestock, and forestry development amounts to \$2,085,000.

Second, in the field of economic development, it is proposed that the capital of the Central Bank for Cooperatives be increased by \$1,500,000. In fiscal year 1963, \$1 million was requested for this purpose; however, on the basis of the reduced appropriation the High Commissioner programed only \$365,000, which is a fraction over the Government of Japan contribution of \$361,000.

The present budget request shows (p. 46) that the Government of the Ryukyu Islands is providing \$659,000 of special loan funds to the Central Bank for Cooperatives. Since the preparation and forwarding of this budget document the Government of Japan has programed a grant of \$800,000 to this important Ryukyuan institution in the period roughly corresponding to U.S. fiscal year 1964. Even with these increments from all sources, the Central Bank will be able to accommodate only about \$12.5 million in credits against a projected demand of over \$40 million.

These are, in broad terms, the main elements in the fiscal year 1964 program.

The entire program of economic development is based on the premise that U.S. assistance will be most productive if it can establish a sound foundation for development on which private capital, including adequate credit, can build an expanding superstructure. The

requisites for this foundation are a literate, technically educated population; a sound financial and credit system; adequate water and power facilities; communications; transportation, including roads, bridges, revetments, ports and breakwaters; irrigation systems; public health and safety facilities and services; family housing; agricultural, fisheries, livestock, and forestry experimental and extension services; and honest, cooperative, and progressive public administration.

I submit, Mr. Chairman and gentlemen, that the U.S. Administration of the Ryukyu Islands needs the funds requested if the High Commissioner is to meet his responsibilities.

These funds will contribute directly to the U.S. security and to meeting its free world responsibilities in the Western Pacific. In light of the needs of the Ryukyu Islands, their people, and their government, these funds are minimal. In light of the U.S. responsibilities for the area, and in the face of the threat to the freedom of the nations and peoples in the Western Pacific, including Japan and the Ryukyus, the provision of these funds to the High Commissioner is essential; and, their prudent use will help satisfy the fundamental requirements which must be met if the United States is to operate the Ryukyuan base in the most effective manner.

Thank you, Mr. Chairman and gentlemen.

Mr. PASSMAN. Thank you, General Caraway.

Those of us who serve on this side of the table, who are forced to look at these Treasury statements and these requests, have a lot of sleepless nights, because the requests always exceed the money in sight if put together collectively. We do have a responsibility to try to provide adequate funds and at the same time take out as much as we can without seriously impairing any program.

I have been to the islands several times and enjoyed each trip. I am sympathetic to their problems.

This program is like many others. There are a lot of desirable things. It is a question of how far the money will go.

APPROPRIATION REQUEST

I would like, before we proceed further to be sure that my previous request for information is understood; that is, in stating the amount of funds available under this appropriation from fiscal year 1955 through 1963 that it was comparable to the items you are requesting for fiscal year 1964. We will just pick one. Let us take fiscal year 1959. Congress appropriated \$2,860,400. Now for the comparable programs, at least under the same appropriation, you are requesting \$14,366,000 for 1964. Do I understand that correctly?

Mr. O'FLAHERTY. You do, sir.

Mr. PASSMAN. I wanted to be sure. There has been a tremendous jump.

Mr. AILES. When you say "comparable programs," let us be sure of what we are talking about there. There are many items, specific programs, which General Caraway has in mind, covered by this appropriation that were not back there.

Mr. PASSMAN. We know that. That is why this thing jumped. Under the same heading, the same appropriation request, you may

build something out there that you have not built in the past, but it would be out of the same appropriation category.

It has actually gone from \$2,860,000 in 1959 to \$8,959,000 in fiscal year 1963, with a request of \$14,366,000 in fiscal year 1964. Have I stated that correctly?

Mr. O'FLAHERTY. I think there was one little imprecision.

Mr. PASSMAN. It was \$2,860,400 in 1959; is that right?

Mr. O'FLAHERTY. No, sir; it was \$2,860,000.

Mr. PASSMAN. \$2,860,400, is it not?

Mr. O'FLAHERTY. I withdraw that. There is an error in this table.

Mr. PASSMAN. Is it \$2,860,400?

Mr. O'FLAHERTY. Yes, sir.

Mr. PASSMAN. Last year it was \$8,959,000. This year it is proposed to be \$14,366,000. Have I stated it correctly?

Mr. AILES. I think it is \$8,957,000 last year, is it not?

Mr. SEEFELDT. There was a \$57,000 proposed supplemental appropriation.

Mr. PASSMAN. If you want to go over the book here, it is \$8.9 million; but you have a request for a supplemental appropriation, do you not?

Mr. O'FLAHERTY. Yes, sir.

Mr. GARY. Off the record.

(Discussion off the record.)

Mr. PASSMAN. It appears then, that the Ryukyus are friendlier toward us.

Mr. RHODES. I was interested to read Secretary Ailes' statement to see how well things are going there, yet they are in here with a request for \$14,366,000 again.

Mr. AILES. Mr. Chairman.

Mr. PASSMAN. Mr. Secretary.

Mr. AILES. I would like to say, Mr. Gary, with reference to the off-the-record discussion, I think that the statement I made with respect to need last year was apparently misunderstood. The point I tried to make at that time was that this was not a Red Cross program or welfare program. It was not an expenditure of U.S. funds that was recommended on grounds such as the New York 100 neediest cases.

The purpose of the program is to provide continuing economic development in an area that is vitally important to us for military reasons. This was why we recommended that the U.S. administration be provided funds to do projects which themselves are badly needed. In those terms and for that end we came forward with our best estimate of the rate at which moneys should be employed for this purpose. That estimate was \$14 million.

Actually, the program that did result was a substantial increase over the preceding year, as I stated earlier to the chairman. We had about \$1.6 million more aid in the 1963 program than had been in the 1962 program, and some progress was definitely shown. In addition, I think there were other factors I tried to point to in my statement.

Our view of this thing is that we should be conservative in what we are doing there and be sure we are on the safe side. My statement tried to make clear that that situation is going very well out there.

Mr. GARY. Mr. Secretary, what I had to say was in no sense a criticism. I have been in the executive branch of the Government and

I have been in the legislative branch. I have always said that any man in the executive branch of the Government who does not think his job is the most important in the Government, and who does not have imagination enough to feel that if he had more money, he could do a better job, ought not be holding the job.

On the other hand, when these requests come before us, we have to consider them not just in the light of the Ryukyus, but we have to consider them in the light of the United States as a whole. It is our duty to distribute the money among the various agencies. We cannot give everybody everything they asked for, but we have to distribute the money as equitably as we can and in such a manner as to do the greatest good for the United States.

If money was plentiful, there might be no question about it, but it is not. I think we have to consider these matters in the light of need. When we exercise our judgment on these things, then to be told that we are ruining the agency and that we will not have delivery of mail because my subcommittee, of which I am chairman, reduced the Post Office appropriation less than 2 percent, I just cannot get that. We reduced the Post Office request less than 2 percent, \$92 million on a \$5 billion appropriation, and to be told that we have wrecked the Post Office, is disconcerting to say the least. I have wrecked more post offices and wrecked more agencies of this Government, I suppose, than any other man because I have been on this Appropriations Committee for 18 years. However, they are all still flourishing. That talk of wrecking the program does not have much effect on me.

Let me say, General, I think you have given us a very good description of what you intend to do with this money. It is our responsibility to determine how much of this we feel should be appropriated at the present time under our present fiscal situation. I am one of those who feel that our fiscal situation at the present time is one of the great problems in this country. We have a \$300 billion debt and we are going in debt every year. I do not think that condition can continue long.

Mr. RHODES. May I ask this off the record.

(Discussion off the record.)

U.S. PUBLIC DEBT

Mr. PASSMAN. I am going to repeat that since the beginning of our bookkeeping system 174 years ago, for each \$1 our Government has collected in revenue, and the total has amounted to \$1,312 billion, we have created an obligation of \$1.81. So our real public debt and obligation for services previously rendered, not those yet to be rendered, actually amounts to \$1,051 billion. Using round figures, we have a borrowed-money public debt that amounts to \$305 billion. We have 108 statutory obligations calling for payouts of \$746 billion for services already performed. The two, together, amount to \$1,051 billion. One obligation is just as binding as the other.

It is obvious that somewhere along the way we have not done the best job that might have been done for the people we represent.

There are 190 million Americans involved in this money that we collect and spend. They deserve better treatment than they are getting.

IMPROVEMENTS IN THE ECONOMY

May I ask you how long have we been in Okinawa under the arrangement now in effect?

General CARAWAY. The treaty came into effect in 1952, Mr. Chairman.

Mr. PASSMAN. How long have we occupied Okinawa?

General CARAWAY. Since 1945.

Mr. PASSMAN. Eighteen years, approximately?

General CARAWAY. Yes, sir.

Mr. PASSMAN. But we are operating under a treaty which is now 11 years old?

General CARAWAY. Yes, sir.

Mr. PASSMAN. We do know there have been a lot of improvements in Okinawa. Are they not enjoying the highest standards they have ever experienced?

Mr. AILES. Yes, sir.

Mr. PASSMAN. I am glad that they are; it is a much higher standard than they had under the Japanese rule.

Mr. ANDREWS. Mr. Chairman.

Mr. PASSMAN. Mr. Andrews.

Mr. ANDREWS. Mr. Secretary, how much money goes into the economy of the islands from our Military Establishment there?

General CARAWAY. About \$90 million is the estimate for this year for goods and services.

Mr. ANDREWS. That is the principal item in their economic life, the biggest factor?

General CARAWAY. No, it is about half of their gross national product.

RYUKYUANS EMPLOYED BY U.S. GOVERNMENT

Mr. PASSMAN. \$90 million. How many Okinawans do we have working for us?

General CARAWAY. About 15,000 Ryukyans on direct hire. There are more, employed by nonappropriated fund activities, contractors, and others, I do not know how many, working as servants.

Mr. ANDREWS. Are their salaries included in the \$90 million figure?

General CARAWAY. That is everything.

Mr. GARY. Is that the Army, too?

General CARAWAY. That is what is the military base, the four services and all other security agencies.

Mr. PASSMAN. About 30,000, I believe we were told last year in clerical, technicians, and domestic jobs.

General CARAWAY. That is about right.

Mr. AILES. I think General Caraway said his figure did not include domestics.

(The following information was provided subsequently for the record:)

Ryukyans employed by United States and related agencies
(as of December 1961)

Appropriated fund activities	15,301
Nonappropriated fund activities	9,261
Contractor and concessionaire	15,725
Domestics	7,608
Foreign investor employees	7,088
Total	64,983

Mr. PASSMAN. This is the total, whether domestics or direct hire by the services.

As far as the Ryukyans are concerned, a population of 980,000, I should think a \$90 million supplement to their normal economy is rather significant.

When you add, as we built up a while ago, some \$26 million in fiscal 1963 which will be available from the various spigots, it would appear that we are making a very sizable and, I should hope, satisfactory contribution.

There are a lot of things that are desirable. As the gentleman from Virginia very well stated, however, there is the question of getting the money. This is just one of the items this subcommittee will consider out of a \$4,500 million request.

EMERGENCY FUND

If I remember correctly, last year—I certainly want the record to be corrected if I am laboring under the wrong impression—the High Commissioner requested \$1 million for a special fund that he might allocate as he deemed proper on projects that he considered important, without it being specifically earmarked.

Mr. AILES. Disaster relief may be what you are referring to. We asked for a million dollars of no-year funds to be available for that.

Mr. PASSMAN. No specified projects?

Mr. AILES. Disaster relief. It was limited to that.

Mr. PASSMAN. Not justified by project. I am thinking of the request, not what was recommended.

Mr. AILES. We asked for a million dollars of no-year funds to be available. We have an obligation, specifically referred to in the Price Act; I believe, to provide relief in the event of disaster. We asked that these funds be made available, held by the High Commissioner, to be used by him in event of disaster on the theory that we do not have time to come back and ask Congress to appropriate funds when there is a disaster.

We have asked for the same funds this year, only to have it appropriated and paid into the general fund, where it is available for that purpose.

Mr. PASSMAN. For uses to be determined after the disaster, if any?

General CARAWAY. Only for use in repairing the effects of the disaster.

Mr. PASSMAN. Which would be a million dollars appropriated without justification for specific projects?

General CARAWAY. That is right.

Mr. PASSMAN. That is a departure from normal operations, is it not?

Mr. AILES. I would assume so, sir.

Mr. PASSMAN. We have, in foreign aid a President's contingency fund. It started out with a relatively small amount, but it has grown until I believe the request now exceeds \$400 million.

I mention that so you will know at least one of the reasons why we would like to be as careful as we can about these so-called contingency funds, which frequently get to the point that they are not used as contingency or emergency funds. They are used sometimes for projects that will not be completed until 18 or 20 years in the future, for out-right funding of projects that did not look good to the Congress.

Mr. GARY. Did this latest tornado hit the island?

General CARAWAY. No, sir; we were very fortunate. We did not have any serious typhoons last year.

Mr. AILES. That is the purpose of the fund. This is the typhoon belt normally, as you know.

Mr. GARY. I understand. Off the record.

(Discussion off the record.)

PROTECTION AGAINST TYPHOONS

Mr. PASSMAN. In that connection, do you have sufficient "typhoon-proof" buildings to take care of all American personnel there?

General CARAWAY. Yes, sir.

Mr. PASSMAN. I do not mean buildings for them to live in, but buildings to protect them.

General CARAWAY. Some people have to be moved out of their normal barracks where they are still in quonsets or buildings not typhoon-proof, and they are moved into such buildings as gymnasiums and other buildings.

Mr. PASSMAN. Can the Ryukyans take care of themselves during the typhoons?

General CARAWAY. The Ryukyans have taken to building typhoon-resistant buildings. They have concrete block private houses and office and store buildings.

Even so, there is damage both by water and wind in the cities such as Nago, Naha, and so forth. But as they are able, they try to convert their houses to become typhoon resistant.

They have learned this from the Americans. I do not consider that anything for us to be ashamed of or to wish they had not.

Mr. AILES. May I make one more statement?

Mr. PASSMAN. Yes.

Mr. AILES. I would like to point out that Public Law 86-629 is the authorizing law under which we make this request. Specifically, it authorizes an appropriation for "Emergency purposes related to typhoons or other disasters in the Ryukyu Islands." An emergency purpose is obviously one for which you cannot say what the project is in advance.

Mr. ANDREWS. Mr. Chairman.

Mr. PASSMAN. Mr. Andrews.

Mr. ANDREWS. General, why would you not be eligible to get money from the foreign aid program contingency fund or from the President of the United States under his contingency fund or from the Secretary

of Defense under his contingency fund to meet requirements that Public Law 86-629 authorized?

General CARAWAY. Are you talking specifically toward disasters now?

Mr. ANDREWS. Right. Have you tried?

General CARAWAY. Yes, we have, as a matter of fact, since I have been there.

Mr. ANDREWS. Have you been successful?

General CARAWAY. No, I have not.

Mr. PASSMAN. The law is broad enough, though, if the President wanted to make it available, is it not?

Mr. ANDREWS. I think those three emergency funds are used for just such needs as Public Law 86-629 provided.

Mr. AILES. May we file a statement on that? I am under the impression that this is not foreign aid. As you know, Okinawa is in between, it is not foreign aid, yet it is not domestic.

Mr. ANDREWS. I am sure if you had damage to property on the islands, that repair of those damages would be far better than many, many, many of the projects that are financed from the foreign aid contingency fund.

Mr. AILES. It is just that Okinawa is in the legal never-never land between the two.

Mr. ANDREWS. In the twilight zone of foreign and domestic aid.

Mr. PASSMAN. With regard to Presidential authority under these several relief appropriations, if he could give relief to Holland, he could give it to Okinawa, could he not?

Mr. AILES. I would assume so, sir, except it is my understanding that there is a legal ruling to the effect that Public Law 86-629 pre-empted the field, that this is why we are supposed to go here for these purposes. I would like to file a statement on that.

Mr. ANDREWS. Maybe we ought to repeal Public Law 629 and make you eligible for foreign aid.

(Statement follows:)

STATEMENT BY THE DEPARTMENT OF THE ARMY

While all agree that the United States should provide relief in the event of a serious disaster, such as a major typhoon, in the Ryukyus, a question has arisen as to the proper source of funds for such relief, if required. The budget proposal submitted by the administration includes a sum for this specific purpose. The question suggests that certain contingency funds appropriated for other agencies of the Government may already be available for this purpose. The short answer is that it is precisely because there are uncertainties about the availability of contingency funds that a specific amount has been requested for the Ryukyus, pursuant to the explicit authorization contained in the Price Act.

Among the contingency funds suggested by the question are those provided in the Foreign Assistance Act (22 USCA 2261 (1963), 76 Stat. 259 (1962)), the Treasury-Post Office Departments and Executive Office Appropriations Act (76 Stat. 310 (1963)), and the Department of Defense Appropriations Act (76 Stat. 318 (1963)). The availability of these contingent funds is placed in question by the inference at places in the Price Act's legislative history that money appropriated under authority of the Price Act represents the sum total of all the appropriated funds which can be expended in the islands for the purposes of the act, one of which includes "emergency purposes related to typhoons or other disasters" (74 Stat. 461 (1960)). The Comptroller General has held that a specific appropriation for a particular object normally precludes the use of a more general appropriation to achieve the specific object, in the absence of a contrary congressional intent (34 Comp. Gen. 236, 239).

On the other hand, contingency funds are sometimes available to supplement other specific appropriations. The President's emergency fund authorized in title IV of the Treasury-Post Office Departments and Executive Office Appropriations Act, 1963, for instance, may be applied to meet "emergencies affecting the national interest, security, or defense which may arise at home or abroad (76 Stat. 310 (1963))," even though the Disaster Act of 1950 also authorizes appropriations in part "to provide an orderly and continuing means of assistance by the Federal Government to the States and local governments in carrying out their responsibilities to alleviate suffering and damage resulting from major disasters * * *" (42 U.S.C. 1855 and 1855g (1958), 64 Stat. 1109 (1950)).

(NOTE.—In connection with the above mention of the Disaster Relief Act of 1950, it should be noted that that act, though expressly extended to Guam, American Samoa, and the Trust Territory of the Pacific Islands by amendment last year, does not extend to the Ryukyu Islands. Therefore appropriations under that act are not available for use in the Ryukyus.)

The difficult legal question posed by the juxtaposition of the Price Act and the various contingency funds has made the Department of the Army hesitant to rely on the availability of these funds in case of disaster in the Ryukyus. It should be noted that Chairman Passman, during last year's hearings, expressed his personal opposition to the use in the Ryukyus of one of these contingency funds. (Hearings on foreign operations appropriations for 1963 before a subcommittee of the House Committee on Appropriations, 87th Cong., 2d sess. 886 (1962).)

We would welcome congressional clarification of this point. In the absence of such an expression of intent, we earnestly request that the provision of the requested funds for disaster relief in the Ryukyus not be eliminated from this appropriation.

ELECTRIC POWER

Mr. PASSMAN. On page 5, you say that electricity is expensive. Do you have any idea what it would cost them per kilowatt to generate electricity?

Mr. McLAUGHLIN. I think it is 11 mills.

Mr. PASSMAN. That is 1.1 cents. What will it be when they get their new, modern light plant, if you can project it?

Mr. McLAUGHLIN. I do not think we have a projection of what the cost will be. It will be cheaper.

Mr. PASSMAN. Are all these cooperatives?

General CARAWAY. No, sir. At the present time it is operated by the Army. When it is finished, it will be operated by the Ryukyu Electric Power Corp., a corporation under the control of the High Commissioner. It is not a cooperative.

Mr. PASSMAN. Do you have any electric cooperatives?

General CARAWAY. Yes; two small rural "sons." They could not get their power distribution companies, servicing their area, to electrify them because the houses were so scattered they could not make a profit. They came in and applied to the High Commissioner, and I made the necessary rulings and exceptions. We went through the law. They got a loan from the Ryukyu Development Loan Corp., which enabled them—in other words, they borrowed the money and established a "son" cooperative. A "son" is a municipality or county. They buy the electricity and sell it to the users.

Mr. MINSALL. When is this new powerplant going to be completed?

General CARAWAY. It comes on the line commencing August 1964.

Mr. PASSMAN. The High Commissioner sells the electricity to the corporation for 11 mills?

Mr. McLAUGHLIN. There is a small markup over cost to the corporation.

Mr. PASSMAN. What do you actually charge?

General CARAWAY. The Electric Power Corp. buys it from the generating service.

Mr. PASSMAN. What do they pay?

Mr. McLAUGHLIN. REPC, the wholesale rate to the distribution companies?

General CARAWAY. What does REPC pay?

Mr. PASSMAN. What do they pay to get your electricity before re-tailing it?

Mr. McLAUGHLIN. There is a small markup over cost. It would probably be about 12 mills, very minor.

Mr. PASSMAN. That is one penny plus two mills. Why should the retail rate be so expensive?

DISTRIBUTION POWER COMPANIES

General CARAWAY. It is very simple, sir. Years back we allowed the Ryukyuan Government to franchise six electric power distribution companies. Those six electric power distribution companies each have a certain area in which they sell the electric power. In those areas where they sell the power, they make a markup for practically what the traffic will bear.

Mr. GARY. Will the Chairman yield?

Mr. PASSMAN. Of course.

Mr. GARY. I think I know something about that. That is one situation in Okinawa that I know something about. I was there just before they completed the previous power plant. They were talking at that time of just turning the whole thing over to the Ryukyuan Government.

I remember they asked for experts from the Power Commission here in Washington to come out and tell them how much they would have to charge for electricity so that they would make enough profit on the electricity to run practically the entire Government. We came back and raised so much objection to the fact that we thought it would be a mistake to turn this over to the Ryukyuan Government because in case of emergency we would need it ourselves. They worked out this present plan and created this corporation and turned it over to the corporation. I had something to do with that myself. I was there at the time.

Mr. RHODES. Apparently the distribution companies are charging outlandish rates. Is that correct?

General CARAWAY. They charge fairly high rates, sir. The GRI by actions last year has caused a reduction across the board of 20 per-

cent in the power rates that the distribution companies charged to Ryukyuan and other nonmilitary customers, since they do not sell to the military.

Mr. RHODES. Who gets the profit from these distribution companies?
General CARAWAY. That goes to the stockholders, or if it is a family corporation, to whoever owns the company.

Mr. RHODES. The Ryukyuan Government exercises no control over them?

General CARAWAY. It only franchises them. Then it has certain authority over them under law, but it has nothing to do with the money.

Mr. RHODES. It is not a controlled monopoly? It is just a monopoly then.

Mr. McLAUGHLIN. There are six separate companies.

Mr. RHODES. They do not operate in the same areas?

Mr. McLAUGHLIN. No.

Mr. RHODES. Each is a monopoly within its area?

Mr. McLAUGHLIN. Yes.

Mr. GARY. Who gets the profit?

Mr. ANDREWS. The companies?

General CARAWAY. The companies themselves.

Mr. GARY. Are they stock companies?

General CARAWAY. Some are, some are simply—one is a family corporation, there is no public holding of stock. The Matsuoka Co. stock is held entirely by Mr. Matsuoka and his family.

Mr. PASSMAN. Does the Government make a little profit?

General CARAWAY. No.

Mr. PASSMAN. I thought you made something for overhead.

General CARAWAY. That goes to the Army. We cannot sell at cost and lose.

Mr. PASSMAN. Certainly not. We want to be sure you have established a cost rate to produce electricity.

General CARAWAY. That is right.

Mr. PASSMAN. You have, I suppose, a small override for your book-keeping and collecting, and so on. Then the corporation buys it from you for approximately 12 mills per kilowatt-hour.

General CARAWAY. That is enough to talk from.

Mr. PASSMAN. I thought that is what he said. Then this corporation sells to several of the independents?

General CARAWAY. Yes, sir.

Mr. PASSMAN. Which are independently owned, corporations or co-operatives?

General CARAWAY. No, they are all corporations. I take it back. There are two co-ops established which made contracts with REPC, which enabled them to get power at a lower rate than if they had bought through their distribution company.

Mr. PASSMAN. It passes through three sets of books—producer, corporation distributor, and the person or firm that breaks it up into smaller parts and sells it to the consumer?

General CARAWAY. Yes, sir.

Mr. PASSMAN. What profit do you permit, if you have any control of the corporation that buys from you?

General CARAWAY. I do not have any control of it except I have started watching it very carefully and the GRI has reduced their rates by 20 percent.

Mr. MINSHALL. What kind of figures are we talking about? How many dollars in the way of profit?

General CARAWAY. I am trying to find it.

Mr. PASSMAN. This electricity could just as easily be distributed by people you sell it to. You are still talking about a very small place.

General CARAWAY. That is true. This was done, obviously, to try to encourage economic growth among people who wanted to try to find some way to get into business, and they encouraged this franchising of this number of power distribution companies.

Mr. RHODES. We have no objection to that. I would like to find out whether the Ryukyuan Government has any control over the rates.

Mr. MINSHALL. That is the main thing and also what is the profit?

Mr. GARY. Are they exploiting the natives or selling the electricity at a reasonable profit?

Mr. PASSMAN. You said it was expensive.

General CARAWAY. It is expensive.

Mr. ANDREWS. It should not be with that wholesale cost that the corporations buy that power from the Army for. Somebody is getting a good deal out of this proposition.

Mr. PASSMAN. There is a middleman's profit before the electricity gets to the real distributor. Could you tell us what they pay per kilowatt, the average family that consumes a hundred kilowatts, for instance?

General CARAWAY. The REPC wholesale rate to the distribution companies consists of \$1.83 per kilowatt demand charge, plus an energy charge of .0112 cents per kilowatt-hour.

Mr. PASSMAN. That is the corporation you sell to quoting the smaller corporations?

General CARAWAY. Yes. The retail power rates of five of the privately owned power distribution companies were reduced by 20 percent in August 1962. The new retail meter rate of a company for residential consumers is 60 cents for the first 10 kilowatt-hours and 4 cents per kilowatt-hour for the next 90 kilowatt-hours and 0.0256 cent per kilowatt-hour for the next 200 kilowatt-hours. Then there is 2.32 cents per kilowatt-hour for all over 300 kilowatt-hours. This the typical cost.

Mr. MINSHALL. Do they file a profit-and-loss statement? I wonder what their net profit is of the various companies. It is not that they are not entitled to some. Is it excessive?

General CARAWAY. It is not excessive. We were looking to see if it should be reduced further, but did not find a basis.

Mr. PASSMAN. Most of the residents operate in the first two brackets, do they not?

Mr. GARY. You have to consider that the distribution company has to send around men to read the meters, they have to send out bills, they have to collect their accounts. Most of their charge is for service rather than for electricity. I can understand that.

Mr. ANDREWS. Who paid for the transmission lines from the power-plant to the areas served by these corporations?

General CARAWAY. I think the transmission lines that go to the box from which the distribution company draws its power belong to the REPC.

Mr. McLAUGHLIN. That is correct.

General CARAWAY. Each distribution company installs its own transmission lines throughout the area in which it is franchised to operate.

Mr. ANDREWS. By virtue of what authority, General, were the rates reduced 20 percent across the board?

General CARAWAY. This is where we get back to what was worrying the gentleman here.

Mr. ANDREWS. I want an answer to it.

General CARAWAY. This is what the Ryukyuan Government has the authority to do, set the rates. It is fairly complicated under the law, their electric power enterprise law. In order to reduce the rates the Ryukyuan Government held public hearings.

Mr. PASSMAN. This new power plant is to generate electricity for your own use, but you were able to generate sufficient electricity to offer some of it for sale. Is that not about the way it is?

General CARAWAY. Yes, sir.

Mr. PASSMAN. But primarily you are in the power business to provide for our Military Establishment?

General CARAWAY. Yes, sir. That is why we maintain it within our own—

REVIEW OF POWER RATES

Mr. RHODES. Actually, the Ryukyuan Government was able to get the rates reduced, I suppose, because of its power to franchise these companies.

General CARAWAY. Under the enterprise law, by certain hearings and by certain steps that the Chief Executive, Mr. Ota, can take, he can then set a new set of rates, establish a new set of rates. He established this set of rates at 20 percent reduction across the board.

Mr. RHODES. How long are these companies franchised?

General CARAWAY. Forever, until they are disenfranchised.

Mr. GARY. As I stated a few moments ago, when I was out there some time ago, they had an expert from the Power Commission here in Washington studying rates. Has that been done recently?

General CARAWAY. No one has come out from Washington for this purpose since I have been there.

Mr. GARY. Could you get somebody to come out and review that whole situation to see if it is a fair situation?

General CARAWAY. I could, but it is not necessary because it has been reviewed thoroughly both by me and by a group of Ryukyans, who reported directly to me the results. They reviewed all the power distribution companies' books. They talked to the distribution company people. They talked to the consumers. They came back with all the figures.

Mr. GARY. All I want to know is that the people are not being exploited. I believe in the profit incentive in industry. I believe in a reasonable profit. I would hate to see any people exploited.

I do know that even in our own country in the early days of the power companies there was a great deal of exploitation. I know that because I happen to have represented one of them at one time in a tax matter. I saw some exploitation I never dreamed existed.

General CARAWAY. This is quite true.

Mr. RHODES. I particularly do not want them to be exploited and have the United States blamed for it.

General CARAWAY. They are not being exploited. When I say it is expensive, it is expensive in that the power we must generate is generated by the most expensive way. We have to generate it by diesel power.

Mr. AILES. On a barge, in part.

Mr. PASSMAN. Off the record.

(Discussion off the record.)

Mr. PASSMAN. When you think of these rates in the light of the Ryukyuan economy, electricity is in the luxury class, is it not?

General CARAWAY. It is.

EXPORTING OF SUGAR TO JAPAN

Mr. PASSMAN. What is the main export of the Ryukyu Islands?

General CARAWAY. Sugar.

Mr. PASSMAN. To what country do they export their sugar?

General CARAWAY. They export their sugar to Japan.

Mr. PASSMAN. Since the Ryukyus, then, is a supplier of sugar to Japan, would the Japanese be inclined on that basis to give them aid? Do the Japanese give them any aid?

General CARAWAY. Yes, they do.

Mr. PASSMAN. How much in a year?

General CARAWAY. It just started. It started at about \$2.6 million last year and it is \$5.1 million for their fiscal year 1963, which corresponds roughly to our fiscal year 1964.

Mr. PASSMAN. What is the value of the exports of sugar to Japan?

Mr. AILES. Sir, I think it ought to be clear that the Japanese have to protect that sugar industry in Okinawa to a very considerable extent.

Mr. PASSMAN. Japan is a customer of the Okinawans; they export their sugar to Japan?

General CARAWAY. Yes.
 Mr. PASSMAN. So they have something in common as a supplier and buyer. That arrangement has been in effect a long time, has it not?
 General CARAWAY. Yes.
 Mr. PASSMAN. And Japan has to import sugar from somewhere. Does Japan produce sugar?
 General CARAWAY. They are producing sugar from sugarbeets.
 Mr. PASSMAN. They are not self-sufficient in their sugar needs?
 General CARAWAY. No.
 Mr. AILES. They are not dependent on the Ryukyus for sugar.
 Mr. PASSMAN. I did not imply that they are. Is it to Japan's interest to protect that supply of sugar?
 Mr. AILES. The point I am trying to make is that the purchase of sugar from Okinawa by the Japanese is in itself a form of aid to Okinawa.
 Mr. PASSMAN. If we may go back and start over, Japan is not self-sufficient in its sugar requirements?
 General CARAWAY. As I understand it, it is right.
 Mr. PASSMAN. And they have to import sugar?
 General CARAWAY. Yes, sir.
 Mr. PASSMAN. I wonder if the Japanese are paying a premium to the Okinawans for sugar?
 General CARAWAY. They pay a premium. They pay approximately \$240 a ton for centrifugal raw sugar or black sugar that they bring into Japan from the Ryukyu Islands.
 Mr. PASSMAN. But they could purchase that sugar from elsewhere, could they not?
 General CARAWAY. Yes.
 Mr. PASSMAN. Then what would be the reason to pay the Ryukyuan a premium for sugar?
 General CARAWAY. The Japanese Diet passed an act that Okinawan sugar is "domestic" sugar and they want to encourage it.
 Mr. PASSMAN. What is the value of the sugar imported in Japan from Okinawa?
 General CARAWAY. You can put it at about 100,000 tons and they pay \$240 a ton.
 Mr. PASSMAN. That would be about \$24 million?
 General CARAWAY. Yes, sir.

OKINAWAN IMPORTS FROM JAPAN

Mr. PASSMAN. Do you know the value of Okinawan imports from Japan?
 General CARAWAY. Yes. A figure sticks in my mind between \$95 million and \$100 million.
 Mr. PASSMAN. So for each dollar Japan spends for sugar in the Ryukyus, Okinawa spends \$5 in Japan?
 General CARAWAY. For each dollar the Japanese spend for sugar in the Ryukyus the Okinawans spend \$5 in Japan.
 Mr. PASSMAN. It is about \$24 million that the Japanese spend for centrifugal sugar they buy from the Ryukyu Islands?
 General CARAWAY. That is about right.

Mr. PASSMAN. So, after all, Okinawa is a very large customer for Japan, are they not, per capita?
 General CARAWAY. I do not know about per capita.
 Mr. PASSMAN. You said they buy about \$100 million from Japan?
 General CARAWAY. Between \$95 and \$100 million.
 Mr. PASSMAN. \$100 million for 904,000 people to my mind is a tremendous market, so there would be some reason for Japan to give aid to Okinawa, would there not?
 General CARAWAY. Yes, but that is not the only reason.
 Mr. PASSMAN. I think we know they are protecting their trade of \$100 million a year.
 Mr. GARY. Mr. Chairman, will you yield for a question?
 Mr. PASSMAN. Yes.

EXPORTS TO JAPAN OTHER THAN SUGAR

Mr. GARY. Do the Okinawans sell anything other than sugar to Japan?
 General CARAWAY. Yes. They sell pineapples, they sell fish, they sell raw coral.
 Mr. GARY. What is the value of the total exports to Japan from Okinawa?
 General CARAWAY. It says here about \$38,218,000.

JAPANESE AID FOR THE RYUKYUS

Mr. AILES. As I understand it, the sugar the Japanese pay \$240 a ton for is available on the world market for about \$72 a ton. This is a form of aid to Okinawa by the Japanese. The Japanese have an incentive to aid Okinawa aside from this.
 Mr. PASSMAN. What is the incentive, kinfolks?
 Mr. AILES. Yes, precisely.
 Mr. PASSMAN. But \$100 million a year is a substantial market for 904,000 people.
 Mr. AILES. There is no question it is important because it is a market of dollars. But the Japanese have wanted to aid Okinawa very substantially.
 Mr. PASSMAN. Why do you not encourage them?
 Mr. AILES. This is really General Caraway's field, but the fact of the matter is that the purpose of our being out there is a military one, as I have said many times and as everybody else has said.
 The Japanese Diet have appropriated \$5.1 million for the Ryukyus this fiscal year.
 Mr. RHODES. Is Japanese aid given in the form of grants or loans?
 General CARAWAY. The \$5.1 million is grant aid in the same sense ours is grant aid.
 Mr. AILES. We have an aid program in which we have asked them to participate. But this is a U.S. program and the contributions to it are important for what I think are clear reasons.
 Mr. RHODES. Does Japanese aid consist of making credits available to the High Commissioner for expenses in Japan?
 General CARAWAY. No. The aid is granted to the Ryukyuan Government under the regulations and statutory provisions of the

Japanese Government in the same way that we give money to aid the Ryukyu Islands in the Army budget under our program.

Mr. RHODES. Is the Japanese aid in dollars or yen?

General CARAWAY. Any money that is transferred to the Ryukyu Islands is transferred in dollars. They do have yen accounts established in Japanese banks. That money does not necessarily have to be transferred into dollars if the products they are being provided as a result of the funds granted are Japanese purchased. The Japanese funds will buy Japanese products.

Mr. PASSMAN. But, there are 904,000 people on the islands and the Japanese sell to them \$95 to \$100 million a year of what they produce in Japan, and I would think to hold that kind of market they could be generous.

GENERAL FUND OF THE CIVIL ADMINISTRATION

Last year, General, we discussed some of the various investments of the general fund of the civil administration and your estimate of the net worth of the fund at the end of fiscal year 1963 was \$57,999,000. Is that holding firm?

Mr. McLAUGHLIN. \$58,566,554.

Mr. PASSMAN. How much has it increased?

Mr. McLAUGHLIN. About \$5 million over the year before.

Mr. PASSMAN. What are the elements of the fund?

Mr. McLAUGHLIN. It is not a fund. It is the net worth. This consists of \$938,000 in cash; the balance is largely in investments in these corporations: in the Ryukyu Development Loan Corp., \$36 million; Ryukyu Electric Power Corp., \$14 million; in the Ryukyu Domestic Water Corp., \$4.4 million; in the Bank of the Ryukyus, \$280,000; and we owned certain facilities such as petroleum facilities.

Mr. PASSMAN. Insert all of these items in the record.

(The information requested follows:)

U.S. civil administration, Ryukyu Islands general fund estimated net worth at June 30, 1963

Assets:	
Current assets:	
Cash	\$938,380
Accrued interest receivable	17,292
Investments:	
Wholly owned corporations:	
Ryukyu Development Loan Corp.	35,945,786
Ryukyu Electric Power Corp.	14,021,732
Ryukyu Domestic Water Corp.	4,434,911
Okinawa Housing Corp.	1,009,280
51 percent owned companies (investment cost only):	
Bank of the Ryukyus	280,500
Other investments:	
Petroleum distribution fund	91,410
Fixed assets:	
Petroleum facilities	1,827,271
Total assets	58,566,554
Liabilities:	
Accounts payable	0
Net worth	58,566,554

Mr. PASSMAN. Last year you estimated the income to the fund during fiscal 1963 would be \$7,804,000. Is that correct?

Mr. McLAUGHLIN. Yes, sir.

Mr. PASSMAN. Is the fund continuing to grow or are you distributing it?

Mr. McLAUGHLIN. As long as we reinvest the profits the net worth will continue to increase.

Mr. PASSMAN. Who profits from that increase?

Mr. McLAUGHLIN. The Ryukyuan economy will profit from it.

Mr. PASSMAN. Does it spill into the economy by dividends paid to individuals?

Mr. McLAUGHLIN. No, sir.

Mr. AILES. This is controlled by the High Commissioner, in his official capacity. A very substantial amount of these profits are reinvested.

Mr. PASSMAN. But it is all in the Ryukyuan economy?

Mr. AILES. That is correct.

Mr. PASSMAN. And when it spills over into the economy does it go to individuals or to corporations?

Mr. McLAUGHLIN. These three large corporations, the earnings are plowed back in. In the case of the Ryukyu Development Loan Corp., the earnings are plowed back in to permit a larger lending program. For the Petroleum Distribution Fund, the large part goes to the government of the Ryukyus in lieu of any POL taxes.

Mr. PASSMAN. What is POL?

Mr. McLAUGHLIN. Petroleum, oil, and lubricants; gasoline tax.

GASOLINE COST TO THE RYUKYUANS

Mr. PASSMAN. What do you pay for a gallon of gasoline there?

Mr. McLAUGHLIN. They pay 22 or 23 cents.

General CARAWAY. The markup on the cost of gasoline is in lieu of a tax.

And part of that is distributed to the Ryukyuan Government to go into their general account as their budget or income.

Mr. PASSMAN. Again, that price is low as compared to the price in America, but when you think of it in terms of the per capita income it is almost a luxury.

Mr. GARY. They handle gasoline like we do liquor in Virginia.

Mr. PASSMAN. Would you consider gasoline in a luxury category? General CARAWAY. It is in the luxury category and also a necessity because the only transportation they have are gasoline-powered vehicles or diesel vehicles.

Mr. PASSMAN. What happened to bicycles?

General CARAWAY. There are some there, but my point is there are no railroads.

RYUKYUAN COOPERATIVES

Mr. PASSMAN. Do you have any cooperatives as such operating there?

General CARAWAY. Yes; there are a number of cooperatives.

There were in 1960, 207 cooperatives of all sorts. Only 32 were agricultural credit cooperatives and 45 were multipurpose agricultural cooperatives.

Mr. PASSMAN. Can they borrow money from the Ryukyuan Government?

General CARAWAY. They borrow money in general from the Central Bank for Cooperatives for agriculture, forestry, and fisheries. That is an agricultural type of bank established by the Ryukyuan Government.

Mr. PASSMAN. Does the Ryukyuan Government subsidize the interest rates?

General CARAWAY. The bank charges rates that run from 4 percent to 9 or 10 percent.

Mr. PASSMAN. Do the cooperatives pay taxes or are they exempt from income taxes as we think of them in this country?

General CARAWAY. I cannot answer that. The truth of the matter is, Mr. Chairman, the Ryukyuan cooperatives are not intended to make any money.

Mr. PASSMAN. They are not intended to make any money in this country, either, are they?

General CARAWAY. I have not the remotest idea.

Mr. ANDREWS. May I ask a question, Mr. Chairman?

Mr. PASSMAN. Yes.

CENTRAL BANK FOR COOPERATIVES

Mr. ANDREWS. I notice on page 9 you refer to the Central Bank for Cooperatives.

General CARAWAY. Yes.

Mr. ANDREWS. Is that the main source from which the cooperatives get their finances?

General CARAWAY. The Central Bank for Cooperatives finances agriculture, forestry, and fisheries.

Mr. ANDREWS. In this budget you are asking for \$659,000 for the Central Bank for Cooperatives?

General CARAWAY. No. I am asking for \$1.5 million. The Ryukyuan government is providing \$659,000 of what they call special loan funds. These special loan funds are funds the Ryukyuan government will put into the deposit of the Central Bank; however, they are earmarked and can only be used for certain purposes, such as pineapple, sugar, and so forth.

Mr. ANDREWS. And you say the Government of Japan has programmed a grant of \$800,000 to this important Ryukyuan institution, the Central Bank for Cooperatives?

General CARAWAY. Yes.

Mr. ANDREWS. What strings will be on the \$800,000?

General CARAWAY. There will be no strings on the \$800,000 any more than on the \$1.5 million. That goes to the Central Bank so they can make loans without strings.

Mr. ANDREWS. So the Central Bank gets the money and lends it to the co-ops and the co-ops in turn lend it to the people on the farms?

General CARAWAY. Yes. They are usually small loans.

Mr. ANDREWS. What rate of interest does the co-op charge the borrower?

Mr. McLAUGHLIN. The rate charged by the Central Bank for Cooperatives is 5.48 percent and they make loans to members at 8.4 and 8.7 percent.

Mr. ANDREWS. So the co-op pays 5.48 percent interest to the Central Bank for Cooperatives and they charge the borrower about 8 percent?

Mr. McLAUGHLIN. There is a spread of about 3.5 percent, that is right.

Mr. ANDREWS. Do you have any figures so far as repayments by the local borrowers?

Mr. McLAUGHLIN. Approximately 70 percent of all loans are unsecured. These are short-term loans generally to assist the farmer so that he will not harvest an immature crop. The remaining 30 percent are construction loans and loans for the purchase of lands and facilities. The delinquency rate has averaged under 2 percent.

Mr. ANDREWS. Thank you.

USE OF REVENUES FOR EMERGENCIES

Mr. PASSMAN. So far as the profits are concerned, would you have the right to spend out of that fund in the case of a disaster or something like that? Do you have that authority?

General CARAWAY. Again, I have to get my book.

Yes, I do have authority under Public Law 86-629, section 3:

Revenues derived by the U.S. civil administration of the Ryukyu Islands from the following sources shall be deposited in separate funds, which are hereby authorized to be established by the High Commissioner of the Ryukyu Islands, and shall be available for obligation and expenditure in accordance with annual budget programs approved by the President:

(a) Public-benefit trusts, business-type operations, funds, and enterprises established by the civil administration of the Ryukyu Islands, or its predecessor agencies;

(b) Corporations wholly or partly owned by the civil administration of the Ryukyu Islands; and

(c) Fines, fees, and forfeitures received by the civil administration of the Ryukyu Islands.

In other words, they will be available for obligation and expenditure in accordance with annual budget programs approved by the President.

Mr. PASSMAN. This is in dollar credits?

General CARAWAY. Yes.

Mr. PASSMAN. If you had a profit in 1963 of \$7 million and if you had an emergency on the islands, could you disburse any of it?

General CARAWAY. As I understand, I would have to come back and get the Bureau of the Budget to approve it.

Mr. PASSMAN. Would you have to go beyond the Bureau of the Budget?

Mr. McLAUGHLIN. We have to go through the Army staff first, then the Department of Defense, and then the Bureau of the Budget before we can spend a dime.

Mr. PASSMAN. You do not need additional congressional approval?

Mr. McLAUGHLIN. No, sir.

Mr. PASSMAN. So if you had an emergency on the islands and if you received the approval of the Army, Department of Defense, and the Bureau of the Budget, you could make the expenditure out of this annual profit of \$7 or \$8 million?

Mr. McLAUGHLIN. Yes.

Mr. PASSMAN. Would that not be better than setting up a no-year fund for that purpose?

General CARAWAY. If I do that, I have to reprogram money that has already been put into the program. We estimate we will have a carryover of \$1.247 million.

Mr. PASSMAN. But you have been making other profits, have you not?

Mr. McLAUGHLIN. These funds are largely committed to the facilities program. For instance, we have committed \$4.5 million for the powerplant out of profits of the Ryukyu Electric Power Corp.

Mr. PASSMAN. How much?

Mr. McLAUGHLIN. \$4.5 million. And of POL profit there is committed for the water expansion program and also for expanding the lending program.

Mr. PASSMAN. This is just a suggestion. Could you go to the Army and request that in this fund you have a capital account of \$1 million to the credit of the High Commissioner that could be disbursed for disaster purposes? If you have \$8 million profit this year it looks good, but what would be simpler than that, to create a capital fund and in case of an emergency the High Commissioner could disburse the fund? Would that be a good idea?

Mr. AILES. We would have to change the other requests.

Mr. PASSMAN. That is right. This country is in debt \$1.051 trillion.

Mr. MONTTOYA. Mr. Chairman, may I ask a question?

Mr. PASSMAN. Yes.

INVESTMENT IN POWERPLANTS

Mr. MONTTOYA. What is the total amount invested so far in the powerplants?

General CARAWAY. In all of the powerplants?

Mr. MONTTOYA. You have five, as I understand it.

General CARAWAY. We have one land plant at Machinato, two barges, and a power train.

Mr. MONTTOYA. What is the total investment?

General CARAWAY. It comes to \$8,671,008.

NEW POWERPLANT

Mr. MONTTOYA. So far, but you have authorization for \$18 million appropriated to the Army for a loan to the Ryukyuan Electric Power Corp.?

General CARAWAY. That is right.

Mr. MONTTOYA. What has been done with that \$18 million?

General CARAWAY. To begin with, we cannot start drawing down that \$18 million until we have used all the money available out of REPC, which is \$4.5 million. Actually, the powerplant comes to \$12.5 million. We can start drawing up to the top amount of \$12.5 million for the total cost of the plant. We cannot touch the rest of the \$18 million authorization.

Mr. MONTTOYA. How much have you touched of it?

Mr. McLAUGHLIN. We have not touched any of it yet. At the present time we have completed the preliminary and the final design

and have entered into a construction contract and have not paid anything out of the loan fund for that contract yet.

Mr. MONTTOYA. Whom will that money be loaned to, the Ryukyuan Electric Power Corp.?

General CARAWAY. Yes.

Mr. MONTTOYA. Is that a local corporation or is that a corporation in which the High Commissioner has a managerial responsibility?

Mr. McLAUGHLIN. It is a corporation of the High Commissioner.

Mr. MONTTOYA. What arrangement is being made by way of interest and installment payments?

Mr. McLAUGHLIN. We will pay the going interest rate for Government obligations.

Mr. MONTTOYA. What will be the rate of interest?

Mr. McLAUGHLIN. The rate of interest right now would be 4¼ or 4½ percent, but until the first payment is made we do not know what it will be, but it will be the going rate we will get from the Secretary of the Treasury, and it will be paid over 25 years.

Mr. MONTTOYA. And will those payments into the Treasury be made each year?

Mr. McLAUGHLIN. Yes, sir.

GRANT AID TO OKINAWA

Mr. MONTTOYA. Going back to another subject, what was the total grant aid extended to Okinawa under this current year's appropriation?

Mr. O'FLAHERTY. Grant aid, \$6,950,000.

Mr. MONTTOYA. And what was the grant aid by Japan?

Mr. O'FLAHERTY. \$2.6 million.

Mr. MONTTOYA. And did I understand Japan was upping it?

General CARAWAY. Yes, to \$5.1 million, and we have information Japan is planning to up it further in their next budget beginning April 1, 1964.

Mr. MONTTOYA. What are you asking for in 1964 for grant aid?

General CARAWAY. \$12 million.

Mr. MONTTOYA. You also have the so-called administrative contributions to the Government for education and so forth?

General CARAWAY. In education the only administrative funds, as I would call them, would be the \$1 million as a supplement to the teachers' pay. Then we also are fixing to pay for public safety. That is all written within the \$12 million, but this goes to help defray the administrative expenses of the Government. I will get the figures for you in a second.

AID TO RYUKYUAN ECONOMY

Mr. MONTTOYA. You have a category of aid which is entitled "Aid to Ryukyuan Economy."

General CARAWAY. Yes, sir.

Mr. MONTTOYA. Which encompasses many different subjects such as education, highways, and so forth?

General CARAWAY. Yes.

Mr. MONTTOYA. What does that total?

General CARAWAY. The reimbursement for Government services is \$1,150,000 this year.

Mr. MONTROYA. What is the total aid to Ryukyuan economy? Last year in this category it was \$6,950,000.

General CARAWAY. \$12 million is what we are asking.

Mr. MONTROYA. You are asking \$12 million?

General CARAWAY. Yes.

Mr. MONTROYA. And that is in addition to the grant aid?

General CARAWAY. No. That includes the grant aid. That is the total figure.

Mr. MONTROYA. All right.

Mr. ANDREWS. Off the record.

(Discussion off the record.)

TOTAL FUNDS AVAILABLE IN 1964

Mr. PASSMAN. I do know that in 1959 we provided \$2,860,400 for the same appropriation category you are asking \$14,366,000 for this year. That is only the item that is handled by this subcommittee. You have all the other aid spigots available, and we established earlier for the record that the different types of aid, including agricultural aid, for fiscal 1963 amount to \$26 million. I want to be as fair as I can be with the witnesses but your case is no different than every other agency that comes before the committee. We are told, "We must have this and if you do not give it, the circumstances may be this." It is a question, however, of how far we can go.

You are asking \$14,366,000 this year for the same purposes that we appropriated \$8,959,000 last year.

Will you project for us in 1964 what you expect to get out of the other spigots that will be included in the \$26 million?

(The information requested follows:)

Funds available Ryukyu Islands, fiscal year 1964
(In millions of dollars)

Source	Fiscal year 1964
U.S. appropriated funds:	
Aid to Ryukyuan economy	12.0
Administrative activities	2.4
Total	14.4
General fund	8.9
U.S. abundant foods (Public Law 480):	
Title III (in kind)	2.0
Title IV	7.7
Total	9.7
Public Law 86-383 loan to Ryukyu Electric Power Corp.	5.8
Total	26.8

¹ Includes \$1,200,000 for reimbursement for GRI services.
² Major portion of these funds are programed for rehabilitation in general fund business-type operations; \$2,700,000 payable to GRI in lieu of petroleum taxes; only \$1,200,000 available for economic aid programs.
³ Public relief and school lunch programs.
⁴ Loan funds expected to be generated under title IV, Public Law 480.
⁵ For construction of power plant; power output is assumed 75 percent by the U.S. military forces, 25 percent by the local agency.

REASON FOR INCREASE IN APPROPRIATIONS

Mr. MINSHALL. I am a new member on this committee, but since World War II we have put nigh on to a quarter billion dollars into Okinawa in one way or another, and in hearing the figures you just recounted in 1959 we only gave \$2 million plus in this committee. The big jump took place the following year and we have been going up astronomically ever since. Why the big jump after 1959?

Mr. AILES. I am sitting here looking at the figures of the contributions we have made to aid Okinawa. They were as high as \$50 million in 1950 and \$36 million in 1951.

Mr. MINSHALL. That was during the Korean war.

Mr. AILES. There is no military aid here.

Mr. PASSMAN. That was for rebuilding the island.

Mr. MINSHALL. What I am interested in is the jump from 1959 on.

Mr. AILES. This situation was deteriorating and it had to be reversed.

Mr. PASSMAN. What was deteriorating?

Mr. AILES. The situation.

Mr. PASSMAN. What situation?

Mr. MINSHALL. You said that last year.

Mr. AILES. That is right.

Mr. PASSMAN. You have also said that with less money than you requested last year the situation is now better.

Mr. AILES. The American presence is more acceptable than it has ever been before.

General CARAWAY. This is something that is always lost sight of. The fact that we only gave a number of dollars in 1959 is not the criteria that you have to work for if you want to remain in the base and get the most effective use out of it. The amount of money given in 1959 was found to be grossly inadequate. We asked for \$12 million last year. We got \$8 million. The fact that we showed we were interested and they could hope for a continuing rise in our assistance to them was a part of the effect we desired and needed to achieve.

Last year I told the Ryukyans that part of the difficulty in getting anything like what the High Commissioner had asked was due to their own fault, and I believe this is true, due to the unanimous resolution passed by their legislature saying they did not want to be a colony of the United States. As a result of that they are doing what they consider to be their share. They have passed no resolutions in the legislature this year. They are amenable to all the requirements we are placing on them, and the money that can be spent properly, logically, and to the benefit of the Ryukyuan people and the security of the American people is \$12 million.

(Discussion off the record.)

Mr. PASSMAN. You said that the \$2,860,000 was inadequate in 1959. Your predecessor asked then for \$3,182,000.

Mr. AILES. What are you talking about?

Mr. PASSMAN. You asked for \$3,182,000 and we appropriated \$2,860,000.

Mr. AILES. You are talking about what the Bureau of the Budget approved. I am talking about what the High Commissioner requested and what the Department of the Army approved.

Mr. PASSMAN. I am making a statement of fact about what was contained in the President's budget, and that was \$3,182,000. I do not know what happens before we get the President's budget.

Mr. AILES. The Bureau of the Budget had another look at this thing and changed its view. Last year the Bureau of the Budget approved the request that the High Commissioner made and the Army made.

Mr. GARY. Mr. Chairman, may I ask two questions?

Mr. PASSMAN. Certainly, you may.

NEW COURTHOUSE

Mr. GARY. We appropriated some money for a courthouse. Has that been constructed?

General CARAWAY. Yes; and it is a very useful building. It has been in use over a year. Justice Black dedicated it.

SHORTAGE OF DOCTORS, DENTISTS, AND MEDICAL FACILITIES

Mr. GARY. You stated in your opening statement that there is a real shortage of doctors and dentists and medical facilities. Do you have any local doctors on the island?

General CARAWAY. Yes. We have in private practice 265 physicians. This includes 9 that are licensed and not practicing and 12 still attending school. Eighty-five doctors work for the Government. The ratio of doctors to people is one doctor to every 2,500 people.

Mr. GARY. The larger number are natives?

General CARAWAY. Ryukyuan doctors.

Mr. GARY. Where were they educated?

General CARAWAY. The bulk were educated in Japan.

Mr. GARY. Do you have any medical education on the Island at all?

General CARAWAY. They do not. They do not even have a pre-medical school at the university.

Mr. GARY. They are all educated outside the island?

General CARAWAY. Yes.

Mr. GARY. Are many educated in the United States?

General CARAWAY. No. I think almost all of them are educated in Japan.

Mr. GARY. What is the standard of the Japanese medical schools?

General CARAWAY. They are quite good. They are completely acceptable.

Mr. PASSMAN. The first time I visited Okinawa I visited a little wooden courthouse that had a door with only one hinge and there were a couple of little wooden benches. Do any of you gentlemen remember that courthouse?

Mr. AILES. Not I, because this year is the first time I have had a chance to travel over the island.

Mr. PASSMAN. That was just about the condition. Look, now, at the great improvements that have been made there. Gentlemen, we are taking the people too fast, in my opinion, and we are certainly taking the American people too fast. We are having to borrow this extra money we are giving away.

How about your retirement system, has it become effective yet?

General CARAWAY. It has not.

Mr. PASSMAN. Is it developing satisfactorily?

General CARAWAY. It is developing. How satisfactorily, I will have to await the report from the expert.

Mr. PASSMAN. Is it going to be self-supporting?

General CARAWAY. We may have to put something in it.

Mr. PASSMAN. I hope you keep it in balance. It is my understanding that in America the employee is living up to his end of the bargain and making his contribution but the Government is overdrawn \$38 billion in the retirement account.

General CARAWAY. It will have to be in balance.

Mr. PASSMAN. If the Government puts up its matching funds and the employee puts up his, you will have an account that will be sufficiently funded. We are \$38 billion overdrawn in this country. I am sure if you have your way you will see to it that the contribution is made by the employer and employee to the point it will be self-supporting and not get in the shape we are in in this country.

The statements of both the Secretary and General Caraway would indicate you had a very satisfactory relationship with the Ryukyans during 1963 thus far?

General CARAWAY. Yes, sir.

(Off the record.)

IMPROVED CONDITIONS OF THE ISLANDS

Mr. PASSMAN. The improvements have been very substantial from practically every standpoint. I was there the first time in 1949.

General CARAWAY. May I make one statement?

Mr. PASSMAN. Certainly, General.

General CARAWAY. This is quite true. The physical plant of the Ryukyu Islands is better than it was in 1945 or 1950. Our problem, though, is—and here again it is not a question of my wanting to spend everybody's money—our problem is that the buildup and improvement in Japan has been phenomenal and the Ryukyans say, possibly illogically but they say it, that they would be better off in physical plant and in their profits and in their social legislation if they were a part of Japan.

Mr. ANDREWS. Do they know that our aid made a great contribution, if not the greatest contribution, to the phenomenal recovery of Japan?

General CARAWAY. They know the American aid made a contribution, but there are emotional factors involved.

Mr. PASSMAN. You said the conditions were better now than they were in 1945. "Better" covers a broad range. The improvements are tripled or even more, are they not, when we take into consideration the schools, the highways, and all these other things? The conditions are not only better, they are substantially or greatly improved, are they not?

General CARAWAY. They are substantially improved.

Mr. PASSMAN. Would you accept the word "greatly" improved over anything they previously had?

General CARAWAY. No. I would not want to go that far.

Mr. PASSMAN. They are surprisingly improved over anything they ever had under Japan. I visited there and I know something about the type of shacks they had.

Mr. AILES. They still have a great many.

Mr. PASSMAN. And we still have some in Louisiana and elsewhere in America, too.

General CARAWAY. A lot of those shacks still exist.

Mr. PASSMAN. They always will. You are never going to take all the people and put them in modern housing with all the conveniences. You have to think in this matter in terms of their prior standard of living and the standard they have today.

General CARAWAY. Mr. Chairman, I am not trying to take the lower one-third of the population. I am referring to the part that understand improvement.

SOURCE OF FUNDS FOR AID PROGRAMS

Mr. PASSMAN. Do these people understand we have to borrow this extra aid we give them and that we may never be able to pay it back? Do they have any knowledge of our fiscal affairs in this country?

I have visited countries where they think the United States is something big and wealthy with no limit to its resources. We had a king who came here the other day and he was so carried away with our pretty things he bought five Cadillacs in 5 minutes and 5,000 pieces of linens with the royal monogram, and he wanted to get the monogram put on the linen immediately so he could put it on his plane. He spent \$784,000 in a few days and he said, in effect, "You have been so good to us we want to remember some of this comes through your free enterprise system."

This is a king with that kind of conception of how easy that aid money comes. I wonder if the islanders could understand it better than the king.

General CARAWAY. The islanders have a pretty good understanding of it. As Mr. Ailes said, they read the Congressional Record.

Mr. PASSMAN. That is good.

PAYMENT TO CONSULTANTS

What has been the highest per diem rate you have paid for consultants during 1963?

General CARAWAY. Whatever the going rate is—\$50 a day, I think.

REEMPLOYMENT LEAVE

Mr. PASSMAN. Could you comment briefly on the item of \$30,078 for "Reemployment leave," whether or not that is a new item.

Mr. SEEFELDT. The "Reemployment leave" item has been broken out of our "Permanent change of station" subhead that we have shown in prior years.

Mr. PASSMAN. That is a new item, then?

Mr. SEEFELDT. No, sir; it was formerly covered under "Permanent change of station." But it has been for the purposes of justification presented as a separate item this year.

Mr. PASSMAN. Have you deleted the other money request by similar amounts?

Mr. SEEFELDT. Yes, sir. This is not duplicated.

Mr. PASSMAN. This is a change in bookkeeping?

Mr. SEEFELDT. Yes, sir.

Mr. PASSMAN. What is the increase this year in the request?

Mr. SEEFELDT. There is no increase for "Reemployment leave" this year. The increase came in fiscal year 1963.

FUNDS FOR INFORMATION PROGRAM

Mr. PASSMAN. You show an increase of \$25,000 for the "Information program," up to \$125,000. That seems to be predicated on the greater population; is that correct?

Mr. SEEFELDT. This is correct, sir. The largest single item there is to provide additional copies of *Konnichi-no Ryukyu*, the Japanese language magazine. We are also expanding the cultural center activities some \$6,000.

FUNDS FOR TRAVEL AND MOVEMENTS OF HOUSEHOLD GOODS

Mr. PASSMAN. There is another item of travel. I believe there is an increase of \$40,932 for "Movement of household goods."

Mr. SEEFELDT. Yes, sir. This is as a result of a backlog due to our inability to transfer these household goods; and as a result of a need for additional personnel under a different heading. These two items combined to create a need for additional transfer of household goods to the Ryukyus.

Mr. PASSMAN. Is that an increase of 270 percent in 1 year?

Mr. SEEFELDT. No, sir; I believe it is 76 percent in the case of—

Mr. PASSMAN. Let us pin the total down. What did you have for this item in fiscal 1963? According to my figures, you went from \$23,851 to \$64,783.

Mr. SEEFELDT. That is correct; \$40,932, an increase of 56 shipments.

Mr. PASSMAN. I think I am still right at 270 percent increase.

Mr. SEEFELDT. Yes, sir. The increase of 76 percent is overall in travel.

Mr. PASSMAN. I am dealing with this one item here—"Movement of household goods."

Mr. SEEFELDT. Yes, sir; you are correct in your percentage.

FUNDS FOR BAGGAGE AND PRIVATELY OWNED VEHICLES

Mr. PASSMAN. "Baggage and privately owned vehicles" has gone from \$23,851 to \$64,783, about a 270-percent increase. You could not have a backlog, could you, to that extent?

Mr. SEEFELDT. Yes, sir.

Mr. PASSMAN. How did this backlog come about? Did you get what you requested in prior years for this item?

Mr. SEEFELDT. No, sir; we did not. We requested approximately the same amount last year.

FUNDS FOR TEMPORARY DUTY

Mr. PASSMAN. "Temporary duty travel" goes from \$10,020 up to \$18,644; "Permanent change of station," \$20,961 up to \$36,500. On this page No. 11, the only one that remains the same is the re-employment leave, \$30,168 and \$30,073. If you put them all together, you go from \$85,000 up to \$150,000, which is almost double.

Mr. SEEFELDT. Yes, sir; 76 percent, I believe.

Mr. RHODES. Mr. Chairman, may I ask a question?

Mr. PASSMAN. Surely.

MANNER OF DISBURSING FUNDS

Mr. RHODES. How will aid to the Ryukyuan economy be given physically? Is it a check written to the Ryukyuan Government?

General CARAWAY. No, sir. They have to prepare the project. When the project is prepared and approved, if they have to have money for design, they are given the money after the design is completed. After the project is completed and been shown to be satisfactory, they are given the cost in money of the project.

Mr. RHODES. You do not advance money?

General CARAWAY. No, sir; that is why we show unexpended funds, because this way we have control of the money until it is completed.

Mr. RHODES. Off the record.
(Discussion off the record.)

ADMINISTRATIVE EXPENSES

General CARAWAY. We had requested approximately the same amount of money, I think \$151,000 last year; we did not get it. This does develop a backlog. We have come in again for \$150,000.

Mr. PASSMAN. Where is the backlog?

General CARAWAY. Part of the dependents are in the States who cannot come to the Ryukyus. Part of the goods have not been shipped.

Mr. PASSMAN. What is the tour of duty for civilians?

General CARAWAY. A civilian employee has a 3-year tour. He then, of course, can request an extension.

Mr. PASSMAN. Could you have taken that out of the welfare, the aid part of it?

General CARAWAY. No, sir. This is a special—

Mr. PASSMAN. If you had worked your budget over, for this small item out of the larger appropriation, you could have arranged to have the dependents come out, could you not?

Mr. SEEFELDT. No, sir; this is a legal limitation, this "Administrative activities" portion of our budget. We cannot use that.

Mr. PASSMAN. Is it on a percentage basis? Of the appropriation you can only spend a certain percentage for the items on page 11?

General CARAWAY. No, sir; we have to justify those items as administrative expenses and we cannot take aid funds and reprogram them.

Mr. PASSMAN. I am talking about the overall. Do you have the right to transfer from one fund, not aid, your general administration fund for the Ryukyuan Islands? You could transfer?

Mr. O'FLAHERTY. Within the administrative expenses—

Mr. PASSMAN. What are your total administrative expenses?

Mr. O'FLAHERTY. For fiscal 1963 the figure was \$1,930,000.

Mr. PASSMAN. What are some of the items, briefly?

Mr. O'FLAHERTY. Pay of personnel, travel, information, and education materials.

Mr. PASSMAN. How much information and education materials?

Mr. O'FLAHERTY. Last year?

Mr. PASSMAN. Yes, sir.

Mr. O'FLAHERTY. \$100,000 even.

Mr. PASSMAN. Could you not have reunited these men with their wives from the funds in this account and had less of that? Would you have that authority?

Mr. O'FLAHERTY. That item was reduced from the requested amount of \$225,000.

Mr. PASSMAN. We are not talking about the request, we are talking about the facts. You could have allocated maybe \$75,000 there and allocated \$25,000 more here, could you not?

Mr. SEEFELDT. This would have reduced it.

Mr. PASSMAN. I know what it would have done. But you could have reduced that to \$60,000 and put the \$40,000 over here, could you not?

What damage would have been done if you had programed only \$60,000 for the books, General? Let us get this book account again and see what it covers. What is the page number you have there?

Mr. O'FLAHERTY. The detail begins on page 13.

Mr. PASSMAN. You had press and publications, \$30,700. You had cultural centers, \$35,000. Audiovisual, \$33,300. Research and evaluation. All those are increases over 1962, even on this allocation.

General CARAWAY. Yes, sir.

Mr. PASSMAN. But you take press and publications, cultural centers, you have your school program well underway, buildings, teachers. You make the decisions. It is not my responsibility. However, is it more important to have these additional publications, even though your allocation is above that of fiscal years 1962 and 1963, than having the dependents together?

AID TO THE EDUCATION PROGRAM

Now, sir, for aid to education I believe the request is \$1,455,000, which is an increase of \$125,000 over fiscal year 1963. Is that correct?

General CARAWAY. I believe so. That is right, sir, \$125,000-plus.

Mr. PASSMAN. The major increases are \$400,000 for classroom construction and \$95,000 for English training. Is that a new program?

General CARAWAY. No; it has been going on all along.

Mr. PASSMAN. It does not show you have had it in prior years. English language training, \$95,000, is a new one.

General CARAWAY. That is right, for an English language center, which we find to be an absolute necessity.

Mr. PASSMAN. On public school construction you have gone from \$600,000 up to \$1 million, an increase of \$400,000.

General CARAWAY. Yes, sir.

That school construction goes entirely into the junior and senior high school classroom construction.

Mr. PASSMAN. Would it be fair to say the United States has completed its elementary school construction program and is now embarking upon a junior and senior high school construction program?

General CARAWAY. We built some junior and senior high school classrooms before. Yes; we are, because as the age of the children and the increase comes up, they do not have the classrooms.

Mr. PASSMAN. The next step would be to build colleges and universities, would it not?

Mr. AILES. We have done that, in part.

General CARAWAY. The university is not even asking for construction funds this year.

Mr. PASSMAN. I made a fair statement, that the elementary school construction program in effect has about come to completion and you are starting on the junior and senior high school construction?

General CARAWAY. The United States is not providing any more money for construction in elementary schools. The Government of the Ryukyu Islands is from its resources providing all classroom construction in the elementary school system.

Mr. PASSMAN. In effect, my statement is correct, that the elementary school construction program is coming to an end and you are starting a new program primarily for junior and senior high school construction.

Can you project the ultimate cost of this new program, sir?

General CARAWAY. I could only speak for this 1 year, sir.

Mr. PASSMAN. Can any supporting witnesses give us information as to what the completion cost finally will be?

General CARAWAY. We can get some idea of it, perhaps.

Mr. O'FLAHERTY. There will be a deficit of classrooms in fiscal year 1965.

Mr. PASSMAN. And right on through to the year 2000? That is the trend?

Mr. O'FLAHERTY. Not necessarily.

Mr. PASSMAN. You have a program here. Could you actually expect the Congress to support you until you can project it to what it will cost us ultimately? You may ask us for three times this much next year.

Mr. O'FLAHERTY. No, sir.

Mr. RHODES. How many classrooms will you construct for this money?

Mr. O'FLAHERTY. 310 classrooms.

Mr. RHODES. That is a somewhat higher number than you could construct in the United States for that amount of money.

Mr. AILES. Yes, sir, this is extremely simple construction. A concrete shell is what it amounts to. I have been through a fair number of the schools we have built out there. It is a great improvement over what they have, but it is far from fancy.

Mr. PASSMAN. What is the type of construction?

General CARAWAY. Reinforced concrete frame with concrete block curtain walls.

Mr. PASSMAN. Semipermanent structure?

General CARAWAY. Permanent structure.

Mr. PASSMAN. At one time they met in grass huts.

Mr. RHODES. Are they typhoonproof?

General CARAWAY. Typhoon resistant. They can blow the windows out.

Mr. PASSMAN. Could you project the number of classrooms required in the relatively near future so we can arrive at the spot there?

General CARAWAY. Actually, as far as my projection goes, we project that there will be about 42,000 students in the senior high schools by 1968 as against 20,000 in the senior high schools in 1961.

In junior high school its peak will be reached in 1965 when we have 85,000 students. It drops off to 79,000 in 1968.

WAGE RANGE OF THE LABOR FORCE

Mr. PASSMAN. What is the hourly wage for the Okinawans?

General CARAWAY. The basic wage, the bottom level by law of the cheapest Okinawan is 9 cents an hour. They average, all but the agricultural workers, about \$70 a month. That's the average across.

WAGES FOR TEACHERS

Mr. PASSMAN. How do you justify paying \$2 an hour to Ryukyuan for part-time work under the new English training program?

General CARAWAY. Those are part of the Golden Gaters educated in the United States.

Mr. PASSMAN. Okinawans?

General CARAWAY. Yes. This is 50 cents less than the University of Maryland, under its extension courses, pays the people to teach English in the Ryukyu Islands.

Mr. PASSMAN. In that course you are talking about Americans teaching out there. You are talking here about Okinawans.

General CARAWAY. That is right, but these men and women are very good teachers.

Mr. PASSMAN. I would not be a bit surprised, but what is going to happen to the economy there when you have one group of Okinawans working for 9 cents an hour and another group of Okinawans, even though they speak English and teach English, getting \$2?

General CARAWAY. The 9 cents would only go to some poor child who can only sweep the floor. The bulk of the people will be getting 14, 18, 22, 25 cents an hour.

Mr. PASSMAN. But if you take that 14, 18, 25 cents an hour, move it up to \$2, that is quite a spread, is it not?

General CARAWAY. Yes, sir; but that is labor. These people are not laborers. They are teachers. University professors get \$90 to \$125 a month, paid by the Government of the Ryukyu Islands, to teach in the university.

Mr. PASSMAN. How much does an Okinawan professor get a month?

General CARAWAY. From \$90 to about \$120.

Mr. PASSMAN. Let us settle at \$100 a month. Go back and pick up these Ryukyuan teachers getting \$2 an hour. Let us break that down at 40 hours a week. That is \$80, \$320.

General CARAWAY. Yes, sir, but they do not teach that much.

Mr. PASSMAN. I am thinking about the hourly wage, gentlemen. It is going toward an hourly wage almost in all plants now.

I do not know who fixed that rate, but if a college professor may be getting 66 cents an hour and a Ryukyuan teacher of English is getting \$2 an hour, I would raise Cain if I were the professor, but I am not the professor.

General CARAWAY. Let us go back to look at the teachers. A beginning teacher, who just has a bachelor of arts degree, gets \$65 a month. He gets \$70 a month in Japan. A teacher with 10 years' experience gets \$98 a month, and he gets \$121 a month in Japan. A teacher with 20 years' experience gets \$138 a month, while he gets \$180 a month in Japan.

Mr. PASSMAN. I am just trying to understand.

General CARAWAY. Mr. Chairman, if they were hired on a monthly basis, that is one thing; but when you are hiring them to teach 26 weeks and they do not teach but 1 hour, this is not quite a fair comparison. If you want it on the basis of everything they are going to get, sure.

Mr. PASSMAN. You are asking for 7 1/2 hours per week. That is for 24 weeks. Let us take the 7 1/2 hours a week, \$60 per month. For 30 hours per month this Okinawan is going to get almost as much as your other teacher is going to get for a full month.

General CARAWAY. Yes, sir.

Mr. PASSMAN. If you can make them happy with that, more power to you. You could not make me happy under that condition, but that is your problem.

How did this thing get set up on that basis? Did you have an evaluation board?

General CARAWAY. I cannot give you the details.

Mr. PASSMAN. What do they do when not teaching, if anything?

General CARAWAY. These people who are teaching?

Mr. PASSMAN. Yes. They are going to get 30 hours a month, \$60 a month.

General CARAWAY. Yes, sir.

Mr. PASSMAN. What does this lowest paid teacher get?

General CARAWAY. \$65.

Mr. PASSMAN. This person here will get within \$5 for 30 hours what the other individual will get for a month?

General CARAWAY. Yes.

Mr. PASSMAN. What do they do in addition to teaching?

General CARAWAY. Some work as bank clerks, some work in other types of business establishments. They have jobs commensurate with their age and grade.

Mr. PASSMAN. I would think this arrangement might create some of the same problems that we have in the States.

General CARAWAY. No, sir; these people are in a special category.

COAST TO CONSTRUCT A MUSEUM

Mr. PASSMAN. Do you not plan to construct a museum out there?

General CARAWAY. Yes, sir. We are looking for \$100,000 for that purpose in fiscal year 1967.

Mr. PASSMAN. That is a very small amount of money for that purpose.

General CARAWAY. As far as our personal contribution, I think it is about \$120,000. I do not know of any program that we are going to do.

Mr. PASSMAN. Is this just a one-time appropriation?

General CARAWAY. This is a building, a one-time appropriation for the building. This was picked, as you know, by the first Legislature of the State of Hawaii, which suggested that we do something for the cultural side of the Ryukyus. This is one of the things that we should do to show our interest in the people's historical and cultural background. It is that kind of thing. You might as well leave something that is a monument.

Mr. PASSMAN. Off the record.

(Discussion off the record.)

REQUEST FOR INCREASED FUNDS TO THE CENTRAL BANK

Mr. PASSMAN. On page 46 I see that you want an increase of \$1,135,000 above the 1963 contribution of \$365,000 to the Central Bank for Agriculture, Forestry, and Fisheries.

General CARAWAY. That is right.

Mr. PASSMAN. Is that the same as this other outfit we talked about?

General CARAWAY. This is the Central Bank for Co-ops, for Agriculture, Fisheries, and Forestry.

Mr. PASSMAN. Why do they not get the money out of this other general fund that is worth about \$59 million, with profits this year of \$8 million? You provide funds out of that general fund for activities of this type, do you not?

General CARAWAY. This is a requirement that cannot be met on this particular—

Mr. PASSMAN. Even though on this \$58 million investment you are going to make nearly \$8 million in 1963, the expansion program is so fast you have to get another appropriation out of the American taxpayers of an additional \$1,135,000, in addition to the profit you may spend out of the general fund?

General CARAWAY. That is right.

Mr. PASSMAN. This is getting better as we go along. That is about a 300-percent increase over what you allocated for the same purpose last year?

General CARAWAY. No, sir; it is about a 300-percent increase over what we managed to squeeze out after the allocation was cut last year.

Mr. PASSMAN. The request is about 300 percent over the allocation last year. You allocated \$365,000?

General CARAWAY. Yes, sir.

Mr. PASSMAN. Is that a statement of fact?

General CARAWAY. We asked for \$2 million last year. We only asked for \$1.5 million this year.

Mr. PASSMAN. You got \$365,000 last year. There has been no hardship actually?

General CARAWAY. There have been hardships; 10,000 farmers did not have funds that could be met out of the Central Bank.

Mr. PASSMAN. Nevertheless, the bank that we own made profits of about \$8 million. You could have just as easily allocated these to the farmer. You cannot do everything in 1 year.

You have a request, I believe, for education and training at \$470,000 for fiscal 1964. How much is that above your allocation for the same account in fiscal 1963?

General CARAWAY. \$175,000 more.

I would like to make one point before we leave this.

TOEET EDUCATION PROGRAMS

One of the most valuable programs you could have is the education of young people of the area.

Mr. PASSMAN. I do not disagree with that.

General CARAWAY. Part of this is to increase the students that can be brought to the United States and educated here and sent back to the Ryukyus. They are not educated to all be AB's or to learn how to parse the literature of Shakespeare in Japanese. They are being taught things they need to have in order to help the economy and help the Ryukyuan society.

Mr. PASSMAN. Would it not be better to teach them there than to bring them here?

General CARAWAY. We teach them out there, but they come here to take postgraduate courses, not to take a degree, but to take the necessary postgraduate courses so that they can go back and enter in a productive fashion into the economy.

Mr. PASSMAN. You might be surprised to know how many of the students from abroad, once they have experienced the standards of living in America, are unhappy about going back to their own countries.

We are having a lot of trouble in this respect. Many of the outstanding people in the colleges as well as others familiar with the situation are seriously concerned.

General CARAWAY. I am not trying to have too many. Out of 66,000 foreign students in 1961 that came to this country, I believe 6,000 of them were supported fully by the U.S. Government scholarships. The United States had 34 Ryukyuan students. The United States has the total responsibility for those Ryukyuan Islands.

Mr. PASSMAN. There is some justification for bringing some of them in. I think, however, we have permitted it to go too far.

Mr. ALLEN. Mr. Chairman, they are some of the best friends we have. I think anybody there would agree this program does a tremendous amount of good for the United States.

Mr. PASSMAN. Are you talking about the overall program?

Mr. ALLEN. No, sir.

Mr. PASSMAN. I am not quarreling with you about your educational program. I think we should bring some of them in, but they should be very carefully selected.

Mr. ALLEN. They are.

Mr. PASSMAN. I have made a statement of fact. I do not think there is a Member of Congress who would not agree that there is a high percentage of students from the Ryukyus, maybe not from Okinawa but from other islands. They do not want to go back. I do not know how many of them are going back. I do not know how many of them are going back. I do not know how many of them are going back.

General CARAWAY. I am talking about the entire program. I am not talking about the individual students.

Mr. PASSMAN. Are you talking about the overall Ryukyuan program?

General CARAWAY. No, I am talking about the student program.

USE OF MEDICAL EDUCATOR

To go a step further, part of that increase is accounted for this year by taking to the Ryukyus this year a medical man who will be able to hold sessions with the doctors in the Ryukyus who have been trained outside the Ryukyus and who will then be able to feel they can keep up with the trends of medicine worldwide.

Mr. PASSMAN. Will that be the World Health consultant you are requesting?

General CARAWAY. No, that is a survey. This man would be a teacher.

Mr. PASSMAN. You are asking for \$2,500 for a World Health consultant to make a survey?

General CARAWAY. This is a medical educator on page 59, item 9, medical educator, \$2,500. We are asking to bring him to the Ryukyus to teach for a period of time.

MEDICAL SURVEY EXPENSE

Mr. PASSMAN. Is that the survey item?

General CARAWAY. The survey item is to set up either a Public Health nurse or—I have been trying to find the answer. Please let me look again.

No, I stand corrected, sir. This man is to make a 30-day survey. We also have—

Mr. PASSMAN. A 30-day survey at a cost of \$2,500?

General CARAWAY. Yes, sir.

Mr. PASSMAN. Would you break that down for us? Is he paid on a per diem basis?

General CARAWAY. Yes; it will cost 30 days at \$63 a day and then his transportation.

Mr. PASSMAN. How much of that is compensation to the individual for services?

General CARAWAY. \$1,890.

Mr. PASSMAN. For 30 days that what this man gets?

General CARAWAY. Yes, sir; he gets his travel, which comes to \$608.

Mr. PASSMAN. Is he a doctor or teacher or professor?

General CARAWAY. He is a doctor.

Mr. PASSMAN. Out of the Public Health Service?

General CARAWAY. I am not sure where he will be recruited.

Mr. PASSMAN. \$1,890 goes to the doctor himself for his professional service?

General CARAWAY. Yes. I do not think he is Public Health because we do not pay the full consultant fee to Government men.

Mr. PASSMAN. With all the doctors we have in the Public Health Service and the Army, why could they not make that survey? Why could it not be made by our own doctors out there? You indicate there are 367 of all types.

General CARAWAY. That is the Ryukyuan doctors.

Mr. PASSMAN. How many American military doctors do you have?
 General CARAWAY. We do not have anything like that. They have a full workload.
 Mr. PASSMAN. Off the record.
 (Discussion off the record.)
 General CARAWAY. I cannot recall, sir, I am sorry.
 Mr. PASSMAN. Do you have a shortage of doctors out there in the military?
 General CARAWAY. Yes.
 Mr. PASSMAN. Where will this particular doctor come from?
 General CARAWAY. From the States.
 Mr. PASSMAN. Is he coming out of a university, a teaching institution?
 General CARAWAY. It does not say, sir. It will have to be put up to recruitment. I would not be able to even hazard a guess.
 Mr. PASSMAN. When these surveys start, not just in the medical field, there seems to be no stopping place. We have had experience with setting up surveys.

WATER SYSTEM PROJECT

It would appear you have a water system project planned and are requesting \$2 million.
 General CARAWAY. Yes, sir.
 Mr. PASSMAN. Will you give us a little information on that system.
 Mr. O'FLAHERTY. We can give you a great deal, Mr. Chairman. The existing water system provides a firm 23 million gallons a day in dry weather. Of this amount the civilian population consumes only 8.2 million. In dry weather, as frequently occurs after the torrential rains when the water runs off, they have to be provided water by the military.
 Mr. PASSMAN. Where do they get water for the military?
 Mr. O'FLAHERTY. From water points on the military reservation. There are no actual facilities—
 Mr. PASSMAN. Where did they get their usable water before we went in?
 General CARAWAY. Before we went in, they got their usable water from shallow wells. They call them shallow wells as against deep wells. They got them from springs, from flowing streams.
 Mr. PASSMAN. Has that supply been dried up to a large extent?
 General CARAWAY. Part of that supply has been dried up. Part of the supply dries up in dry weather in a drought such as we have now. Part of that supply is still being used. Prewar there were about 500,000 people in all of the Ryukyus. Now there are 904,000 people.
 In addition, sir, they have been, by the military on Okinawa having taken over part of the lands for the necessary base, they have been displaced and the old patterns are to a certain extent disrupted.
 Mr. PASSMAN. This is improving their water system. It will improve their sanitation system along with it?
 General CARAWAY. Yes; this will also help supply many American families that live off the base now, living on the civilian economy; because there is not enough quartering on the bases.

Mr. PASSMAN. When did you first request funds for this item?
 Mr. O'FLAHERTY. We had a request in fiscal year 1959, I think, or 1960.
 Mr. PASSMAN. This is something that is not new. It is something you have been considering for a long time that would be advantageous to the island, but it is not actually any emergency situation?
 Mr. O'FLAHERTY. It certainly is new in the sense that the proposed expansion of the totally inadequate system is now a problem that has to be undertaken, Mr. Chairman.
 Mr. PASSMAN. What do you think the completion cost will be? Can you project it?
 General CARAWAY. We have the projection on the cost of this system.
 Mr. McLAUGHLIN. The whole system, the present extension now is in the neighborhood of \$20 million. This is part of a program that began in 1958.
 Mr. PASSMAN. The program is underway?
 Mr. McLAUGHLIN. Congress appropriated \$600,000 one year to build a dam and pumping station, which is part of the system. Over two and a quarter million dollars was provided from the general fund to build these facilities beginning in 1958 through the present.
 Mr. PASSMAN. You are following the original estimate of \$20 million?
 Mr. McLAUGHLIN. No; this \$20 million is the present program. We have part of it. It is already funded in 1963 from the general fund, from earnings of the Ryukyu Development Loan Corp., and the balance will be over the next 5 years.
 Mr. PASSMAN. This is a project that has been planned?
 Mr. McLAUGHLIN. Yes, sir.
 Mr. PASSMAN. You have the estimated cost of \$20 million?
 Mr. McLAUGHLIN. Yes, sir.
 Mr. PASSMAN. It is presently under construction?
 Mr. McLAUGHLIN. Partly.
 Mr. PASSMAN. It is being financed out of your general fund, the one we discussed earlier?
 Mr. McLAUGHLIN. Yes, sir.
 General CARAWAY. Partially.
 Mr. PASSMAN. If the fund continues to make a profit and you did not get an appropriation, you could eventually complete the project out of the general fund?
 General CARAWAY. There would be a stretchout; yes, sir.
 Mr. PASSMAN. Thank you, gentlemen.
 Mr. O'FLAHERTY. May I correct the record on one point?
 Mr. PASSMAN. Yes.
 Mr. O'FLAHERTY. It is not quite accurate to say that this program, which is a 5-year program Mr. McLaughlin described, has been funded out of fiscal year 1963 general fund assets. What has been accomplished, what is being done in fiscal year 1963 is some modification of the existing system and some exploration. It is not an integral part of the \$20 million program.
 Mr. PASSMAN. You have your plans, your specifications, you have your estimated completion cost. It is partially under construction now out of profits generated out of your general fund. It could

eventually be completed out of that, but it would require a stretchout.
Mr. O'FLAHERTY. The design work was funded out of the general fund.

Mr. PASSMAN. It would be a question of taking longer to complete the project if you funded it out of profits out of this \$58 million investment fund we talked about.

Does Okinawa get any money from any of the United Nations accounts? You have your World Health Organization mentioned, your expanded technical aid program, the children's programs, the International Fund.

General CARAWAY. Not in the sense you mean it, sir, as I understand it.

Our people do attend certain of their seminars. They get partial support when there, but there is nothing being paid into the Ryukyu Islands.

Mr. PASSMAN. Off the record.
 (Discussion off the record.)

Mr. PASSMAN. I believe, General, that the committee has been somewhat generous in previous years in following fairly closely the requests for the representation allowance. So far as I am concerned, I am not going to quarrel with a reasonable representation allowance.

BIRTH RATE IN THE RYUKYU ISLANDS

Mr. RHODES. Can you furnish, if you have not already, the birth rate of the Ryukyuan?

General CARAWAY. It is about 20,000 a year.

Mr. RHODES. How does that compare with the birth rate in the United States? Could you furnish that for the record?

Mr. AILES. Yes, sir.

(The information to be supplied follows:)

Comparative birth statistics—United States and Ryukyus, 1961

	Births	
	Number	Per 1,000 population
Ryukyu Islands.....	20,981	23.6
United States.....	4,268,326	23.8

TEACHING OF ENGLISH IN RYUKYUAN SCHOOLS

Mr. RHODES. How much English is taught in the Ryukyuan schools? At what level is it taught and for how many years?

General CARAWAY. English is taught as a compulsory subject in the Ryukyuan schools commencing with the first year of junior high school and continuing through senior high school. The students who go to the University of the Ryukyus or the other two private universities on the island normally will almost 100 percent continue English in their freshman year. Thereafter it continually drops off until you get about the normal amount of English, being a second language, that you get in any American university, about 5 or 6 percent of students

in their senior year will be taking English still unless they are majoring in English.

Then there are a number of adult courses, part of this money we talked about is for the adult courses. A great many adult courses are run by our people-to-people program, but we need more.

As to the teaching of English, let me say that, although I know I had a small disagreement here with the chairman, the teaching of English and educating the young Ryukyuan, selected Ryukyuan, in the United States, those are two of our strongest instruments, if you want to call it that, two of our strongest supports if we carry it out properly. We are at the moment, sir, helping to sponsor a program that is under the auspices of the Michigan State University advisory group, the advisers for the University of Ryukyus. They are developing an English language course that will be put on a trial basis, if it can be worked out properly, commencing with the fourth grade in the elementary schools.

If it turns out successfully, and its benefits can be demonstrated to the Ryukyuan people, I trust we will be able to get the school authorities to change so that they will have elementary grade English taught commencing in the third or fourth grade and continuing through senior high school.

Mr. RHODES. Is there a respectable number of Ryukyuan who are now bilingual in English and Japanese?

General CARAWAY. They acquire a very low proficiency in spoken English because they are taught spoken English as the Japanese schools teach it, which is a phonetic type English. Many of them learn English better from our own people-to-people voluntary teachers program which teaches English in the high schools and other schools. Many of the teachers continue, on their own time, conversational English with students and others who wish to talk to them. There is not a satisfactory proportion, as far as I am concerned, of Ryukyuan at this time who can speak English and Japanese.

VOCATIONAL EDUCATION IN THE RYUKYUS

Mr. RHODES. I noticed that on page 20 one of the few items decreased in this budget is vocational education equipment. Is the vocational education program getting smaller, or do you have enough equipment for the time being?

General CARAWAY. I think we felt we could cut back on the program somewhat in the position we are now and stretch it out. That is just an off-the-cuff answer.

Mr. RHODES. Is this because you feel the program is large enough at the present time or is it because of a desire to put emphasis on something else?

General CARAWAY. Let me see what my justification says for a minute.

Mr. O'FLAHERTY. What is the page number, please?

Mr. RHODES. No. 20 is the page the item is on.

General CARAWAY. I cannot give you a satisfactory answer as to what the underlying reason was. I am sorry.

Mr. AILES. We can supply it, if you like.

Mr. RHODES. Would you mind supplying a statement as to the status of vocational education in the islands and your plans for the future of it?

General CARAWAY. Yes, sir.

(The information supplied follows:)

The \$215,000 decrease in funds for vocational education from \$425,000 in fiscal year 1963 to \$210,000 in fiscal year 1964 reflects the one-time procurement of vocational education equipment for the University of the Ryukyus in fiscal year 1963. The program for equipment of junior high schools is to continue at approximately the same level as in fiscal year 1963. One of the considerations in a vocational education equipment program is the availability of trained teachers; and this continues to be a major factor in our program in the Ryukyus. Future plans include resumption of the program for equipping senior high schools which was temporarily suspended in fiscal year 1962.

Mr. RHODES. As you probably guessed, I have some affinity for vocational education, particularly in an underdeveloped state like this. It seems to me it is one of the things we can probably do best and get most from.

General CARAWAY. It is one of the most important of all subjects, sir.

FINANCING URBAN DEVELOPMENT

Mr. RHODES. What kind of urban development do you finance?

General CARAWAY. This is the sewer systems in this particular one, the basic start of the sewer system for Koza and Naha, the two largest cities that are jammed up against our base and which now have no underground sewer system.

Mr. RHODES. Will you provide all the financing for those sewer systems?

General CARAWAY. At the present time the water is highly polluted by sewage from Koza, and the chlorine requirement at the water treatment plant is abnormally high. The project is expected to take 4 years to complete, at a total cost of \$1,100,000. The installation of mains, pumping station, and a part of the treatment plant will be begun in fiscal year 1964 in Center Ku which, with a population of 4,000, has the greatest amount of sewage. Koza city is prepared to add \$30,000 of its own funds to the \$250,000 for additional main sewerline construction.

Mr. RHODES. How much will Naha contribute?

General CARAWAY. Naha is the capital city of the Ryukyus and has a population of approximately 225,000. Its storm and sanitary sewage flows through three principal open canals. The project will take about 5 years to complete. The cost for the first year is estimated at \$300,000, of which Naha City is prepared to contribute \$50,000.

MOTOR VEHICLES UTILIZATION

Mr. RHODES. Mr. Merrill points out an interesting fact. It says that the 40,000 motor vehicles which currently ply Ryukyuan roads contrast sharply with the prewar figure, reported to be about 200. The interesting part of this is that last year there were 36,000 motor vehicles.

General CARAWAY. Yes.

Mr. RHODES. There has been a 10-percent increase in this 1 year?

General CARAWAY. Yes. Part is American vehicles and part of it is expansion of the Ryukyuan bus system not only in Okinawa but also the other two main islands. They have increased their taxicabs and private vehicles. They are not Cadillacs such as the Middle Eastern potentate has. They are Datsun and Toyapet, small motorcycles—they include scooters.

Mr. RHODES. Where are the Datsuns made?

General CARAWAY. Japan. Almost all the vehicles are Japanese made except they buy secondhand American vehicles when they can get them.

POLICY ON USE OF U.S. PRODUCTS

Mr. RHODES. We do not have a buy-American policy as far as the contribution we make to the Ryukyuan economy, do we?

General CARAWAY. We have an exception to this because if we carry this too far in regard to the Ryukyuan economy, we have to request greater aid. Therefore, we buy from the Ryukyus, and as long as it is manufactured or the end product comes from the Ryukyus, we do not require raw materials to be American unless American raw materials are available locally.

Mr. RHODES. How about material which is brought by the Ryukyuan Government for capital expenditures? Do we insist that they buy American products?

General CARAWAY. Off the record, please.

(Discussion off the record.)

Mr. RHODES. That is all.

Mr. PASSMAN. Thank you, Mr. Secretary, and thank you, General Caraway, for the presentation.

You are enthusiastic for your program and it should not be any other way. We assure you we will be fair, but our judgment may not necessarily satisfy you. We hope, however, that our recommendations will prove to be to the best interests of all concerned.

Off the record.

(Discussion off the record.)

Mr. PASSMAN. Thank you again, gentlemen.

主管課長へ

本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写

(配布先○印)

- 大 政 務 外 官 房
- 次 官 審 長
- 巨 官 審 長
- 総 人 文 營
- 機 会 電 厚
- 副 参 北 東
- 長 参 中 西
- 陪 調 経
- 米 参 保
- 参 南
- 欧 参 英 東
- 近 参 西 東
- 近 参 調
- 長 参 實 資
- 経 次 統 商 通
- 長 参 周 国 米 力
- 参 技 技
- 参 一 二
- 参 協
- 参 規
- 参 社 管
- 参 政 科
- 参 内 文
- 参 道 外 才
- 参 業 旅
- 参 企 振

総 第 29595 号

平 略 暗 主 管 亜 然

10月7日 18:55 発

10月8日 08:19 着

外 務 大 臣

在 米

大 使

公 使

総 領 事

領 事

件 名 米 下 院 文 書 小 委 員 会 の 取 扱 聴 聞 会 に
お け る 部 言 送 付 方 の 件

第 2601 号

貴 信 電 第 2 次 1138 号 に 関 し

右 議 事 録 は 9 月 27 日 付 経 信 右 第 5686 号 に

お け る 送 付 済 也

(3)

マイア指示	発信用	執務用	計
五	一	一	二
付			
属			

発送日 昭和38年10月 4日
 発信所 外務省 送信機 47

文書課 公 信 案 (分類)

公信 番号 丑 総 第 1138 号 公信 日付 昭和 38 年 10 月 4 日

大 臣 官 房 長 官 事務次官 外務審議官 官 房 長 官
 主管 アジア局長 次長 佐々木 一郎
 主 任 総務参事官 佐々木 一郎

起案 昭和38年10月1日 起案者 内 田 電話番号 725

受信者 在米 武内大使 発信者 大平大臣

送付先 (希望発送日)

件 名 米下院歳出小委員会の秘密聴聞会に~~お~~ける証言送付の件

昭和38年10月1日(産経新聞)朝刊の報道による
 と、去る9月30日米下院歳出委員会とは同委員会の海外
 活動歳出小委員会が行った~~本~~年5月2日付の秘密

GA-4 4 77 外務省 38.10.4

聴聞会の議事録を発表し、趣であるが上記議事
 録中沖絶関係証言部分のコピーを一部送付あ
 りたい。

(配布先○印)
 大 政 務 次 官 審 査 長
 人 文 營 養
 会 電 厚
 長 北 東
 長 中 西
 長 調 經
 長 保 南
 長 英 西 東
 長 近 近
 長 ア ア
 長 國 調
 長 統 南 通
 長 統 通
 長 技 技
 長 協 一 二
 長 協 二
 長 規 規
 長 社 管
 長 政 科
 長 文 文
 長 道 外 旅
 長 移 業 旅
 長 企 振

主管課長へ
 本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写
 38 総第36866号 (平) 略暗主管 岸北

ワシントン 12月13日 19:30 発
 本省 月14日 09:58 着
 外務大臣 武内 大 使
 公 使
 総 領 事
 領 事

件名 米国の対外援助法に関する件

第3260号
 往電第3206号に關し。

- 13日上院は対外援助法案を兩院協議会案の通り61対26で可決した。
- 同日下院は対外援助関係小委員会は対外援助関係支出額を30億ドルとするとの勧告を対外援助関係小委員会に提出した。下院本会議は16日から対外援助支出法案を審議する予定。(3)

外務省

秘

(配布先○印)
 大 政 務 次 官 審 査 長
 人 文 營 養
 会 電 厚
 長 北 東
 長 中 西
 長 調 經
 長 保 南
 長 英 西 東
 長 近 近
 長 ア ア
 長 國 調
 長 統 南 通
 長 統 通
 長 技 技
 長 協 一 二
 長 協 二
 長 規 規
 長 社 管
 長 政 科
 長 文 文
 長 道 外 旅
 長 移 業 旅
 長 企 振

主管課長へ
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電信写
 34 総第36955号 (平) 略暗主管 了総

ワシントン 12月14日 21:30 発
 本省 月15日 11:47 着
 外務大臣 武内 大 使
 公 使
 総 領 事
 領 事

件名 沖縄援助に関する件

第3272号 至急
 往電第3248号に關し。

13日下院は出委員会対外活動小委員会(ハスマン委員長)を通過し、14日下院は出委員会を通過した。1964会計年度対外援助支出法案は沖縄援助につき約1,000万ドルを計上している。と云ふ。本件に關し館員(溝口)をして國務省日本課ハトリに聴取せしめたと云ふ。の通り。

1. 未だ詳細は聞いていないが至急援助は

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規定は削除されている。
3. 上院本会議は18日本法案を審議する
予定。
以上未確認情報のまま。とりあえず。

外務省

- (配布先○印)
- 大政事外官
- 務次官
- 官審長
- 人文官
- 会電厚
- 参北東
- 参中西
- 参調經
- 参長
- 参保
- 参北南
- 参英
- 参西東
- 近ア
- 近ア
- 参開
- 参長
- 参通ラ
- 参近
- 参技
- 参一
- 参二
- 参協
- 参規
- 参管
- 参科
- 参文
- 参外
- 参業旅
- 参全振

主管課長へ
本電主管、配付先等に関し御意見あ
れば直ちに電信課検閲班に連絡ごう

電信写

総第 37982 号 平(略)暗主管 米北
ワントン 12月24日18:40 猪
本 有 月25日09:22 藩
外務大臣 式 17 大使
公使
総領事
領事
件名 対外援助歳出法案に関する3件
第 3363 号
往第 3360 号に附し。
1. 1950年以來平時最長の会期と見られる
今会期も、ようやく12月第3週末を以て閉会のメ
ドが立えられたいと見られ、はからずも対外援
助歳出法案をめぐり上下院の歩調の不揃い
政府与野党間の対立のため、今会期の閉会は
クリスマス場には持越され、一部には新大統領
の政治的指導力の 鼎の経緯を問われら
れらる。

外務省

アジア局
361226
機密室

秘

秘

主管課長へ

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2. 対外援助法案に対する批判は、今年の特
 ト激しく、歳出法案の審議について下院に
 ける立法率最大の敵とされるパスマン文化
 委員長に対する、ジョンソン大統領の親得の試
 みにもかかわらず、16日通過の下院におい
 ては、その予算は28億ドルに大幅削減され
 のみならず、共産主義への高品質卸クレジット
 に対する、輸出入銀行の保証を禁止する、附加
 条項追加されるに至った。然し上院はモース
 議員(民主オレゴン)の再三の予算削減提案を
 排除して、32億ドルに復活したのみならず、上記
 輸出入銀行保証禁止条項を削除して、19日
 両院協議会へ持ち込んだことは外交政策遂行
 の手を束縛し得るようには、この大統領再三の
 要望に慧眼をもちであった。

3. 協議会は19、20日両日にわたり、ジョン
 ソン大統領と民主憲法会議領袖との頻繁な電
 話連絡の下に進められ、予算案については一

外務省

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主管課長へ

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30億ドルに減額したが、上記附加条項をめぐ
 って難詰を続け、結局建前において上記保証
 を禁ぶが、大統領が国家的利益に割うと思
 りた場合は保証を行はし得ることとして一
 層妥協した。然し20日下院本会議は右保
 証条項をなお不満として協議会へ送付した
 ため、21日朝再び協議会にうつり、大統領が
 上記保証を認めるとした場合、30日以内に議
 会に報告するという形式的修心を加えて第
 二次協議会案に到達した。

4. 上記協議会案の下院における審議に当
 り、クリスマスを数日後に控え、長会期に
 疲れた議員の可成り多数が早くも帰郷して
 いるため、本党幹部は23日の重要採決に備え、
 41ター機まで動員して、これ等帰郷議員の
 呼び戻しに努め、23日朝議事規則委員会の承認
 を得た場合、本件法案即日上院審議の採決に
 いたることが即日上院に必要多数の多数を得

外務省

秘

主管課長へ

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電信写

3に至らず、1日据置の後24日早朝の下院本会議により上提し、28日対158票で協賛会案を承認し、(27)日上院本会議の承認を得て本件対外援助歳出法案の国会通過という政見を述べた。

5. ジョーンズ大統領は1953年から8年間に渡り民主院内総務として、国会かけ回りの手腕をうけつた経歴にも鑑み、ケネディーの死後を継ぐ新大統領として、その対議会工作においてケネディーを凌ぐものがあるかと一般に観測された。然し今次対外援助歳出法案をめぐる議会の紛糾は、一旦院外に去り、行政にはいつては国会操作も必ずしも意の儘には行かないことを示している。ジョーンズ大統領は、本件審議の最終課程中の議会あてメモグラムにおいて、本件法案を政府の意に副年内に^{成立}通過せよとの言明により、自由世界及び近隣諸国が新大統領の院内指導力

秘

主管課長へ

本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写

の強弱を判定することによることを強調し共和党が一般市民の共産主義不信の強い感情に乗って上記採議禁止案項を強く主張し既に半年のおくれにある本件法案を、今急いで年内通過をはかる必要なしとして、本件法案の阻止に強い団結を示し、院内ロビーを指導し持たない本件法案を以て、政府与党を攻めつても明年の議次大統領選挙を有利に導くことこそあれ、これを責めることは何いとの見直しを強めることは、共和党にとって成功であり、他方予算案の大幅減額採議禁止案項の削減率において上院が可成り強く大統領の意に副年内に^{成立}通過せよとの言明は、ジョーンズの経歴にも鑑み上院に対する影響力が、なお健在なることを示唆するものと見られるが、下院においてこの重要段階に際し与党から多数の帰郷議員を出し決意の案数を集め得る事態を見守ることは、大統領与党幹部の統率に一律の不

秘

主管課長へ

本電主管、配付先等に関し御意見あ
れば直ちに電信課検閲班に連絡こう

電信写

安を投じられたものであって、ジョンソン大統領に
今一段ケネディの如き迫力ある大政略家とし
てのイメージがあれば、所記メモグラムに答へ意
識を起した支持が得られるたのではどうかと
思ふ伺もある。

(了)

秘

要字 部

発信係 系 総第 38328 号
昭和 年 月 日 時 分 発

電信課長

電信案 (分限 12-26 14-31)

暗 (略) 平	第 2508 号 (JTF)	起案 昭和 28 年 2 月 26 日
大臣 政務次官 事務次官 外務審議官 参事官	主管 アジア局長 参事官 主任 総務参事官	起案者 (141) 電話番号 725
在 米 武 内 臨時代理 大 公 使 宛 大 平 大臣 發 総 領 事		
電 報 在	大 公 使 宛 總 領 事	
件 名	米 国 の 64 年 度 冲 縄 援 助 予 算 照 合 の 事	
	貴 電 第 3363 号 に 由 り	
	冲 縄 援 助 予 算 及 び そ の 内 訳 に 関 して 判 明	
	次 年 査 報 ありたい。	
GB-1	外 務 省	回 覧 番 号 1003

26 15

夕 了 済

特送局へ通報済み Jan/6

秘

主管課長へ

本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

(配布先○印)

大 政 務 外 官
 務 次 官 房 長
 長 官 警 長
 (総 人 文 營
 係 会 電 厚
 面 参 北 東
 長 参 中 西
 陪 調 経
 長 官
 米 参 保
 政 参 南
 長 参 東
 近 近
 参 参
 国 資 資
 経 統 商 通
 長 参 米 欧 近
 経 参 技
 長 参 一 二
 経 参 協
 長 参 規
 国 参 社 管
 長 参 科
 情 参 内 文
 長 参 内 文
 参 参 業 旅
 長 参 企 振

電信写

総第 45号 平(略)暗主管 亜総

ワシントン 12月31日 17:50 発

本省 1月1日 08:32 着

外務大臣 武内 大 債 使
公 使
総 領 事
領 事

件名 米国の64年度沖縄援助予算照会の件

第 3407号

貴電第2508号に関し

3/日国務省より議会を通過した対外援助
歳出法案中の沖縄関係予算につき次の通り
説明があった。

1. 総額は1,000万ドルでこの内230万
ドルは行政費、770万ドルは経済援助であ
る。

下院案では行政費が200万ドル、経済援
助が約800万ドルであったが上院案は230

外務省

亜総 0000

お

主管課長へ

本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写

秘

万ドル対770万ドルであり、結局上院案の
通りとなった。

2. 経済援助の使途について法案中では
この内200万ドルは RYUKU DOMESTIC WATER
CORPORATION に対し INTEGRATED ISLAND WATER
SYSTEM の拡大開発のために供与されると
記載されているほかは存んら規定がない
(なお当館に別途入った情報によれば下院
歳出委員会対外活動小委員会にて DISASTER
RELIEF CONTINGENCY FUND 用として予算要求
された100万ドルは削除された由。)

3. 従って上記2.以外の経済援助の使途
についてはこれから行政府部内で協議決定
されることになる。なお行政費のごく小部
分は経済援助に用いられる可能性もあると
いうことを非公式に聞いた(注: 国防省筋
と思われる。)

了

外務省

2

(配布先〇印)

大	政	事	外	官
次	務	次	務	長
官	官	官	官	長
総	人	文	營	
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主管課長へ
本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写
総第 1860 号 (平) 略 暗 主 管 匪 総
ワシントン 1月20日 19:35 発
本省 1月21日 10:20 着
外務大臣 武内 大 使
公 使
総 領 事
領 事
件名 米国の64年度沖繩援助予算に関する件
第 203 号
客年位償才3407号に因り
1. 21日発表予定の予算教書(才215へ
ーシ)は1965年度に於ける沖繩関係予算
として14,441,000 トルを見積り、
このうち1,200万ドルは経済援助と見
込る旨説明されている。右説明は経済援
助を本年度より「410万ドル増額し」
「200万ドル以上」という表現を用
いた。

外務省

主管課長へ
本電主管、配付先等に関し御意見あれば直ちに電信課検閲班に連絡ごう

電信写
2. 上記1.の説明から逆算すれば本年度の
沖繩関係費1,000万ドルの内訳は経済援助
790万ドル、行政費210万ドルとなる
訳であり、冒頭位償才1項の数字と相違す
るが、本件に因り領員が国防費担当官に照
会し結果先方付次の通り答へた趣。
「本年度対外援助歳出法は沖繩関係費1,000
万ドルを計上し、このうち行政費は230
万ドルを限度とする旨規定している。従っ
て高等弁務官等の裁量により行政費の一部
を援助に転用できる訳である。こういう仕
組であるから本年度の行政費は限度まで使
われることなく経済援助は790万ドルに
らんの額に達すると考えてよいと思う。」
(了)

外務省

アジア局長
参事官

参事官 (正)

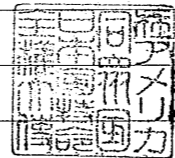
公 信

政才 400 号

昭和39年1月20日

外務大臣殿

在米 武内大使



1964年度 对外援助支出法中
沖縄関係予算のテキスト送付の件
往電第203号に關し、本年1月5日成立した
1964年度 对外援助法の中、沖縄関係予算
を親字部分のテキストに^りて_ん 御参考
を^りて_ん 別添送付可也。

別紙添付



回覧番号
亞総 49

country or qualified citizens of the United States: *Provided, however,* That the President may waive the application of this amendment if it is important to the national interest.

TITLE II—FOREIGN AID (OTHER)

FUNDS APPROPRIATED TO THE PRESIDENT

PEACE CORPS

For expenses necessary to enable the President to carry out the provisions of the Peace Corps Act (75 Stat. 612), as amended, including purchase of not to exceed five passenger motor vehicles for use outside the United States, \$92,100,000, together with the unobligated balance of the appropriation under this head for the fiscal year 1963, of which not to exceed \$19,900,000 shall be available for administration and program support costs. *Amte. p. 359. 22 USC 2502.*

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RYUKYU ISLANDS, ARMY

ADMINISTRATION

For expenses, not otherwise provided for, necessary to meet the responsibilities and obligations of the United States in connection with the government of the Ryukyu Islands, as authorized by the Act of July 12, 1960 (74 Stat. 461), as amended (76 Stat. 742); services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), of individuals not to exceed ten in number; not to exceed \$4,000 for contingencies for the High Commissioner, to be expended in his discretion; hire of passenger motor vehicles and aircraft; purchase of six passenger motor vehicles, of which four shall be for replacement only; and construction, repair, and maintenance of buildings, utilities, facilities, and appurtenances; \$10,000,000, of which not to exceed \$2,300,000 shall be available for administrative and information expenses, and \$2,000,000 shall be available for transfer to the Ryukyu Domestic Water Corporation for construction of a portion of the integrated island water system: *Provided*, That expenditures from this appropriation may be made outside continental United States when necessary to carry out its purposes, without regard to sections 355 and 3648, Revised Statutes, as amended, section 4774(d) of title 10, United States Code, civil service or classification laws, or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further*, That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the Secretary of the Army to pay ocean transportation charges from United States ports, including territorial ports, to ports in the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such areas: *Provided further*, That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency, without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred. *60 Stat. 810. 40 USC 255; 31 USC 529. 70A Stat. 269.*

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アジア局長
参事官
総務参事官

部外秘

総特第1542号
昭和39年2月28日

18

外務省アジア局長 殿

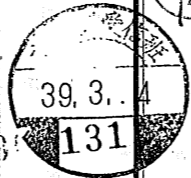
総理府特別地域連絡局長



米国の対琉球経済援助費（1964会計年度）

について

標記について別添写のとおり那覇日本政府南方連絡事務所長
から報告があつたので、お送りする。



回覧番号
亜総 159

総理府

別紙同着

外務省アジア局長 殿



総南連第 377 号
昭和 39 年 2 月 19 日

総理府特別地域連絡局長 殿

那覇日本政府南方連絡事務所長

米合衆国の対琉経済援助費（1964 会計年度）
について

標記の件について、ワーナー民政官は昨 2 月 18 日琉球政府行政
主席同席のもとに、総額 13,750 千ドルにのぼる経済援助費の
内訳を発表した。また同時にワーナー民政官並びに行政主席は、琉
球政府才入予算に繰り入れることとなる援助費 5,255 千ドルの
執行に関する合意書に署名調印したので、関係資料を添えて報告す
る。

なお、琉球政府関係者より入手した資料によれば、上記琉球政府
才入予算繰り入れ額 5,255 千ドルの内訳は別添資料 3 のとおり
であり、琉球政府当初予算計上額 8,335 千ドルに対し、080
千ドルの才入減となるわけである。従つて琉球政府としては、これ
が才入減分を自己財源により補てんするか、もしくは才入才出予算

の減額補正を行なう必要が生じたわけであるが、現下の見透しと
しては、当初予算 51,980 千ドルに対し 220 万ドル程度の
減額補正は避けられないものようである。御参考までに申し添
える。

本信添付物

- 1 プレスリリース
- 2 合意書写
- 3 援助費内訳
- 4 対前年比較表

本信写送付先

外務省アジア局長

（添付物は 1 のみ）

NEWS RELEASE

Please Note Date



UNITED STATES CIVIL ADMINISTRATION
OF THE RYUKYU ISLANDS
OFFICE OF THE HIGH COMMISSIONER
OFFICE OF PUBLIC AFFAIRS
APO 48, SAN FRANCISCO, CALIF.
TEL: 72153
9941-32

FOR IMMEDIATE RELEASE:

NEWS RELEASE: 64-43
February 18, 1964

WATER RESOURCES STRESSED IN FY '64 U.S. FINANCIAL AID TO RYUKYU ISLANDS

Naha, Okinawa, Feb. 18 -- An intensified water resources utilization program will take one-third of this year's direct United States cash aid to the Ryukyuan economy totalling \$13.7 million, the Office of the High Commissioner said today.

Civil Administrator Gerald Warner disclosed that the water resources program will get approximately \$4.5 million out of the total amount of U. S. financial assistance currently programmed for the Ryukyu Islands for the fiscal year ending June 30.

He announced the overall U.S. aid program of \$13,750,000 -- \$2,918,000 more than last fiscal year -- in his office in the presence of Government of the Ryukyu Islands Chief Executive Seisaku Ota. They met to sign an agreement for GRI spending of \$5,255,000 of the Fiscal Year 1964 U.S. Congress appropriated aid.

Recognizing the problems created by Okinawa's drought in 1963, worst in 70 years, the U.S. Congress in its last session appropriated \$2 million to augment the resources of the Ryukyu Domestic Water Corp. (RDWC), an instrumentality of the Office of the High Commissioner. The RDWC will also receive \$2.5 million as a contribution from the High Commissioner's General Fund, making the overall total \$4.5 million for this fiscal year's RDWC engineering plans.

The plans are part of a long-range U.S. program to develop all possible water resources on Okinawa.

Most appropriated cash aid to the Ryukyus comes under the U.S. budget heading of "Administration, Ryukyu Islands, Army" (ARIA), which was attached to the U.S. FY 1964 foreign aid appropriation. Due to the lengthy session of the Congress this past year, the signing of the agreement with the GRI was delayed.

However, financial assistance to the GRI was not held back. The Office of the High Commissioner made interim funds available to the GRI since July, 1963.

Up to the end of January, 1964, more than \$1,400,000 of FY 1964 ARIA funds have been disbursed to the GRI.

A breakdown of the \$13.7 million overall cash aid (not including U.S. aid in kind such as the school lunch program and food relief, and not including the Public Law 480, Title IV loan program) follows:

-- ARIA grant-in-aid to GRI	\$5,255,000
-- ARIA grant to RDWC	2,000,000
-- General Fund contribution to RDWC	2,500,000
-- ARIA technical education and training, technical cooperation, and transportation of U.S. donated goods	605,000
-- AID grant to the Overseas Emigration Corp. (Ryukyuan emigrants to Bolivia)	290,000
-- Distribution of revenue from petroleum sales	2,700,000
-- Special assistance to municipalities (from High Commissioner's Fund)	200,000
-- Disaster relief (General Fund)	200,000
Total cash aid	\$13,750,000

The largest single grant of appropriated funds to the GRI in the \$5.2 million covered in the agreement signed today is \$1,410,000 for public works and economic development --- including roads and bridges, seawalls, piers and harbors, a sewer system, municipal housing, farmland development, an agricultural and livestock experiment station and forestry development.

The next largest category of aid is \$1,105,000 for education -- for schools and equipment. As in previous years, assistance to Ryukyuan teachers amounts to another \$1 million.

Other categories of aid are in public health and medical programs, public safety, and cultural facilities -- including a new museum.

(END)

NEWS RELEASE
Please Note Date



UNITED STATES CIVIL ADMINISTRATION
OF THE RYUKYU ISLANDS
OFFICE OF THE HIGH COMMISSIONER
OFFICE OF PUBLIC AFFAIRS
APO 48, SAN FRANCISCO, CALIF.
TEL: 72153
9941-32

NEWS RELEASE: 64-43

February 18, 1964

To Editors: This unofficial Japanese translation of attached news release is provided to assist you.

1964会計年度の米国の対琉援助水資源利用計画に専

那覇 2月18日 — 琉球経済に対する今年度の米
国直接援助総額 1.370万ドルのうちその三分
一が高度水資源利用計画に振り向けられること
と高等弁務官府は今日発表した。

ワシントン — 民政官が明かしたところによ
り6月30日終了の今年度の琉球に対する
米財政援助総額のうち 450万ドルが水資源開発
計画に当てられることになっている。

ワシントン — 民政官は民政官室に於いて大田政
琉球政府行政主席の下に 13,750,000ドルの
今年度米援助計画 --- 昨年度より 2,918,000ドル
増 --- を発表し、両方は1964会計年度の米議
議会割当援助総額のうち琉球政府が使用
する 5,255,000ドルに関する協定に署名した。

1963年の沖縄のかんぽ (70年来の最悪不況)
に起因する起る問題も重視して米議会は
去る会期に高等弁務官府の権限のある琉球
水道公社 (RDWC) の財源を増すために 200万
ドルを割当てた。水道公社は又高等弁務
官の一般資金から 250万ドルの贈与を受けると
なっており、今年度の水道公社工事諸計
画費の総額は 450万ドルに達する。

(11)

(2) 64-43

これらの諸計画は沖縄のみならず開発可能な水源を開発するための米国の長期計画の一部である。

琉球に対するほとんどの割当資金援助は米国の1964会計年度対外援助予算に含まれている「米陸軍（対琉行政）と文」名目の米国予算から支出される。昨年度は米国の議会が長期に亘ったため琉球政府との協定に関する署名が遅れたものである。しかしながら琉球政府に対する財政援助は滞りなく行われ、高等弁務官府は1963年7月以来琉球政府に臨時費を交付した。1964年1月末までに1964会計年度の在琉米陸軍行政費の中から140万ドル余の臨時費が琉球政府に支出された。

- 援助資金総額 1,370万ドルの内訳は次の通りである（但しこの援助には学校給食及び救済物資計画のより米国外援助公法480号第4章による融資計画は含まれていない。）
- 琉球政府に対するARIA援助 5,255,000ドル
- 琉球水道公社に対するARIA援助 2,000,000ドル
- 一般資金から琉球水道公社への援助 2,500,000ドル
- ARIA技術教育訓練技術協力及び米国の贈与物資の輸送費 605,000ドル
- 国際開発協力局から琉球海外移住公社補助金（ホリヒヤへの琉球移民） 290,000ドル
- 石油販売利益配当金 2,700,000ドル

(2)

(3) 64-43

- 市町村特別援助（高等弁務官資金から） 200,000ドル
- 災害援助（一般資金） 200,000ドル

現金援助総額 13,750,000ドル

今日署名された協定書に含まれている琉球政府への割当資金 520万ドルの内最も大きなものは公共土木事業及び経済開発費 141万ドルで、これには道路や橋、護岸、堤防、港灣、下水、市町村庁舎、耕地開発、農業及び畜産試験農場、山林開発等が含まれている。

- 次に資金の大きなものは教育費 110万ドルで、学校建設や備品購入を対称するものである
- 去年と同じく教職員への援助資金は他に百万ドル計上されている。他に公衆衛生医療関係公安及び文化施設（新しい博物館）に対する援助もある。

(完)

Reference Materials concerning the Request for Increase
of U.S. Financial Aid to the Ryukyu Islands

The First Table

Size of the Government of the Ryukyu Islands general account budget and amount of outside aid through 1960 year to 1964 year.

The Second Table

Comparison with appropriate Japanese Prefectures concerning size of budget and outside subsidy through 1959 year to 1961 year.

The Third Table

Comparison of U.S. Financial Aid to Far Eastern Countries with that to the Ryukyus.

1. GRI Budget and Outside Aid (Thousands of Dollars)

Fiscal years	1960	1961	1962	1963	1964
Size of Budget of which	24,188	27,548	31,364	42,633	51,980
U.S. Aid	2,455	3,105	5,213	6,460	8,335
G.O.J. Aid	19	9	66	2,050	4,050

Remarks: (1) Size of Budget is only for general account of the Government of the Ryukyu Islands.

(2) Figures for 1964 are taken from the Original Budget.

2. Comparison with appropriate Japanese Prefectures Concerning Size of Budget and Outside Subsidy
(Thousands of Dollars)

Names of Prefectures	Population	Size of Budget	Outside Subsidy	Percentage	Subsidy per capita
Iwate	1,449	221,872	131,408	59.23	69,314
Tottori	599	140,225	66,150	47.17	69,531
Kumamoto	1,856	253,408	139,478	55.04	54,014
Miyazaki	1,135	174,964	95,767	54.74	63,722
Kagoshima	1,963	272,789	170,294	62.42	70,103
The Ryukyus	895	77,083	13,175	17.09	20,209

- Remarks: (1) Size of Budget is total of general account for 3 years during FY 1959 to FY 1961
 (2) Figures of Percentage are size of Outside Subsidy within Budget
 (3) Figures of Population is thousands and for 1961

3. Comparison of U.S. Financial Aid to Far Eastern Countries (million of Dollars)

Names of Countries	Total Economic Aid	(of which loans)
Cambodia	31.2	(-)
China, Republic of	76.0	(39.0)
Formosa	194.4	(26.8)
Laos	27.0	(-)
Philippines	49.9	(23.0)
Thailand	47.7	(22.0)
Viet Nam	143.2	(-)
The Ryukyus	<u>5.2</u>	(-)

Remarks: (1) These figures are for FY 1962

(2) These figures do not include Military, A.I.D., PL 480 programs and others.

Comparison of Social Security Systems in Force Between Japan and China

(I) Social Insurance A. Medical Insurance

	<u>Japan</u>		<u>China</u>	
	<u>Establishment</u>	<u>Coverage</u>	<u>Establishment</u>	<u>Coverage</u>
1. Health Insurance	Propriated: April '22 Executed: Jan '27	13,950,000 employees	None. (Under preparation to submit the bill to the Legislature in session)	
2. Health insurance for day laborers	From: Aug '53 Exec: Jan '54	1,247,000 Day laborers	None	
3. National Health Insurance	From: April '38 Exec: July '38	46,210,000 General people	None	
4. Seamen's Insurance	From: April '39 Exec: June '40	220,000 Seamen	None	
5. Mutual Aid Cooperative Ass'n				
a. National Government Service Employees	From: April '48 Exec: July '48	2,160,000 Gov't	None	
b. Public Corporations	From: June '56 Exec: July '56	700,000 employees	None	
c. Local public Service Employees	From: July '54 Exec: Jan '55	427,000 employees	None	
d. Private School Employees	From: Aug '53 Exec: Jan '54	90,000 employees	None	
e. Agricultural, Forestry & Fishery Cooperative Employees	From: March '58 Exec: Jan '59	300,000 employees	None	

B. Pension Insurance

1. Welfare Pension	From: March '41 Exes: Feb '44	13,240,000 employees	None
2. National Pension	From: April '49 Exes: April '61	18,240,000 general people	None
3. Seaman's Insurance	From: April '39 Exes: April '39	220,000 seamen	None
4. Mutual Aid operative Ass'n			
a. National Government Service Employees	From: April '48 Exes: April '48	1,220,000 employees	None
b. Public Corporations	From: Sept '56 Exes:	710,000 employees	None
c. Local Public Service Employees	From: Sept '62 Exes: Dec '62	1,900,000 employees	None
d. Private School Employees	From: Aug '53 Exes: Jan '54	90,000 employees	None
e. Agricultural, Forestry & Fishery Cooperative Employees	From: April '58 Exes: Jan '59	310,000 employees	None

C. Unemployment Insurance

1. Unemployment Insurance	From: Dec '47 Exes:	General laborer 14,530,000 Day laborer 520,000	From: Jan '58 Exes: Jan '60	General laborer 87,231 Day laborer 1,331
2. Seaman's Insurance	From: Dec '47 Exes: Nov '47	130,000 seamen	(Included in the Unemployment Insurance)	

B. Compensation Insurance

1. Workmen's Compensation Insurance	From: April '47 Exo: Sept '47	17,970,000 employees	From: Aug '63 Exo: Jan '64	41,339 employees
2. Seaman's Insurance	From: Sept '47	220,000 season	(Included in the Unemployment Insurance)	
3. Compensation for National Government Service Employees	From: June '51 Exo: July '51	1,050,000	Temporary Emergency Act for the Compensation of the Ryukyū Gov't. Employees From: Oct '53 Exo: Oct '53	14,883

(II) Public Assistance and Social Welfare

1. Livelihood Assistance	From: Sept '46 Exo: Oct '47	200,880,000 persons	From: Nov '53 Exo: Nov '53	29,000 persons
2. Child Welfare	From: Dec '47 Exo: Jan '48		From: Oct '53 Exo: Oct '53	
3. Welfare for the physically Handicapped	From: Dec '49 Exo: Jan '50	728,000 persons	From: Nov '53 Exo: Nov '53	6,654 persons
4. Welfare for the Low-Income Persons				
a. Others' Welfare Fund Loan	From: Dec '52 Exo: Apr '53		Covered in the From: July '60 Exo: July '60	
b. Family Regeneration Fund Loan	From: '55 Exo: '55			
c. Medical care Fund Loan	From: '57 Exo: '57			
d. Consumer's Livelihood Cooperative Act'n	From: '48 Exo: '48		None	

e. Public Membership Assistance	From: '27 Exec: '27	None	
f. RIVAC Commodities Assistance	None	None	1947 190,000 persons
5. Welfare for the Aged	From: July '63 Exec: Aug '63	None	
6. Easter Relief	From: '47 Exec: '47	From: Feb '60 Exec: Mar '60	
(III) Miscellaneous Reliefs			
1. Aid to Wounded and Sick Retired Soldiers, the war bereaved, Etc.	From: Apr '52 Exec: Apr '52	Applied Apr '53	Taxation Laws have been applied to (Kinman)
2. Aid to Families with unrepatriated members	From: Aug '53	Applied July '56	
3. Public Servant pension	Exec: Aug '53	Applied '58	
4. Special Aid to the wounded and sick Soldiers	From: Nov '63 Exec: Nov '63	Applied '63	
5. Allowance, etc for Repatriates	From: '57	Applied '57	
6. Special Allowance for wives of the war Dead.	From: Mar '63 Exec: '63	Applied '63	

IV Medical and Public Health

1. T.B. Prevention	From: Mar '51 Exc: Apr '51		From: Oct '56 Exc: Nov '56
2. Leprosy Prevention	From: Aug '53 Exc: Aug '54		From: Aug '61 Exc: Aug '61
3. Food Sanitation	From: Feb '47 Exc: Feb '47		From: Sept '52 Exc: Sept '52
4. Mental Hygiene	From: May '50 Exc: May '50		From: '60 Exc: '60
5. Cleaning-up	From: Apr '50 Exc: Sept '50		From: Oct '58 Exc: Nov '58
6. Health Center	From: Sept '47 Exc: Sept '47		From: Aug '52 Exc: Aug '52
7. Public Bath	From: July '48 Exc: July '48		From: Aug '48 Exc: Aug '48
8. G.D. prevention	From: Apr 1897 Exc: May 1897	Control of G.D.	From: June '51 Exc: July '51
9. V.D. Prevention	From: July '48 Exc: July '48		Recommended to legislature in 1963 and under continued deliberation.
10. Eugenic Protection	From: July '48 Exc: July '48		None

Comparison of Medical Person Number between Japan and Okinawa

		<u>Actual Number</u>					<u>Per 100,000</u>			<u>Per a Doctor</u>	
		<u>Doctor</u>	<u>Dentist</u>	<u>Pharmacist</u>	<u>Public Nurse</u>	<u>Midwife</u>	<u>Nurse</u>	<u>Doctor</u>	<u>Dentist</u>		<u>Pharmacist</u>
Okinawa	1962	359	98	142	238	524	989	40.7	11.1	16.0	13.4
Shimane	1960	841	237	263	230	865	1,440	94.6	26.7	29.6	8.4
Tokushima	"	1,060	228	548	125	382	1,382	125.1	26.9	64.7	8.1
Iagawa	"	942	302	496	200	409	1,711	102.5	32.9	54.3	10.1
Kochi	"	867	252	337	171	450	1,899	101.5	29.5	39.4	12.4

** Note: Number of nurses in Japan include the assistance nurses.

Comparison of Bed Number between Japan and Okinawa

	Total	Sub-total	Hospital					Medical Clinic	Dental Clinic
			Mental Disease	T. B.	Leprosy	Infectious Dis.	Gene. Disease		
Okinawa	4,813	2,835	205	708	1,320	58	544	1,978	
Shimane	7,061	5,488	654	2,214		284	2,336	1,570	3
Tokushima	8,626	6,933	1,274	2,427		220	3,012	1,692	1
Kagawa	9,539	7,589	692	2,531	90	227	3,179	1,920	
Kochi	10,708	8,093	1,349	2,701		253	3,790	2,612	3

Comparison of Beds Number between Japan and Okinawa (Per 100,000 persons)

	Total	Sub-total	Hospital					Medical Clinic	Dental Clinic
			Mental Disease	T. B.	Leprosy	Infectious Dis.	Gene. Disease		
Okinawa	545.0	321.0	23.2	80.2	149.6	6.6	61.6	224.0	
Shimane	794.4	617.3	73.6	249.0		31.7	262.8	176.6	0.3
Tokushima	8,626	6,933	1,274	2,427		26.0	355.6	199.7	0.1
Kagawa	1,034.9	825.8	75.3	275.4	104.4	24.7	345.9	209.0	
Kochi	1,253.0	946.5	157.8	315.9		29.6	433.3	305.6	0.4

**** Note:** Okinawa; as of the end of 1962.
Japan; as of the end of 1963.

(草案)

琉球列島米国民政府
民政官章

AP048

琉球政府
行政主席章
沖縄那覇

合意書

この契約は、琉球沖縄那覇において、1964年2月18日に、琉球列島米国民政府(以下「民政府」という。)と琉球政府(以下「政府」という。)との間で次のとおり締結された。

改正後の公法第88-258号及び公法第86-629号の権限により、合衆国は、政府に対し、5,255,000弗の金額を、1964年度の経済援助として交付する。但し次の使途に使用することとする。

1. 琉球内の合衆国軍隊のために且つ合衆国軍隊が琉球内にあることにより履行した用役についての政府に対する償還

- a. 公安 700,000 弗
- b. 公衆保健衛生業務 350,000

小計	2,050,000 弗
2. その経済開発及び住民の福祉の向上のための政府事業に対する出資	
a. 教育施設	1,105,000 弗
b. 公衆衛生及び医療計画	490,000
c. 公安施設	50,000
d. 公共土木事業及び経済開発	1,410,000
e. 文化施設	150,000
f. 琉球人教師に対する援助	1,000,000
小計	4,205,000 弗
合計	5,255,000 弗

従って、相互に次のとおり合意する。

1. これ等の資金は、もっぱら前2項に規定する使途につき、これを使用する。
2. これ等の資金のうちから土地の取得につき使用してはならない。
3. 公安及び公衆衛生活動(前2項のa号及びb号)についての資金は、政府の裁量により、取得費、契約費、管理費、運営費及び又は間接費につき、当該各計画範囲内に限り、これを使用することが出来、且つこれ等の資金は、政府に対し、政府の事実上の支出負担行為前に、これと引渡すことが出来る。

4. 経済援助事業(前オ2項オa号からオ2項オe号まで)についての資金は、該当物品及び又は契約用役の購入及び輸送に限り、これを使用するものとし、そのうちから管理費又は間接費に支出してはならず、これ等資金の使用により引き受ける設計、測量設計及びその他の事項については、民政官の事前認可を受けるものとし、政府は合衆国資金に対する支出負担行為を、民政府から支出負担行為認可を受ける前に起してはならず、政府は民政府に対し、これ等の資金の支出負担行為をした時は、直ちに通知するものとし、事実上の資金の引き渡しは、政府に対しては、購入注文をし又は契約を締結した場合のその証拠書類の提示があった時に限り、且つ琉球政府及び又は民政府の検査要件を満たした後にこれをかゝるものとし、及び市町村又はその他の代理人が運営及び維持の責任を引き受けるのが適当な時は、政府は、権利を市町村又はその他の代理人に対し、当該事業の完成した場合に引き渡すことが出来る。

5. 琉球人教師に対する援助(オ2項オf号)についての資金は、琉球の公立及び政府立学校並びに琉球大学の校長及び学長並びに教師の給料の支払に限り、これを使用するものとし、及び

これ等の資金は、政府に対し、政府の事実上の支出負担行為前に、これを引き渡すことが出来る。

6. 民政府は、これ等の資金にかゝる備品、設備等の需要を合衆国の供給先からの直接購入により満たすことが出来る。

7. 民政官は、前記資金の未支出負担行為残を、災害救援及び復旧につき計画替えすることが出来る。

8. 政府は、これ等の資金の支出負担行為及び支出を促進する努力をするものとし、資金は、民政官が1964年6月30日迄に最大限の支出負担行為の実施を保證するよう、計画替えすることが出来る。

9. 政府は、資金及び又は事業の状況につき詳細な報告を求められた時は、民政府に提出しなければならない。

その証拠として、民政府民政官及び政府行政主席は夫々に署名を付す。

琉球米国民政府

琉球政府

民政官

行政主席

ヒラット・ワナー

大田政作

日米两国政府の対沖縄援助

日本政府

	千円	
昭和34年	45,000	(125千ドル)
35年	81,000	(225")
36年	499,000	(1,108")
37年	1,001,250	(2,781")
38年	1,838,177	(5,106")
39年(提案額)	1,874,784	(5,207")
米側要請	1,435,172	(3,987")

米 国 政 府

	経済援助	行政費	計
1960年	3,985	1,631	5,616 ^{千円}
61年	4,295	1,719	6,014
62年	5,365	1,717	7,089
63年	6,950	1,950	8,957
64年(要請)	12,000	2,366	14,366
(^(修正) (下院修正承認) (Dec-16-63)	2,000 2,000	2,300 2,000	10,000