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Strictly Confidential

Report of Mr. C. Parsons to the
Department of State

August 12, 1942

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U.S. High Com.
E.D. Hester
R. 7258
New Int. Bldg.

On Board M.S. Gripsholm
August 23, 1942.

STRICTLY CONFIDENTIAL

22607

Subject: Conditions in the Philippine Islands since the Japanese Occupation.

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

Sir:

I have the honor to refer to the Department's telegram no. 100 of July 20, 10 p.m., to the American Consul at Lourenço Marques instructing that Minister Willys R. Peck or the undersigned interview Mr. Charles Parsons, an American citizen from Manila, and on the basis of his information, submit a telegraphic report on the general situation of Americans in the Philippines, particularly those imprisoned or interned. The telegram was duly drafted by Consul Peck and the Undersigned under date of July 24, 11 a.m., and given to the American Consul at Lourenço Marques for transmission to the Department. As stated in our telegram, a previous telegram concerning this same subject had already been sent by Counselor Butrick of the Embassy at Peiping. In this relation reference is also made to Mr. Butrick's despatch no. 228 of August 3, 1942, on the subject, (1) Conditions at Santo Tomas Internment Camp, Manila, P.I., and (2) Welfare of Dr. Claude Buss.

At the time that Mr. Parsons was giving information to the undersigned in response to the specific inquiries contained in the Department's telegram, it was learned that he had a wealth of other interesting first-hand information concerning conditions in Manila and in other parts of the Philippines, and that he would gladly supply such information for the use of the American Government. Since Minister Peck was charged with making a report on Thailand and French Indochina, it was agreed between us that the undersigned should continue his conversations with Mr. Parsons in relation to the Philippine situation in general and make report upon it. Mr. Parsons was most cooperative in the matter and agreed to put into writing for the confidential use of the Government the additional facts which are set forth in the fifty pages of memoranda enclosed with this despatch. For convenience of reference, a brief indication of the nature of the information is given under each subject heading. The arrangement of subjects is as made by Mr. Parsons.

I. Occupation of Manila (pages 1 to 7 inclusive)

The Japanese, after negotiations with Secretary Jorge B. Vargas of President Quezon's staff and Dr. Claude Buss, Assistant to the United States High Commissioner, entered Manila unopposed on the night of January 1-2, 1942. They were disappointed to find that the scorched earth

activities

activities of the retiring American forces had left but a small supply of foodstuffs and practically no gasoline, oil, and other important strategic materials. The Japanese interned all American and British nationals and completely paralyzed commercial activities.

II. Transfer from Manila of Certain Consular and other Official Personnel. (page 8)

Mr. Parsons, in his capacity as Consul for Panama in the Philippines, with his wife and three children were the only Philippine residents repatriated. Eight other persons, including Mrs. Frank P. Lockhart, wife of the American Consul General at Shanghai, were repatriated at the same time, all of them being transients in Manila and having official connections.

III. Treatment of Natives (pages 9 and 10)

Except for a comparatively few cases where punishment for minor offenses was excessively severe, the treatment of the Filipinos by the Japanese was good. Efforts being made by the Japanese to gain the friendship of the Filipinos were not proving successful.

IV. Atrocities (pages 11 and 12) (CONFIDENTIAL)

From information available, it appeared that populated centers in the Philippines were comparatively free from atrocities; the story in more isolated places, however, was quite different. In February, three British nationals (two of them ship's officers from the S.S. Tantalus) who had escaped from the Santo Tomas Internment Camp were, after brutal torture on the camp premises, taken to Camp Santiago and shot. There was also report of the execution of twenty out of 50 leading Chinese in Manila who were taken into custody by the Japanese upon their entry, the executed men including the Chinese Consul General, Mr. C. Kuangson Young, and Alfonso and Albino SyCip. Justice Jose Abad Santos was also reported as having been executed in Cebu.

V. Treatment of Neutrals. (pages 13 and 14)
(CONFIDENTIAL)

Businesses were requisitioned where required. Minor maltreatment of individuals has been common. The economic situation of neutrals was such as to cause them much concern and certain of them expressed the belief that there is no hope for their firms unless American control is restored.

VI. Miscellaneous Information (pages 15 and 16)
(CONFIDENTIAL)

This section outlines cases of Japanese who were formerly residents in the Philippines and reappeared as members of Japanese intelligence units.

VII. Political

VII. Political Situation. (pages 17 and 18)
(CONFIDENTIAL)

Secretary Vargas, Chairman of the Japanese appointed Executive Commission, and most of the other members of the present government are but mouthpieces of the Japanese but are believed at heart to be loyal to President Quezon's Government and the United States.

VIII. Summary (page 19)

IX. Recommendations (page 20) (CONFIDENTIAL)

Mr. Parsons recommends chiefly that efforts be made regularly to supply American nationals in the Philippines with funds; (2) that arrangements be made for the International Red Cross to operate in the Philippines for the purpose of assisting war prisoners and internees; (3) that arrangements be made to repatriate interned Americans as soon as possible; (4) that medical supplies and foodstuffs be sent for prisoners of war and internees; and (5) that special radio programs be directed to the Philippines through station KGEI, these programs to be designed to raise the morale of Americans but not to bring false hopes such as many previous overly optimistic programs have done. While Americans are not allowed to have short wave radio sets, it is believed that most of what is transmitted by KGEI eventually reaches American internees and prisoners.

X. Prisoners of War. (pages 21 to 26) (CONFIDENTIAL)

The total of prisoners of war is approximately 70,000, centered in Camp O'Donnell near Capas, Tarlac Province. Conditions in the camp were only fair. In the earlier days of the camp, there was heavy mortality. There was particularly urgent need for medical supplies.

XI. Internment Camp at Manila. (pages 27 to 35)
(CONFIDENTIAL)

On June 3rd, there were 3,378 Americans, British and Dutch interned at Santo Tomas Internment Camp, Manila; about 1,000 paroled in their homes. Americans in the camp total about 2,500. Morale was high but deteriorating. Funds were urgently needed, as were medical supplies and foodstuffs. The food was being supplied by the American Red Cross out of funds on hand when the Japanese took Manila but it was expected that such funds would be exhausted by the end of August after which time internees will have to depend solely upon the Japanese military for their food supply.

XII. Internment Camps Outside of Manila (page 36)
(CONFIDENTIAL)

Conditions in internment camps other than the one at Manila are believed to be in general the same. There are camps at Baguio, and in Davao, Iloilo, Cebu, Paracale, Zamboanga, Negros and other places.

XIII. Economic

XIII. Economic Conditions. (pages 37 to 49)
(CONFIDENTIAL)

Commerce had been practically paralyzed and the general economic situation was bad. The food supply in the Philippines would be ample but the unemployment of a large percentage of the population, low purchasing power of the masses and lack of cash will make food unavailable to many. Already many face starvation while markets are overflowing with food.

Only a limited banking business is permitted at three Filipino-owned banks and two Japanese banks. American, British, Dutch and Chinese banks have been closed with no plans for reopening.

Mining activities are paralyzed. The Japanese were showing practically no interest in reopening the gold mines but are making strong efforts to open the base metal mines, particularly those supplying manganese, chrome, copper, and iron.

Transportation facilities are badly lacking, the American forces having practically stripped the country of trucks and busses, while railways were damaged and equipment destroyed.

XIV. Press. (page 50)

One English and one Spanish (same ownership) newspaper are published daily. All other daily as well as weekly and monthly publications were forced to suspend publication.

Source of Information.

The source of the foregoing information is Mr. Charles Parsons, an American business man from Manila who, because of his position as Consul of Panama in the Philippine Islands was permitted by the Japanese to repatriate. Mr. Parsons has, at my request, informed me of his following business connections:

- Manager of Luzon Stevedoring Company and its associate companies in the Philippines.
- President of the Philippine Nippon Mining Company.
- President of the Manila Rock Asphalt Company.
- Director of the Philippine Trust Company (bank).
- Director of the Fidelity and Security Company of the Philippine Islands (bank).
- Director of the Monte de Piedad (bank).
- President of the Anda Development Company (bank).

Mr. Parsons is a Lieutenant in the United States Naval Reserve, I-V(S) and has supplied two copies of the enclosed memorandum directly to the Navy Department through one of its senior officers on board this repatriation steamer. He states that while the information has been supplied confidentially he has no objection to its

use

use in whatever way the Government finds most useful to its war effort. His address in the United States will for the time be in care of Mr. H. W. Ware, 310 West Clinch Avenue, Knoxville, Tennessee.

On behalf of the State Department, the undersigned has orally expressed to Mr. Parsons deep appreciation of his assistance in supplying this valuable information for the use of the American Government.

Respectfully yours,

J. SPIKER
Foreign Service Officer

Enclosure:

Memorandum consisting of
50 typed pages.

CONFIDENTIAL

MEMORANDUM AS TO CONDITIONS IN THE
PHILIPPINES DURING PERIOD OF
JAPANESE OCCUPATION

I. OCCUPATION OF MANILA

Although Manila was declared an open city as of December 26, 1941, the Japanese troops did not enter the city until the night of January 1-2, 1942. Actually, Secretary Jorge B. Vargas, who had been left in Manila by President Manuel L. Quezon to carry on the government and handle negotiations with the incoming Japanese military officials, arranged to meet the ranking Japanese officer at the outskirts of Manila, near the town of Paranaque, together with Dr. Claude Buss, assistant to the United States High Commissioner, who had also been left behind by the High Commissioner to handle American representation. These two officials were able to negotiate a peaceful occupation of Manila with a promised entry without molestation of the populace. In order to facilitate the entry of the Japanese, the Manila city government resigned, all policemen were disarmed, and Secretary Vargas assumed leadership of the Manila city, as well as of the Insular, governments.

During the night of their entry into Manila, the Japanese, aided by maps and detailed information undoubtedly prepared for some time, were able to visit and place "belligerent" seals on practically all American and British business houses, clubs, hospitals, and religious organization buildings; so that with the morning of January 2, American and British nationals found themselves isolated from their places of business.

An accident in my residence early on the morning of the second caused me to make a trip from residence to hospital. Japanese sentries, aided by interpreters, were stationed at every four or five blocks, stopping all traffic, searching occupants of automobiles, and arresting all Americans and British. I managed to pass the various inspections by speaking Spanish and claiming to be Spanish. It required me about three hours to make a two-mile trip, due to the number of inspections. Upon returning to my residence, I called by telephone friends in various parts of the city, and found a general tendency to remain indoors until it could be learned what the Japanese intended to do with us.

A German employee of my company (Karl Severien) called on me later in the morning, flying a swastika flag on his automobile, which had passed him through sentry lines without inspection. He had been in internment during the month of December, and was released on the date that Manila open-city became effective. While he was with me I had a telephone call from Captain W. H. Hastings, in charge of our shipyard and slipways located

on the Pasig River near Santa Mesa. He informed me that the warehouses of the Glo-Co Company located next to our slipways were being looted by the local people, and he feared that the looters, once finished with the Glo-Co warehouses, would start looting our place, and asked that I make some arrangement to protect the property. I arranged to go with the German employee to the Japanese military headquarters to report the matter (still thinking that local organizations such as ours would be permitted to continue functioning in some manner, under Japanese jurisdiction and possible supervision), and at the same time to learn as much of the plans of the Japanese as possible.

At the Japanese Consulate, we were directed to the Jai-Alai building where the incoming Japanese had set up provisional headquarters. While there I found several Germans on hand anxious to give information regarding location of strategic materials. One in particular, Kolfus (sp.?), the chief engineer of the San Miguel Brewery, was asking for immediate assistance so that he could save the meat and other perishable foodstuff left in the Insular Cold Stores building by the United States Navy when retiring from Manila, and which had been set afire on December 31 by Naval civilian employees. Apparently some of the employees of the Insular Cold Storage, led by Kolfus and a Norwegian mechanic, were able to put out the fire in the engine-compressor room before the compressors were destroyed, and were able to shut off the ammonia valves to save the supply of refrigerants. The military authorities assigned a young lieutenant and two enlisted men to accompany Kolfus, first to the ice plant and arrange with the sentries on guard at the plant for him to enter with his employees, clean away the debris, and re-start the compressors as soon as possible; then to accompany me to Santa Mesa to protect the property of the Luzon Stevedoring Company. We spent an hour at the cold storage plant, during which time I was able to inspect the premises, aid in the removal of one dead body from the building (killed while trying to loot when fire was started), and inspect the meat in a few of the rooms, where it was found to be still in fair condition. Incidentally, it was later learned that the compressors were started the same day, and that this meat became an important portion of the food supplied the Japanese fighting men in Northern Luzon in the Bataan area - several truckloads being sent daily.

After leaving Kolfus at the cold storage plant, we proceeded in Severien's (our employee's) automobile to the Glo-Co warehouses, where we found a line of several hundred natives, extending from the heart of Santa Mesa to the warehouses, carrying away in a steady stream articles stored in these warehouses, consisting mostly of a shipment of cracked wheat, originally intended as a gift of the American people to the people of China through the Red Cross, and other articles of foodstuff, such as canned milk, flour, etc., consigned to Shanghai

and

and Hongkong, and stored in these warehouses when vessels were no longer permitted to call at China ports. The young Japanese officer fired his pistol several times in the air, while the two soldiers exhibited small Japanese flags, whereupon the natives dropped whatever they were carrying and fled.

A word of digression here to explain the looting of Manila by the natives will help to make more clear further references of this nature. This form of looting started when the United States Army Quartermaster, when retiring from Manila and finding that it would not be possible to remove all of the Army supplies stored in the Army warehouses, opened the warehouses to the public; as a result of which practically the entire population of Manila stormed the Port Area warehouses of the United States Army and were able to clean out most of the foodstuffs and clothing from these warehouses before they were set afire by the retiring Army forces on the night of December 31. With the idea having been suggested by the action of the Army, the Insular government also opened the government piers, and bonded warehouses, to the public and permitted the removal of all articles in storage; which consisted largely of foodstuffs. A day or so prior to the entry of the Japanese forces, the local Chinese merchants, who control about ninety percent of the retail grocery trade, opened their stores also to the general public. So that it may be seen that looting (on a legitimate basis) was widespread during the short period between the declaration of Manila as an open city, and the actual occupation of the city by the Japanese. This taste of looting created an appetite for illegal looting and resulted in the looting of warehouses which had not been opened to the public, as in the case of the Glo-Co warehouses mentioned above.

To get back to the subject; the Japanese officer placed a sentry at the Glo-Co property, and also one at the property of my company. (Both of the properties, due to their isolation from the business district had not yet been sealed by the night crews which had visited places of business in the downtown district).

Subsequently, the Japanese army took charge of our property, secured local labor and reopened the shops for the repair and construction of lighters and tugboats. Prior to the occupation, we had destroyed all supplies of oil and gasoline on hand at the property, scuttled practically all floating equipment, and removed vital parts from engines of launches and tugboats left behind by the Army and Navy, and which were in the course of repair when Manila was abandoned, so that the Japanese were not able to use any of the equipment found on the property. Within a period of two months, however, they had the entire organization running at full speed, had raised some of the scuttled lighters, and had been able to repair the engines of several of our tugboats by casting in the shops of the Philippine Engineering

Company

Company the missing parts. The Japanese also did the same with the San Juan shops of the Atlantic Gulf and Pacific Company, which had also been damaged prior to the entry of the Japanese, and these two shops (A. G. and P. and ours) proved important in the maintenance and operation of equipment.

In conversations held with Japanese businessmen of Manila, such as Mr. Ikeda, assistant manager of Mitsubishi, Mr. Fukada, head of the sugar department of Mitsui Bussan Kaisha, Mr. Ishida, manager of Mitsubishi, and others, all of whom had been drafted by the military authorities to assist in handling the economic situation, I learned that the military authorities were quite disappointed to find Manila so thoroughly stripped of its supply of gasoline, lubricating oil, fuel oil, money, and of foodstuffs which the public had been allowed to loot. These businessmen visited me at my home in search of information concerning the location of the fleet of lighters and tugboats which it was common knowledge belonged to the Luzon Stevedoring Company, and to secure information as to the possible location of strategic material much needed by the Japanese. (They were particularly interested in Manila rope, beer, rubber tires, gasoline, lubricating oil, canned milk, scrap iron, stock piles of base metals, such as chrome ore, manganese ore, copper, etc., etc.) These visits were started on the day of occupation and continued at regular intervals during the entire period of my internment at home. During the visits, I prolonged conversations as long as possible so that I could get a general picture of the activities of the Japanese, and especially learn of their difficulties from firsthand information.

On January 3, the Japanese started picking up American and British nationals at their houses (they had already taken into custody a number of specially marked people, such as American newspaper men, Chinese leaders, Free French leaders, etc.). They went from house to house with trucks and busses, and advised the people to take with them a blanket and food for about three days, as they were being taken for "registration" only. As the trucks were working towards my residence, I happened to remember that I was Panamanian Consul for the Philippines, and decided to use that as an excuse to avoid being picked up - having in mind that I should be in a better position to gather information by being free. I found a Panamanian flag among the toys of my children which I placed in the window of my residence, and when the Japanese reached my house, I had already perfected the story of being entitled to diplomatic custody, and had no difficulty in convincing the men in charge.

The American and British nationals were first taken to Rizal Stadium (a closed basket ball stadium), where they had to spend their first night. (This included women and children and a number of elderly people). On the second day they were all taken to Santo Tomas University, where they were advised that they should send to their homes to secure mattresses, mosquito nets, and

food

food for a "few more days" as registration would take longer than originally thought necessary. We did not yet know that the policy of the Japanese was to be to intern or place under "internment supervision" one hundred percent of the so-called belligerent nationals.

The invaders showed little or no consideration for the American and British nationals when entering Manila and when picking them up for internment. They were hearded into open military trucks, guarded by young soldier-sentries, who in many cases pushed the internees around or slapped them (usually when out of sight of an officer), and taken to a concentration point at the Rizal Stadium, and forced to remain there for two days with only the meager supply of food brought by themselves and no place to sleep. This would have been a hardship to men alone, not to mention suffering caused to the women, women with small babies, and older men and women. The young and fit did all that they could for the women and children, but the manner in which the non-combatant civilians were treated was shameful, inhuman, and entirely uncalled for.

The difficulties continued even when the internment camp was inaugurated at the Santo Tomas University, until the efforts and initiative of the internees themselves made the camp a model little city, and one which would be representative of a small town in any of the rural areas of the United States.

As soon as enemy nationals had been interned safely, the next move of the Japanese was to collect all automobiles of these people. This gained for them some six thousand units. The automobiles were taken to port area where they were still being stored in the open areas at the date of my departure from the Philippines on June 5, 1942.

All residences of Americans and British were sealed by the Japanese, coincidental with the picking-up of the people. The better residences were earmarked for occupancy by high officials of the invading forces, and the smaller residences, being unoccupied by the tenants, were subjected to looting both by the lower-class Filipino population, as well as by Japanese soldiers. In spite of the opportunities to do so, looting was not as widespread as it could have been.

The Japanese then took quick steps a) to freeze all business not only of Americans and British, but also all business of Filipinos and third party neutrals and b) to set up a provisional government for the city of Manila.

After freezing the commerce of the Islands, the Japanese made a quick survey of merchandise, machinery, and all other items held in warehouses as well as in business houses. As soon as the inventories had been submitted (in each instance, required as a part of an application of neutrals to reopen their businesses) they ear-marked

such

such stocks as could be of use to their forces in the Philippines and elsewhere, and began a systematic removal of these stocks to central shipping points, such as the football stadium, baseball park, etc. The Japanese removed from warehouses, without payment or giving receipt, all rope found in the rope factories, medical supplies, powdered and evaporated milk, etc. They sealed the Insular Sugar Refinery and its complete supply of sugar (about ten thousand tons), although this refinery was owned by the Insular government. They also took over all of the rice supply contained in the warehouses of the Insular government's National Rice and Corn Corporation. The rice was left in the warehouses, under management of Dr. Victor Buencamino of the NARIC, but under complete Japanese control. San Miguel Brewery's stocks of beer were taken over, together with the entire plant, and placed in charge of the former manager of the BBB Brewery, the Japanese brewery, which had been closed by the United States forces in December. (The smokestack at BBB power plant had been destroyed, presumably as it was being used as a directional marker to the Japanese bombers during the bombing of Manila). Officials of the San Miguel Brewery were allowed to continue in attendance, but with participation in the management of the plant. All operating personnel were retained on considerably reduced salaries. The beer in stock, and that which was manufactured after the occupation, was sent to the troops in the field daily.

American and British businessmen were generally unprepared for complete paralyzation of business by the invading Japanese military forces, for two reasons. First, a series of holidays at the end of the year prevented the withdrawal of funds from the banks (withdrawals previously had already been frozen and limited to bare requirements for payrolls and necessary expenses); and, secondly, it was the general opinion of these businessmen that the Japanese would insist upon the continuance in business of the enemy nationals in Manila under their control, and that gains from commerce would be for the benefit of the Japanese. This opinion was based mainly on the fact that by far the greater portion of the Islands' commerce was directly or indirectly in the hands of Americans and British, and that it would be commercially impossible to tie up this business without causing considerable hardship from an economic standpoint. The Japanese learned their mistake in this respect as their economic problems increased, but it was then too late to remedy the situation, as they had gone too far in immobilizing enemy nationals.

Shortly after the occupation of Manila, there began to arrive in Manila from Japan, Japanese civilians who had previously been connected with Philippine organizations, such as MBK, Mitsubishi, Ohta Development Company, etc. They were usually brought in by airplane. In most cases they were assigned as civilian helpers of the Japanese army and navy units, and were given the task of

studying

studying the mix-up in the business of Manila, and to suggest remedies. I had the opportunity of talking with several of these men, and they frankly admitted that their task was hopeless. First of all, they found that the retiring United States forces had effectively destroyed all existing stocks of gasoline, diesel and bunker fuels, and lubricating oils; that all vessels which could have been used for inter-island transportation had been scuttled; that practically all motor trucks had been previously requisitioned by the United States Army and Navy in Manila during December, and had been taken to Bataan with the forces, or had been destroyed if left in Manila; that the invading Japanese forces had removed all stocks of foodstuffs from warehouses and moved them to central points for distribution to the Japanese armed forces in the field; that the banks had no cash on hand, it having been turned over to the Insular Treasury during the latter part of December for removal from Manila to Corregidor to prevent its falling into the hands of the Japanese; that all factories located in Manila had been closed and in order to re-open a license issued by the Japanese military administration would be necessary; and many other difficulties, all of which made the picture a rather bleak one for the Japanese civilians who were given the task of re-establishing normal commercial conditions. They found that factories could not be re-opened unless a supply of base products could be furnished - such as coconuts in the case of soap and oleomargarine factories - and without transportation facilities, this would be almost an impossibility. Also such factories would require in most cases a supply of diesel or crude oil, lubricating oil, spare parts, etc., etc. In the end it was decided to permit wherever possible only the sale of existing stocks in the various Filipino or third-party owned factories of any items not requisitioned for use of the Japanese forces, and to study at a later date the re-opening of the factories. At the time of my departure from the Philippines, the various departments of the Japanese economic administration, with all their experts, were still at a loss as to how factories could be re-opened.

CONFIDENTIAL

II. TRANSFER FROM MANILA OF CERTAIN CONSULAR AND OTHER OFFICIAL PERSONNEL

Being Consul for Panama in the Philippines, I was interned at my residence from the beginning of the occupation of Manila until April 22, when the Japanese military authorities decided to consider that I was not entitled to a "diplomatic" status, since I was basically an American citizen, and not a professional Consul.

The Swedish Consul for the Philippines, Mr. Helge Jansen, represented my interests with the foreign department established with the Japanese forces in Manila, and

it was through his efforts that I eventually was repatriated - being the first resident of Manila to leave the occupied area.

I left Manila with my family on June 4, and included in the group were Mrs. Lockhart, wife of the American Consul General at Shanghai, Mrs. Sarah Parsons, wife of a Shanghai physician, Mrs. James D. White, wife of the Associated Press correspondent for Peking, Miss Francis Long, daughter of the Secretary of the Consular Bodies at Shanghai, Mrs. McLane, wife of the Canadian Trade Commissioner at Hongkong, Mrs. Dolores de Vera, Mexican government employee, Mr. Angel Bu, Cuban consul at Hongkong, and Mr. Oliveira, Brazilian Vice Consul at Kobe - all of whom were caught as transients in Manila when war broke out.

We were sent from Manila on the Japanese hospital ship, URAL MARU, to Takao, arriving at Takao on the morning of June 8. We stayed in a Japanese Hotel at Takao until the evening of June 10, when we were sent by train to Taihoku. We arrived at Taihoku railroad station at 8:30 a.m., June 11. Half of our party was sent by commercial airplane from Taihoku to Shanghai on the same day (June 11), and the remainder on the 13th.

At Shanghai we were quartered in the Park Hotel and were not restricted as to movement within the city. The Japanese consular officials were very courteous and appeared to want to have us leave with a good "taste" in our mouths.

We left Shanghai on the diplomatic exchange vessel, CONTE VERDE, June 29, and arrived at Lourenco Marques July 22. The exchange was effected at Lourenco Marques, and we sailed on the final lap of the journey July 28, aboard the Swedish M/S Gripsholm.

III. TREATMENT OF NATIVES

From the first day of their occupation of Manila, the Japanese have claimed a desire to win the friendship of the Filipinos. They have assured the Filipinos freedom from molestation, freedom of religious thought, and have offered them in return for their liberation from the yoke of Americanism, a place in the Greater East Asia Co-prosperity Sphere. They have asked for the cooperation of the Filipinos in their efforts to return the Philippines to normalcy, promising a brilliant future when the normal conditions were gained again.

The propaganda corps of the Japanese army have set up agencies throughout the provinces, and have sent speaking groups usually made up of a well-known Filipino politician together with carefully selected English-speaking Japanese officers. These groups have given speeches outlining the "true meaning" of the Japanese

intentions,

intentions, and have in each case pleaded for the co-operation of the natives.

Undoubtedly some of this propaganda has had temporary results, but the Japanese can never undo the work of the Americans over the past forty years. The Japanese can and have caused the Filipinos to be discouraged, and in many cases to feel that they have been abandoned by the Americans, and that the Islands may not be retaken by the American forces. They have also been taught to feel that the Japanese are a powerful nation, and one which cannot be beaten by the Americans. These thoughts are being drilled into the natives by radio, travelling speakers, newspapers, and by every other method possible; but as mentioned before, such thoughts can only be of a temporary nature and will disappear as soon as some sort of visible effort of the United States forces to return to the Philippines becomes apparent.

In talking with taxi (now carromata) drivers, policemen, laborers, household servants, unemployed clerks and other middle class types, I find a unanimous expression of sorrow that the American forces have lost out in the Philippines, and they all want to know when the Americans will come back. They never express a doubt that the Americans will actually come back. They all want to return to the same conditions they enjoyed under the rule of the American democratic form of government.

The Filipinos under Japanese rule have seen the following changes brought about:

- a) All salaries and wages were reduced;
- b) Extreme penalties have been exacted for minor crimes.
- c) Daily in various parts of the city are found their own people tied by their wrists to branches of trees, just high enough that the feet barely touch the ground, and bearing a placard to the effect that the party was caught looting. (I have seen many of these so-called looters strung up near the Rizal baseball stadium, in front of the Syquia Apartments on M. H. del Pilar, and in front of the Philippine Women's College on Taft Avenue. They were in nearly every case unconscious, and I have heard that a number of these men have died as a result of the treatment.)
- d) In cases of frequent acts against sentries, twenty innocent Filipinos in the vicinity of the act are rounded up and taken to one of the Japanese centers, where they are subjected to beatings;
- e) The names of the principal streets of the city have changed to Japanese names;

f) The

f) The Japanese flag is flown by order, not only from all government buildings, but also from each private house, and from each vehicle, including bicycles. The Filipino flag is not flown from government buildings alongside the Japanese flag, as was done in the case of the American flag. This one act alone, considering the national pride of the Filipinos, would do much to counteract the work of the Japanese propaganda corps;

g) Instead of stressing the advantages of education, the Japanese have closed all schools and colleges, and have only recently agreed to open the primary grade schools, and only to include the sixth grade. Students attending the opening day of the schools were given haircuts (clipped heads for the boys and straight bobbed hair for the girls) similar to Japanese school children;

h) Unemployment has increased considerably since the Japanese have entered Manila;

i) The Japanese have stressed a need for a radical change in the daily life of the Filipinos. It is claimed by the Japanese that the Filipinos have allowed themselves to become spoiled by the Americans, and that now they must make up their minds to follow a much simpler form of life. To bring this about, a curfew was imposed, requiring all people off the streets at 10 p.m. (later extended to midnight), a heavy tax was placed on articles in the "luxury" class, and licenses were not given to reopen places of amusement such as race tracks, cockpits, cabarets, jai alai auditorium, etc. The moving picture houses were permitted to open, charging lower prices, and supplied with newsreels and propaganda films by the Japanese;

j) The Japanese have not re-established transportation to the provinces, have not re-established the telegraph or postal service, interisland transportation and communication facilities, have not made it possible for funds deposited in the sealed banks by Filipinos to be withdrawn.

In addition to the above general objectionable changes brought about since the Japanese conquered the Philippines, the Filipinos have found hundreds of minor objectionable changes - in themselves small, but taken as a whole enough to convince the average inhabitant of the Philippines today that life is not what it used to be, and to make them wish for a return of the former conditions.

IV. ATROCITIES

While Manila was particularly free from atrocities, stories from reliable sources continually seeped into Manila from the outlying provinces of looting of farms, rape of women, killing of people for "military offenses", etc. In cases of the more crowded centers and more

populated

populated areas, the Japanese soldiers have been kept pretty well in hand and disciplined to the protection of the local population, but in some of the smaller places and especially on isolated farms the story has been quite different.

An incident of the Japanese spirit of "Bushido" was demonstrated quite clearly during the month of February when the community was horror-stricken to read in the newspapers one morning of the execution of three British subjects, because of their attempt to escape from the Santo Tomas Internment Camp. At the time, I was interned at my house, and could not learn the details until I entered the internment camp in April. It seems that these three Britishers - two were officers from the steamer TANTALUS and the third was an Australian, manager of the Cullion Ice and Fish Company from the Cullion leper colony (Mr. Laycock) - actually escaped over the wall of the camp and had intentions of joining the American forces at Batasan. They were captured and brought back to Santo Tomas where they were punished brutally. The punishment, while not witnessed by the internees, was carried out in a room next to the Commandant's office in the main building, and the cries of the men as they were beaten could be heard throughout the camp. About midnight of the night the men were brought back to camp they were taken to Fort Santiago, and several days later one of the room monitors, a Catholic priest from the Santo Tomas parish house (adjoining the internment camp), and it is believed a member of the Executive Committee, were taken from the camp with no advice as to their mission. They were taken to Cementerio del Norte where they were shown a trench of a size to accommodate three bodies, were told that the three escapees from the camp had been tried by military court martial and sentenced to be executed, and that they had been brought to the cemetery to witness the execution. The witnesses asked to be excused from witnessing such an event, but they were refused. The three men were stood alongside the trench and young Japanese soldiers fired at them with pistols at close range. It is told that the first bullets did not prove fatal, and that it was necessary for the soldiers to stand over the trench and continue firing on the men as they lay squirming in the trench.

It was also learned that the Catholic Fathers of the Santo Tomas parish and chapel held a Te Deum mass for the executed internees (although they were not Catholics) and that practically the entire internment population attended the services. In retaliation for this act of sympathy, the military authorities who were then in charge of the internment camp fenced off the chapel and prevents its subsequent use by internees for religious services.

Several executions have been published in the Manila newspaper, usually of well-meaning Filipinos caught in the act of sabotage or looting.

However,

However, one execution case of particular importance has been the case of twenty leading Chinese, out of a total of fifty, who had been taken into custody upon the occupation of Manila. The names of the twenty who were executed could not be determined, but it is reasonably certain that Consul General Young, Alfonso and Albino SyCip, were among them. The remaining thirty were sentenced to long term imprisonment at hard labor and are now serving the sentences at the insular penitentiary at Mantinglupa.

Another case of unjust execution has been that of Justice Jose Abad Santos at Cebu (at first a rumor, but later confirmed by Secretary Aquino and Secretary Alunan, as having been admitted to them by Japanese officials). Apparently Justice Santos, who originally accompanied President Quezon and other members of the government to Corregidor, and later started from Corregidor, on the escape to Australia, for some reason or other decided to remain in Cebu. He was apparently executed shortly after Cebu fell.

It is also rumored, but not confirmed, that some of the members of the oil company staffs of Cebu were executed for having destroyed oil stocks.

V. TREATMENT OF NEUTRALS

The neutrals in Manila, such as the Spaniards, Swiss, and the semi-neutrals, such as the Norwegians, Greeks, etc., have not been given any consideration by the Japanese, other than permission to live outside of internment. Their businesses were frozen during the first days of occupation, and licenses to re-open were granted only in cases where the assets and inventories were not desired or required by the Japanese fighting forces. For instance, Menzi and Company, one of the large Swiss companies, were allowed to sell their stock of wrist watches and paper bags, but were required to turn over to the Japanese authorities (without payment) their soda water factory as a running concern (Isuan brand), and their stock of toilet paper and flour. Elizaldo and Company, one of the Philippines' largest Spanish outfits, were stripped of all their stocks, except wines and liquors of their Tanduay distillery in Manila. Their rope factory was taken over as a running concern, their warehouses filled with sugar, their warehouses of automobile and truck tires (Dunlop agency), and a small stock of lubricating oil (Union Oil Agency), were all taken over. Tabacalera, another large Spanish outfit, were forced to give up their stocks of sugar, cigarettes, and a few items of machinery, but were allowed to sell alcohol motor fuel to the public through licensed Japanese-controlled stations, and to sell liquors from their distillery.

In talking with some of the neutral businessmen, they complained of their situation as being much worse than if they had been American or British. They are forced to maintain a certain outward appearance of business, and to maintain employment of their staffs, and are deprived of the means with which to do so. They claim that the Americans and British, being completely immobilized, are

not expected to pay laborers or staff, that they are furnished with food and a place to live in the internment camp, and that they will be taken care of by international law, while in their cases they have no means of doing business other than possibly the liquidation of assets, and that sooner or later they will be in a terrible mess. They are decidedly concerned over the future, and see no relief unless the Islands are retaken by our forces.

The Germans and Italians, strange as it may seem, have not been able to secure from the Japanese any better treatment, so far as their businesses have been concerned, than the neutrals. Upon a recent visit to the Philippines of a German-Italian mission, the Germans and Italians lodged a serious complaint concerning their conditions, and asked that something be done through Tokyo to make it possible for each Axis national to be able to earn a bare living. When I left Manila no steps had been taken along those lines.

I have been in touch with Karl Severien, a previous employee of the Luzon Stevedoring Company, and with Mr. von Prittwitz, second in charge of an American-German firm handling medical supplies. Both of these men were interned by the American forces in December, and were set free on the 26th when Manila was declared an open city. They have unconsciously supplied information concerning the complaints of the Axis nationals, and both have been frank in stating that they would much prefer that the American administration return to the Islands. They are genuinely pro-Nazi in their thoughts, but decidedly anti-Japanese; and would, according to their statements, prefer to be interned under American control than be free under the Japanese.

There have been many cases of maltreatment of neutrals by the Japanese - however, this has not been very serious; usually cases of slapping. The Spaniards who had taken out Filipino citizenship were continually having trouble, as their passports bore the words "United States of America" on the outside cover. These men had to apply to the government for a different form of identification, as they found it impossible to convince uneducated Japanese sentries that they were Filipino citizens.

VI. MISCELLANEOUS INFORMATION

An item of interest is the return to the Philippines of Japanese who have resided and worked in the Philippines for several years prior to the emergency.

One such case in particular is that of T. (Pete) Yamanouchi, who came to the Philippines about five years ago as an assistant to Bonney Powell, Fox Movietone Newsreel cameraman. Yamanouchi resigned from Movietone in Manila and took a position as art teacher at the Philippine Women's College. In addition to his teaching, he opened at his house a minicam laboratory, and took assignments

from

from commercial firms and others to photograph their enterprises for advertising and publicity purposes. He was an excellent photographer and a good artist - consequently his services were much in demand. He was also in an excellent position to record photographically strategic points throughout the Islands, as his work took him to every corner of the archipelago. On one mission - that of photographing all of the ramifications of Elizalde and Company - he was flown by the company airplane, and sent on the company's vessels to all of their branches strung out to cover practically the entire Philippines group. Yamanouchi was very popular at the American and Spanish Clubs, and was in demand to take pictures of club events, such as polo matches, swimming matches, horse shows, etc. Yamanouchi left the Philippines about July of last year for a "vacation" to Japan. To finance the trip, several Manila friends made up a pool amounting to several hundred pesos. Shortly after Manila fell, Yamanouchi returned by airplane in company with a Japanese admiral, as an important member of the Naval Intelligence division. He visited me while I was interned at home and denied that he was attached to the military or naval services while in the Philippines, but stated that upon his return to Japan his services were drafted due to his having lived for such a long time in the Philippines and to his "photographic" knowledge of the various places. He offered to do anything that he could for me, but admitted that it might be embarrassing for him to go to the military authorities on behalf of an American subject (at that time the Japanese navy had practically nothing to say as to the administration of the occupied areas and apparently the Japanese army were guarding their authority zealously). He also visited some of his previous benefactors in the Spanish and Filipino community, and after expressing his sorrow at the state of affairs, also offered to do anything possible for their welfare. So far as I know, no one attempted to make use of his offer to better their positions.

Another case of interest along these lines is that of Mr. Yamaka (or Yamada), who called on me at my home during the month of March, after having been flown to Manila from Davao. He brought me a list of Americans and British interned at Davao, and gave me firsthand information of the situation in that district. He is now residing in the house of Don Andres Soriano, who left Manila as an officer in the USAFE forces, and says he is holding the residence for the chief of staff of the Japanese Navy, so as to prevent the Japanese Army getting hold of the house for one of their ranking officers. He told me that he was an American citizen having been born and educated in the United States. He said that due to his having American papers and passport he was not interned in Davao when the American forces rounded up Japanese subjects. He stated that he joined the Japanese naval unit that entered Davao, and was assigned to work with the Naval Intelligence division on about the same status as Yamanouchi. He and Yamanouchi do not seem to feel that they have done anything out of the ordinary in having enjoyed the hospitality of the Americans, and then later taking sides with the Japanese when the Philippines were invaded.

VII. POLITICAL SITUATION

When the Japanese authorities arrived at Manila, they found the Manila city government functioning, and Secretary Vargas on hand as the leading member of both the city and insular governments. Secretary Vargas had already contacted the incoming officials at Paranaque and negotiated for a peaceful entry, and apparently had impressed these officials sufficiently for them to appoint him as the leader of the puppet government to be set up by them.

I had several talks with Secretary Vargas during the early weeks of occupation, and he told me that although he was presumably at the head of the government, he was actually only acting as a mouthpiece for the desires and instructions of the Japanese officials. He was virtually guarded at all times, being accompanied by personal side-de-camp day and night. I was able to talk with him away from his aide when he visited President Quezon's residence, located next door to my residence, during which visits Secretary Vargas managed to stroll over to my garden for brief talks.

Of one thing I am absolutely certain, and that is that Secretary Vargas is loyal to President Quezon's government and to the United States. He considers that it is best that he do what he is doing for the best interests of the Filipino people, with a definite idea of preventing suffering as much as possible, than to let the Japanese authorities deal through politically ambitious Filipinos who are not loyal to the previous government.

The leaders of the government as appointed by the Japanese are as follows:

Executive Commission:

Jorge B. Vargas, Chairman.
Serafin Marabut, Executive Secretary.
Claro M. Recto, Commissioner of Public Health & Instruction.
Camilio Osias, Assistant.
Jose P. Laurel, Commissioner of Justice.
Emilio Abello, Assistant.
Benigno S. Aquino, Commissioner of the Interior.
Arsenio Bonifacio, Assistant.
Antonio de las Alas, Commissioner of Finance.
Guillermo Gomez, Assistant.
Raf. R. Alunan, Commissioner of Agriculture and Commerce.
Jose G. Sanvictores, Assistant.
Quintin Paredes, Commissioner of Public Works and Communications.
Sergio Bayan, Assistant.
Teofilo Sison, Commissioner of Budget and Audits.

Mayor of Greater Manila:

Leon G. Guinto.
Dr. Juan Nolasco, Assistant Mayor.
Jose Figueras, Assistant to the Mayor.

Chief

Chief Justice: Jose Yulo.

Council of State: Chairman of Executive Commission and six members of the Commission are ex-officio members of the Council of State, plus the following members:

Teofilo Sison	Ramon Avancena
Serafin Marabut	Miguel Unson
Jorge Bacobo	Alejandro Roces
Leon G. Guinto	Camilio Osias
Emilio Aguinaldo	Pio Duran
Eulogio Rodriguez	Arsenio Bonifacio
Vicente Madrigal	Jose Veloso
Ramon J. Fernandez	Francisco Lavides

Of these members of the government, Secretary Vargas feels that the majority can be counted upon for their loyalty - in other words, that they are in the same boat as he is - although there are a few of these men who have undoubtedly shown indications of being pro-Japanese.

Doubts have been expressed at various times regarding almost each individual in an official capacity, especially after they may have had to make a speech to welcome a new Japanese commander or at one of their "victory" celebrations; but it is felt that with only two or three exceptions the Council of State and minor political leaders may be depended upon for their loyalty to President Quezon and to the United States. They, as well as the entire Filipino population, are completely terrorized by the Japanese, by their cold-blooded and ruthless forms of discipline, and consequently are careful to maintain an atmosphere of cooperation so long as the Japanese have the upper hand. As soon as the picture changes, they will show their true feelings, and will undoubtedly be very helpful.

VIII. SUMMARY

To summarize the situation as it exists in the Philippine Islands since occupation by the Japanese:

a) The American, British and other United nationals are completely immobilized, and interned at Manila and other internment camps in the provinces. They are generally all in good condition, and their morale is high. Conditions are getting worse as food and funds get scarce, and morale is definitely deteriorating.

b) The economic situation of the country as a whole is very bad. Practically all commerce has been paralyzed, and chances of the Japanese being able to restore a situation that will even approximate normalcy are extremely slender. Unemployment is widespread. Earning power of the Filipinos - as well as of all other nationals in the Islands - has been reduced to an alarming "low" and nothing so far has been done to remedy the situation.

c) Political

c) Political situation so far as the "puppet" government is concerned is satisfactory from our standpoint, as the officials charged with the administration of the government (under supervision and control of the Japanese military authorities) may be considered, with few exceptions, to be loyal to the United Nations.

d) Treatment of nationals by the invaders, except in isolated cases, has been fair. There have been some executions and numerous cases of people having been slapped for minor offenses (usually for failing to bow to a sentry); and Filipinos in Manila are to be found daily hanging by their wrists from trees in busy sections, serving punishment for having been caught looting, etc., but in general there seems to be no concerted effort on the part of the Japanese to maltreat the people. In fact, the Japanese seem to want to gain the friendship of the Filipinos and neutrals and spend lots of time on the radio and with other propaganda to try to convince the Filipinos that their purpose is to undo all of the harm done during the past forty years by the Americans and to bring "prosperity" to the Philippines.

IX. RECOMMENDATIONS

The following recommendations are respectfully submitted:

a) That efforts be made to supply American nationals in the Philippines with a regular supply of funds;

b) That arrangements be made for the International Red Cross to operate in the Philippines, for the purpose of assisting war prisoners and internees; and that if this is not practicable, arrangements be made for the Consul for Sweden at Manila to take care of the affairs of Americans in the Islands. (Mr. Helge Jansen, the Swedish Consul at Manila is very capable, seems able to handle the Japanese authorities with a certain amount of success, and would perform his duties conscientiously and efficiently. Of the two other neutral consuls in the Philippines, the Spanish Consul General is definitely pro-Axis, and the Swiss Consul has proven ineffective in his dealings with the Japanese during the period of occupation);

c) That arrangements be made to repatriate as many of the interned Americans as possible, and as soon as possible;

d) That if it is possible to arrange repatriation for some of the American internees in the Philippines, the outgoing vessel be loaded with medical supplies and articles of foodstuff now lacking in the Islands, such as milk, wheat, flour, etc.

e) That medical supplies and articles of foodstuff be sent to the Philippines for the prisoners of war, if at all possible to do so.

f) That

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f) That special radio programs be directed to Americans in the Philippines through station KGEI - morale boosting programs but not containing false hopes.

C. Parsons

Aboard m/s GRIPSHOLM enroute
to New York
August 12, 1942.

CP/CJS:k

CONFIDENTIAL

X. PRISONERS OF WAR

The first prisoners of war (those taken during the December campaign) and the hospital patients left in Manila, were placed in prison camps set up in Manila. The Navy prisoners were placed in Santa Escolastica College, and the Army prisoners in the Pasay Elementary School. The prisoners were (and still are) used as janitors in the military headquarters and buildings occupied by the Japanese in the city. They were also used for manual labor in cleaning up the burned-out areas of Port Area, Pandacan, and other places. The prisoners were not mistreated, so far as I could learn, and were fed but fairly well. Indirectly, I learned from a few of the prisoners that they were sometimes able to secure from Filipinos living near the camps, cigarettes and fruit. It seems that whenever a truckload of American prisoners was taken to any part of the city, the civilians in the vicinity would throw cigarettes and food to them.

After the fall of Bataan, the prisoners of war from that sector were marched to San Fernando, Pampanga, and from there to Camp O'Donnell, near Capas, Tarlac, where they were still imprisoned when I left the Philippines early in June. The physical condition of the prisoners during the early days of imprisonment was deplorable, and the mortality rate quite high. Malaria and dysentery took a heavy toll in the prison camp, due principally to a lack of medicines and medical equipment, and a shortage of water. Prisoners used the dirty water from a nearby stream for drinking, bathing and washing for the first two weeks, or until engineers from the Tarlac Sugar Central volunteered to install a pumping unit for piping in a supply of suitable water for drinking purposes.

The Red Cross in Manila solicited the town for medical supplies, spare clothing, and services of doctors; but had a difficult time in getting the cooperation of the Japanese military authorities to permit the Red Cross help reaching the prisoners.

There is no International Red Cross organization in the Philippines, and the local unit of the American Red Cross has been disbanded by the Japanese. The Philippines Red Cross are trying in a small way to do something for the prisoners of war, but being without funds, and also with so many pressing problems amongst the civilian population of Manila and outlying provinces to handle, they will not be able to do much.

In the early days of the establishment of the O'Donnell prison camp when the conditions were the worst, deaths amongst the prisoners amounted to about 350 daily, the ratio of deaths being 8:1 Filipinos to American soldiers, out of an estimated prison population of 65,000, where the ratio of Filipinos to Americans is roughly 6:1. After the camp had been cleaned up through the

efforts

efforts and initiative of the prisoners themselves, and after the water supply had been improved, deaths were reduced to about 150 daily, with the death ratio between the American and Filipino soldiers being about the same.

Quinine is badly needed for the malaria cases, and although it is believed the Japanese have an adequate supply on hand, through having stripped all drug establishments in Manila, as well as the warehouses of importers, they had failed up to early June to supply the requirements. The Red Cross is badly handicapped in supplying the quinine, due to scarcity of supply available for purchase. For dysentery, it was found that a concentrate made from leaves of the guava tree could be used as a treatment, with good results. Guava trees are common throughout the Islands, and soldier details are permitted to leave the camp under guard daily to gather these leaves. (It was through contacting prisoners in these guava-leaf details that I was able to secure information as to conditions inside the prison camp.)

Although the Japanese constantly promised freedom to the Filipino soldiers upon surrender through radio and leaflet propaganda during the Bataan campaign, there was no indication of releasing the Filipino prisoners of war when I left the Philippines.

At the prison camp are imprisoned officers and men together, and American and Filipino troops are grouped together. It was rumored that officers were to be transferred from O'Donnell to a camp to be established at the Del Carmen sugar central near San Fernando, Pampanga. This had not been accomplished at the end of May.

When Corregidor fell into enemy hands, the captured personnel was added to the above-mentioned prison population at O'Donnell with the exception of hospital cases and medical personnel. The prisoners were transported to Manila in two vessels. The American prisoners were landed by small boats at the end of the Dewey Boulevard near Camp Nichols, and forced to march through the city streets to Bilibid Prison, and later to the Tutuban Railroad station where they entrained for Tarlac and the prison camp. Filipino prisoners were landed from ships alongside Pier 7, and consequently their march to Bilibid was a much shorter one than for the Americans. It is estimated that some 6,000 prisoners of war were brought to Manila from Corregidor, making a total prison population at O'Donnell of about 70,000. These figures are estimates made by sources from within the prison camp, but could not be verified.

Also from sources within the prison camp, I was able to secure a list of some two hundred prisoners of war, which although obviously very incomplete, is submitted herewith for whatever value it may have.

Anderson, Raymond

Anderson, Raymond
Aster, C. H.
Asis, Abraham A.
Allen, Roy

Barker, Bob
Baldwin, Robert
Blakeledge, W. C. Capt.
Blanks, Ralph
Bogpole, Bernhard
Bolton, Howard
Boots, Eldon
Bower, Clarence
Brown, Edwards
Brooks, Wilfred
Bunnell, Johnny Lt.
Burrell, Bill
Bonoan, Martin
Bisocas, Walter
Bringas, Col.
Bowler, Franky
Bowler, Johnny
Berts, Maj.
Brown, Al.
Booth, Bernard
Boone, James
Borenberg, Dr. Maj.
Berry, Dr. Mj.
Bye, Dr. Capt.
Baldwin, Barry
Baldwin, James
Boyd, Carl W.
Beebe, Louis S. Bri. Gral.
Burrell, Wm.

Calica, David
Carr, J.W.
Cawley,
Cervenka, Arthur
Choate, Bruce
Coffindasser, Rexel
Collins, Ed.
Caldwell, Lt.
Chochrane, David
Cothran, Wade
Christianson, John
Cough, Rudie
Coxcy, Eugene
Crast, Durwood
Craig, Dr. Col.
Craig, Clement
Castro, Fred Ruiz Maj.
Cevanes, Julian
Calleck, Lt.

Daigle, Elmo
Daniel Hobbs, Vernon
Danielson, Doreance
Data, Oscar
Davis, Lt.
Day, Chaplain M.E.
Defen, Simeon
Deutcher, William
Dick, Charles
Dorsey, Robert
Dravant, William
Danielsome, Dorance
Durabach, Peter
Dewley, Tom Mj.

Eddleman, George
Edson, Bernald
Edwards, Douglas Col.
Eivelsberger, Leon
Ellis, Arthur
Evans, Bob (Eng.)

Ferraren, Maj.
Freeman, Robert
Friedlander, Albert
Fronia, Hector
Franco, John
Fullmer, Marland
Felix, Leon T.
Flores, Louis
Freeburg, Lt.
Fields, Robt. T.
Foster, Trinidad.

Ganaden, Lt.
Gauthier, Jack
Gordon, Robert
Gashgarin,
Goughnour, Clarence
Graham, Granville
Greb, Michael
Grissen, Edward
Gumawid,
Gillespie, Dr. Col.
Grey, Jessie
Galbraith Col.

Hoffcat, Paul
Hagon, Don
Hames, Jay
Harwood, Otto
Heath, Weseley
Hill, Noel
Hoffman, Charles
Hines, Clifford Capt.
Holland, Jack
Honkel, John
Henderson, Robert

Howell, Fred

Howell, Fred
Hibbs, Ralph Capt.
Hale, Lt.
Hodes, Fino
Hanes, Donald
Horton, Thomas Maj.
Hudson, R.C. Sgt.
Hirdina, G.
Horan, John P. Col.
Hoeffel, Kenneth Capt. U.S.N.
Henry, Hank U.S.N.
Hair, Jack

Jameson, Nyod
Johnson, H.K. Maj.
Johnson, Harold
Johnson, Thermal
Jones, Henry S. Lt.
Jones, Richard, Lt.
Jordan, Murry

Kayes, Fred F.
Kilniger, Philip
Koppenhauer, George
Koonse, Geo.
Keaven, Jack
Kelsey (Benguet Eng.)

Lauman,
Langlois, Charles Lt.
Lee, Henry Lt.
Littig, Jack Lt. U.S.N.
Laska, Carl
Leaseem, Charges Capt.
Lee, Presnell
Leven, Solomon
Lilly, Col.
Labro, Felix
Lewis, Ted

Mack, Joseph O.
Madhanoy, Benjamin
Mainess, David
Malcolm, Dewey
Mangel, Milo
Martinez, Col.
Mason, Capt. 1a
Mayfield, Leland
McCal, Parker
McKinn, Raymond

Merchan, Dr.
Mideskowski, Stanley
Miller, Kenneth
Miller, S.B.
Moffit, Fred C.
Muldres, Lucas
Munn, John
McEntee, Jim
Mata, Benjamin L.
McCaffrey, John P. Lt.
Miles, Lee Lt.
Moraveck, (Czech-Slovak)
Murdock, Robert
Movacek, Ernest
MacDonald, Paul
McKay,
Maxwell,

Nance, Lovis *Louis*
North, Dr. Col.
Normandy, Edward Jr.
Nitorredo, Aug.
Normandy, Edward
Nasr, Fred

Oglengco, R.O. Lt.
O'Hearn, Ted
Okonzak,
Orero, Napoleon
Ossip, Carl
O'Leary

Packard, Ernest
Perry, George
Papienuk, Simon
Patterson, David
Penrose, Arthur Col.
Perkins, Clarence
Pheil, Raymond
Plimmer, Daniel
Practor, Cameron
Pruyet, Daniel Lt.
Palma, Monico
Pearce, Bill U.S.N.
Pierce, Brig. Gen.
Pettit, Capt.
Pugh, John R. Lt. Col.
Perkins, Peter

Queensberry, William
Quirit, J.
Quinlan, Clinton

Raymond,
Robb,
Rusch, Henry
Root, Arthur Capt.

Ramsey, Benjamin

Ramsey, Benjamin
Rebeck, Joe Capt.
Resella, Benjamin
Robertson, Jon
Robie, Walter
Robins, Robert Lt.
Ronvar, Martin Lt.
Russell, J.B.
Russell, Simon
Rigunam, Henry
Roland, Dr. Capt.
Ramin, Bill
Rozal, Ananias
Ronan, Fr. Edwin Chap.
Rosviere, (Goodrich rubber)
Reyes, Norman

Steward, Frank
Scarborough, Alvin
Schwansoh, H.K.
Scott, George
Sebastian, Lt.
Sese, Capt.
Shoemaker, Capt.
Smith, Richard R.
Sevcik, John Paul
Simmons, Robert
Smith, Charles
Sneed, *Small, David D. 2nd Lt.*
Stecklein, F.
Solenpeng, Thomas
Stock, George
Spring, Robert
Stakes, B. F.
Schaffner, Glen
Steiner, George Lt.
Stesanski, Walter
Stokes, B.T. Capt.
Sellner, Geo.
Syquia, Hector
Sullivan, Dr. Col.
Schwartz, Dr. Col.
Strand, Dr. Maj.
Sitter, Dr. Maj.
Salacup, Dr. Maj.
Stevens, Lee
Shelley, Lt.
Silvestre, Salzar
Sanity, Lt.
Schlatler,

Sharp, William F. Maj. Gen.
Scalls,
Segundo, Gen. Fidel

Tash, James
Tassey, John
Thomas, Jessie
Thompson, Donald
Timberlaick, Roscoe
Toycen, Dermont
Truijillo, Raymond
Turla, Capt.
Terry, Elmer Lt.
Trappnel, Maj.
Treywick, Jesse Col.

Utinsky, J. P.
Upton, Max Sgt.

Ventigan, Herman
Vergara, Percival
Vandervoget, Dr. Col.
Valetine, Lt.

Waterous, Dr.
Weber, William
Weden, Willard Lt.
Wiendham, William
Whipple, Myson
Whittenburg, Floyd
Woodson, Jack
Wilson, Fr. Chaplain
White, E.D.
Wickard, Theo. Lt. Col.
Woodward, Paul
Wilson, Sam
Wallace, Ted
Whiteneck, Fred (Benguet eng.)
Wainwright, J.M. Gen.

Young, William
Young, George
Yanga, Felix C.
York, George

Zobel, Jacobo

About the middle of May, the Japanese authorities brought to Manila about fifteen prisoners from O'Donnell and kept them in the Manila Club (now the headquarters of the Japanese propaganda corps), for the purpose of recording messages to be broadcast over the local radio station. Their stories, which were recorded, were

written

written for them by the members of the Japanese propaganda corps. These prisoners were able to receive food from Manila residents (they themselves were largely Manilans who had entered the military service from the reserves). They told Manilans who passed them food and cigarettes through the fence (at eleven o'clock every morning) that they were in good health, that the food being fed the prisoners at O'Donnell consisted only of a handful of rice twice daily, with occasionally a bit of fish, chicken, or vegetables; that the morale of the prisoners at that time was high, in spite of the poor food and lack of proper sanitation and medical facilities. Except for the sick prisoners, the men in general considered the camp as a picnic grounds and found time to joke about their condition. They felt that they would not remain prisoners of war for more than a few months; and many felt that they would soon be returned to active duty with American troops on the march to Japan.

Prisoners of war in Manila, prior to the fall of Corregidor, were fed a more substantial ration; and it is hoped that the Japanese will do the same for the prisoners at the O'Donnell camp shortly. If not, the condition of the men will soon be even more deplorable than at present.

The stories of the march of the prisoners of war from Bataan to San Fernando were filled with unbelievably horrible details of death and sickness all along the route of march. Soldiers fell along the roadside, stricken with dysentery and malaria, and were offered no assistance whatever by their captors. The healthy soldiers had a trying time to keep on their feet and maintain the speed of march along the hot and dusty highway, so that they could not offer much help to the sick. Water was non-existent, food was not available until the soldiers reached San Fernando, and then only a handful of boiled rice. Eyewitnesses, with whom I talked later, shuddered when recalling the sight of the prisoners of war on their trek from Bataan.

Those who succeeded in arriving eventually at the prison camp at O'Donnell found conditions upon arrival only a bit better than during the march. They were quartered in barracks formerly used by trainees, but there were no beds, mosquito nets, or other equipment. Most of the prisoners had thrown away their personal effects and sundry equipment during the march, and many did not even have a change of clothing. The men who had been suffering from malaria became worse, and dysentery spread alarmingly amongst the soldiers.

The Red Cross in Manila published in the local paper an appeal for bed pans, quinine, and other items so badly needed to cope with the health situation at the prison camp. Why the Japanese military authorities themselves did not take steps to supply the needed articles is not understood, as they could have done so without difficulty from the large stocks of medicines and medical supplies which they had taken over when entering Manila.

In the prison camp, prisoners with dysentery were given no relief from their suffering, and as toilet and bathing facilities were lacking, they were forced even to lie in their own waste for hours, or until their friends who were still able to do so could clean them.

During May, however, conditions were considerably improved, but were still far short of minimum requirements for health and comfort. The improved conditions were not brought about by the Japanese, but by the initiative and hard work of the prisoners themselves, aided to a limited extent by the Red Cross and by friendly Filipinos living in the district of the camp.

XI. INTERNMENT CAMP AT MANILA.

Location: Campus and buildings of Santo Tomas University, on Calle Espana, about one mile from the center of Manila, in a northwesterly direction. (The camp is not located in the buildings of the old Santo Tomas University in the walled city as supposed by many.)

Number of Internees: On 3d June, the number was 3378, of which it is estimated 2,500 were Americans, and the remainder largely British, with a sprinkling of Dutch, Poles, Finns, and Mexicans. Outside the camp, about 1000 internees are permitted to live as "parolees". These parolees are made up of women with babies under two years of age, of sick internees, of the aged and crippled.

Governing Body within Camp:

Chairman of executive committee, appointed by the Japanese is Mr. Earl Carrol, manager of the Crown-Island Insurance Company, Manila branch:

The Executive Committee members are eight, consisting of Mr. Fred Berry, president of Phil. Mfg. Company; Mr. A. L. Duggleby, vice-president, in charge of Benguet-Balatoc mining interests; Judge C. A. DeWitt, prominent Manila attorney; Mr. Kenneth B. Day, president Philippine Refining Company, and four others whose names I did not get.

Custodian of the University property (appointed by the Dominican Fathers) is Mr. P. M. Bennett, Manila broker.

The Hospital staff is headed by Dr. Charles Leach, Rockefeller Foundation, and consists also of Dr. Robinson, Dr. Whittacre, Dr. Fletcher, Dr. Baldwin, and several other Manila doctors who are internees; as well as dentists among whom are Drs. Merchant, Fanton, Quillen, and several others.

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The first few days of internment were bad ones for the residents of Manila, especially the women with children, and the older people. The Japanese authorities turned the internees loose on the campus and in the university buildings, and let them shift for themselves -- even to preparing their own food. When the people were picked up at their homes, they were told to take food for a few days, and when they arrived at Santo Tomas they were allowed to send notes to their servants in order to receive bedding, mosquito nets, and additional clothing and food.

Moreover, the university had not previously been prepared to be used as an internment camp, and was sadly lacking in toilet, bath, cooking and other facilities to afford even fairly comfortable living to the internees. Fortunately for the internees, they were left to their own devices, and by using their ingenuity, gradually secured from outside sources through friendly contacts and through the Red Cross, material with which to add toilet and bath facilities, and with which to install equipment for a kitchen, and other facilities from time to time, so that after the first month of internment the internees were fairly comfortable. In the beginning, it was necessary to stand in line for every function, even to securing a drink of water. Nowadays, standing in line for meals is about the only delayed function at the camp.

The internees enjoy complete autonomy within the camp itself, being limited only to remaining within the buildings between the hours of nine in the evening and six in the morning, and, of course, not being allowed to go outside the walls of the campus.

The governing body of the internees is democratic, having been selected by vote of internees, and functions through numerous committees appointed by the executive committee. Included amongst the internees are outstanding physicians, dentists, lawyers, business executives, engineers, contractors, brokers; in fact, representatives of every walk of life as would be found in any of the cities of the United States. The internees have volunteered their services for departments and duties best suited to their training. The electrical engineers designed and installed wiring systems to carry the heavier loads required for lights, fans, washing equipment, kitchen stoves and equipment, which they also were able to collect and install within the camp. The camp boasts of an efficiently run plumbing shop, shoe shop, laundry, paint shop, metal working shop, carpenter shop, tailor and clothes-repair shop. All are internee-controlled and operated. From funds secured by contributions of the internees, lumber, nails, paints, mosquito nets, electric wire, and many other articles were purchased and turned over to the various shops for use in the repair and maintenance of the camp buildings, and for issue to the internees wherever the committee thought desirable.

The

The health of the camp is supervised by Dr. Charles Leach of the Rockefeller Foundation, and due to his efforts no sickness of an epidemic nature has been experienced in the camp. Under him, a sanitation committee functions, and with a good supply of creosote, mops, brooms, and unlimited amount of water, the rooms, corridors, steps, and sleeping quarters of the various buildings get a thorough cleaning daily. One squad of men work on bedbug control, and inspect the bedding of every room at least once a week. Room monitors (one in charge of each room) also cooperate in maintaining the cleanliness of the rooms, and it is considered that this emphasis on "cleanliness" of room and person, which has been put ahead of everything else on the internee program, has been the cause of so little sickness among the internees, in spite of the crowded conditions of the sleeping quarters.

The internees occupy the main university building, three floors, and two patios, which house about two thousand of the internees.

In addition to the main university building, the camp is at present using the "Educational" building, a large three-story building, recently built, and about half the floor space of the main building. This building has been set aside for men only, and about 1,200 have been assigned to live in it. The camp hospital has been located in the previous college of mining of the university, and the ladies annex (housing some 300 women and small children), occupies another of the smaller university buildings. The camp warehouse is located in the university garage and storeroom. The various shops have been located in buildings constructed by the internees.

The camp kitchen occupies two classrooms on the ground floor of the main building, and although small for the number of people within the camp, it is well equipped with stoves and kitchen equipment.

Space in the various buildings is considerably limited, and an internee can only expect space of four feet by six feet within which to place his bed and whatever personal effects he may have brought to the camp. The camp rules, however, are so drawn by the internee-committee as not to require the internees to go to bed at any stipulated hour. The downstairs entrance hall, and the corridors are used nightly for bridge and poker games, dances three nights a week, a barn dance for children twice a week, and by readers constantly, so that the dormitory-type sleeping quarters need be used only for sleeping.

For entertainment, the internees live an outdoor life almost entirely. There is sufficient room on the large campus to accommodate at the same time, soccer football, basketball, softball, and leave plenty of space to take care of the eight small villages which have been built up by internees. In the villages internees

may

may build tiny sheds, which afford comfortable day-time quarters, and a place to read, play cards, eat, and cook.

The internees have their own orchestra and plenty of professional talent for entertaining from the American and British night club entertainers who were in Manila when the emergency broke. The professional entertainers supervise a two-hour show in one of the patios of the main building every Saturday night, and have done excellent work in keeping the morale of the people above par. Someone has started a glee club, which has turned out to be one of the most popular forms of entertainment for the internees. When I left, it was planned to put on a large minstrel show by the glee club.

The electrical engineers in the camp have also managed to pick up excellent equipment for broadcasting phonograph records, and give a concert nightly from seven to nine o'clock.

Prize fights are held almost every Wednesday night, by children boxers.

On the campus is an excellent gymnasium building and swimming pool, but up to the date of my departure the Japanese had not agreed to permit the use of these facilities. The commandant of the Camp, Consul S. Tsurumi, claimed to be very much in favor of the idea, but the Spanish Consul-General had objected strenuously in the release of further Spanish property for use of the internees. I saw the consul-general personally, also the head of the Dominican religious order, to try to break-down the resistance to granting the use of the gymnasium building to the internee camp, but found the Spanish consul-general vigorously opposed, basing his opposition on the grounds that he was compelled to oppose the acquisition of any Spanish (consequently neutral) property on the part of the military authorities. It seemed strange to me that the commandant of the camp hesitated to commandeer the building, until he explained that he was afraid to bring the matter to the attention of the military authorities with a request that the building be taken over as he had already been criticised on several occasions for his leniency towards the internees, and because of his fear that if he brought the matter to the attention of his military bosses it was almost certain that they would requisition the building for the use of Japanese soldiers, a number of whom were stationed near the Santo Tomas grounds in the buildings of the Far Eastern University, and for whom the military authorities had been looking for a building to be used for recreational purposes. Had the Spanish consul-general not opposed the informal request of the commandant, the building could have been taken over and used without reference to the Japanese military headquarters. In this connection Father Tacson, head of the Dominican order, was quite cooperative, and was even anxious that the internees use the building before the Japanese soldiers found that it was available. Father Tacson

also

also told me of how pleased he was at the manner in which the University buildings were being maintained by the internees.

So far as work is concerned, each internee between the ages of twenty and fifty in good health, is carried on the work roster, and work assigned them in rotation. It is estimated that each internee works about two hours every second day -- hardly sufficient to be considered work, but all that is required to keep the camp in first class condition at all times.

The contact which the internees have with the outside world in Manila is through the "incoming" and "outgoing" parcels lines daily. There are no important restrictions as to the number of parcels which an internee may receive or send out daily, so long as no written matter is included. The fortunate internees having a bit of cash, arrange for regular delivery of food, for sending out dirty clothes to be cleaned, for daily delivery of ice, bread, the Japanese controlled newspaper, and even in a few cases for the periodic delivery of ice cream, and other luxuries. It is estimated that some five hundred parcels are received daily.

Although written contact with outside sources is prohibited, except through censored notes (permitted only on a special form, 3" x 5", written in block letters, and restricted to remarks concerning food, money, and family), many of the internees smuggle notes out in dirty clothes through ingenious methods and regularly receive replies hidden in food or clothes. Japanese civilian supervisors watch the incoming and outgoing parcels, and inspect a few parcels daily, but as yet they have not been able to locate a sufficient number of the hiding places to prevent smuggling of notes. (My notes in the camp were sent through wrapping them in waxed paper, and forcing the notes into a piece of beef with an icepick.)

No liquor is allowed in the camp. This proved quite a hardship to some of the internees, and they devised many ways to secure regular rations of alcoholic drinks; until they learned that their funds could much better be used by them to purchase foodstuffs. Some of the more ingenious of the internees manufacture within the camp pineapple cider, which is a delicious beverage, although not very alcoholic.

An idea of the food supplied internees may be gained from the following typical menu: Breakfast (8:30 a.m.). Cracked wheat or corn meal porridge, syrup on porridge, coffee with plenty of sugar and a dash of heavily watered milk. Supper (4:30 p.m.). Beef stew, banana, corn starch pudding, tea.

The breakfast menu is practically the same every day, but the other, or afternoon, meal varies daily, with one principal dish being furnished, such as white
beans,

beans, vegetable stew, chile con carne, chicken noodles, mungo beans, or some similar type of dish which can be prepared in large kettles and served rapidly to the internees as they pass the kitchen in line. A dessert is also supplied at the afternoon meal, which generally consists of a corn starch-base pudding, with flavor varying daily.

In the annex for women and children, three meals are served daily, and milk and fruit juices are supplied the children. The food is considerably better for the children in the annex than that furnished by the main kitchen to the internees -- it being the policy of the internee administration to sacrifice wherever necessary to assure the children, and women with babies, of the proper nourishment.

Children above annex-age and up to nineteen years, are supplied with a third meal from the main kitchen at noon daily, as well as any internee workers performing heavy duty in the camp. This meal is similar to the evening meal, except that cocoa is served instead of tea.

Internees are fed from the kitchen in four lines. Internees furnish their own dishes, glasses and silverware. After receiving their food from the "line" they pass to camp-type open-air tables erected by the internees under the trees between the main building and the hospital. (Against the rainy season the carpenters were constructing a roof for the tables when I left.) Near the tables are located long washing troughs which have ample faucets. A few steam washing units are available also. These washing troughs are used by internees to clean dishes after meals, and for washing clothes at other times.

The food for the camp has been supplied by the American Red Cross, out of funds on hand when the Japanese occupied Manila. The internee administration asked the Military authorities for permission to secure their food in this manner, when it was feared (and later confirmed) that the idea of the Japanese as to the value of the daily ration for internees would be somewhere between six centavos and twenty-five centavos per head. The Red Cross has been spending about two thousand pesos per day, or an average of sixty centavos per person. On June 3d, the balance of funds on hand amounted to P66,000.00, which with the supply of foodstuff on hand at that time in the Camp warehouse, was estimated to be sufficient to feed the internees until about the end of August 1942. After the Red Cross funds are exhausted the camp will have to depend entirely upon the Japanese military authorities for their food supply. At several meetings which have already been held between representatives of the Executive Committee of the Camp, Red Cross officials, and representatives of the Military authorities, the Executive Committee have been assured of a continued supply of food similar to the present-day issues, but there is a certain amount of skepticism on the part of the Committee, and a fear that the food will be curtailed

when

when the Red Cross funds are exhausted.

A few people in the internment camp have funds or connections with friends in the city amongst Filipinos, Spaniards, or other third-party neutrals. These people (probably not over 500 in all) are able to purchase supply of food from outside the camp and live in comparative comfort. Americans in the Philippines have not received any funds from outside sources, and have had to depend upon personal friendship of Spanish Filipino or other friends for loans, upon sale of personal property, and in a few cases in the sale at substantial discounts of checks on their current accounts in Manila American or British banks which are closed.

In the camp proper, there is a shortage of bread, milk, American type cigarettes, and tinned goods. While the camp diet is very starchy, and lacks green vegetables and fruit for a comfortable balance, internees have found it possible to live "on the line" and maintain a healthful existence. It is true that the internees have lost an average of fifteen pounds per adult during the first five months of life in the camp. However, Dr. Leach, in charge of the hospital, assured me that the loss in weight was experienced during the first two or three months during "adjustment", and, thereafter the internees usually maintained their weight without further loss.

Internees do not like the food they are served. Even the internees who can supply themselves with abundance of fruit and vegetables from outside the camp object to the feeding conditions. There can be no remedy to the food situation until funds can be made available from outside sources with which to increase the expenditure for food, as the Japanese authorities themselves will not be inclined to improve the conditions of the internees. Even at best, the food conditions will become worse as time goes on when some of the articles now being fed the internees become harder to secure (such as coffee, cracked wheat, etc.) In this connection, camp officials are already planning substitutes for some of these items. For instance, coconut milk can be substituted for coffee as a morning drink, corn meal can be substituted for cracked wheat, and rice will be available for the afternoon meals in lieu of beans, noodles, macaroni, etc.; but in any event the meals will become even more monotonous as time goes along, and will definitely prove morale-destroying.

The morale of the internees from the beginning of their internment has been exceptionally high, and at the end of May it was still high, although there were signs of its deterioration. Some of the internees were beginning to show the strain, as short-tempered squabbles cropped up now and then over matters which were of little significance. The high morale has been due undoubtedly to an enthusiastic optimism and belief that the American forces would return to retake the Islands within a short time, as well as the picnic type of existence in the camp where during the warm or dry season outdoor life on the campus afforded plenty of opportunity for play

and

and relaxation. However, with the rainy season now starting, with the funds of the Red Cross running low as well as funds of the few internees being gradually exhausted, with necessary food for babies and children such as evaporated and powdered milk and medical supplies getting more difficult to secure as the supply is consumed without replacement, the mental attitude of the internees at Manila will certainly change for the worse.

When I left the internment camp on June fourth, some of the internees were running a sweepstakes as to the date that Manila would be retaken, and the earliest date mentioned was July fourth, and the latest Thanksgiving day.

The internees have daily access through smuggled notes to news dispatches from San Francisco radio stations KGEI and KWID, and watch with a great deal of interest the trend of the various battlefields. In their enthusiasm they are inclined to overlook the bad news and to discuss victories until they bolster their morale to a high point. In this connection, it is highly recommended that a series of news broadcasts be directed especially to the internees in the Philippines, and that the news items and propaganda be changed considerably from the nature of present-day dispatches. There is too much of a tendency on the part of the newscasters today to create false enthusiasm through minimizing losses and emphasizing gains. A good example of this may be shown through the mental attitude of the internees at Manila and other parts of the Philippines. No doubt, they are enjoying a high morale just now, but how much worse it will be later to find that they have unduly bolstered their enthusiasm, and instead of Manila being retaken within a few weeks, it may be a much longer time. Their morale will then deteriorate rapidly, and they will lose confidence in the entire situation. Aside from the internees, Filipinos who have proven their loyalty to the United States have already indicated a growing doubt as to the return of the American forces to the Islands. I have heard them repeat statements picked up from the radio broadcasts containing implied promises to retake the Philippines within ninety days (from early May), which to them seemed so ridiculously out of the question that they were inclined to believe that there might be no plans at all for the retaking of the Islands.

The big problem facing the Executive Committee when I left was the "sex" problem. Due to crowded conditions it has been impossible to arrange for husband and wife to live together. The sleeping rooms are university classrooms, and each has been turned into dormitories, housing from thirty to eighty persons (according to size). In addition to the married couples in the camp, are numbers of young unmarried internee men, who feel the restriction of an ordinary sex life; a condition which is made considerably worse through so

much

much idleness. Boys and girls, men and women, are thrown together all during the day and during the evenings until they part to go to their various rooms for sleep. A great deal of "necking" is indulged in in the dark corners of the building. There is no privacy of course even in the darker parts of the corridors and little-used places in the buildings, but this does not hinder the couples. A "morality squad" of internee policemen patrol the grounds and buildings during the daytime, and the campus and buildings during the day and night.

The problem was one which the Executive Committee admitted could not be solved within the camp itself. A part-solution was worked out by permitting ten passes daily for internee men, to allow them to go outside the walls of the camp from nine in the morning until four in the afternoon. These passes would ordinarily be available to an internee only about once every ten months, so that they are hardly ever applied for, except in cases of internees who have families outside the walls, or who have a legitimate excuse to see a physician or dentist for some sort of medical care not supplied at the camp hospital.

In order to take care of the internee situation in the Philippines it is absolutely essential that serious steps be taken to supply funds to the internees, as well as to arrange if possible for the repatriation of as many as possible so as to relieve the crowded condition of the internment camp. It is also believed that the internees should be advised through the two San Francisco radio stations of their situation, and of the possibility of getting them funds. If the retaking of the Philippines is expected to take a long time it would be far better to tell them that, and let the first blow come at a time when their living conditions and other conditions in the camp are what might be called "satisfactory". A word of advice from time to time to let the internees know that something is trying to be done specifically for their welfare would go a long way towards keeping their courage and morale at a high level.

If the internees could be supplied with funds for their food and for sundry spending (cigarettes, etc.) say fifty or sixty pesos per month, they would be assured of a good diet, plentiful food, and enough of the luxuries to make life in the camp a more pleasant experience than at present. These funds could be administered by the local Red Cross, or by the internment camp's Executive Committee, to the entire satisfaction of the internees.

Outside of the internment camp, some 1,000 internees are allowed to live in their houses, for reasons of health, or in the case of women with small children under two years of age. Concerning these 1,000 internees in Manila permitted to live outside the camp, their cases are generally worse than those of the internees in camp as it is considerably more expensive for them to maintain themselves out of camp. They are supplied with nothing

whatsoever.

whatsoever. Their morale is not high due to the difficulty of securing funds with which to purchase food and other needed supplies. (Note: Rent was not charged Americans by landlords during the first few months of occupation of Manila. Later they were charged half, and recently, or soon after the fall of Corregidor, landlords began collecting or insisting upon payment of full rents. This worked a hardship on the internees living out of the camp, and caused quite a number to apply for re-admission.)

As all commercial activity of Americans and British has been completely paralyzed, they have no source of income, and those who have funds in the two Philippine banks now operating and who may draw 200 pesos per month per family or 50 pesos per single man, are rapidly liquidating their cash reserves, and as a result there is a definite tendency for internees living outside the camp to apply for re-admission (which incidentally is not always granted). As these internees are forced to return to camp, it will increase the difficulties within the camp, and be definitely morale-reducing. These people living out of the camp are not free by any manner of means. In many respects they are worse off than the internees. They are restricted to their homes, and an area of 200 yards of their houses for "exercise". When I left Manila, there was a decided tendency on the part of the paroled internees to apply for re-admission into the camp (which, incidentally, is not always granted by the Japanese authorities). Due to the tightening economic condition of the internees, the ones "outside" will eventually have to go inside the camp in order to live.

The rainy season is now in full force in the Islands, and will cause the internees to remain indoors for most of the time. The outdoor athletic-type life, with plenty of sun bathing and exercise, will be considerably restricted. Dr. Leach is frankly afraid of epidemics of the influenza type, and so far as the morale of the internees is concerned, it is certain to drop considerably due to the weather. The rains will stop by the end of September, and outdoor life will again afford the internees a happier existence.

XII. INTERNMENT CAMPS OUTSIDE OF MANILA

Quite a bit has been said of the internment camp at Manila. In general the camp at Manila is duplicated on a smaller scale at other places in the Islands where internment camps are located. At Baguio, some 150 British and Americans are interned at Camp Cummings, near Camp John Hay. These internees are made up mostly of Brent school pupils and faculty, the American engineers and workers from the mining district around Baguio, and the few American and British living in Baguio proper. It is understood that the camp internee head is Dr. Dana Nance, formerly of the U.S.P.H.S., and recently in charge of the Baguio hospital.

At

At Davao are some 26 American internees, all men except one (Mrs. Sundane). Prior to occupation of Davao, early in December, the Americans and British in Davao evacuated their wives and children to a nearby hemp plantation. After their own internment, they were allowed by the Japanese to send out to the plantation to bring in their families, but they found that the retiring American forces had arranged for further evacuation of these families presumably to Del Monte, which was in American hands until about the middle of May. The Davao internees had received no news as to the whereabouts of their families to that time.

In Iloilo, are interned some 250 people at the Iloilo High School, located near the Catholic hospital. In Cebu, approximately a like number are interned in one of the school buildings. In Paracale, are 27 Americans from the mines located in that district. There are other small internment camps located in Zamboanga, Negros, and other places, but no information has been obtained regarding them.

Religious workers have not been interned in internment camps and have been allowed a certain amount of freedom. Catholic fathers belonging to the various orders in Manila are in their convents. The protestant missionaries are permitted to remain at their various residences, and are allowed to conduct church services, and to continue running hospitals, but their schools have been closed. The same holds true with the Catholic priests in the various towns. They are allowed to remain at their parishes, and to conduct church services only.

XIII. ECONOMIC CONDITIONS IN THE PHILIPPINE ISLANDS DURING PERIOD OF JAPANESE OCCUPATION.

A. General

While the Philippines are especially well equipped to produce everything with which to maintain life and the health of its inhabitants, and are probably less dependent upon outside sources than other countries in the Orient, the economic situation as brought about by war conditions is in bad shape and the future looks worse.

The Japanese, by interning all Americans, British, and other belligerent nationals, and closing practically all of the business houses, warehouses, etc., succeeded (a) in paralyzing the regular turnover of business; (b) in bringing about widespread unemployment; (c) in reducing to an alarming low the buying power of the Filipinos; and (d) in bringing to a standstill the operation of all factories in the occupied areas, including Filipino owned, through having stripped the factories of their supply of oils and base materials, or through their failure to grant permits to the mill owners which would make it possible for them to secure the necessary materials with which to operate their factories. The published policy of the

Japanese

Japanese military administration in the Philippines concerning the economic situation is a) that the Philippines must produce and supply all requirements of the Japanese army and navy units in the Philippines, and that these requirements must take precedence over all other requirements; b) thereafter, the production is to be utilized to take care of local requirements (provided such requirements do not exceed the limits to be indicated by the Japanese); and c) that any surplus production will be exported or otherwise disposed of as dictated by the Japanese authorities under the co-prosperity arrangement. The Japanese have also published the policy that they will indicate what products may and may not be produced. In talking with Mr. Fukada, former head of the sugar department of MBK in Manila, and now at the head of the department of the Japanese military administration which will deal with the future sugar production in the Islands, he told me that since Formosa could produce enough sugar to take care of the local requirements of the Philippines as well as those of the Japanese empire, and that as the cost of producing sugar in Formosa was considerably less than in the Philippines, he intended to recommend that the Philippines sugar production in the Greater East Asia co-prosperity sphere be eliminated or reduced to the production of sugar syrup to be converted into alcohol. He apparently was unaware of the difficulties to be encountered in attempting to grow sugar cane for the sole purpose of producing alcohol, and the resultant, exorbitant cost of the alcohol. His attitude is indicated here to show that Japan is today planning to remain permanently in the Philippines and other conquered parts of the Orient, and that she is planning the production of base materials in the various countries on the basis of all the conquered countries working for Japanese prosperity.

In talks with businessmen in the Internment Camp, as well as Spanish and Filipino and third-party nationals, during the past six months, I have found that they have all lost considerable amounts as a result of the war. The business man today in the Philippines looks to the reestablishment of his business through whatever he may be able to collect in the form of reparations at the end of the war. A general estimate of the sum involved in satisfying the claims of Philippines business would easily exceed a billion dollars, without taking into consideration any loss of revenue in the interim.

It seems to be the aim of the Japanese forces in the Philippines to "simplify" the life of the natives in all walks of life, and reduce their standard of living to an economic status similar to that of the natives of Japan. Upon taking over the government in the Philippines, the first act of the Japanese authorities was to reduce substantially salaries of government employees. Salaries were slashed on an average of fifty percent. The rate of pay for day laborers was also reduced from the previously established minimum of one peso (in Manila) to about forty centavos. A new system of taxation was set up, which

taxed

taxed only nominally the cheaper or simple articles of clothing and food, but which taxed exorbitantly higher priced articles and articles considered in the "luxury" class.

While the Japanese have in their own peculiar way attempted to gain favor with the Filipinos, it is my opinion that their efforts to simplify (that is, reduce the standard of) living in the Philippines, will do more to turn the Filipinos against them, than their efforts at friendship will gain friends. The Japanese are determined to break down the standard of living as built up over a period of forty years of American-controlled administration; but the Filipinos have gotten to like the luxuries which they have enjoyed under American rule, and will not willingly, nor easily, give them up for the "simple" life offered them by the Japanese. True, the Filipinos today are so thoroughly terrorized by the Japanese military authorities that they are meek and resigned to a period of sacrifice, but the moment the picture begins to change, and they feel that the Philippines will be retaken, they will show their loyalty in many substantial ways.

In addition to paralyzing all "belligerent" commercial activity, the invading Japanese took over control (and in some cases actual operation) of many commercial enterprises belonging to Filipinos, neutral and axis nationals, so as to provide material for the Japanese forces. Amongst the units taken over or output controlled were San Miguel Brewery (beer and soft drinks), Spanish-Filipino ownership; Magnolia Dairy Products (ice cream and milk) Spanish-Filipino ownership; Isuan (soft drinks) Swiss ownership; Insular Ice Plant (cold storage containing U.S. Navy supply of beef) Philippine Government owned; Insular Sugar Refinery (sugar) Philippine Government owned; Manila Gas Company (domestic gas) German owned; all cigarette factories producing Virginia type cigarettes - usually Spanish or Filipino owned; Luzon Industrial - coconut oil products - Filipino-Spanish owned.

The rope factory of Elizalde and Company was taken over by the Japanese economic section, and operations started under their control and supervision -- even to changing the name of the factory to a Japanese name. Other rope factories in Manila have also been taken over for operation, and it is understood that they are being run on a limited basis. These factories will not be able to continue for very long unless a new supply of hemp is received from the southern regions of the Philippines, which will prove difficult for several months.

B. Food

So far as basic food supply is concerned, the Philippines should never suffer a famine. In fact, there should easily be a food surplus, even under the

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presently restricted conditions. Although in the past, large amounts of foodstuffs have been imported into the Philippines from the United States and other countries, this was never really necessary in order to supply minimum requirements for livelihood. It has been much more profitable for the Filipino landowner to produce, for instance, sugar which gave a handsome return per acre of land, and to use a portion of the income from the sale of sugar to cover the cost of food imported from abroad (even to the importation of rice from nearby countries such as Thailand and French Indo-China. However, the landowner today with no market for sugar, can plant the same land to upland rice and other articles of foodstuffs, such as corn, vegetables, potatoes, etc., and assure a sufficient supply of food for himself and family, and the production of a surplus with which to take care of requirements in the cities. The Japanese have realized this condition and have imported into the Philippines a number of farmers from Formosa to "teach" the Filipino farmer the production of upland rice.

It has also been rumored that the Japanese intend to bring to the Philippines substantial numbers of colonists to be sent throughout the Philippines to populate farm lands. Probably, with that in mind, the Japanese published sometime ago an order to the effect that to increase the production of agricultural products, any arable land untenanted could be taken over by the municipal governments throughout the Islands, and given to residents of the municipalities for cultivation, with a guaranteed occupation to the new farmers under these circumstances of five years. This order was also intended to force the cultivation of vacated farm lands, by farmers whose products had been confiscated (without payment) by the Japanese forces, and who have shown little inclination to continue farming; also by a large number of terrorized farmers who have left their land in fear of the invaders.

The particularly alarming angle to the economic situation in the Islands today is the huge army of unemployed in Manila and other centers; and the shortage of funds with which to purchase the bare requirements of life and health. The Japanese have encouraged the return to the provinces of the unemployed in Manila, granting free transportation on the railroad for that purpose; have tried to create employment by increasing their civic activities in Manila, but these measures have but scratched the surface. Actually, today in Manila, many people through lack of funds are facing starvation when the markets are full of food, and the Japanese controlled NARIC warehouses are filled with rice. The food supply is plentiful but the vendors must be paid somehow or other for their wares. The Filipino government officials with whom I have talked have shown great concern over this phase of the situation, and have repeatedly called the attention of the Japanese to the necessity of setting up some sort of dole for the unemployed, which the Japanese have so far refused to consider.

Prices

Prices of foodstuffs in the markets have increased to an exorbitant extent on imported goods, particularly canned milk, and American cigarettes. However, on locally produced fruit, vegetables, meat, chickens, eggs, etc., the increase has not been very great -- in most cases, only a sufficient increase to cover the higher cost of transporting the goods from the provinces to the Manila market. A sketchy summary of prices in Manila is given below:

Rice, per sack, Govt. price	P6.00	(obtainable in rice lines 1/2 ganta per person per day)
Rice, per sack of 57 kilos	17.00	(outside or open market price)
Sugar per sack of 57 kilos	7.50	washed centrifugal, (20¢ per K.)
Sugar per sack	5.00	crude cent. (11¢ per K.)
Flour, very scarce, per sack	11.50	(usually musty & wormy)
Eggs, native	.60¢	per dozen
Coconuts	2.00	per hundred
Mangoes, in season	4.50	per hundred
Spanish melons, in season	5.00	per hundred
Pineapples, in season	.15¢	each (large size)
Papayas	.15¢	each
Limes (calamancis)	.30¢	per hundred
Green vegetables, approx.	.65¢	per kilo
Meat, fresh, native cattle	.70¢	per kilo, average
Milk, fresh, carabao	.40¢	per quart
Milk, fresh, cow	.60¢	per quart
Milk, powdered, KLIM	7.00	pesos per pound
Milk, canned, evaporated	32.00	pesos per case of 48 tall tins
Milk, NACOCO	.40¢	per quart

Substitutes for imported articles are appearing daily on the local markets. Bread made from corn flour and from whole wheat flour (pulverized cracked wheat), coconut milk from the ground meat of ripe coconuts, peanut butter and cocoa from Philippines grown peanuts and chocolate beans, etc., etc.

Home gardens are also widespread. Talinum, pichay, tomatoes, corn, and other quick growing vegetable crops are the most popular.

Pages could be written on the place which the coconut is taking in the new economic set-up, of the Philippines. It had been little realized theretofore just what an important factor this product would prove in an emergency such as the present one, with the country cut off completely from imported goods. Some of the uses of the coconut may be listed briefly as follows:

a) Coconut milk is being produced on a commercial scale using the formula developed by the Bureau of Science over a period of years of experimental work. The resultant Nacoco "milk" is similar in almost every respect to cow's milk. It is bottled in pint and quart milk bottles, kept cold to prevent turning sour, and is sold at the same price as fresh milk before the war. The

milk

milk is extracted by pressure from the ground meat of ripe coconuts, excess oil content is removed by centrifugal force, and then calcium is added to give the resultant product approximately the same food value as cow's milk.

b) Coconut oil has a number of important uses in the present economic situation, such as, in the production of soap, oleomargarine, lard, vegetable oil; to a lesser extent in the production of gas in substitution of coal gas piped throughout Manila for cooking purposes; and for use in substitution for diesel fuel for driving machinery. The Japanese are also working on a cracking plant for manufacturing gasoline from coconut oil.

c) Coconut charcoal, which is made from the shell of ripe coconuts, has become a popular product to supply the automobile trucks which have been converted since the emergency from gasoline fuel to charcoal. At a cost of 750 pesos a three-ton truck can be converted to charcoal fuel, and can be driven three kilometers on one kilo of charcoal, at a cost of about six centavos per kilometer for fuel. This compares to the use of gasoline (almost unobtainable) at five pesos per gallon, or alcohol fuel (strictly rationed) at four pesos per gallon, and a cost of about 20 centavos per kilometer for fuel. A number of trucks have been converted, and others will be converted as quickly as two organizations in Manila can take care of orders. Due to the difficulty of securing the needed metal parts to manufacture the charcoal burners, it is estimated that not over 20 trucks have so far been converted, and that not over 50 more can be converted this year.

d) Grated coconut. The product left after extracting coconut milk is known to the trade as grated or "desiccated" coconut. It has proven valuable as a food for dogs, chickens, cattle, hogs; and has become popular in the production of coconut candy products, which have taken the place of the previously popular chocolate bars from the United States. Bocayao, a mixture of grated coconut and crude centrifugal sugar, boiled to a chewy caramel product, and selling at about twenty centavos per pound is today the most popular "sweet" on the market.

e) Coconut husks, are used in the production of brushes, mats, and sometimes as fuel.

f) Coconut meal, the residue after extracting coconut oil, is also a valuable cattle food, a good vegetable fertilizer, and an excellent substitute for coal. In fact, coconut meal has been used by the Manila Electric Company during 1941 to produce electricity for the city of Manila, when coal became scarce on the Manila market.

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In connection with the above remarks, the production of coconut oil and coconut meal presuppose the operation of the various coconut oil factories located at Manila. These factories were not destroyed in the scorched earth policy, and given a steady supply of coconuts (which are plentifully available within a radius of 100 kilometers of Manila), and other necessary articles which it is believed are still available in Manila, there is no reason that the factories may not eventually reopen. I talked with Mr. J. J. Ossorio, President of the Luzon Industrial Company, a Filipino-owned factory, shortly before leaving Manila. He explained that after he had made a serious study relative to the reopening of his factory at the request of the Japanese military authorities, and had made definite plans to start operations, the Japanese decided to take over the factory to be operated for the benefit of the Japanese forces, to supply them with their requirements in the Philippines for soap, (toilet and laundry), vegetable oil, lard, and imitation butter. The Japanese have also conducted surveys of the American-owned factories of Philippine Manufacturing Company, Philippine Refining Company, and Spencer-Kellogg Company, with a view to operating them for supplying articles for the general public. These factories were not yet in operation at the end of May and it is doubtful as to whether they will be able to operate.

Concerning sugar, it was learned that there will be little or no sugar cane available for the normal milling season due to start in November of this year. In view of the war activities in the various sugar districts, the past milling season was considerably delayed, and no opportunity was available to replant the fields in time for the milling season. A certain amount of the fields which had already been harvested prior to the emergency will give a supply of ratooned cane, which may be milled if the Japanese authorities give permission. However, with a supply of sugar in the islands as a carryover from the 1940-1941 milling season of about a half million tons, and a production during the 1941-1942 season of more than a million tons, it is not likely that the Japanese will be keen on permitting sugar production in the immediate future.

C. Banking

During the month of December, the banks in Manila were instructed to send their cash funds and bullion to the Insular Treasurer, or to the Philippine National Bank's clearing house, with a view to removing from Manila (to Corregidor, it was later learned) all surplus funds and thus preventing these funds falling into enemy hands.

When the Japanese forces entered Manila and found that the banks were without funds, they were at a loss as to what steps to take to reopen the banks and reestablish normal conditions in the local business community. Although most of the funds of the banks were removed from Manila, it is understood that for

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some reason or other there remained some fifteen million pesos in the Insular Treasury which were confiscated by the Japanese authorities, and I heard (not confirmed) that this money was turned over to the two Japanese banks (Yokohama Specie Bank and Taiwan Bank) in order to permit their reopening.

About the middle of January the Japanese authorities permitted the reopening of (a) the Philippine Government's bank, the Philippine National Bank; (b) the Bank of the Philippine Islands; and (c) the Philippine Bank of Commerce (all Filipino owned and controlled). In order to make possible these reopenings, the Japanese finance administration loaned to the banks in question an estimated total of twenty-five million pesos (all in military peso currency).

The banks upon reopening were ordered to maintain a carefully "frozen" status of all deposits, limiting Filipino and neutral withdrawals to 500 pesos per month per company, or family; and 200 pesos per month per family for belligerents. Larger amounts could be withdrawn upon application for license to do so, provided the reasons were considered satisfactory to the Japanese. Mr. Fukuoka, sub-manager of the Yokohama Specie Bank, was the civilian in charge of the issuing of licenses.

The tendency in the beginning so far as local banking was concerned was withdrawals from current and savings accounts, with practically no deposits. Later, to encourage deposits the Japanese announced that there would be no freezing of funds deposited after the occupation, and as the local merchants had no confidence in the "apa" (military peso) currency being circulated by the Japanese, the few who were accumulating money started a rush to deposit funds which they had accumulated, with the idea of later withdrawing Government pesos when the Americans returned. They were informed however at the banks that the deposits in "apa" were being earmarked on the books of the banks, and they would not be entitled to withdrawal later of any other kind of currency. This advice had to be handled delicately, inasmuch as the Japanese authorities had circularized information that it would be a military offense, subject to severe punishment, for anyone to refuse to receive the military pesos on exactly the same basis as the Government pesos. When merchants found that they were not bettering their financial condition by getting rid of their military pesos through bank deposits, they looked for other means of getting the military pesos out of their possession. In some cases they have bought goods in the hands of looters for later re-sale; have purchased jewelry, household goods, and real estate; retaining for themselves only sufficient funds for their daily needs.

The "foreign" banks in Manila -- National City Bank of New York, Chartered Bank of India Australia and China,

Hongkong

Hongkong and China Banking Corporation, Dutch Bank, the China Banking Corporation, etc., -- were sealed completely, and have not reopened their doors even for collections. There does not seem any probability of these banks being reopened, and in view of the large amount of funds deposited by Filipinos and neutrals in these banks, the affected depositors feel as though a great injustice has been done them. They have applied to the Japanese authorities, and to the present government of the Philippines, for relief, but as yet nothing has been done.

In addition to the Filipino-owned and controlled banks which have been reopened, and the "foreign" banks mentioned above as having been sealed, there are in Manila several "local" banks. These local banks, such as the Philippine Trust Company, Monte de Piedad, Peoples Bank and Trust Company, Banco Hipotecario, etc., wished to reopen and the Japanese apparently wanted them to do so, especially to take care of depositors amongst the Filipinos and neutrals. However, as in the case of the Philippine Trust Company (of which I am a director), lack of cash on hand made it impossible to restart business without being able to secure funds. The Philippine Trust Company would have required at least one million pesos in its vaults before it could have opened its doors. It had in its vaults only fifty thousand pesos upon occupation of Manila. The bank is owned by the Archbishop of Manila (an Irish Free State citizen), and could ordinarily have been permitted to reopen, except for a shortage of funds. The Japanese finance administration at first thought of lending further amounts to the Philippine National Bank, and to permit the bank through its clearing house to advance funds to the local banks. Later, however, this plan was discarded as apparently the Japanese military authorities disapproved of any plan which called for a more widespread circulation of the military pesos.

The local banks were allowed to open for the purpose of receiving payments on accounts, with the idea of eventually having a sufficient amount of cash collected to permit withdrawals. This has not proven to be the case, however, as in three months' time the Philippine Trust Company has not been able to collect more than twenty thousand pesos, and the chances of being able to collect loans and outstanding accounts are very slender.

It was estimated that up to the end of May 1942, the Japanese had circulated sixty million military pesos in the Philippines, including funds loaned to the new government to cover its budget, loan to the Philippine National Bank, Bank of the Philippines, and Philippine Bank of Commerce to permit the banks to reopen, plus expenditures by the Japanese forces; and in addition to the some fifteen millions of Philippine government notes found in the Insular Treasury and probably turned over to the Japanese banks.

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There is apparently no bank clearance in Manila, and checks drawn on one bank are not accepted by another bank for deposit.

An interesting situation existing in the Philippines is a "black market" business in U.S. dollars, which are bought at a discount against the military peso, sometimes the discount being as high as thirty percent against par (that is, P1.40 being paid for \$1.00) but the discount is usually ten percent. This is due to it being a Japanese military offense to have American currency in one's possession. A period of time was first given within which to dispose of American currency.

There is also a limited business being done in checks drawn on current accounts of closed banks, discounts running from around ten percent on checks of banks that have a chance of reopening soon, up to fifty percent on checks drawn on the American, British, and Dutch banks. There is such a shortage of funds in the Philippines in general, however, that this type of "business" is necessarily limited.

Loans, discounted paper, and other forms of banking are not permitted of the banks open for business, except in the case of the Japanese banks, which have been permitted to lend funds to Japanese nationals. The banks open for business are limited to deposits and withdrawals in current and savings accounts, and the receipt of payment on accounts outstanding for collection.

Silver currency has disappeared almost entirely from the market, having been displaced by the paper military currency. The denominations of the paper currency were one centavo, five centavos, ten centavos, twenty centavos, fifty centavos, one peso, two pesos, five pesos, ten, and twenty pesos. It is not believed that larger denominations than twenty-peso bills have been issued. The quality of the paper on which the military currency has been printed or lithographed is very poor, and money becomes useless very soon (especially in the centavo denominations). Up to the time of my departure from the Islands, no provisions had been made for exchanging damaged or worn-out currency.

D. Mining

It was not very easy to get detailed information concerning the various mines throughout the Islands, due mostly to their isolated locations. However, the following general information was secured.

Baguio District: Most of the gold mines (in fact, it is believed that all of the mines) have become flooded in their underground workings, due to power house shut-downs when Baguio was taken. It is understood that the Japanese stripped the power houses and mills of generating equipment, miscellaneous small motors, and were keen in getting tools and spare parts. As a rule the factories were not destroyed and may be restored

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to running order without great outlay of capital expenditure (this was the situation at the end of May, and may change if the Japanese decide to remove more of the gold mining machinery).

Paracale District:)
Masbate District:)
Davao District:) The same picture prevails
in these districts as in Baguio, except in the case
of the Davao Gold Mine located on the Hijo River. Here
the factory was burned, allegedly by the Japanese.

In general it may be assumed that the Japanese invaders will reap no benefits from gold production in the Islands during their sojourn. Up to the present time they have shown no interest in reopening the gold mines.

With reference to base metals, I was approached early after the occupation by Japanese military and civilian officials for information as to the stocks of manganese and chrome ores, as well as to the status of our (Luzon Stevedoring Company's) mines, from which we had supplied the largest percentage of manganese ore shipped from the Islands during the preceding four years; and regarding the status and stocks at our Cagayan chrome mine.

A delegation of Japanese civilians, belonging to the Pacific Mining Company, who had been returned to Manila to take over and operate base metal mines, took me to the office of our mining department, forced me to open locked files and safe, and took all records found in the office. These records will prove of no help to them, however, as they were of such a general character that no one without a special knowledge of our mining activities could ever gain any useful information.

After a month or so of surveying the general situation, Mr. E. Namikawa, president of the Pacific Mining Company, made me a firm proposition to join his company as a "consultant" at a salary of one thousand pesos per month, with free automobile, and freedom from internment for myself and family. This was the first such offer made to me, and I have no knowledge of an offer of employment being offered other American or British nationals. I asked Mr. Namikawa how he could make me such an offer, and have it approved by the Japanese military authorities. He showed me a Japanese communication, which he purported contained authority to offer me the position; but he stated that he had secured the authority on the basis that I was a Panamanian citizen and not an American. I stalled for time, thinking for a while that such a contact might place me in a position of getting firsthand information as to the activities of the Japanese. Eventually, I decided to refuse and manufactured as many excuses as possible to have my refusal of the offer

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to be taken without hard feelings, and to prevent being forced to work with the organization sent to control base metals. Due to the unusualness of the offer, I can only believe that the Japanese are not capable of working out a method of reopening the base metal mining industry -- not even to the extent of locating and shipping out the present stocks of base metals existing in various parts of the Islands.

The quantity of manganese and other base metal ores on hand and ready for shipment upon occupation of the Islands, was much above normal stocks, due to the lack of shipping facilities during the last few months of 1941. The Luzon Stevedoring Company had on hand approximately 80,000 tons of manganese ore under contract for delivery to Metals Reserve Corporation of the United States for stockpile purposes. This ore will undoubtedly fall into the hands of the invaders, but the actual shipment of the larger portion of the ore from the Islands will be extremely difficult, as it is located at points where lighterage from shore to vessel is required. There is a shortage of lighterage equipment and of towboats, so that it is believed that the Japanese will not be able to undertake shipment of the manganese ore at outports for several months. This does not hold true in the case of about 20,000 tons of manganese (included in the above total of 80,000 tons) which had been brought by the Company to Manila and to Cebu to be stockpiled, under instructions of the High Commissioner's office in Manila, so as to qualify for loan against stockpiles. This ore in storage in Manila, is located on the Pasig river, about three miles from the mouth. Lighterage of the ore from the ore pile to the vessel at anchor in Manila Bay will be required, but this should present no great difficulty, as there are sufficient small craft and lighters salvaged by the Japanese since their taking of Manila to permit this. The manganese ore stockpiled at Cebu was stored in the port area near the pier, where it could be trucked or carted by hand to a loading vessel.

Lustevenco also had in stock at Opol, Cagayan de Misamis, some 15,000 tons of high grade chrome ore, ready for shipment, together with about five thousand tons stockpiled at Cebu. The chrome ore at Opol will require outside lighterage, and as in the case of the bulk of manganese ore ready for shipment, the Japanese are not expected to be able to export it for some time.

The Japanese were much keener on reopening the iron mine at Jose Panaguiban (Larap mines of the Philippine Iron Mines). It is understood that they have sent over to the mines a group of men with instructions to start production as soon as possible. It is also understood that their efforts are proving successful, and that shipments are expected to start this fall.

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The iron mines located on Samar were seriously damaged (pier, conveyor, and railway) before the arrival of the Japanese troops in that district, and it is believed that reconstruction will not be undertaken for some time.

No particulars have been obtained as to the condition of the chrome mines in Zambales province (the largest in the Islands). In December, Acoje Mining Company had stocks of about 35,000 tons of high grade chrome ore ready for shipment.

The Benguet operation at Masinloc had about 50,000 tons of refractory-grade (low grade) ore ready for shipment. The USAFE forces destroyed the piers at these two mining sites, so that shipment of the ore will depend upon lighters or in the reconstruction of the piers -- in either case, some delay and considerable difficulty will be encountered.

At present, actively engaged in reestablishing the mining industry in the Philippines are representatives of the Ishiwaro Mining Company, Nihon Kogyo Kabushiki Kaisha, Mitsui Mining Company, Pacific Mining Company, as well as others. They have opened offices, engaged the services of office help and mining engineers, and hope eventually to start the steady movement of base metal ores to Japan.

In a talk with Judge Clyde A. DeWitt, he stated he had learned from one of his Filipino employees that the Japanese forces had been able to ship out of the port of San Fernando, La Union, all of the copper matte of Lepanto Copper Mining Company which was in storage for shipment under contract to the United States. He did not know the exact tonnage, but believed it would be about 2,000 to 2,500 tons. Judge deWitt is the president of the Lepanto Copper Mining Company, which is being operated in the Philippines by Nielson Mining Company.

A Mr. Ikeda, an old friend and competitor in the manganese industry of the Philippines, called on me to advise that he had returned to the Philippines as a member of the staff of the Pacific Mining Company, and specifically assigned to reopen the copper property of Nielson Mining Company on the Island of Rapu-rapu near Legaspi; and the property of the Antique Mining Company, located in Antique Province, on the western side of Panay Island. He admitted that he expected to find plenty of difficulties, and tried again to persuade me to join the Pacific Mining Company, so as to be able to help him with his shipping problems.

Amongst the mining ventures of Lusteveco was the ownership by the company of 60 percent of a well-known manganese mine located on Busuanga Island, and considered prior to our purchase of controlling interest of the company, as a "Japanese" mine. Its name is Philippine Nippon Mining Company. The owner of the remainder of 40 percent of stock is Nihon Kogyo Kabushiki Kaisha. When we took over control the mine

was run by a Japanese office staff, engineers, and key men. We gradually eliminated the Japanese, and placed the mine on a producing scale similar to other mines which had been taken over by Lustevco in the development of the manganese industry in the Philippines.

Shortly after the fall of Manila, the Japanese minority owners sent to Manila one of their managing directors, Mr. Ishi, their engineer of the property at Busuanga when we took over, Mr. Mitsui, and the previous office manager. They had instructions from the home office, apparently approved by the military authorities, to take over the property and operate it again. They were brought to my place of internment by Namikawa of the Pacific Mining Company. Mr. Ishi asked me to fly with him and Mr. Mitsui to Busuanga to show them the mining property and to explain the operations, and how best to restart them. This, strangely, was while Busuanga Island was still in the hands of USAFE troops. I declined the offer to visit the mine, and advised them that I was only nominally at the head of the company, that details of operation would be the responsibility of the manager of the mining department of Lustevco. Neither Ishi nor Namikawa showed any interest in getting the mining department head, Mr. Russell, out of the Santo Tomas Internment Camp to give them information or to accompany them on a trip to the mines. They, in this case as in the case of previous visits, found it convenient to consider me as a "Panamanian" and persona grata with the military authorities, where in the case of an internee of Santo Tomas, they knew that they would not be able to secure approval by the military authorities to utilize their services.

E. Transportation

Transportation in the Philippines at the present time, or rather the lack of transportation, is proving quite a problem for the invaders. Prior to the occupation of Manila, the U.S. forces had requisitioned practically all motor trucks not only in Manila but out in the provinces, leaving only a required number of trucks for delivering groceries, milk, for hospitals, bus service, and similar use; so that when the Japanese arrived in Manila they were unpleasantly surprised to find only a handful of trucks.

They found also that the Manila Railroad had been effectively paralyzed by the retiring USAFE forces through damage to equipment, destruction of railroad bridges, etc. They found that the provincial bus system had also been completely paralyzed, through most of the busses having been taken over for use by the USAFE forces, many bridges on the highway had been destroyed, etc.

They found that all forms of water transportation, which in normal times played such an important part in

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the economic system of the country, had been taken away from the occupied areas or had been destroyed.

Fuel for the operation of automotive or rail transportation was practically non-existent when the troops entered Manila.

The Japanese did find, however, some 6,000 private automobiles in the hands of Americans, British, and Dutch; which they confiscated immediately. These units are not being used, except in a certain limited manner, but seem to be stored for export from Manila to Japan or other sites outside the Philippines.

As the Manila market must be supplied with food-stuffs from neighboring provinces by truck or train, the Japanese found that they would have to permit as many as possible of the remaining trucks in Manila to be operated for that purpose, and to find some sort of fuel for the operation of these trucks. Consequently, the few lucky Filipinos and neutrals who owned or could get hold of a freight or passenger truck found that they were in a position to do a lucrative form of business. Licenses were obtainable for a period of three months, at no cost to the owner, and each licensed truck was given a ration booklet entitling the owner to purchase 600 liters per month at the controlled military price of 16 centavos per liter. The trucks operated under considerable difficulty, in spite of their being licensed, due to the tendency of stray detachments of Japanese soldiers stopping the trucks on the roads and removing part of the load from time to time. Many of the trucks licensed to carry foodstuffs limited their cargo to passengers to prevent loss of cargo through confiscation by Japanese troops.

The average gain for the licensed trucks was from fifty pesos to one hundred pesos per round trip requiring one day; and the trucks could usually make three trips per week. The licensed amount of 600 liters has not proven sufficient for trucks to operate constantly for more than two weeks of the month; but there is a "black market" sale of alcohol at about one peso per liter. A very limited amount of gasoline is also obtainable outside of Manila (hidden underground by individual owners during December) at P1.25 per liter. The supply of alcohol for the "black market" is made available through several truck owners having licenses for their trucks, and using the licenses only for purchasing alcohol and reselling it at a profit.

The government has contracted for several of the licensed truck owners to haul rice from Cabanatuan and other government provincial warehouses to the NARIC warehouses at Manila, and pay one peso per sack freight. The type of truck ordinarily running in this trade can carry sixty bags per trip, and usually a load of thirty

passengers

passengers on the return trip (at four pesos per head). One trip can be made per day, and the owners are supplied with all alcohol required during the month, and are not limited to the 600 liter allowance of the "free" trucks. Another freight contract service has been established by Roxas and Company, in the movement of sugar from their sugar central at Nasugbu, Batangas, to their Manila warehouses. The freight is 1.25 pesos per bag, and trucks can carry an average of 60 bags per trip. There are about six trucks in this service.

During the first six months of their occupation of Northern Luzon the Japanese have rebuilt the railroad bridges on the Manila-San Fernando, Pampanga, and the Manila-Cabanatuan run, and service (limited to military use) was reopened during the months of March and April. It is understood that service has also been reopened to points on the Manila-Tarlac route, made possible by ferrying passengers across rivers and connecting with trains on the other side, and not by having rebuilt bridges. It is also understood (but not confirmed) that it is intended to use war prisoners on the reconstruction of bridges and highways throughout Luzon.

Transportation within the City of Manila is limited nowadays to horse-drawn carromatas, bicycles, and electric street cars. Taxis and other motor vehicles have practically disappeared, and are limited to government officials, Japanese military and naval forces, hospitals, and similar services. The well-to-do Filipinos have supplied themselves with especially made carriages -- a popular type is made of automobile chassis, redesigned to be horse drawn.

The Manila businessman during the dry season (January to July) found the bicycle a handy means of transportation, and very satisfactory, but as the rainy season approached, they were beginning to purchase carromatas and other horse drawn form of transportation. Bicycles sell in Manila at 100 pesos to 150 pesos, or about three times normal values. Carromatos, together with an average type pony, sell for about 350 pesos; and with Batangas mestiza-type ponies, sell for 500-650 pesos. Race horses and polo ponies are seen pulling carriages nowadays.

XIV. PRESS

The only daily newspaper published in English in Manila at the present time is the Tribune (daily and Sunday). It has been reduced in size to a single sheet (four pages), and contains only Domei and other Japanese-supplied news. Local news is also as dictated by the Japanese authorities.

The Herald and American-owned Manila Daily Bulletin ceased publication with the entry into Manila of the Japanese, and no attempt so far has been made to put them back into publication by the Japanese.

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The same holds true with weekly, monthly and other publications. They all stopped publication with the fall of Manila, and as yet the owners have not applied (or have not had their applications approved) for republication.

The Spanish newspaper La Vanguardia, of the same ownership as the Tribune, is published daily (every afternoon) and Sundays, and is practically a translation of the morning Tribune in English.

There has been considerable talk in Manila as to the way that the owner of the Tribune, Don Alejandro Roces, and his son, Alejandro, jr., (Andong) have cooperated with the Japanese in the publication of their newspapers. Andong especially has been quite active in assisting the Japanese since their arrival at Manila. In all fairness to him, however, it should be recorded that he privately tells friends that he is only working for the Japanese since he has no other alternative. He admitted writing the editorials appearing in the Tribune, or rather that the editorials were written by the staff of the newspaper, and were not initiated by the Japanese, and it is rather difficult to reconcile the tenor of the editorials with his statement to friends that he is only obeying, and not helping. Andong has had himself appointed as assistant chief of police for greater Manila, and as such he is permitted freedom of movement and license for his automobile. His father, Don Alejandro has been appointed by the Japanese as president of the revamped and Filipinized Red Cross. Inasmuch as the Roces, father and son, have always been such good personal friends of President Quezon during past years, it is trusted that in due time it will be proven that the Manila rumors of their disloyalty are not true.

C. Parsons
Aboard M/S GRIPSHOLM
August 12, 1942