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I. FREEZING OF JAPANESE AND CHINESE ASSETS IN THE UNITED STATES

In view of the unlimited national emergency declared by the President, he issued, on July 25, 1941 an Executive order freezing Japanese assets in the United States in the same manner in which assets of various European countries were frozen on June 14, 1941. This measure, in effect, brought all financial and import and export trade transactions in which Japanese interests were involved under the control of the Government and imposed criminal penalties for violation of the order.

This Executive order, just as the order of June 14, 1941, was designed among other things to prevent the use of the financial facilities of the United States and trade between Japan and the United States in ways harmful to national defense and American interests, to prevent the liquidation in the United States of assets obtained by duress or conquest, and to curb subversive activities in the United States.

At the specific request of Generalissimo Chiang Kai-shek, and for the purpose of helping the Chinese Government, the President, at the same time, extended the freezing control to Chinese assets in the United States. The administration of the licensing system with respect to Chinese assets are conducted with a view to strengthening the foreign trade and exchange position of the Chinese Government. The inclusion of China in the Executive order, in accordance with the wishes of