
GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 21 and 22 December 1947

No. 661

POLITICS

Reported differences between Ministerial groups over the 1948 budget won prominent headlines over the weekend, as the Tokyo press again focused attention on political developments. Serious views of the reported dispute were taken by two major journals: MAINICHI anticipated that the budget issue -- together with new party movements and "general instability" -- would lead to a "clash" between the Socialist and Democratic Parties, and ASAHI said that Cabinet unity had been "fundamentally shaken." Other papers agreed that alleged disagreement over a financial program had come at a time when the Katayama Administration's position was "precarious."

Meanwhile, papers printed, without comment, Democratic President Ashida's prediction that "an epoch-making change in political circles is bound to come about in January." The nature of the "change" was not specified, but Ashida was quoted as "not wanting to become Premier" and as believing that Katayama "should be quite all right." In this respect, TOKYO SHIMBUN claimed that leftists may try to oust Katayama as President when the Socialist Party convention is held in January.

Dissolution Is Asked

Commentaries on the political situation included TOKYO TIMES' call for dissolution of the Diet "at the earliest possible occasion" and a writer's suggestion in YOMIURI that the coalition Cabinet should be dissolved. To the first-named journal (as well as to other commentators), recent attempts to form new political parties were "maneuvers (which are) in defiance of the wishes of the voters." Observing that new groups "have sprung up like mushrooms after a rain," SHIN HOCHI contended that, since such activity "is not understood by the people, it only intensifies the political confusion." The writer attacked "any party movement which is loosely connected with the masses," and recommended that present parties be disbanded before new ones are organized.

A similar belief was expressed by JIJI SHIMPO, which told Diet members that they should resign if they desire to bolt their present political group. "They (Diet members) have probably forgotten," the editorialist declared, "that political parties should be permanent organizations which transcend personal considerations or interests." It was believed that the creation of new minor parties would "throw the political world into chaos . . . which would increase the people's misery." In contrast, ASAHI praised the "tendency of leaders of all parties to clarify their beliefs before the people."

In the opinion of TOKYO SHIMBUN, recent developments reflected a lack of "political consciousness by the people," which can be obtained, the writer added, "only by a sincere love for our country and enthusiasm for contributing to the public welfare."

ECONOMY

A hoarded goods report -- submitted by a special committee of the Diet's lower house -- was accorded lead position by several papers. Claiming that it "has merely put together, in a general way, facts which have disclosed previously," YOMIURI charged the Administration with failure to lend effective support to hoarded goods investigations. "Instead of dispelling doubts among the general public about secreted materials," the report was interpreted as implicitly casting aspersion on some Government officials. The new Illegal Transactions Investigation Committee (Press Analysis No. 654) was urged "to fulfill its duty" by resisting political groups, and the Administration was asked "to absolve itself from suspicion" by making known exact information concerning the disposition of hoarded goods.

MAINICHI criticized each Cabinet since the Surrender for "irresponsibility and insincerity" regarding the disposition of former Japanese Army and Navy property. Meanwhile, SEIJI SHIMBUN expressed belief that "the success or failure of our reconstruction" depended upon the investigation. Similarly, TOKYO SHIMBUN declared that "the political status of Japan will be judged by the extent of the people's interest" in the activities of the new committee. The writer regretted that hitherto both the Diet and the Administration had not been "invested with sufficient power to take drastic measures."

On the other hand, JIMMIN SHIMBUN thought that "it is too late" for fruitful probing, because "the people's livelihood has already been ruined by the illegal disposition of hoarded goods." It also was alleged that "the post-war political structure was built on the basis of the black-market economy," inasmuch as "most of the parties today are operating with funds from that source."

FOOD

Premier Katayama's plea for mass support of new food controls (Press Analyses Nos. 641, 642, 657, and 658) was strongly endorsed by ASAHI and TOKYO SHIMBUN in weekend editorials. Neither journal, however, was inclined to minimize the Government's responsibility for the reported lack of enthusiasm with which the new regulations have been received. It was pointed out that if elaborate official controls are coupled again with only perfunctory enforcement -- an allegedly familiar practice -- the "last chance" for effective control will vanish along with any claim the Administration may have to political power. TOKYO SHIMBUN criticized past performance, as well as the quality of personnel in administrative positions, and advised resignation of the Cabinet, if -- despite SCAP backing -- the blackmarket is not curbed and perishable foodstuffs controlled. ASAHI advised parallel enforcement of controls in production, and warned local officials that their attitude (reported to lack "positive zeal") would be of prime importance in determining the success of the control structure.

FOREIGN

Speculation on the effect that indefinite adjournment of the London Conference would have on Germany appeared in a number of foreign news commentaries. For the most part, papers appeared to believe that the separation of Germany into a Soviet zone and a combined British-French-American zone was a foregone conclusion for some time to come. Typical of this attitude was MAINICHI's commentary, which noted that "antagonism between eastern and western Germany will become more serious," and which foresaw an intensification of boundary disputes within Berlin. The journal predicted that functions of the Allied Control Council for Germany would become unimportant.

Basic differences among the Big Four over the German issue were emphasized by editorialists, with TOKYO TIMES observing that even if western Germany were unified, "it does not seem that a peace treaty without the USSR will be carried out." (In contrast was JIMMIN SHIMBUN's report of rumors that the next Conference of Foreign Ministers would be held in January, without the USSR.) Questions of the speed of German rehabilitation, and the administration of the Ruhr were believed by ASAHI to be central points of the discussion among the three western democracies, and solution of these issues was felt to be a prerequisite for the unification of the western zones.

LABOR

Recognition of a "sliding-scale wage system" in the Central Labor Committee's mediation of the electric workers' dispute was regarded with some trepidation by ASAHI as a possible further spur to inflation. The journal advised the Administration to use the time intervening before promulgation to revive production and to put into effect the order concerning circulation of commodities. It was expected that the system would spread to other industries as well as to government offices, and that, despite curbs specifically written into the agreement, general price increases could not be avoided.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 20 December 1947

No. 660

POLITICS

Socialist unity was portrayed as seriously threatened today, as the metropolitan press noted strong leftist demands for abrogation of the four-party pact and continuing negotiations among right-wingers for creation of a "Hirano Party." Attempts to achieve undisputed Socialist power in the Cabinet were forecast, as three newspapers pointed out that the leftist offensive was aimed primarily at clauses which allegedly block "extremist" participation in the Cabinet.

Arguments for a new three-party pact -- propounded by the chairman of the Socialist Party's Political Research Committee and reportedly endorsed by three leftist factions -- were said to be based on the Liberals' announced policy as an opposition party. In view of this "repudiation of the pact," leftist Socialists reportedly oppose retention of clauses which they regard as conservative devices to frustrate socialization. (SEIJI SHIMBUN disagreed, however, and charged that the leftists themselves are an opposition party in view of "retracting their pledged support of the Cabinet.")

Seek Balance of Power

Leftist rejection of any policy except one of genuine socialism was also indicated by their reported opposition to the retention of pro-Hirano Socialists in the Party. According to MAINICHI, the former faction -- known as the "Suzuki group" -- will strive for the Party balance of power by opposing Cabinet Secretary Nishio's plans to reconvert enough of the Hirano faction to keep Party majority resting with conciliatory elements. The same paper speculated that Nishio will concentrate on retaining representatives of the National Farmers' Union -- which, if successful, allegedly would weaken Hirano considerably and at the same time maintain the "majority of the moderates."

Nishio's continuing fealty to a coalition Cabinet was reflected in an ASAHI report quoting him as favoring "gradual socialization," thus pointing up the possibility of heightened feuds between leftists and moderates in the Party. Elsewhere, the Chief Cabinet Secretary stated that "they (the 'extremists') will have a difficult time getting into the Cabinet," and described President Ashida's announced opposition to socialization as a means to try to mollify conservatives in the Democratic Party. MAINICHI, however, reported Nishio as agreeing that "the four-party pact has lost its validity in some respects."

Meanwhile, Transportation Minister Miki, President of the People's Cooperatives, officially rejected bids to join the proposed "Hirano Party," according to YOMIURI, "although some Party members are moving in that direction." ASAHI said that President Yoshida of the Liberals will soon take "positive action" to form the "Production Party," which the former Premier described as based on industrial recovery financed by foreign credits.

ECONOMY

The new perishable food controls (Press Analysis No. 657) were the cause of a diminished supply of fresh fish and vegetables in retail shops, according to NIPPON KEIZAI. Because of "short-sighted selfishness," consumers were held responsible for "boosting the prices of blackmarket goods, and aggravating irregularity in the distribution of daily necessities."

On the other hand, MAINICHI stressed the need for effective controls to assure a supply of perishable foods. "Half-way controls," the writer argued, "do more harm than good," and they "will only increase blackmarket prices." Regulation of prices on fresh fish, as compared to vegetables, was believed to have "a greater prospect of success," because marine products

are delivered by fishermen to a limited number of places, thereby simplifying enforcement procedures. Accordingly, the alleged "utter ineffectiveness todate of fish rationing was attributed to "the inability of Government authorities." The editorial also declared that "a controlled flow of perishable food constitutes an important item of Occupation policy, and the Japanese people as a whole are responsible for attaining it. If the recently strengthened controls should fail, the Japanese will have refused to render cooperation."

'1,800-Yen Wage Standard Has Collapsed

Noting that currency circulation has exceeded 190,000,000,000 yen, ASAHI expressed belief that "the 1,800-yen wage standard has collapsed, the new price structure is on the verge of failure, and the severity of inflation is gradually increasing." A continued expansion of the volume of bank notes in circulation was expected, because of "the electricity shortage, the necessity of compiling another supplementary budget to cover increased personnel expenditures, and the difficulties of collecting taxes totalling 100,000,000,000 yen." The writer did believe, however, that currency expansion might be curbed, if "management deficits decrease in accordance with (proposed) large-scale readjustment programs in business and government." Cooperation of labor unions was regarded as "imperative," but "in view of the impotency of the Administration and the Socialists' negative attitude towards the enforcement of business readjustment," the editorial declared that "increased currency issue is fundamentally inevitable."

Anticipating "the climax" of the inflationary trend during the first half of 1948, the editorialist prescribed two sets of anti-inflation proposals. The first included completed tax collections, increased savings, business readjustment, and greater production. The other set of proposals related specifically to doubling present production. The writer advocated an annual coal putput of 30,000,000 tons, restoration of electric power to the level of September 1947, and -- "the most important factor -- long-term foreign credit for raw materials."

COAL

Reported increased coal production was credited by YOMIURI to the encouragement given miners by survey teams, and the acknowledgement of unions that wage boosts should be predicated upon greater output. "Two serious problems," nonetheless, were said "to have cropped up." Thus, the writer urged that preliminary excavation work keep pace with the actual mining of coal, and that transportation bottlenecks be eliminated. Referring to the latter, the editorial indicated that "out of the total number of freight cars in operation, only 20 percent are in actual transportation service," and marine conveyance was said to account for only one-sixth of the average tonnage carried during pre-war years.

TOKYO TIMES concurred with a SCAP spokesman that coal is "the key to the rehabilitation of Japan." Seeking the reasons for inadequate coal production, the writer declared that the greatest obstacles -- which related to wages, housing, materials, equipment, and investment capital -- no longer existed. The editorial "demanded the public to be more keenly interested in increased coal production as an important question directly connected with their own welfare," and coal miners were exhorted to exert maximum effort in behalf of the entire nation.

PURGE

TOKYO MINPO editorially called for a continuation of the purge "to insure a democratic Japan," and criticized the Government for "behaving as though the purge were complete." Denying that all dangerous elements have been removed from Japanese life, the writer compared the purge in Japan unfavorably with that in Germany, and accused officials of taking "the line of least resistance in interpreting the Potsdam Delcaration." The editorial said: "We are very much afraid that the recent announcement (regarding the purge) might practically become the announcement of its completion --, or at least be taken as such -- and give encouragement to 'the underground power.' The Government must not soften the purge in the future."

GENERAL HEADQUARTERS
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PRESS ANALYSIS, 19 December 1947

No. 659

POLITICS

Socialist Party plans to terminate the four-party policy agreement won prominent attention in major Tokyo papers today. (The pact was reached earlier this year by the Socialists, Democrats, People's Cooperatives, and Liberals. Although the Liberals announced later that they regarded the agreement as not in effect, the Ministerial Parties took no action.) According to ASAHI, the decision of the Socialist political affairs investigation committee was unanimous.

To replace the four-party accord, MAINICHI said that Premier Katayama and Cabinet Secretary Nishio will seek a new "treaty" among the three Government Parties. Designed to "steer the Administration through the political storm centering around the impending formation of new parties," the projected pact also will be aimed at ending the "ideological war" between various factions within the Government, the morning daily explained. It was believed that the proposed agreement would appease left-wing Socialists, who will not be "isolated" by Nishio because they reportedly have severed connections with the Communists.

Comment on Political Activity

There was no comment on the reported Socialist plan, but several journals continued to discuss recent political activity. Observing that in a democratic country "the people should be the motivating power," TOKYO TIMES charged that recent developments had not reflected the will of the nation, but were the result of conditions within political parties." Acknowledging that "even the best party has internal difficulties," the editorial nevertheless regretted that parties "seem to place more importance upon their own problems than upon the wishes of the people."

Consideration of difficulties confronting the Katayama Cabinet led SHIN YUKAN to predict a "crisis" when the Socialist Party holds its national meeting in January. Interpreting the recent decision of Socialist leftists to criticize the Administration as an effort "to bring the Party back to socialism," the evening paper warned that such a program would encounter opposition from other Ministerial groups. Thus, the writer claimed that the Cabinet "is hardly able to maintain its balance." Alleged differences in another Government party -- the People's Cooperatives -- caused YUKAN MIYAKO to predict that this group "can no longer retain its present power . . . and a split may be expected soon."

LABOR

Reported dissatisfaction of organized labor with the terms under which the Government acceded to payment of "livelihood allowances," as well as with delay in establishing a minimum wage, received wide coverage. The "vigorous attitude" adopted by both the new industry-wide organization of coal miners (All-Japan Coal Industry Workers' Union, formerly the National Council of Coal Mine Workers' Unions) and the Japan Coal Mining Industry League aroused MAINICHI's "profound apprehension." Although the present stalemate was reported to be the immediate consequence of the League's reversal of a previous decision to pay provisional allowances, the fundamental issue was thought to be that of a minimum wage, and the union was said to be determined upon strike if necessary.

YOMIURI listed prominently, but without comment, the communication workers' demands for (1) disbursement of the "supplementary allowance" on a tax exempt basis before the end of the year; (2) advance payment of January salaries, and (3) withdrawal of the demand for elimination of the union's "struggle" machinery. Also reported was a mass rally for "securing minimum livelihood rights," sponsored by about 50 labor, farmer, and civic organizations (with the exception of the Japan Federation of Labor). There were 200,000 participants, according to MAINICHI.

Warning Against 'Power' Considerations

Urging the development of the Central Labor Committee as an impartial body representing the people and able to maintain an "authoritative" and "resolute" position in the mediation of labor disputes, NIPPON KEIZAI warned against the tendency to allow "power" considerations to influence decisions. Negotiations were already complicated, the journal said, by the expectation that the committee must decide on a mid-way stand in any given instance, thus encouraging unions to demand exorbitant wage increases, and employers to insist on low wages as a matter of strategy. Both this journal and ASAHI advised the Government and Public Office Workers' Union to put aside dissatisfaction with the method of payment of allowances and with the lack of a substantial decision on minimum wages, and to concentrate on regaining the confidence of the public through attention to work. Although YUKAN MIYAKO also stressed the responsibility of government employees as public servants, the editorialist charged the Government with "evading responsibility for the establishment of emergency measures."

FOREIGN

The collapse of the Conference of Foreign Ministers was believed by DAI ICHI SHIMBUN to have increased the importance of China with regard to a preliminary Japanese peace conference. Similarly, TOKYO MINPO suggested that whether a peace agreement was made by the US, Great Britain, and China without the participation of the Soviet Union -- would depend upon the ability of China to delay conclusion of the peace treaties. Increasing political instability in China, according to DAI ICHI SHIMBUN, would force that country to agree to the system of majority vote among the eleven countries of the FEC without the veto power.

Formation of a Japanese United Nations Association drew comment from MAINICHI and ASAHI, both of which commended the interest in world affairs which the step indicated. The association was felt by MAINICHI to be important as "the first step in Japanese diplomacy, suitable for the new era of world diplomacy," as well as being to the interests of Japan, inasmuch as "the basis for reconstruction of this defeated state can be found only in the cooperation of other nations." Similarly, ASAHI observed that interest in international affairs was at a high point in Japan now. This was attributed not only to Japanese interest in Western culture, and to the "international atmosphere" of the Occupation, but even more directly to factors such as international trade and importation of food for relief. However, ASAHI pointed out, membership in international organizations must be earned, not clamored for, and reminded readers that it was problematical whether world organizations would readily accept a former aggressor nation.

FOOD

New measures for the control of perishable foods were attacked in editorials in MAINICHI, SEIJI SHIMBUN, and SHIN HOCHI. The immediate cause of dissatisfaction was the alleged disappearance of fresh foods from the markets as soon as the control policy was announced. Moreover, MAINICHI pointed out, once fresh foods are processed, their price is no longer subject to control, and reaches "fabulous" heights. Previous failure of the Government to enforce controls effectively was likewise criticized by the other journals, as well as by a NIMMIN SHIMBUN commentator, although none of the writers categorically rejected controls as such. Primary objections were leveled at "corrupt government officials," and "lax half-way measures," which, it was felt, had driven rationed goods into blackmarket channels.

Suspension of rail-service as the result of snow-storms would result in delayed rice deliveries, SHIN HOCHI observed, although reports in NIPPON KEIZAI indicated that food delivery was "good, as a general rule," and MAINICHI remarked that "considerable improvement has been noted of late." On the other hand, TOKYO TIMES reported that delivery in 16 rice-producing prefectures was "unfavorable compared with the corresponding period last year," and attributed this to shortage of electricity and delay in allocating quotas to individual farmers.

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GENERAL HEADQUARTERS
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Civil Information and Education Section
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PRESS ANALYSIS, 18 December 1947

No. 658

POLITICS

New party activity drew lead position in several Tokyo papers -- fulfilling earlier predictions of important changes in the political situation during the Diet recess. Attention was focused on a Liberal-sponsored group, which (according to MAINICHI) "is well under way, with indications that it will be organized in the middle of January." Originally, Liberal leaders were thought to have envisaged a party which would include the Democrats, but under the revised plan, the organization will take in the Doshi and Dai Ichi Clubs and the Farmers' Party. Promoters were said to have contacted former Agriculture-Forestry Minister Hirano's new group (Press Analysis No. 657) and proposed "a joint front for the overthrow of the Katayama Cabinet." Rallies to further this goal will be held in principal cities early next year, MAINICHI added.

Other developments included the reported decision of 32,000 members of the National Farmers' Union in Miyazaki Prefecture to join the Democratic Party following an address by Democratic Party President Ashida. Previously, the group was said to have supported the Hirano faction of the Socialist Party.

Comment on New Party Activity

Formation of the new Hirano-led organization was attributed by YOMIURI to the former Minister's having been treated as "a step-child" by the Socialists and to his supporters' desire for "revenge." But difficulties were seen in the possibility that Hirano might be purged. A political commentary in TOKYO SHIMBUN contended that current political unrest had resulted from the "sham" of the Socialist-led Government. However, the writer emphasized that this does not mean that the nation desires the reappearance of a Liberal-led administration.

Another explanation of new party activity appeared in SEIJI SHIMBUN, which believed that "each of the present parties -- established in haste during the confusion following the Surrender -- may be regarded as mere 'shacks' which need to be rebuilt sooner or later." The Socialists, for instance, were described as "an indiscriminate congregation of proletarian groups"; therefore, it was believed to be "only natural that they cannot live together in perfect harmony under the same roof." Consequently, the writer recognized the need for clarification of platforms "so that parties can meet the needs of the times."

ECONOMY

Restoration of an orderly flow of commodities "constitutes the pivot of all economic policies," according to an ASAHI editorial which attributed the asserted failure of former economic controls to "the Government's lack of sufficient political power to carry out this kind of policy." The writer noted that almost five months have passed since the Administration pledged to eliminate blackmarkets, but claimed that "living conditions have continued to grow worse."

Commenting on the recently instituted perishable food regulations, the journal sought consumer cooperation on the ground that "the success or failure of the Administration's efforts" depended largely upon the general public. Attention was drawn to the fact that blackmarket food prices "are rising at an accelerated rate," and failure of the new controls was said "to mean that we consumers must again surrender to the blackmarketees, and abandon all hopes of improved living through increased substantial wages." The editorialist concluded that "the crux of the matter is to establish the ration system as soon as possible through appropriate means, and to assure the supply of as many rationed goods as feasible. Only thus can the cooperation of the consumer be secured, and the producer prompted to make deliveries."

MAINICHI observed that "widespread repercussion has already been caused by all-out control of fresh fish and vegetables." These commodities assertedly are no longer obtainable at retail shops, and "rumor has it that blackmarketeers have started door-to-door canvassing to dispose of their goods."

Taxation

Opposition to the Administration plan for underwriting Government workers' special allowances (Press Analysis No. 656) by levying "popular taxes" (increased prices on rationed tobacco, 'free sale' of Hikari cigarettes, and upward revision by 75 percent of postal rates and railway fares) was expressed by JIMMIN SHIMBUN. The Government was charged with attempting to alienate official employees from the public, because it was expected that the antagonism of "the general masses" -- occasioned by increased excise taxes -- would be directed against the recipients of the special allowances. The writer regretted that the press had been oblivious to this point, and had "thus cooperated with the Government and the capitalists in maneuvering the separation of public employees from workers in general."

LABOR

Reported Democratic attempts to alienate the public from communication and railway workers -- by blaming the proposal for additional taxes directly on wage demands by Government employees (see above) -- found TOKYO MINPO beseeching union leaders to publicize the "real reasons" behind the projected increases. These increases, which the editorial said were unavoidable because of an inelastic financial economy, might swerve opinion against the unions unless the latter "present a concrete plan on the sources of revenue to finance the special allowances (the 2.8 months' wage subsidy)." The writer stated: "Raising of tobacco prices originated from a deficit in railway and communication enterprises. Thus, the general public is apt to shift this responsibility to the Government workers . . . believing their (the public's) livelihood to be aggravated." In this connection, the writer emphasized that the Government workers themselves are leading the struggle against proposed means of financing the allowances. The illusion must be dispelled that government officials threaten the people's lives, TOKYO MINPO warned.

Speculation that the Government workers might protest the decision to withhold 0.8 month's wages of the allowance took the form of a SHIN HOCHI report describing a combination of mass-absenteeism and tardiness in six Administration bureaus. Unpunctuality to a point of desertion was charged in the lengthy article, which pictured the attitude of postal workers as "horribly dilatory and provoking." In this connection, MAINICHI noted that office workers in the Commerce-Industry Ministry and Central Liaison Office, dissatisfied with the delayed payment, are already taking "leaves of absence."

FOREIGN

Editorials in major Tokyo papers today evaluated the significance of the collapse of the Conference of Foreign Ministers. In some contrast to yesterday's comments, there was a tendency to appraise the causes for the breakdown of negotiations -- YOMIURI maintaining that the basic reason lay not in the conference itself, but in matters outside the conference, and asserting that Secretary Marshall's project to use a rehabilitated Germany to assist in the rehabilitation of Europe as a whole was naturally opposed by the Soviet as a "prop" to the Marshall Plan. Similarly, TOKYO MINPO's commentator observed that the center of the issue was the clash between the Marshall and Molotov Plans, but added that negotiations at the conference alone were not responsible for the antagonism, which was equally the result of such outside events as the disturbances in France and Italy. "There is a plain difference of views on fundamental principles," MAINICHI stated, and added that "this must be recognized as a fact." On the other hand, SHIN HOCHI and NIPPON KEIZAI tended to emphasize the immediate cause of the breakup (i.e., the issue of German reparations), while both the financial journal and JIJI SHIMPO stressed the Soviet use of the veto in "hampering" the progress of the discussions. (JIJI SHIMPO also offered the opinion that the failure of the London Conference was a strong argument for a "vetoless" Japanese peace parley.)

YOMIURI and TOKYO MINPO felt that the abrupt conclusion of the conference would promote interest in a Japanese peace conference at an early date, but TOKYO SHIMBUN dismissed as "an over-optimistic view" the possibility that the European deadlock would be overcome by a conference on the Japanese issue. The chance for a Big Four conference on the Japanese treaty was thought by JIJI SHIMPO to be a small one.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 17 December 1947

No. 657

FOREIGN

Lead story in all major Tokyo papers today was the collapse of the London Conference of Foreign Ministers after three weeks of unsuccessful negotiations. The general tone of news commentaries and editorials was one of acceptance of a development which had always been looked on as possible, if not inevitable. Hopes for the future were appended to many of the gloomy predictions, but failed to lessen the impression of a world-shaking antagonism between the two major powers.

The Conference of Foreign Ministers held at Moscow last spring was recalled by several journals as having indicated the trend taken by the present conference. Thus, JIJI SHIMPO observed that relations between the US and the USSR had been worsening since the March conference -- a view which was echoed by TOKYO TIMES. Remarking that the opposing opinions shown at the earlier meeting were intensified in the recent sessions, YOMIURI expressed the opinion that "since this is a 'cold war', the breakdown of the conference must have been inevitable."

Results of the failure of the conference were not regarded as irreparable. MAINICHI's opinion that the collapse of the discussions did not mean the last chance for negotiation between the Foreign Ministers was seconded by ASAHI which, while finding the effect upon the future of the world "quite discouraging," and predicting a worsening of the "cold war" for the time being, was convinced that the Foreign Ministers would not cease their efforts for the establishment of world peace. Also similar was the observation of TOKYO TIMES which maintained that "restoration of peace cannot be left unsettled indefinitely."

Speculation On Consequences

Specific effects on various countries in Europe and Asia were evaluated by a number of journals, with the majority noting that although it was unlikely that separate peace treaties would be concluded between the Western Allies and Germany, the United States, British and French occupation zones would be effectively cut off from the eastern sector by the failure of the Ministers' Conference.

YOMIURI, foreseeing such a development, observed that France, although maintaining an attitude of neutrality in the conference sessions, would probably align herself with the United States and Britain. "Western Europe will attempt the rehabilitation of its own area by the help of the Marshall Plan," according to ASAHI, while the Soviet "will endeavor to prevent the execution of the Marshall Plan in every way possible" and will attempt to "prevent the democracy of Western Europe from having any influence on Eastern Europe."

Effects on Japan and the Far East were variously interpreted. Failure of the Ministers to reach an agreement on the German and Austrian questions was believed by ASAHI and TOKYO TIMES to have an adverse effect on plans for a Japanese peace conference in the near future, while YOMIURI and DAI ICHI SHIMBUN felt that the collapse of the Conference would give added importance to the Japanese peace treaty issue in terms of international diplomacy.

FOOD AND RATIONING

Back pages of six leading papers featured announcement of SCAP's determination to support tight controls over fish and vegetables. MAINICHI and NIPPON KEIZAI carried the text of a statement by the Chief of SCAP's Price Control and Rationing Division, and ASAHI, YOMIURI, JIJI SHIMPO and TOKYO SHIMBUN printed summaries. There was no editorial comment, but headlines indicated endorsement; for instance, a YOMIURI subheading said, "Japan Will Be Ashamed to Face the World If She Does Not Stamp Out All Blackmarketing of Perishables."

Rice deliveries are better than at this time in 1945 and 1946, NIPPON KEIZAI observed, but the editorial claimed that some districts were lagging and that fulfillment of the goal was "a serious problem." Warning against "covering up" for delinquent producing areas, the financial journal contended that the best way to avoid using forced delivery was to make it clear that such methods could be used. A comment in SHIN YUKAN on the large tower in Tokyo which shows the progress of rice deliveries declared that "honest farmers should be ashamed of receiving such childish treatment." The writer was "grateful" for the erection of the display, but deplored the need for reminding farmers of their "obligation" because it "seems to commemorate a decline in Japanese public spirit."

POLITICS

Anticipated formation of a new political party was accorded prominent attention, following a meeting of supporters of former Agriculture-Forestry Minister Hirano. Approximately 70 members of the Diet -- including members of the Socialist, People's Cooperatives and Farmers' Parties and the Dai Ichi Club -- were expected to join, and inauguration ceremonies were said to be scheduled for the middle of January. If Hirano is purged, however, MAINICHI thought that the number of Socialists who would desert to affiliate with the new group would decrease.

Meanwhile, interest continued in the announcement that left-wing Socialists would be an opposition faction within the Party. Reaction of the Communist Party appeared in AKAHATA, which gave the views of Leader Sanzo Nozaka. Although he felt that the leftists should "plead guilty to having tried to impress the people that the Katayama Cabinet truly supports the people," Nozaka said that the Communists "are willing to shake hands with the Socialists," and described the leftists as a "bridge" to further that goal.

Describing the leftists as "bigoted," and their declaration as "quite incomprehensible," JIJI SHIMPO argued that, since "not only the Katayama Cabinet, but any future administration must be a coalition," the dissidents "cannot suit their own convenience."

LABOR

The Government's acceptance of the Central Labor Committee's mediation decision (Press Analysis No. 656) was credited by ASAHI with obviating a threatened walkout by the All-Japan Communications Workers' Union, but another issue -- cost-of-living wage adjustments -- was said to be menacing industrial peace. TOKYO TOMIN SHIMBUN also commented on the mediation decision, and expressed criticism of a Government statement reportedly requesting private industry not to emulate the Administration's plan of granting special allowances to its employees.

Meanwhile, DAI ICHI SHIMBUN lauded the Coal Mine Workers' Union and the Coal Mine Operators' League for reaching an amicable settlement of their differences through mutual concessions. The adoption of an incentive wage system was especially commended.

WELFARE

An appeal for charitable donations was made in a YOMIURI editorial, which regretted that the Community Chest campaign so far has not been successful. The writer asserted that 2,000,000 persons are destitute, and that Government relief was inadequate. Alleging that "failure to provide for those who are not related to them is often the case among Japanese," the editorial pointed out that "to realize the sound development of democracy, they must nurture the spirit of social solidarity and mutual aid."

ECONOMY

Noting the reported devaluation of the Russian ruble, MAINICHI declared that this demonstrated "the same postwar problems that confront capitalist countries also exist in the Soviet Union, and the means of settlement are based on not dissimilar principles." Thus, the editorialist felt that it would be interesting to observe just how much effect currency conversion would have in that country. "But it is doubtful whether these measures will succeed," the editorial commented, because "the danger of inflation will not cease to exist, unless the problem of production is solved satisfactorily." The writer did not believe, however, that increased production of consumer goods would meet demand.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 16 December 1947

No. 656

LABOR

The Government decision to pay a livelihood allowance of 2.8 months' wages to disputant communications and railway workers (action suggested by the Central Labor Committee to end the long-standing conflict) dominated news and editorial columns in today's metropolitan press. Optimism over possible effectiveness of the action was significantly lacking. Two journals predicted union opposition to projected means of financing the allowance; a third saw the development as a new assault on the wage base level, and a fourth demanded that the subsidy be withdrawn if workers continued to dispute.

The question of whether to finance the allowances by mass taxation or boosts in rail and postal rates was expected to be the chief source of union discontent, according to YOMIURI and MAINICHI, and the latter paper reported union demands that any additional taxation be levied strictly against the "new-yen class" and blackmarket operators. Anticipating such criticism, Communications Minister Miki was quoted by YOMIURI as threatening "resolute action (unless) unnecessary obstructionism" is ended. In this connection, TOKYO SHIMBUN, announcing Government intentions to create a provisional wage committee, said: "It is unreasonable to pay the amount from the Treasury without deducting taxes. If the allowances are to be exempt from taxes (as asked by the workers), the burden will be that much heavier on the people. If workers continue grumbling, they should not receive it."

The financial journal NIPPON KEIZAI interpreted the allowances as proof that the Government had failed in its price control campaign. According to the paper's editorial, "the emergence of the living allowance problem is a natural effect of the incompetence of the Government's anti-inflation measures for which the Government itself must compensate." Higher pay for these workers was expected to bring about higher payment in private enterprises, constituting a new threat to the minimum wage base.

Politically, the concession was seen by JIMMIN SHIMBUN as illustrating the Socialists' dilemma in attempts to maintain public support (by such gestures without adding to the people's financial burden. The writer said the Socialists were able to engineer the allowances by pointing out that labor unions might otherwise fall under Communist rule. Although originally opposed to postal and rail increases, the left-wing Socialists were said to have finally agreed when the Government promised that the proposed boosts would be effected immediately, thereby linking increased prices with Socialists' campaigns for the workers.

Democrats were charged with attempts to turn public opinion against the unions by "pretending that the Administration was unable to control prices and overcome inflation because of labor's demands for better treatment."

EMPEROR

Abolition of national holidays in connection with Shinto festivals and those "centering around the Imperial Household" was advocated by TOKYO TIMES, but the writer emphasized that the Emperor's birthday should remain a national celebration "as this would not violate the intent of the new Constitution." When the Government decides which days will be official observances, the writer hoped that "utmost prudence will be used not to repeat prewar errors."

ECONOMY

Additional editorial comment relating to the recently established Illegal Transactions Investigation Committee (Press Analysis No. 654) appeared in TOKYO SHIMBUN, YUKAN MIYAKO, and AKAHATA. Expressing dissatisfaction with the now defunct Hoarded Goods Committee as "unsystematic and unscientific," TOKYO SHIMBUN welcomed the new organization, and pointed out that "its purpose is to probe illegal transactions and persons connected with them, rather than simply to expose illegally hoarded goods."

YUKAN MIYAKO also commended the Diet for setting up the new body, but doubted that the project would succeed with a limited appropriation of 250,000 yen. Meanwhile, AKAHATA alluded to the effectiveness of the Hughes-Meyer investigation in disclosing corrupt practices in high places, and maintained that the need for such probes is even greater in a defeated country.

EDUCATION

Noting a reported increase of support for the establishment of Government universities, JIJI SHIMPO expressed editorial opposition to such plans on the ground that State control of education threatens academic freedom. Moreover, the writer maintained that it would be more consistent with current financial stringencies "to abolish existing institutions, if possible, rather than to increase their number." Hence, the journal deemed it advisable for the Administration to concentrate its efforts in aiding the reconstruction of "war-damaged private universities, which are greatly hampered in their recovery programs." But it was considered doubtful "whether encouraging private schools with national funds is constitutional."

FOREIGN

Conclusion of the French strikes, SELJI SHIMBUN felt, does not indicate that the labor offensive has been ended, while TOKYO MINPO maintained that among other results the strikes had succeeded in encouraging labor elsewhere, and had provided a basis for reorganization of the democratic front in France. The distinctive feature of the French disturbances, the latter journal observed, was the manner in which the strikes had spread through whole industries all over France. The Schuman Cabinet was said to have used a combination of encouragement and control, by separating the labor leaders from other workers, and by providing for some improvement in pay. The writer credited the Communist Party with "not consciously planning an armed uprising" although "many brutal affairs occurred." France's labor shortage was stressed by SELJI SHIMBUN, which reported that 20 percent of that nation's organized workers were foreigners who played an important role in the recent strikes.

Devaluation of the Russian ruble drew the attention of commentators in JIJI SHIMPO and ASAHI, and JIJI SHIMPO remarked that the anti-inflation measure aimed to expel the "valueless currency brought from Germany during the war."

POLITICS

Announcement that left-wing Socialists would "reserve freedom of future action against the Cabinet" (Press Analysis No. 655) received widespread attention in editorial columns. There were varied predictions of the probable consequences of the leftists' decision, but writers agreed that the move reflected the instability of Japanese political parties and urged the Katayama Administration to re-examine its entire program.

ASAHI, for example, contended that recent developments had struck at the "very foundations" of the Government, and proposed a change in basic policies based upon changed economic and political conditions and the Cabinet's seven-month experience. A more serious view was expressed by YOMIURI, which declared that the Socialist Party "faces the most serious crisis since its formation." Warning that future development would depend upon party unity, the writer indicated belief that Socialist influence as a "proletarian mass party" would increase only if the Economic Stabilization Board became a less potent factor in the Government.

Unable to understand the intention of Socialist leftists to be an opposing force within the Party, DAI ICHI SHIMBUN argued that the dissident group should sever all connections with the principal faction. In addition, fault was found with other parties, which were charged with delaying the problem of unity.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 14 and 15 December 1947

No. 655

POLITICS

Appointment of Kanae Hatano, Socialist member of the House of Councillors, as Agriculture-Forestry Minister appeared to have created a serious split within the Socialist Party. Weekend news and editorial columns gave primary attention to the selection and to an immediate consequence: announcement by a group of Socialist leftists (who favored another candidate) that they would "reserve freedom of future action and criticism against the Cabinet."

However, while there was agreement as to the effect of the appointment upon Premier Katayama's party, there were conflicting opinions as to whether the Administration itself had been weakened. In this respect, prominent space was given to two statements: Democratic President Ashida's declaration that "we are determined to help the Socialists, unless our policies and views differ radically," and Cabinet Secretary Nishio's warning that if leftists attempted to become the "leading factor in the (Socialist) party, they would impede the progress of social democracy." It was generally believed, however, that the People's Cooperatives welcomed Hatano's assumption of the Agriculture portfolio.

Showdown Seen at Socialist Meeting

Although expecting left-wing dissension to be vigorous, commentators did not foresee defection, but emphasized that there probably would be a showdown when the Socialist Party holds its national meeting early next year. TOKYO MINPO, for instance, believed that the left-wing would "struggle" from within the party against the other Ministerial groups, and, at the general convention, would attempt to "break down the Katayama-Nishio bloc." Similarly, JIJI SHIMPO said that, while the leftists did not believe that a definite split was timely, their probable policy would be "socialism first, Katayama second." (The Premier was expected to "expel" the left-wing, if such action should prove necessary.) The writer added that another Socialist faction -- "the veteran members" -- were dissatisfied with the appointment because Hatano is a comparatively new member of the party.

To YOMIURI and MAINICHI, Katayama's appointment represented a severe setback to the Socialist left-wing, which, since the dismissal of former Agriculture-Forestry Minister Hirano, had become increasingly assertive. "Leftist failure to establish a bridgehead" was held by the first-named paper to mean that there would be no change in Government policy, and MAINICHI observed that the opposition of other Ministerial groups had "bluntly shattered the leftists' scheme." In contrast, DAI ICHI SHIMBUN predicted that the new Minister gradually would win the support of the left-wing.

Government Believed Strengthened

Belief that the choice of Hatano had strengthened the Government by "pacifying" opponents of the leftists' candidate (Nomizo) was voiced by three commentators. Maintaining that Katayama had acted from the viewpoint of the entire nation, ASAHI held that "a bright ray has been cast upon relations between the Government Parties." Although doubting "the ability of a scholar in politics," DAI ICHI SHIMBUN thought that Hatano's presence would cause the "Cabinet crisis to disappear for the time being," and TOKYO SHIMBUN anticipated improved relations between Ministerial factions.

Fundamental issues behind the filling of the Agriculture vacancy were discussed at length by ASAHI. Contending that the democratization of farm villages was characterized by the question of whether farmers would take administrative authority "into their own hands," the editorialist claimed that support of various candidates for the position reflected dissenting views upon the problem within the Administration.

COAL

Increased coal production as the means to economic rehabilitation was the subject of editorials appearing in TOKYO SHIMBUN, JIJI SHIMPO and TOKYO MINPO. "The fate of Japan's economy, which is on the verge of ruin, depends solely upon coal production," the first-named paper declared, and production itself was said to depend principally upon "the efforts of the miners." The Coal Mine Workers' Union was congratulated for accepting an incentive wage plan in a recently negotiated contract, and the editorialist expressed "great pleasure" that a strike had been averted.

JIJI SHIMPO maintained that coal production would be increased to the extent that "efficiency wage systems" are adopted. Noting that only unions affiliated with the Japan Federation of Labor Unions have accepted such plans, the Coal Mine Operators' League was advised to seek the cooperation of NCIO-dominated unions. "It is no exaggeration to say that the success of greater coal output and (subsequent) economic rehabilitation depends on the psychology of coal miners," the editorial declared. Inasmuch as the miners have been especially favored with Government aid, the writer believed that "their responsibility to the nation cannot be stressed too much."

On the other hand, TOKYO MINPO attributed "increased production attained thus far to the enterprise of mine employees." The journal considered "improvement in labor-management relations, together with rationing of pledged materials by the Government and renovation of mine equipment by the operators, (as) the key for securing continued increases in coal output." The Administration was charged with failure to distribute the full quota of "basic materials for repair and improvement of coal mine equipment." This was interpreted "to show that the Government relies solely upon labor for greater coal tonnage." In addition, the journal urged strict supervision over subsidized operators who reportedly discontinue digging in a mine, when a rich vein is struck. Meanwhile, YOMIURI commented that although "coal production is progressing very favorably," much tonnage has been lost due to spontaneous combustion of coal that remained piled at mine sites because of lack of transportation.

EDUCATION

The future of private schools under present inflationary conditions was considered by several Tokyo journals to be unencouraging. Reported proposals by the Education Reform Committee, recommending the legal incorporation of private schools and the sale of shares in the institutions, were commended by an editorial in TOKYO TOMIN. But some doubt that the necessary number of shares would be bought up by parents and guardians was expressed by TOKYO TIMES, which questioned whether the proposal could be successful. Both papers agreed, however, that the need for assistance to private schools was unquestionable.

Assertions that the new educational system was endangered "because of lack of sincerity on the part of the Government and the Diet" were voiced by JIMMIN SHIMBUN on Sunday. Charging that because of insufficient facilities for carrying out the program "an appalling drop in education has been brought about," the paper expressed hope that the new system of authorizing textbooks would not have similar repercussions, and urged greater efforts toward school rehabilitation on the part of parents and progressive teachers.

ECONOMY

Editorial support for the new Illegal Transactions Investigation Committee (Press Analysis No. 654) was expressed by ASAHI. Illegal usurpation of released military goods was believed "to have caused corrupt politics, obstructed the establishment of a regulated flow of commodities, and promoted blackmarketing." But the writer feared that "although the committee is non-partisan, the members will misuse it for political purposes."

CULTURE

An increase of cultural activities in rural areas was noted by NIPPON KEIZAI which contrasted the eagerness of the outlying areas with the apathy of the metropolis. The cultural movement was attributed in part to the improved economic status of rural areas, and to the influx of city-people into the country during and after the war. These factors, together with land reform and strengthened local administration were felt to be important in starting a new trend in which interest in the arts and literature no longer would be virtually confined to the cities.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 13 December 1947

No. 654

ECONOMY

Establishment by the Diet's lower house of an Illegal Transactions Investigation Committee received prominent coverage in the metropolitan press. Editorial commendation for the action was expressed by MAINICHI, which asserted that the Hoarded Goods Committee -- predecessor of the new body -- had failed because it developed into "a committee for concealing scandals." Consequently, "the most important question" was believed to be "the selection of committee members who will act with determination." The writer hoped that the upper house also would take positive action, "in view of the importance of the problem of hoarded and concealed commodities."

Salary Subsidies

Government acceptance of the Central Labor Committee's recommendation that supplementary allowances amounting to 2.8 months' salary be paid railway and communication workers, was opposed by both JIJI SHIMPO and NIPPON KEIZAI. The former journal claimed that "an increase in wages -- in the face of the presently sluggish production of the nation's industries -- will intensify the vicious cycle between wages and prices." Moreover, the paper asserted that living conditions for Government employees would not be improved, because "the funds necessary for this wage increase are to be shouldered by the common people in the form of taxes, and the result will be only an aggravated inflation."

NIPPON KEIZAI also regretted that the general public would have to bear the expense of the salary subsidies, since increased railway fares and postal rates are contemplated. The editorialist charged the Administration "with lack of resolute principles" for making the decision to pay the supplementary allowances, and pointed to the fact that "many other problems, such as the establishment of the minimum wage system, still remain unsolved." Meanwhile, YOMIURI viewed the new wage formula as "inevitable" in the light of economic trends, but advised the Government that a sound economy could be achieved only through increased productivity and the stabilization of currency circulation.

The Budget

TOKYO SHIMBUN called attention to difficulties in compiling a budget for the next fiscal year. The writer declared that "the issue of how to compute expenditure for personnel or materials is directly connected with the wage level and the price structure, and, further, with an extensive administrative adjustment." Charging that "the Government has not yet fixed its basic policy toward the budget, and that even its wage-price program remains nebulous," the writer asked the Premier "to clarify his position without delay." It was predicted that "whether the Katayama Cabinet will obtain the support of the people depends upon its basic attitude toward the budget for the coming fiscal year."

POLITICS

Premier Katayama's surprise decision to seek the appointment of a relatively unknown Councillor as Agriculture-Forestry Minister -- 52-year-old Kanae Hatano, veteran leftist and former economics professor -- stirred predictions of heightened political unrest, as the Prime Minister strove for Cabinet approval in an extraordinary session Saturday. The psychological shock of the "obscure" Socialist's sudden appearance on the political scene was expected by MAINICHI and ASAHI to provoke the immediate resistance of left-wing Socialists (who supported Nomizo) and People's Cooperatives (who favored Asanuma), with added opposition from forces behind Tomiyoshi, the third of the three most prominently mentioned candidates.

Significantly, neither of the two commenting journals believed that Katayama's appointment would end the bitter, month-long battle over the post vacated by Rikizo Hirano. Explained by MAINICHI as a gesture for Socialist support in the upper house, the move was seen as intensifying the dissident tendencies among extreme factions of the Socialists and the People's Cooperatives.

Strongest opposition to Hatano would derive from the "Nomizo faction," largely composed of left-wing Socialists. In this connection, MAINICHI noted that Katayama's rebuff at the hands of the Central Executive Committee (when he, unsuccessfully, sought endorsement of his nominee) was engineered by the Socialist left. Neither newspaper speculated, however, that a resurgence of the factions supporting Nomizo, Asanuma, or Tomiyoshi would be characterized by anything more than negative opposition to the appointment.

New Parties

Restlessness among rightist groups among the Socialists and People's Cooperatives was noted by SEIJI SHIMBUN, JIJI SHIMPO, and ASAHI. The last-named journal considered most significant reported moves by rebellious Cooperatives to merge with "Hirano Socialists," the Farmers' Party, and the upper house Dai Ichi Club. Cooperatives' hopes for their party's full participation -- countered by Socialist insistence upon immediate creation -- moved the writer to predict a continuing period of negotiation before the official emergence of such a group. As an added obstacle, the leaders of the Cooperatives were said to be still desirous of "cooperativism" and anxious to avoid further political instability.

Hirano's speech before a Thursday meeting of the New Political Council (a People's Cooperative group) and the National Framers' Union -- in which he urged a party founded on a unified farm front and the People's Cooperatives -- had stirred only a "wait and see" attitude among leaders of the latter party, according to SEIJI SHIMBUN. MAINICHI reviewed internal disagreements among the loose, unofficial coalition of conservatives and concluded that "no forward step has been taken toward the formation of the National Salvation Party."

LABOR

Retrenchment in Government personnel -- to decrease expenditures to meet pay wages -- was recommended by JIJI SHIMPO as also assuring adequate pay and better administration. However, the writer said that pay raises unaccompanied by greater production "in any field" would intensify inflation, while wage hikes financed by additional levies would "throw the public into a morass of living within the 1,800-yen wage base, said that the Government's attitude toward workers was defined in its decision to pay them living allowances, and called upon union leaders to halt "unnecessary struggles . . . detrimental to the nation's economic recovery."

FOREIGN

Noting that "some foreign dispatches are already forecasting gloomy prospects" for the Foreign Ministers Conference in London, ASAHI expressed belief that the Ministers would not forego "the last chance to establish lasting world peace." Even though the Conference might "fizzle out," the journal did not anticipate "any immediate danger to world peace," because "the Ministers are already prepared to provide another occasion for peace treaty discussion." However, fear was expressed that "by the time the next conference comes around, the relations between the Soviet Union and the Western Allies may have deteriorated."

Antagonistic relations between the Soviet Union and the United States "will eventually delay or prevent the democratization and economic development of less powerful countries," the journal believed. Apprehension was expressed lest the present Soviet-American rift may create for other nations "the same dilemma" that Czechoslovakia has experienced.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 12 December 1947

No. 653

LABOR

The Administration's "unofficial" acceptance of the Central Labor Committee mediation of wage negotiations with the All Japan Communication Workers Union was accorded prominent attention by the Tokyo press as evidence of important, but not definitive, progress toward settlement of government workers' grievances. Chief obstacle to agreement was "an extremely unpromising attitude" on the part of the AJCWU, reported by JIJI SHIMPO to be the result of union dissatisfaction with delay in establishing a minimum wage system, as well as union feeling that plans to finance the allotments by taxing the "masses" constitute an attempt to discredit the union in the eyes of the people. An anticipated official statement of policy was outlined by MAINICHI and JIJI SHIMPO as enjoining against fresh demands on private industry on the strength of the Government's example. This was also expected to contain a stern warning against continuance of slow-down or "wild-cat" tactics, and (according to the latter journal) indicated the "impossibility" of adopting a minimum wage system during the present period of aggravated inflation.

A survey of the influence of the new subsidies on the nation's financial and economic problems was featured by NIPPON KEIZAI, and the prediction was made that the 1,800-yen base, the new price system, the budget, currency issue, enterprise readjustment, etc., would be adversely affected. The opinion that a minimum wage standard was not feasible under present conditions, and that, in any case, wage increases not justified without production increases, also was expressed.

Editorial comment in ASAHI and TOKYO SHIMBUN cautioned communication and railway unions to act moderately and with circumspection now that their initial demands have been gratified. While commending the proposal that funds for payment of living allowances be derived from heavy taxation on blackmarket enterprises (instead of through a 75 percent increase in rail and postage charges), TOKYO SHIMBUN said that "immediate payment without taxes" could hardly be expected, and advised the Union to approve the Government plan. While the people will bear the additional increase in charges, the journal warned that further strike action or slow-down techniques will receive no support. It was emphasized that the main purpose of government offices lies in the administration of the State, not in securing the livelihood of government and public office workers. ASAHI similarly urged communication workers to resume normal working operations, and -- with regard to the minimum wage question -- asked the union to "bear in mind the difference between the theoretical rightness of their demands and the actual situation which does not allow realization." Specifically, while it was judged "desirable" that labor continue to demand fair wage policies, the union must be able to "discriminate between things possible and impossible" and not inadvertently "destroy the very basis of our economy."

POLICE

Passage of the new police law in the closing sessions of the last Diet stimulated editorial comment in MAINICHI and AKAHATA. The latter charged that little progress had thus far been made in "democratizing the people's livelihood, especially in the provinces," and accused police officers of hunting after petty misdemeanors while their superiors indulged themselves. Surveying the new system, MAINICHI asserted that the projected increase in the number of police would be of little use if there should be further deterioration of their quality. The writer called for an efficient police system, free from political influence, "trusted by good people and feared by bad."

ECONOMY

An aggravated economic condition brought on by decreased payrolls -- stemming from tightened restrictions on loans to small and medium-sized industries -- was forecast by two metropolitan newspapers, as a third warned against a Zaibatsu resurgence unless fiscal policies allow "independent factors" a vigorous role in the economy of Japan.

Considering the disparity between financial demand and supply, increasingly widened by disproportionate deposits in the face of rising industrial expenditures, YUKAN MIYAKO and TOKYO TOMIN joined in predicting a December financial crisis. Layoffs, the two journals agreed, will be undertaken in small, medium, and even "some key" industries to decrease expenditures and improve chances of repaying short-term loans.

In the "tightening financial situation" SEIJI SHIMBUN found a grave threat to the creation of a fresh, democratic industrial base in Japan's economy. The writer predicted the resuscitation of the Zaibatsu unless the Holding Companies Liquidation Commission dissolves monopolistic enterprises and releases the latter's stocks to provide for equal economic opportunity. Broadly speaking, the paper said, the new financiers are weaker than the old . . . and the Zaibatsu was so vast and complex that it is regarded as in a state of suspended animation.

Wage Base Collapse Seen

Contemplated price rises and salary hikes presage collapse of the 1,800-yen base, according to TOKYO TIMES, while ASAHI -- calling upon the Government to abandon temporizing in favor of positive policies -- demanded that drastic steps be taken to hold the price line because of obligations in the form of repatriates, salary raises, and reconstruction. Still another financial difficulty was reported by SHIN HOCHI, which stated that the blackmarket and discontent among tax-collectors had resulted in collection shortages of 32 billion yen, or roughly one-third of the tax revenues.

POLITICS

Predictions that Eiji Tomiyoshi, Vice-Minister of Commerce and Industry, would be appointed Agriculture-Forestry Minister appeared in several papers. MAINICHI expected the Cabinet to consider the selection at a meeting today, and indicated that Government groups (which have disagreed over the issue) had reached an understanding.

Meanwhile, it was reported that former Agriculture-Forestry Minister Hirano was active in the proposed formation of a new political party, which would include People's Cooperative and Socialist members of the National Farmers' Union. SEIJI SHIMBUN said that Hirano had conferred with Liberal President Yoshida in regard to the new group, and observed that plans were "progressing rapidly."

Absence of a full-time Agriculture-Forestry Minister was criticized by YOMIURI, which charged that rice collections through November were less than had been estimated. The writer added: "Since 72 percent of rice collections must be effected in December, the people ardently hope that a full-time Minister will be appointed without further loss of time."

For the second time this week, MAINICHI saw a "dark cloud" over the Administration, and emphasized developments which, in the paper's opinion, favored the emergence of a Government led by the Democratic Party. There is "fear" that the Socialists might lose their "balance of power" and there is a "strong opinion" that a Cabinet headed by Foreign Minister Ashida (a Democrat) may be the only way to meet a "difficult situation," the journal concluded.

FOREIGN

Reports on the London Conference of Foreign Ministers, together with press service dispatches on increasing tension between France and Russia, were given prominent positions in a number of the major Tokyo papers. Receiving particular emphasis was Secretary Marshall's warning that Russia must cease the widespread removal of assets from the Russian-occupied zone of Germany. A special report summarizing the political issues involved in congressional approval of the European aid program and the accompanying policy of price controls in the United States was carried by ASAHI as a lead article.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 11 December 1947

No. 652

COAL

The subject of coal dominated the metropolitan press, as virtually all newspapers gave prominent coverage to bonuses for miners, findings of the Kyushu and Hokkaido production investigation teams, and continued attention to the State Coal Control Bill. Three journals -- JIJI SHIMPO, TOKYO SHIMBUN, and ASAHI -- stressed impending financial and administrative assistance to miners and operators, while NIPPON KEIZAI featured a verbatim account of the ESB press conference at which SCAP and Japanese Government representatives reviewed the coal production picture. Editorial comment was lacking, but a signed article in SHIN YUKAN declared that "it really is shameful that Japanese workers are getting twice as much food as western workers and producing only a quarter as much coal."

The State Coal Control Bill was again assailed by YOMIURI as incapable of solving the problems related to coal production. Describing the Bill's passage as a "matter of great regret," the newspaper claimed that "tightened bureaucratic control" would hamper operators' initiative in resolving production and labor troubles, and said that the workers themselves did not support the Bill. As for Government promises to push through an effective nationalization program in the mines, YOMIURI refused to rely on them inasmuch as "the Bill might outlive the present Cabinet."

Viewing the Bill's passage as a victory for the "progressives," ASAHI counselled miners to "participate in management . . . to influence the future of socialization." Although emphatic support of the Bill was withheld, the paper believed that successful application depended upon the workers, and that the "passive prudence" of operators and an "unchanged bureaucracy" might ruin the Bill's chances of meeting the coal emergency.

DIET

Convening of the second Diet session under the new Constitution won prominent front-page notice, as editorial columns continued to assess the record of the 204-day first session. Commenting journals generally reiterated charges that the representatives had "disappointed" the nation and had failed to enact legislation to check inflation and "ease the people's livelihood."

In a discussion of the relation between standing committees and plenary sessions, ASAHI noted rumors that "considerable money was distributed among members of the Diet in connection with the State Coal Control Bill." Some representatives were said to have admitted that "certain interests had promised them 'complete aid'" in the next election. The writer hoped that the matter would be clarified by authorities "in due course of time."

Perhaps the most severe criticism of the past session appeared in JIMMIN SHIMBUN, which charged that the Diet had "rejected all demands of the working masses and thus served the capitalists and bureaucrats. * * * While the Government Parties and the Liberals were engaged in mud-slinging, the economic crisis became aggravated and the national livelihood was brought to the brink of ruin." SHIN HOCHI, TOKYO MINPO, SEIJI SHIMBUN, and TOKYO TOMIN SHIMBUN also found fault with the record of the past session, but TOKYO SHIMBUN felt that the House of Councillors had been "rather progressive."

LABOR

Yesterday's Cabinet decision on eventual full payment of the 2.8 month wage livelihood allowance (recommended in the Central Labor Committee's mediation of the communication and rail workers' dispute with the Government), as well as plans for financing the additional payments now contemplated through a special supplementary budget, were accorded favorable attention in the Tokyo press. Communication workers, however, were reported to be implementing their previous demand for payment by 5 December by "invisible strikes," and rail workers were said to be holding out for payment before the end of the year. According to ASAHI and YOMIURI accounts, new slow-down techniques (involving the

calling of mass meetings during working hours while minimum staffs carry on routine business) were initiated yesterday throughout the country. Union headquarters, however, was said to be "adroitly evading responsibility" by maintaining that the action was spontaneous and local. Meanwhile, Agriculture-Forestry Ministry employees, charging that they have not been paid overtime since last September or regular wages for more than fifty days, were said by NIPPON KEIZAI to be instituting court action against the Premier, the Finance Minister, and the former Agriculture Minister for violation of the Labor Standards Law.

ECONOMY

A MAINICHI editorial maintained that "economic ruin is not in sight," despite repeated predictions to that effect. The writer recalled that "at the end of 1945, even the Agriculture-Forestry Ministry foresaw wholesale death from starvation in March or April of 1946," and that there were other prophecies of crises in March and August of 1947. The journal drew a comparison between "the explosive inflation" in Germany after World War I and current economic conditions in Japan. In regard to the rise of commodity prices and the devaluation of the exchange rate, "an identical situation" with that in Germany at the end of 1921 was said to prevail. A significant difference, however, was noted in the circumstances of inflation in each country, which -- in the editorialist's opinion -- would explain why Japan may escape "economic ruin." Whereas Germany was "a complete laissez-faire economy," Japan was said to be "a controlled economy," which was considered "a powerful influence in repressing inflation."

Concurring with the recent financial White Paper's anti-inflation proposals (completed tax payments and increased savings) MAINICHI cited failure to recognize the place of economic controls. The writer acknowledged, nonetheless, that "if the restoration of production does not progress . . . an economic crisis" will develop.

Conceding that "there can be no economic democratization, unless monopolistic enterprises are dissolved," NIPPON KEIZAI expressed apprehension lest the recently enacted Economic Decentralization Law might be instrumental in undermining the efficiency and strength of the Japanese economy. The editorial declared that "it is scarcely necessary to mention that skyrocketing inflation and the shortage of materials are the causes of sluggish production revival. But at the same time, various restrictions have been imposed upon the economic activities of numerous enterprises and the prospects for business are entirely unpredictable. These also are major factors which cannot be ignored."

FOOD

While a MAINICHI report foresaw "serious political trouble" in the wake of Liberal Party objections to "forcible" passage of public corporation bills through the Diet, TOKYO SHIMBUN editorially counselled opposition forces that establishment of some such control as that provided in the Public Foodstuff Distribution Corporation was "inevitable." Government officials must now assume sole responsibility for distribution of staple foods, the journal said, attributing former inequality of rationing to the lack of an organization with all-over power. Apprehension was expressed, however, lest the effect of the new system be nullified by Government failure to eliminate the blackmarket and enforce completion of rice deliveries. It was further hoped that "bureaucratic inefficiency" would not spread to employees of the PFCD -- now given governmental status -- and that the rights and welfare of those workers would be so guaranteed that labor unrest or the possibility of strikes in imitation of the other Government workers would be minimized.

EDUCATION

Summarizing a report made recently by one of the departments of Tokyo University, TOKYO TIMES' editorial today urged university students to take steps to improve their status. The increase in student expenditures during the past six months was found to be approximately one thousand yen (roughly an increase from 1500 to 2500 yen), the article said. With the exception of the sons and daughters of the "new-yen class," it has become necessary for the majority of students to seek outside employment, the journal noted, and a feeling of inequality within the student body was said to be developing. "The new-yen class is neither the true basis of Japan nor the bearer of democratic revolution," TOKYO TIMES asserted.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 10 December 1947

No. 651

DIET

Termination of the first Diet session under the new Constitution and the convening of the second drew primary attention in the Tokyo press today. Some papers emphasized the last-minute passage of the State Coal Control and Anti-Economic Concentration Bills, while others devoted headlines to the new session, which -- after opening ceremonies -- was scheduled to adjourn until 20 January.

Belief that Diet had not lived up to expectations and that the Katayama Cabinet's position had not been strengthened was stressed in numerous commentaries and reviews of the longest Diet meeting in Japan's history. Journals of varying political opinions warned that, despite passage of far-reaching reforms, assertedly worsening economic conditions and manifestations of discord among Ministerial Parties had increased dissatisfaction with Administration policies.

'Cabinet At Turning Point'

Criticizing the "absence of a positive and original program," MAINICHI contended that the Cabinet was at a "turning point" and that "it must put its camp in order to meet a chaotic situation." Similarly, TOKYO MINPO predicted that the industrial crisis would become more serious by next spring, and foresaw "a vital blow" to the Government despite the latter's "optimistic views." Conservative NIPPON KEIZAI acknowledged that "epoch-making" legislation had been passed, but also anticipated "a serious crisis before next March." Declaring that the Administration was "exhausted," a second MAINICHI commentary claimed that support for the Cabinet was waning, and indicated that Cabinet Secretary Nishio was "thinking" of Foreign Minister Ashida as next Premier.

Although editorialists were critical of the Diet's record and behavior, ASAHI and MAINICHI offered some praise for the House of Councillors. "The upper house acted in full awareness of its part as the second chamber, and showed restraint over political activities," the first-named journal said, and MAINICHI -- noting that the Councillors had "checked" the lower house -- credited the upper house with understanding the bicameral system. ASAHI felt, however, that standing committees of both houses should "exhibit positive authority in drafting bills instead of being preoccupied with drafts formulated by bureaucrats."

Describing the past session as a "sluggish affair," YOMIURI declared that the nation was "highly indignant . . . (because) absolutely no effective countermeasures were taken to check the catastrophe that imperils the national livelihood." But the writer admitted that "the people were not vigilant in encouraging political parties in the right direction." TOKYO SHIMBUN also wondered why the Diet "did not inquire into problems directly affecting the people's livelihood," and a signed article in the same journal criticized members for not having introduced more legislation.

COAL

Contemplation of State control of coal production as envisaged in the Bill which passed the Diet (Press Analysis No. 650) evoked little enthusiasm. Papers featured generally pessimistic predictions of management spokesmen, along with Commerce-Industry Minister Mizutani's statement that the "Government will do everything in its power to boost production." MAINICHI's account of the Bill's passage noted as "peculiar" that a measure rejected in committee could be passed in plenary session in both houses, and remarked that a "re-consideration of Diet steering" was indicated. YOMIURI -- in a breakdown of votes according to party affiliations -- emphasized that passage by an "unexpectedly large margin" (132-79) was the result of abstention from voting by a number of determined opponents.

"Emasculation" of the Bill's socialistic content to the extent that even supporters regard it with disfavor was noted by four journals. While admitting that the lengthy Diet deliberations had some significance as a "trial of democratic administration," JIJI SHIMPO regarded the revised Bill as having little in common with the original. The new legislation was defined as establishing "a kind of bureaucratic bondage relation between Government authorities and the collieries," instead of the "transfer of actual control from capital to labor." An upper house member's comment in KOKUSAI TIMES maintained that the measure's theory was "unclear," and its substance "so complicated that it may be called a mixture of bureaucracy, socialism and capitalism." Similarly, SEIJI SHIMBUN interpreted "dilution of the Bill's socialistic nature by repeated revisions" as an indication of the nation's failure to come to "definite conclusions" in the whole field of industrial rehabilitation. "Ideological wrangles" which reduced discussion to "political trading" were declared to be of less interest to the people than "concrete measures for increased production."

The connection between the Bill and increased coal production was generally regarded as tenuous or was disclaimed altogether. NIPPON KEIZAI (which had expressed itself on this issue previously) also considered the question of "direct legal responsibility" for coal production left unsettled, and anticipated further "vagueness." Both this journal and JIJI SHIMPO considered immediate efforts to increase production -- apart from application of the control measure -- of primary importance.

ECONOMY

Continued interest in the Administration's "White Paper on Public Finance" (Press Analysis No. 650) was expressed in TOKYO MINPO and DAI ICHI SHIMBUN editorials. The former journal criticized the report for its alleged failure "to examine the real causes of tax delinquency and to analyze the distribution of national income." Delinquent taxpayers were said to consist of small entrepreneurs on the one hand, and "blackmarket profiteers and the wealthy class" on the other. A revised tax system -- imposing heavier levies on the latter -- was recommended, because "the former group is taxed beyond its income." Meanwhile, DAI ICHI SHIMBUN challenged the Government to indicate "what measures are to be taken for hastening tax payments and increasing savings." Because no specific plan was presented, "thorough taxation of inflation profiteers," -- a White Paper objective -- was regarded as an empty phrase.

ELECTRICITY

Observations made earlier by NIPPON KEIZAI and TOKYO SHIMBUN -- predicting an economic crisis by March if the electricity shortage is not alleviated -- (Press Analysis No. 649) were echoed by SHIN HOCHI. The latter observed that "the part of industry dependent on electricity has greatly increased of late," and attributed the shortage in part to this development. The journal considered the basic cause to be a shortage of coal, and a need was seen "to consolidate the priority system for coal distribution," and to stagger allocations of electric power to factories. Curtailment of domestic consumption of electricity was recommended.

A contributed article in SHIN YUKAN, on the other hand, observed that domestic use of electricity for heating purposes was likely to be permitted "on condition that key industries are cut." The writer expressed the opinion, however, that people would prefer to make use of the electric power available for light rather than heat, and intimated that if adequate steps to solve the domestic fuel shortage (by rationing fire-wood available in outlying districts), were taken by the Government, it would be unnecessary to use electricity for heating purposes. The Administration is endeavoring to solve the situation only by imposing restrictions, rather than by taking positive measures, JIMMIN SHIMBUN maintained. Industrial rehabilitation cannot be expected "as long as important materials are channeled into illegal outlets," the paper complained.

POPULATION

An increase in Japan's population as a result of repatriation from Asia, together with territorial losses, was viewed with concern by TOKYO TIMES. Even if Japan is able to recover industrially, the journal remarked, it is "an impossible task" for her to feed as many as eighty millions within the home islands. Emigration as a solution for excess population rather than as "a measure of imperialistic aggression" and abandonment of the principle that "population is national wealth" were seen as prerequisites to a successful emigration policy. ○ * * ○

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 9 December 1947

No. 650

GOVERNMENT

The controversial State Coal Control Bill received final approval (according to MAINICHI, NIPPON KEIZAI, and JIJI SHIMPO) when the House of Councillors voted for passage -- 132 to 79. Two other major journals -- ASAHI and YOMIURI -- predicted favorable upper house action late last night, while TOKYO SHIMBUN headlined an earlier development: the Mining and Industry Committee's rejection of the measure.

Termination today of the first Diet under the new Constitution also drew important attention. MAINICHI observed that 175 bills had been introduced during the 204-day session, of which "more than a score" would not be enacted. Some of the latter (including the Economic Decentralization Bill) were expected to be "pigeon-holed," and the Government was reported to be undecided whether to re-introduce them. The same paper said that the entire nation will have adopted a revised police system by next 8 March as a result of upper house approval of the necessary legislation yesterday.

Diet failure to act on certain important measures aroused TOKYO SHIMBUN, which noted that Government and opposition parties blamed one another, "but none of them will take the responsibility for representing the people."

ECONOMY

Editorial reaction to the "White Paper on Public Finance" -- promulgated yesterday by Finance Minister Kurusu -- was registered in nine metropolitan journals, all of which endorsed the proposals for increased savings and completed tax collection.

Declaring that "the nation's destiny now depends upon favorable tax payments," MAINICHI feared that "there is slim prospect of checking inflation" due to widespread delinquency on the part of taxpayers. The writer did believe, however, that "even the present tax system . . . would be effective enough to surmount the present crisis," if the tax burden could be shared "in a fair and equal manner." Even though "correct assessment of blackmarket incomes is almost impossible from a technical point of view," the editorialist claimed that some revenue could be secured from this source. "The fundamental error in tax collection today" was said to be the sanctioning of tax evasion by the new-yen class. In agreement with the White Paper, MAINICHI felt that "the most urgent need at present" is strengthening the tax collecting machinery, "including improved treatment of tax officials."

ASAHI held the Administration accountable for unsatisfactory tax collection, and the Government was advised to spend its revenue economically. Meanwhile, NIPPON KEIZAI warned against heavy taxation, and asserted that "neither the creation of new taxes, nor a levy on illegal profits will be effective amid the present economic turmoil." Furthermore, the writer maintained that "savings will not increase, so long as capital is unreasonably oppressed."

Both YOMIURI and JIJI SHIMPO pointed to retrenchment in State expenditures -- in addition to increased savings and completed tax payments -- as a "prerequisite for checking inflation." The former journal attributed tax delinquencies to laxity of the Finance Ministry, but recommended heavier taxation "on the high-income classes profiting from inflation." In addition, the paper asserted that "foreign loans are absolutely necessary," because "the economic capacity of this country is utterly insufficient."

TOKYO SHIMBUN stressed the point that "the main cause of our present economic difficulty lies in the blackmarket," and that the Government proposals on savings and taxes will not succeed under such conditions. The writer noted that "the savings capacity of those who can barely maintain a minimum existence is limited," and, therefore, the Government must depend on illicit incomes to augment national savings. "To make matters worse," the

editorial continued, "savings from these sources are almost entirely short-term ones, and we cannot expect much increased saving, if the situation should be left untouched." Accordingly, the Finance Ministry was told "to strike a heavy blow in the sphere of taxation on blackmarket dealers."

COAL

An account of conditions in Japan's coal mines occupied about one-fourth of YOMIURI's front page. Written by a staff reporter, the survey claimed that much of the financial aid extended to mines had been used to "supplement deficits," and not to open new mines or improve mechanization and transportation. "These deficits . . . were caused by the Government's price control policy," the writer charged; "accordingly, it should be the Administration's responsibility to find a solution. * * * At the same time, management must forego its dependence upon Government subsidies and strive to cut production costs and to rationalize management."

LABOR

Forecasting the extensive use of slow-downs, "authorized absenteeism," and frequent mass rallies, TOKYO SHIMBUN predicted an increasingly "negative" course for labor, while AKAHATA believed crucial battles impended in view of alleged capitalist maneuvers to smash the union movement. The increasing tendency toward regional, rather than nationwide, disputes was thought by the first-named paper to be indicative of a "dispersal strategy," and slow-downs -- as opposed to strikes -- were expected to characterize future opposition. Demands for the overthrow of the Yoshida Cabinet were countenanced, the writer said, in view of labor's faith in the implementation of Socialist policies. However, the journal believed the Katayama Cabinet to be safe "due to the realization that a Communist Party Government is impossible" and to workers' apprehensions that a change of cabinets would return conservatives to power.

Communists were pictured by AKAHATA as the immediate target of an industrialist-capitalist offensive to destroy the labor movement by suffocating expansion and compelling the expulsion of the extreme left. The journal charged that restrictions of year-end loans were forcing various factories into "enterprise adjustment and large-scale decapitation * * * obliging the capitalists to expel Communists from labor unions." Stating opposition to the "scorched earth stratagems" by which management allegedly stifles recovery by hoarding goods, the editorialist advocated nationalization of banks and major industries as the solution to the present economic crisis.

Possible political reorientation of labor -- induced by Liberal maneuvers and aided by the psychological "classicism" of the Japanese people -- was considered by TOKYO MINPO and DAI ICHI SHIMBUN. The first-named newspaper believed that Liberals would attempt to dissociate labor from the socialist movement by establishing a neutral union consonant with conservative plans for revised capitalism. DAI ICHI SHIMBUN, believing Japan to share France's tendency toward immediate, extreme changes, said, "It is inevitable that a part or most of the labor movement will become a movement to the right." This would not necessarily mean an effective rapprochement between labor and capital, the paper warned.

FOREIGN

Pessimism over the London Conference of Foreign Ministers (which had decreased somewhat during the first few days of the meeting) was reasserted today by commentators in SHIN HOCHI and NIPPON KEIZAI. The latter, recalling the tense situation in Eastern Europe, observed that part of the British and American apprehension over Germany could be traced to "Germany's having been 'red' at one time before the war." Similarly, the journal observed that a debacle in France would "result in the removal of one of the supports of the London Conference" -- a result which might be interpreted by "suspicious people" as the purpose of the USSR in stimulating Communist activity in France. The "strained situation" which appeared to be resulted from Soviet maneuvers (termed "Twilight Tactics" by NIPPON KEIZAI), was felt by some to touch also on the issue of the Japanese Peace Conference the journal added.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 7 and 8 December 1947

No. 649

ECONOMY

Announcement of the Government's "White Paper on Public Finance" received prominent news coverage in the metropolitan press. Warning that Japan is on the verge of economic disaster, comparable to that of Germany after World War I, the Finance Minister's report concluded that "the fulfillment of tax payments and increased savings have never been more acutely required than now." Although no direct editorial comment was forthcoming, "the huge amount of unpaid taxes" was considered deplorable by SHIN YUKAN, which regretted that "a national tax payment campaign" was necessary.

Small Business

ASAHI pointed to the mushroom growth of small and medium-sized enterprises since the Surrender, and predicted a wave of bankruptcies due to high labor costs and electric power restrictions. "The role (of small business) in producing and supplying articles of daily use in the postwar period of shortage . . . should now be considered at an end," the writer declared, "And hereafter -- in order that the small stocks of materials now available should be most efficiently and effectively employed -- the manufacturers and dealers handling them must be rigorously selected, and all unqualified establishments must be purged, so that all waste in materials, equipment, and power may be eliminated." The proposal that "the system of wholesale agencies should be revived" was rejected by the journal, which thought it would "exploit the more helpless" small business firms. "The recent tight money situation, however, is giving rise to an organization resembling the old wholesale agency system," the editorial warned. It was deemed "absolutely necessary, in view of the impending crisis in small business, to divide the sound from the unsound, to eliminate . . . what should be weeded out, and to render aid in time where it is due."

COAL

Possibility was seen that the State Coal Control Bill will pass during the current Diet session, following the reported decision of Democrats in the House of Councillors to support the measure without amendment. ASAHI believed that the Ryokufu-kai (largest single bloc in the upper house) also would approve the present draft, and predicted that it would become law "without serious changes." MAINICHI agreed that Government prospects for pushing through the Bill had become "favorable," but TOKYO SHIMBUN thought it would be "difficult" to obtain final action before the session ends.

Other coal news also received considerable attention in weekend papers. Production has increased since the end of November, according to ASAHI, and during that month output was the highest since the end of the war. "Epochal results" from Economic Stabilization Board "investigation teams" were expected by TOKYO SHIMBUN, which noted that coal production groups -- composed of members of various SCAP sections -- had been formed to assist the Japanese Government. Prevention of a strike in the coal industry was effected, NIPPON KEIZAI said, when the Japan League of Coal Mine Workers' Unions accepted a Labor Ministry compromise. Terms reportedly included an "encouragement allowance" and a possible special ration of "compensatory materials."

Comment was limited to SHIN YUKAN's observation that, although the Coal Bill had not "claimed the life" of the Katayama Cabinet, it had disclosed "behind-the-scenes maneuvers" and conflicting opinions of the Administration. Claiming that the original draft had been "emasculated," the writer professed disappointment over the attitude of all parties toward the control proposal.

ELECTRIC POWER

So-called "white papers" -- explaining the electric power shortage from the diverse viewpoints of the Japan Power Generation Company and the Japan Electric Power Workers' Union -- were accorded top news space in MAINICHI on Sunday. While the power company ascribed the crisis to an "abnormal increase in demand" plus a "dearth of water" and further complained of lack of coal as a supplementary fuel, the union emphasized the company's responsibility for failure to repair deteriorated equipment, and made direct charges of "undemocratic and irrational distribution," and "illegitimate use of power by blackmarket producers."

In an unusual editorial on the same day, MAINICHI attacked the company report as "nothing more than an explanation of its incompetency." Admitting the estimate of the present situation to be correct, "what then is the company, which monopolizes power generation enterprises, planning to do?" the journal asked. The principle of power supply to factories during the day and households at night was believed to be the "only key to surmount the power crisis." Both this journal and TOKYO MINPO asserted that, despite considerable advance publicity, no implementing measures were being carried out. Commerce Minister Mizutani's statement that the solution of the problem depends on future rainfall was ridiculed in TOKYO SHIMBUN and SEIJI SHIMBUN as another instance of a postwar tendency to blame the force of natural phenomena for a national crisis which could have been averted by adequate planning and forethought. What SEIJI SHIMBUN termed "an indication of the incompetency of administration," NIPPON KEIZAI called "a manifestation of bureaucratic incompetency and inactivity." The current electricity shortage "is so serious that it is capable of crippling all other measures pertaining to increased commodity production," the latter journal continued, in agreement with TOKYO SHIMBUN that industrial paralysis can be expected by March unless drastic remedial measures are undertaken by the Government.

PEARL HARBOR

The sixth anniversary of Pearl Harbor received relatively little attention from the Tokyo press, while the Emperor's speech at Hiroshima -- urging the people to "construct a peaceful Japan, keeping this disaster deep in our memory" -- was reported in only two major journals. Comment on the occasion of the attack on Pearl Harbor appeared in JIJI SHIMPO and JIMMIN SHIMBUN, and the latter asserted that this "is the day which the Japanese recall like a nightmare. * * * The administrators of that time are now being judged in the name of peace and humanity." In a somewhat similar vein, JIJI SHIMPO's editorial suggested that those now on trial for war crimes presumably have "resigned themselves to fate in calm and severe self-criticism," and advocated attention to Buddhist philosophy as a moderating influence on the character of the Japanese people. Increased hatred of the accused war criminals as living conditions grow worse, and charges that "many militarists and war-criminals are still active in various fields" were voiced by JIMMIN SHIMBUN, which observed that "the current tragedy of the Japanese is no more than the inevitable result of aggressive war."

POLITICS

Interest in the appointment of a new Agriculture-Forestry Minister -- the political implications of which have received widespread attention -- diminished, and there were indications that Premier Katayama would defer action until after the Diet session. Political news emphasized the Premier's statement that "it would be an act of irresponsibility to abandon the reins of power for the simple reason that we are losing public favor," and that there was need for closer cooperation between "friendly parties."

Editorial consideration of recent new party movements led TOKYO SHIMBUN to the conclusion that, if the goal is "merely to overthrow the Administration . . . it will only worry the people and cause serious confusion in the rehabilitation of Japan."

FOREIGN

Factors of labor unrest, lack of internal stability, and the pressure of international relations were seen by ASAHI as mutually dependent issues in the French crisis. Revision of the Marshall Plan in an effort to adjust France's external relations was regarded as a possible development by the commentator, while a similar review in TOKYO TIMES reminded readers that civil war in France would influence the re of Europe.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

DEC 15 1947

PRESS ANALYSIS, 5 December 1947

No. 647

POLITICS

Differences between Government political groups -- centering around the appointment of an Agriculture-Forestry Minister -- were again emphasized in the Tokyo press. Despite the reported intransigence of left-wing Socialists and People's Cooperatives in regard to the Cabinet vacancy, the possibility that continued opposition might provoke an Administration crisis led to predictions of a compromise. Probable worsening of relations between Ministerial groups was seen after a preliminary discussion of the 1948-49 budget. Socialists were said to be insistent that socialistic policies be included in the fiscal plan, while Democrats and People's Cooperatives were expected to urge adoption of their particular platforms. TOKYO SHIMBUN also anticipated obstacles "due to the fundamental differences of character of the three Government parties."

Background of Dispute

Several journals again attempted to explain the reasons for recent disagreement between factions within the Government. A commentary in SHIN YUKAN attributed the clash over the Agriculture-Forestry post to the People's Cooperatives' determination to reconstruct agricultural villages through cooperatives, while left-wing Socialists favored reconstruction under the leadership of farmers' unions. "The problem of a successor to Hirano is significant," the writer added, "because this (basic difference) cannot be easily resolved." Another view was presented by MAINICHI, which contended that long-smoldering dissatisfaction over having to make compromises had broken out in the ranks of the People's Cooperatives. Communications Minister Miki (leader of the party) tried to "soften" his colleagues, the writer claimed, but without success. "Thus, if party leaders agree to a compromise, a split will be inevitable."

Similar dissatisfaction has broken out among left-wing Socialists, according to JIMMIN SHIMBUN, which reported that Cabinet Secretary Nishio had "underestimated the influence of that branch of the party." Observing that the left-wing "is insisting on a true socialistic policy," YOMIURI remarked that "they all seem to have forgotten that this is a coalition Cabinet."

COAL

Demands for speedy upper house passage of the State Coal Control Bill and for wider cooperation between mine operators and workers appeared in four metropolitan newspapers. Calling for swift legislative action, ASAHI demanded that the Bill be passed during the current session without subjection to further amendments which would cause its "virtual failure." Two features of the revised draft -- the safeguarding of management's interests and the recognition of workers' rights -- divided responsibility for more coal equally between the two, the writer held. Even though the Bill had been "considerably mutilated," the journal considered that it would still play an important role in the increase of production.

Dissatisfaction with the seeming apathy of mine operators was voiced in a MAINICHI editorial which exhorted management to rearrange its attitude in view of the coal crisis. Adhering to "old ideas" of high dividends and "self gain" would not increase production, the writer predicted, and management was urged to give full play to "inherent capacities" and realize that in its hands lies the "fate of the national economy." MAINICHI doubted that "people's control" would expand the coal output ("as contended by some demagogues") and asserted that struggles for higher wages without higher production would not suffice to relieve economic distress. Greater zeal among Government officials, mine management, and workers was called for by NIPPON KEIZAI, while TOKYO TIMES asked a united effort to speed higher coal output as a means of return to economic normalcy.

OCCUPATION

In its first protracted comment on the "hidden government," DAI ICHI SHIMBUN discounted the existence of an underground movement in the traditional sense, but stated that economic distress and "personal experiences of soldiers and civilians from Soviet-occupied zones" were generating strong rightist opposition in Japan. The journal said that livelihood difficulties had forced many ex-servicemen to become "ruffian gangsters" -- rumored to be joined loosely in quasi-military groups and said to possess light arms -- while anti-Communist feelings and the advance of left-wingers in politics were arraying "malcontents . . . against a certain nation."

The journal defined the aim of this underground organization as the "cleansing of national shame," but believed that the timely policies of the Occupation Forces and social changes had brought many diehards out of their "confused stupor." Nevertheless, the writer, alluding to Chief Cabinet Secretary Nishio's statement that such a movement constitutes no threat to the Government, said it would be a great mistake to ignore or dismiss lightly this latent force. Democracy, the commentary ended, is the only way to defeat such activity.

LABOR

Government Railway Union officials were reported by MAINICHI to be "disappointed" over failure of the CLC mediation plan to settle the question of a minimum wage. While accepting the living allowance proposed, the Union's central committee recommended a revision of the 1,800-yen wage base, adoption of a sliding scale wage system, and asked that efforts be made to prevent the Government from effecting "administrative adjustment" (involving discharge of excess employees) in case of a decision on a new wage level. At the same time, the "strict observance of closing time" -- a movement initiated by Finance Ministry employees, and already effective in 14 of the 22 unions affiliated with the Federation of Government and Public Office Workers -- was expected by TOKYO SHIMBUN to spread to all units except the medical and hospital workers and to be followed by demands for one or two days leave.

The belief that no party in power, no matter how much embarrassed politically, can long avoid "administrative adjustment" (for reasons of economy as well as to insure improvement of working conditions), and the expectation that Government unions will not accept the structure contemplated by the Government for this personnel adjustment, were expressed editorially by the same journal. Recalling that the Yoshida Cabinet's attempt to effect a retrenchment in the face of the railway workers' opposition had ended in failure and eventually resulted in an over-all expansion of the labor movement, the paper warned that, since last October, the Government and Public Office Workers Union has become "more acute ideologically, politically, and strategically," and is capable of drawing support from other "radical" labor unions as well as from the Communists and left-wing Socialists. Unless the Government has definite and workable plans for absorbing those thrown out of work by personnel adjustment (and the writer saw little hope for this because of Japan's economic condition), it was feared that any struggle between the Government and the unions will end, not in adjustment of differences, but in "the liquidation of the Government and the Government Parties."

CULTURE

The nation is unable to understand Premier Katayama's announced intention to establish a "cultural state" at a time when there is "economic and political confusion," according to YOMIURI. Issue was taken with the idea of placing cultural enterprises "in the hands of bureaucrats . . . who have no understanding and are interested only in exploitation," and political interference in such a program was denounced as "an evil conspiracy."

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 4 December 1947

No. 646

COAL

Eleven of Tokyo's major newspapers published front-page, detailed accounts of a press conference at which five SCAP spokesmen discussed an intensified campaign to increase coal production.

Although virtually all accounts were confined to verbatim statements of the SCAP representatives, TOKYO SHIMBUN said that "drastic measures may be taken" unless production is increased by the application of "democratic principles." (This was an apparent allusion to a statement that shirking miners would face a cut in supplemental rations.)

Meanwhile, YOMIURI reported that November coal output of 2,750,000 metric tons included a 50,000-ton gain over the previous month which was attributed to the coal production drive. On the other hand, NIPPON KEIZAI diagnosed a 126,000-ton drop in Kyushu output as partially due to "absenteeism resulting from psychological instability caused by the State coal control issue."

Coal Bill

Possibility that intra-party strife which slowed lower house passage of the revised State Coal Control Bill might extend into the House of Councillors was seen by both ASAHI and NIPPON KEIZAI. The first-named journal -- citing the "existence of a third house in the Diet filled with coal mining capitalists" -- forecast extended hearings in view of still further, but undisclosed amendments reportedly contemplated by Democrats and Liberals. Negotiations for party unity on these amendments would, ASAHI said, continue at the expense of early passage of the bill by the upper house. YOMIURI believed that Independents generally would support the Bill, but stated that the Ryokufukai (a loosely organized upper house group composed of various political shades which has sometimes voted together despite party variance) would soon announce its attitude toward further amendments. Heretofore, the Ryokufukai has been viewed as favoring further changes in the Bill.

POLITICS

Attempts to stttle the intra-Administration controversy over the appointment of an Agriculture-Forestry Minister continued to dominate political news in the Tokyo press (Press Analysis No. 645). Reports agreed that no progress had been made at a meeting of left-wing Socialists and People's Cooperatives during which Commerce-Industry Minister Mizutani (who had been designated as conciliator) asked the two Ministerial groups to compromise. Only MAINICHI observed that some leftists had adopted a "moderate view" because of fear of a Cabinet crisis.

Commentaries in two minor papers were of unusual interest because of references to the possibility that Ikuo Oyama (Press Analysis No. 614) was influencing the Socialist left-wing. DAI ICHI SHIMBUN believed that the political group had become "arrogant" because of their "connection" with Oyama, and YUKAN MIYAKO noted rumors that the organizer of one of Japan's early labor parties had become identified with a new left-wing party movement. Meanwhile, TOKYO TOMIN SHIMBUN claimed that the Socialist Party was "completely under the sway of the parasitic left-wingers."

Commenting on the forthcoming national Communist convention, AKAHATA called upon party leaders to offer the membership "practices, not theory. * * * It is incumbent upon our party to show the masses the way of revolution (kakumei) . . . and show them how to save the nation from ruin."

ECONOMY

The Administration-proposed bill for limiting restrictions on dividends "represents a first step toward respect for capital," according to a JIJI SHIMPO editorial. But the writer regretted that "dividends cannot be paid beyond net profits in the current business term," and feared this provision would serve not merely "to prevent payment of bogus dividends, but to discourage reserve funds as well." Loan restrictions also were considered objectionable, and were said "to represent an excessive readiness to see the faults -- and failure to recognize the merits -- of capitalistic management." The journal concluded that "dividend restrictions constitute only one of the many factors restraining capital," and that the bill signified social progress to the extent that it "offers an occasion to reconsider the importance of capital's role."

The recent rise of commodity prices "is not of a temporary nature" but will have lasting effects, NIPPON KEIZAI asserted. The writer believed that special allowances to be paid State employees would "encourage the issuance of (similar) funds by private establishments," and admonished readers to recall that "the payment of a great number of (such) funds was chiefly responsible for the sharp rise of commodity prices at the end of last year."

TOKYO SHIMBUN attributed the general unprofitableness of private industry to spiraling inflation, the delay in establishing the reconstruction and re-organization programs, the failure of financial policies, and collusion between management and labor in relation to blackmarket activities. The journal urged the Government and the Diet to employ strong and positive countermeasures to meet these problems.

YUKAN MIYAKO reiterated the suggestion that Japan's post-war industrial recovery had been seriously retarded by a dearth of "productive resources" occasioned in part by "concealed and hoarded goods." The paper considered hoarding to be the "organic root of anti-social manifestations, such as spiraling inflation, depraved morality," etc., and expressed pleasure that serious attention is now being directed toward exposing those responsible for hoarding essential materials.

EDUCATION

The Education Ministry's plan to start a movement for the political education of the nation's youth received approval from YOMIURI, which asserted that although "young people's interest in politics has reached a high point, and this age may be termed a political one," they "must be trained" for democratic activity. Political education must not become the tool of a special political group, the journal warned, and speedy orientation of teachers in political education was urged in order to secure competent educators. TOKYO MINPO's editorial asserted that "this is the time for our youth to rid themselves of the delusion that they are victims of the war," and for them to participate in practical democratic movements.

LABOR

Announcement of the Cabinet's decision to grant a one-month livelihood allowance by 15 December was given front page coverage in a majority of Tokyo's papers. Notice was given to the fact that the allowance was of a temporary measure, and did not indicate rejection of the CLC's proposal for a bonus of 2.8 months pay.

FOREIGN

The political situation in France was the subject of comment in TOKYO SHIMBUN and JIMMIN SHIMBUN, with the former observing that "France is a miniature copy of the political situation in Europe," torn between the influence of the Marshall Plan and the Cominform. A similar opinion was expressed by the JIMMIN SHIMBUN commentary, which felt, however, that even if the Schuman Cabinet should be able to manage the "labor attack" temporarily, "revolutionary conditions during the winter will increase progressively."

British relations with the US and the USSR were seen by SHIN YUKAN as comparatively static, inasmuch as Britain wishes to continue trade with the Soviet as well as to receive aid under the Marshall Plan. The paper tended to discount the effect of the establishment of the Cominform on British-Soviet relations, and added that "Britain will maintain the present economic policy toward the Soviet so long as there is no serious development in American-Russian relations."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 30 November and 1 December 1947

No. 643

POLITICS

Despite failure of a motion of non-confidence in Cabinet Secretary Nishio (by a vote of 179 to 129), news and editorial columns continued to be pessimistic in regard to the Government's future. Cited most frequently as major problems were: 1) intra-Administration differences over the successors to Agriculture-Forestry Minister Hirano and State Minister Hayashi; 2) the split within the Democratic Party, and 3) reportedly strong opposition in the House of Councillors to the State Coal Control Bill.

Foreseeing a possible "Cabinet crisis," ASAHI believed that selection of Masaru Nomizo, Japan Farmers' Union executive, to the Agriculture-Forestry portfolio might cause the People's Cooperatives to withdraw from the tripartite coalition. Attempts to effect a compromise were said to have failed, and Premier Katayama reportedly had left the matter "for study" this week. TOKYO MINPO said, however, that opposition to Nomizo had become so strong that Katayama had tentatively decided to appoint Eiji Tomiyoshi, Vice-Minister of Commerce and Industry, to Hirano's former position.

Democratic Party Split

Departure of Shidehara-led dissidents from the Democratic Party -- a development which YUKAN MIYAKO described as a "fatal blow" to that Ministerial group -- was considered by several journals in the light of effect upon the Administration and upon the growth of a two-party system in Japan. Considering the latter, ASAHI contended that there had been "a contribution to the promotion of parliamentary government" because the party had been "on the verge of an explosion." The writer maintained that conditions which had led to the Democratic split were to be found also within the Socialist, People's Cooperative and Liberal Parties. Consideration of the expulsion of part of the Shidehara group drew the observation from JIJI SHIMPO that the Democrats' sacrifice "was not small," while DAI ICHI SHIMBUN argued that the party leaders' action was justified. Meanwhile, TOKYO SHIMBUN quoted Baron Shidehara as undecided whether to join a new conservative party movement.

An unusual commentary in conservative JIJI SHIMPO attributed present Administration difficulties to "the phenomenon, both here and abroad, that government coalition parties go on the defensive . . . on the day they take office. * * * Understanding this, the people should not ask too much of the Socialist Party (but) should be lenient enough to wait for a little time." Appearing to attach importance to a recent public opinion poll which reported a decline in Socialist popularity, SEIJI SHIMBUN saw favorable conditions for emergence of a strong party having anti-Communist and anti-Socialist principles. SHIN YUKAN thought that such a party would be established "by next spring, at least and TOMIN SHIMBUN anticipated "great changes in the political situation" by that time.

ELECTRIC POWER

Continued complaints over the electricity shortage appeared in editorials and news commentaries, but attention to the causes and effects of the cut in power was much the same as last week. Editorial space was given to the issue by TOKYO SHIMBUN, AKAHATA, and JIMMIN SHIMBUN, while commentaries in YOMIURI and NIPPON KEIZAI urged increase in power and conservation of that now available

Criticism of the Government for failing to solve the problem was expressed by YOMIURI and JIMMIN SHIMBUN. The former also condemned the electric power companies, and demanded an investigation as to the reason for the insufficient supply. AKAHATA, on the other hand, urged that "workers in all plants . . . should not miss the chance of taking the initiative in tiding over the electric crisis, and of demanding a careful reconsideration by the authorities concerned."

LABOR

Decision of the central committee of the Communication Workers' Union to accept "reluctantly" the Central Labor Committee's mediation plan -- in which livelihood subsidies were offered in lieu of general wage increases -- drew editorial comment in ASAHI and NIPPON KEIZAI and brief news accounts in JIMMIN SHIMBUN and TOMIN SHIMBUN. The union representatives accepted the CLC mediation plan on the condition that the 2.8 months additional pay be made in a single, untaxable sum, and that collective bargaining and associated rights be maintained.

ASAHI, apparently sympathetic to the union position, noted Government intentions to pay one month's salary at an early date, but urged at least a two-month's remuneration. The paper held that "economized expenditures and cooperation among government offices" would make this possible. Stating that wages in private industry averaged 2,600 yen monthly, the writer found it "rather contradictory" to peg Government workers to the 1,800-yen level and said that such subsidies could be granted without menacing the price structure. NIPPON KEIZAI was less optimistic, however, and held that the remaining 1.8 months' subsidy could not be paid until next year even though the Government might uncover a new source of revenue.

Elsewhere, MAINICHI voiced suspicion of union sincerity in regional struggles, charging a "tendency to appeal for arbitration, but at the same time resort to every conceivable measure short of walkouts." Especially condemnatory of mass-absenteeism in railroad shops, the paper predicted that "industry will be thrown into chaos if railroad employees continue to behave in such a manner."

FOREIGN

Suggestions by Foreign Minister Molotov that the Big Four meet next January to discuss the Japanese peace treaty were greeted by the Tokyo press as "a step away from the stalemate." Although observing the lack of unanimity over the means of concluding the treaty, none of the journals seemed to consider Russian insistence on a peace parley by the Big Four (as opposed to the US proposal for an eleven nation meeting) as a major deterrent to the preliminary conference. There was a tendency, however, to emphasize the international significance of the Russian announcement, and to weigh it carefully as a matter of Soviet strategy. Thus YOMIURI's Sunday editorial saw in the Molotov proposal an effort to remove from Russia the blame for delay in treaty-making, and an attempt to avoid rupture among the Big Four. Similarly, TOKYO MINPO found the proposal a "matter of tactics" (though the paper also regarded it as "proof of Russia's real intention"), and felt that the suggestion was offered to "avoid catastrophe," while ASAHI compared the unexpected announcement to the "bombshell" proposal to remove occupation troops from Korea.

China's position with regard to the Japanese treaty was considered by SHIN HOCHI and ASAHI to be that of a mediator between the US and the USSR. The latter journal believed that China was not acting "simply in unison" with the Soviet, but that -- inasmuch as her longest frontier adjoins Russia -- preservation of friendly relations with the USSR was more important to China than the conclusion of a Japanese peace treaty. A somewhat reverse interpretation of Russian-Chinese rapprochement was offered by YOMIURI, which felt that the Soviet was taking advantage of the apparently widening gap between Anglo-American and Chinese attitudes toward Japan reconstruction.

OCCUPATION

Press association reports that the oyabun-kobun (master-servant system of interlocking loyalties) had taken on aspects of a "hidden government" were included in eight metropolitan newspapers from Saturday to Monday. Comment, however, was limited to a review of wire service stories and criticism of remaining feudalistic practices.

The Communist organ, AKAHATA, quoted a statement attributed to a "Katayama attendant" that the Occupation Forces must not withdraw even after the peace treaty, and the journal considered this as evidence of the "powerlessness" of the present Administration. Laboring people were called upon to break the oyabun-kobun "conspiracy" by the use of "democratically organized reasoning."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 27 and 28 November 1947

No. 641

FOOD AND RATIONING

Emergency measures designed to tighten rationing controls on perishable foodstuffs and fuel -- announced at the prefectural governors' conference in Tokyo yesterday -- were accorded top news space in all major journals except ASAHI, which carried the only editorial comment. Premier Katayama's statement urging prefectural heads to adopt "a wider, national outlook," as well as ESB Director Wada's conviction that adequate control was "prerequisite to the reconstruction of Japan," were extensively quoted. In addition, the speech of the Chief of SCAP's Price Control and Rationing Division, reiterating the Supreme Commander's determination to wipe out the black-market and warning that, if necessary, inefficient and obstructive personnel must be replaced by "men of greater energy and vision," was given in full by NIPPON KEIZAI and ASAHI, and summarized at length in other papers. In addition, JIJI SHIMPO reported gubernatorial reaction to a reinstatement of strict controls on perishables as conceding cooperation in compliance with Cabinet decision, but maintaining that it would have been "logical" to abolish such control.

Control by Consumer Associations

While refusing to accept the new measures as more than a "tightening of the screws on the loosened controls over fresh foodstuffs," and considering the question of successful control of perishables as problematical in the same degree as it has been for the last seven years, ASAHI regarded "half-way controls" as "worse than useless," and advised strict attention to the thorough and complete measures now contemplated. Success was thought to hinge upon the "political resources of the Government," and although the undertaking was admitted to be difficult in actual execution, "a Government committed, even if only in name, to a 1,800-yen wage base must keep its promise to the people regarding complete rations," the journal said. Severe criticism was leveled at "the arbitrary and high-handed arrogance of distributors," and Government guidance of consumers' associations, as responsible lower level agents to fill the void created by dissolution of neighborhood associations and the institution of free registration, was strongly advocated.

POLITICS

Expulsion of Baron Shidehara and 23 supporters from the Democratic Party was generally expected, as the Tokyo press gave prominent space to political developments originating with lower house passage of the State Coal Control Bill. Writers agreed that the 24 Democrats -- who voted against the control measure -- would not merge with the Liberals at once, but would form a "negotiating group" aiming at the eventual consolidation of several minor parties.

There were numerous commentaries which emphasized the "confused political scene" resulting from the "forcing" of the Bill through the House of Representatives. To NIPPON KEIZAI, Diet members had made a "disgraceful spectacle," and both Government and opposition parties were criticized for their handling of the issue. In agreement, MAINICHI urged that the House of Councillors be "constructive" in considering the measure "so that the people can learn whether it will really increase coal production." TOKYO SHIMBUN wondered how the upper house would receive such an "incomprehensible" Bill, and YOMIURI -- after charging that the control measure has no connection with increased coal output -- hoped that the Councillors would be "fair and square." Considering the split within the Democratic Party, SEIJI SHIMBUN thought that this development was "inevitable" in view of the diverse elements in the party and hoped that the result might be a clarification of the political situation. TOKYO SHIMBUN believed that there might be a "turning point" in the conservative party movement, but warned that if the Shidehara group continues to be "self-centered" it would remain a "political nuisance."

ECONOMY

Charges of unfair allocation and large-scale misuse of electric power today were leveled editorially by four journals, as aggravated low-water conditions throughout the country turned press attention to methods of averting a possible winter crisis. Reporting that rainfall over the nation currently is 34 percent below normal, MAINICHI claimed that power output has dropped a million kilowatts below standard. In addition, a large number of hydro-electric plants were said to be idle due to flood damage and material shortages.

Inefficient enforcement of electricity restrictions was held by JIMMIN SHIMBUN and TOKYO TOMIN to have resulted in widespread violation of ration controls by "blackmarket shops and street vendors." The former journal asserted that "the gay streets and stalls of Shinjuku and Shibuya apparently have been set outside the economy campaign," and warned that official restrictions "will never gain public cooperation as long as the authorities remain indifferent to these spreading violations." The similar charge of "irresponsible and insincere administration" was contained in a MAINICHI editorial, which urged the establishment of "a special commission to implement the economy measures recommended by four upper house committees." NIPPON KEIZAI emphasized the need for increased power output together with greater operational efficiency to eliminate present waste, and declared that the electricity shortage "has greatly hampered production in the fields of iron and sulphates."

OCCUPATION

In a lengthy editorial, TOKYO MINPO charged that the spirit of oyabun-kobun (the master-servant system of stratification and interlocking loyalties) was surviving in many phases of Japanese life, and said that its influence was maintaining political parties in feudalism and partisanship. Disputing Chief Cabinet Secretary Nishio's statement on the political unimportance of the system -- which the journal believed to constitute automatically a form of underground government -- the newspaper asserted that public indifference to gang violence, yellow journalism, and rowdiness in the Diet would indicate survival of the people's "feudalistic psychology."

The statement by Sanzo Nosaka, chairman of the Communist Party executive committee, that Japan has no connection with the scheduled Cominform meeting in Vladivostock -- inasmuch as the Japan Communist Party has no "dissatisfaction" with Allied Occupation policies -- brought a rejoinder from SEIJI SHIMBUN: "Japanese Communism may have its own way of going, but no communistic movement exists that has not internationality."

FOREIGN

Problems confronting representatives to world economic conferences in Cuba and the Philippines were considered by two newspapers. Commenting on the Economic Commission for Asia and the Far East (now meeting at Baguio), TOKYO MINPO defined the group's mission as one of "self-reliance" for nations of the Orient and in this connection urged that Japan overcome the tendency to rely on the US for "aid in everything." JIJI SHIMPO saw the International Trade Conference at Havana as a logical complement of the Marshall Plan . . . "the one creating the capacity to produce and the other encouraging the flow of trade" by implementing measures pertaining to revision of tariffs.

CULTURE

Japanese political and social attitudes were criticized from various points of view by editorials in several Tokyo papers. The growing number of students of the tea-ceremony -- and the existence of special departments and associations for such study within universities -- were deplored by ASAHI, which found it "discouraging" that university students "who are responsible for the future of this country are indulging in elegant pursuits," unrelated to the problems of Japan's reconstruction. At the same time, an article in MAINICHI pointed to the difficulties encountered in putting into effect the new "social course" for younger students without sufficient texts or adequate training and direction by teachers. Regarding the use of libraries in general, SHIN HOCHI remarked that the Government "does not yet seem to have a concrete program of utilizing libraries as instruments of social education," and voiced a plea for extension of libraries and "adequate allotment of newly published books to all libraries."

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 21 November 1947

No. 636

ECONOMY

Government announcement of a four-point "stability" program to implement existing emergency measures today drew primary news attention from ASAHI, MAINICHI, and NIPPON KEIZAI, and editorial emphasis generally revealed a shift of interest from political developments to the problems of inflation and reconstruction. In line with pending Cabinet revision of basic economic policy, the new program was said to include guarantees of continued financial balance in the compilation of future budgets; "firm maintenance" of the official price system; establishment of a minimum "living wage" for workers, and the reduction of labor-capital disputes within industry.

Further steps toward economic recovery -- centering around the control of commodity distribution -- were anticipated by ASAHI and NIPPON KEIZAI, while MAINICHI warned that fulfillment of the four principles "will meet with great difficulty due to the inherent contradictions of the program." The journal warned that, "although the foreign trade revolving fund will begin operations shortly, import of materials for export goods alone will be inadequate to realize the stability measures . . . and must be supplemented by an increased supply of consumers' goods to guarantee living standards and maintain the new price structure."

A prediction of "even greater economic difficulties" during 1948 was voiced editorially by MAINICHI in a commentary on official production-consumption estimates for the coming year. Asserting that "the design for living outlined by the Government leaves no room for optimism," the journal considered that present import prospects would involve a debt of "at least 300 million dollars in the field of foreign trade . . . and even if the nation obtains all needed raw materials, the industrial capacity to make use of them is lacking." Meanwhile, the possibility of a "currency crisis" due to over-issue of new-yen notes was foreseen by TOKYO TOMIN SHIMBUN, which anticipated a banknote total of 200 million yen by January and scored Government failure "to counter with more than a weak savings movement and new loan restrictions." The charge that Cabinet leaders continue to follow the inflationary financial policies of preceding administrations was leveled by YUKAN MIYAKO in an editorial indictment of "the shallow and unstable tax programs" initiated by Finance Minister Kurusu.

POLITICS

Anticipated Government efforts to force the State Coal Control Bill through the House of Representatives -- against the opposition's "fight to the last" -- won prominent attention in all major journals. Decision of Ministerial party leaders to seek a showdown on the long-pending supervision issue was said to have been reached after it was realized that there was little likelihood that the measure would be approved by the lower house Mining Committee. As a consequence of the Administration's plan, the Liberal Party reportedly intends to introduce motions of non-confidence against Speaker Matsuoka and Cabinet Secretary Nishio, but MAINICHI declared that the Government parties were confident the motions would be rejected by a large majority.

Meanwhile, comment in several papers agreed that the Liberal call for the formation of a new party had been timed to take advantage of present Administration difficulties, particularly the dispute over the coal bill. Journals of varying political beliefs joined in criticizing what was generally considered a premature gesture which would not receive popular support. To JIJI SHIMPO, the Liberal proposal was a "hasty maneuver, without the benefit of maturity, which will intensify the political confusion." Contending that the principal opposition party's record since the last general elections had not restored its "popularity," the writer warned that "an effective and strict criticism" of the Socialist-led Cabinet was a prerequisite to the formation of a successful new party. Although ASAHI thought that a new party was "natural and inevitable," amalgamation of conservative elements lacked "preparatory negotiations," and charged that the Liberals' "abstract statement may be interpreted as a political maneuver aiming to take advantage of the current political confusion centering around the coal bill."

LETTERS TO THE EDITOR

A survey of correspondence to the editors of five Tokyo papers (ASAHI, MAINICHI, JIJI SHIMPO, TOKYO MINPO, and AKAHATA) during the past week disclosed that, of some thirty letters, six dealt with problems of rationing and the blackmarket in food and fuel, four with juvenile delinquency, homeless children, and education, and six with miscellaneous social questions (public manners, health, marriage, etc.). Problems of transportation and housing were discussed in two letters each -- including two official or semi-official letters explaining the distribution of housing materials. While criticism of Government authorities and local administration appeared incidentally in a number of letters, it was the major subject of at least three. Miscellaneous topics made up the remainder.

Although writers did not always indicate their occupations, nine noted their employment in factories or offices. Letters from two students appeared, but only two professional men (a doctor and a professor) were recorded. Many of the letters tended merely to comment on or to criticize current situations, without recommending solutions, but some writers offered such concrete proposals as that to make available to old men and children the special railway cars now reserved for women. Also, there were recommendations for special types of vaccination, and a suggestion that farm land be purchased in order to enable agricultural schools to operate effectively.

Letters on rationing comprised the largest single group, but were concerned for the most part with simple complaints against the system. Interest in the widely-publicized death of a judge because of malnutrition was evinced by three letters (two in ASAHI, one in JIJI SHIMPO), all of which expressed admiration for the official who had died resisting blackmarketing. Regarding officials in general, however, criticism was expressed for the irresponsible administration of a ward chief (TOKYO MINPO), and a writer in JIJI SHIMPO demanded wholesale "clearing up of public offices." Another letter to TOKYO MINPO counselled "occasional reporting of a public opinion survey" in order to make the Government sensitive to changes in the attitudes of the electorate.

Correlation between the subject matter of the letters and the editorial policy of the papers was most clear in the Communist organ AKAHATA, where typical letters tended to deal with Communist Party matters in an almost editorial vein -- praising the study of Japanese reconstruction said to be made in Siberian POW camps, and offering reports on the "real murderers" of a Communist leader during the thirties. Letters in other journals revealed no particular emphasis.

FOREIGN

The special Congressional session called by President Truman to win bipartisan support for immediate implementation of the Marshall Plan drew editorial comment in five newspapers. Except for the Communist organ AKAHATA -- which limited itself to an explanation of the President's judicial powers in convening the session -- all journals agreed that the Secretary of State's plan had the two-fold purpose of stabilizing the European economy and arresting the spread of Russian influence. KOKUSAI TIMES considered the "declining power of France and Great Britain" as chiefly responsible for the expansion of United States influence in Europe, which, if the program fails, "cannot be rescued from . . . communism." SEKAI NIPPO interpreted the Presidential address at the opening of Congress as "the requiem of traditional isolationist thinking in America."

China's impending general elections led SHIN HOCHI to predict a continued Kuomintang regime, while TOMIN SHIMBUN felt that economic difficulties might divert popular interest from the balloting. AKAHATA saw the China military situation further complicated by the reported desertion to the Communists of two Nationalist Army generals.

LABOR

Labor unions cannot hope to succeed unless they listen willingly to public criticism, SHIN HOCHI warned in a discussion of unions and their relations with the press. Acknowledging that some newspapers may not treat labor activities in an impartial manner, the writer nonetheless deplored the alleged tendency to criticize as "reactionary . . . (those journals which) justly criticize the dogmatic tendencies of organized labor."

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 16 and 17 November 1947

No. 632

LABOR

Initial reports of dissatisfaction with the CLC mediation plan for solution of the Communication Workers' dispute were confirmed by both sides, and serious consideration of the immediate as well as long term aspects of the situation virtually dominated Sunday editorial columns. MAINICHI's contention that postponement of a minimum wage decision (the crux of labor criticism) actually constituted no more than a CLC admission that management of the wage problem -- "in defiance of state financial policy and enterprise readjustment" -- remained outside its scope of action, was widely supported. "The very propriety of charging an organ such as the CLC" with responsibility for a major policy decision was questioned by ASAHI.

Special Diet action and deliberation was advocated by MAINICHI and YOMIURI, while NIPPON KEIZAI asserted that "the final verdict is up to the people," and TOKYO SHIMBUN declared the problem to be "political." Regarding as indisputable the necessity of "sound finance and preservation of the price structure," and requiring the unionists to face realities in a stringent economy, ASAHI, nevertheless, thought the time long past for reiteration of such "idealistic" concepts. If a concrete plan cannot be proposed by the authorities concerned, "the wage level must be re-examined, apart from the possibility of the price structure's being preserved," the writer said. In the opinion of TOKYO SHIMBUN, no wage system, no matter how "scientifically formulated," will withstand mounting inflation, and a solution closely concerned with the "material livelihood" of the people must be sought. "It is impossible in practice in present Japan to seek a scientific wage standard in the strict sense of the word," YOMIURI agreed.

On a more concrete issue -- payment of the three months' deficit livelihood allowance recommended by CLC -- discussion centered around proper rationalization of such payments and the financial ability of the Government to underwrite additional commitments of this kind. The mere fact of deficits in living expenses cannot justify the payment, NIPPON KEIZAI argued, for, on this principle, the employer would be held responsible for covering an undertermined number of indiscriminate payments and the price structure would be thrown into irretrievable confusion. If the 1,800-yen wage base is declared "irrational" from the start, this is a different and larger question, the writer continued. The dangers of inflation and the difficulties inherent in limiting payments of this kind also were stressed by YOMIURI, although the Government was urged to appropriate a sum as close as possible to that advised by the CLC. The question of revenue sources was seriously regarded by MAINICHI, while JIMMIN SHIMBUN expanded upon the dilemma created when demands admitted to be "reasonable" must be rejected because of a serious general situation.

POLITICS

Speculation on the emergence of a new conservative party, and the consequent weakening of the Socialists, increased in almost all metropolitan journals, as writers generally agreed that the Liberal position was strengthened by right-wing Democrats' threats to secede if party foes of the revised Coal Bill were ousted from the Diet's Mining Committee.

The projected ouster of two Democratic members of the Committee -- a step said conceived by party leaders to tighten discipline and speed passage of the Bill -- reportedly irked the Shidehara or "anti-coal" group, but writers observed that lower house failure to decide upon the effectuation date of the Bill had injured Socialists more than Democrats. Attempts to restore Democratic Party unity met with "some success," according to YOMIURI and TOKYO SHIMBUN, and both agreed that the ouster threat had the double effect of hardening right-wing opposition to the Bill and encouraging Liberals to bring their maneuvers "into the open." YOMIURI suggested that the Liberals should intensify their operations in view of reported public dissatisfaction with the Socialists and the widening rift between Democratic factions.

Socialists' concessions to the Democrats made them "perfect collaborators" in the opinion of TOKYO MINPO, which failed to perceive much difference between "modified socialism and modified capitalism." Similarly, JIMMIN SHIMBUN censured the revised Bill for extending the powers of mine operators, and called for a Diet which would "place coal production in the hands of the people." Attacks on the Democrats were abated, but usually sympathetic journals criticized the scope of Socialist concessions in the compromise Bill. Less friendly newspapers ignored the Socialist position and gave more considered treatment, in news and editorials, to Yoshida-Shidohara negotiations to blend the Liberals and the right-wing Democrats into a new party to capture the cabinet.

Newspapers, mainly concerned with its political consequences, offered no partisan comment on the Coal Bill itself. JIJI SHIMPO found prospects for the Bill "darkened by Democratic struggles, Socialist indecisiveness, and Liberal filibusters," while ASAHI predicted extension of the Diet as a result of intra-party disputes.

POPULATION

A MAINICHI editorial today maintained that birth control is of no practical value "to relieve the present food supply difficulties, or those of five or ten years hereafter." An anticipated addition to Japan's post-war population of six million from April 1946 through December 1950, assertedly was due principally "to the demobilized and repatriates . . . with almost no increase or decrease" in the number of children under 14 years of age. The writer urged "a deeper understanding" of the population problem, and said that birth control should not be adopted as a national policy in the absence of adequate research and statistical data.

Meanwhile, TOKYO SHIMBUN raised the question of whether Tokyo's industrial rehabilitation, reconstruction of war-damaged housing and school facilities, and supply of food and daily necessities "can keep abreast with" the city's population allegedly increasing by 50,000 a month. These problems, the writer said, were national in origin, and their solution is contingent upon "the recovery of our entire industry."

ECONOMY

Successful realization of the CSB's commodity distribution program, in the opinion of ASAHI, depends upon establishment of a controlled flow of commodities and elimination of the blackmarket. Similarly, SHIN HOCHI warned that the new program would be "a mere desk plan," unless implemented by administrative measures.

Commenting upon the spiraling increase of Bank of Japan notes, JIJI SHIMPO explained that inflation was caused by "excessive consumption both of the Government and the people," relative to the gross national product. "In order to check a further increase in currency," the paper urged "the whole nation, especially the Government, to do its best to reduce consumption and increase production."

CULTURE

Opening of Japan's "Book Week" was hailed in editorials in TOKYO TOMIN and JIJI SHIMPO, with the former expressing hope that books of better quality, less expensive second-hand publications, and improvement in public libraries might result from the occasion. The journal reported that there are at present 16 public libraries in Tokyo in contrast to a pre-war total of 28, and noted that the Education Ministry is now drafting a public library bill which reportedly would provide for compulsory establishment of libraries with set standards, and for State subsidies to such institutions. On the whole, JIJI SHIMPO was more optimistic than TOKYO TOMIN in regard to the present situation, observing that "it is more encouraging to have too few books than to have too many unsold," and expressing the opinion that the quality of publications would adjust itself in time. A major problem, according to JIJI SHIMPO, was that of the electricity shortage which prevents extensive reading in the evenings.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 14 November 1947

No. 630

ECONOMY

A far-reaching Economic Stabilization Board plan -- designed as a basic program of supply and demand for 66 daily necessities -- dominated major Tokyo papers today. Considered the first comprehensive effort of its kind, the plan reportedly is expected to provide a gauge to the current standard of living and a basis for planned household economy. Foodstuffs, fabrics, and fuels are included in the 1947-48 program, which the ESB hopes "may contribute to the rationalization of the people's livelihood."

Belief that the public is more concerned with the Administration's ability to execute the plan, than with the merits and demerits of the program, was expressed by NIPPON KEIZAI, the only journal to offer comment. Although feeling that the Government was responsible for supplying minimum living requirements during a time of inflation and commodity shortages, the financial paper nevertheless contended that it was impossible to carry out the proposal under present conditions. Rationing of basic necessities was believed to have political, social, and economic aspects which the Cabinet assertedly has not clarified. "Most people feel that it would be better for the Government not to make promises that it cannot possibly carry out," the writer maintained. "It is necessary to eliminate minor, short-sighted plans and approach the problem of the people's livelihood from a broader viewpoint."

LABOR

A Central Labor Committee arbitration formula, based on a proposal of that body's neutral members envisaging payment of a three months' living allowance, was expected to be submitted to the Government and the Communication Workers' Union today. According to YOMIURI, the labor members' support of retroactive and longer term payments will be appended as a minority view. Meanwhile, spread of a new slowdown technique, called "safe rate telegraphy," was noted by ASAHI, which reported Communication Minister Miki's intention of determining by investigation whether "this type of behavior may be suspected of constituting a strike." Editorially, TOKYO SHIMBUN vouched for any CLC arbitration which acceded to the communication workers' demands "within the limits of the nation's economy" and at an average similar to that accorded other laborers. Both sides were advised to minimize their particular dissatisfactions and accept a CLC proposal of this kind. "In a surrender economy," the crucial issue was said to be "how much can be distributed," not "how much may be needed."

Terming reinvestigation of the price system and readjustment of wages a mere matter of time, AKAHATA considered unemployment following upon industrial adjustment to be the most serious problem now confronting the workers. Alleged "hegemony" of Democrats within the Socialist Cabinet was thought to ensure the carrying out of a "dismissal policy" and lead to more and more straightened living conditions for the general public.

COAL

Resentment by both right-wing Democrats and left-wing Socialists toward provisions of the revised State Coal Control Bill was widely featured in five journals. The majority of writers agreed that Democratic unity was shaken as a result of the negotiations, while Socialist dissidence was portrayed as sharper but less widespread.

Three newspapers -- SHIN YUKAN, JIJI SHIMPO, and MAINICHI -- joined in emphasizing Democratic disunity over the Bill and predicted that this might well encourage the trend toward a new conservative front of Liberals and bolting Democrats. TOKYO MINPO concentrated on left-wing Socialist reaction to the compromise and reported that this faction had described the negotiations as a "coup d'etat" and had criticized the party for "arbitrarily calling the conference so suddenly." Criticism of the bill was severest in YOMIURI, which assailed it as

"strongly opposed by mine operators, unsatisfactory to labor, incomprehensible to the people, and a political --- not a productive --- measure to save the face of the Katayama Cabinet."

POLITICS

Premier Katayama's denial that the Government intends to resign or dissolve the Diet appeared in major papers, as comment on political problems continued to reflect concern over the Cabinet's future. Contrasting opinions were expressed by TOKYO MINPO and SEIJI SHIMBUN, the former contending that the Administration has manifested "symptoms of collapse" and the latter observing that "the political situation is quiet after the critical Hirano case."

In general agreement with the last-named paper, ASAHI attributed the present "dilemma" to the nature of the coalition Cabinet, which is composed of parties "fundamentally different in their respective policies and characters." This, in turn, was believed to be the consequence of the nation's inability to discern "concreteness" in any of Japan's political parties. Calling upon the Socialists to take the initiative, the editorial urged all parties to forego "compromises and make-shift solutions ... to pave the way for an improvement in Japanese politics." Support for a two-party system to stabilize the political situation was voiced by SEIJI SHIMBUN, but advocates of a Liberal-Democratic merger were said to have only a "superficial understanding" of the problem.

FOOD AND LIVELIHOOD

In connection with publication of the supply and distribution estimate for staple foods for the year ending in June 1948, NIPPON KEIZAI urged that the people "join in soliciting the good will of Allied authorities" for importation of foodstuffs to make up an expected domestic shortage. At the same time, JIJI SHIMPO reported that total deliveries for the current rice harvest had exceeded 100 percent.

Sharp criticism of the Government policy with regard to food distribution characterized editorials in YUKAN MIYAKO and JIMMIN SHIMBUN, and Vice Minister Inouye's promise of full rationing through April (Press Analysis No. 627) was derided as "nothing but a desk plan" by the latter journal. Despite increases in the price of rice, farmers were said to be complaining that the selling price still does not meet the cost of production. As for the promised distribution of production means and daily necessities, a repetition of the situation last year (when 85 percent of such goods reputedly were lost in blackmarket channels) was expected, and the Government was urged to take serious cognizance of the true state of affairs.

While considering the Liberal Party to bear partial responsibility for the failure of the 1947 food program, YUKAN MIYAKO reported it to be "commonly acknowledged among city dwellers" that the Socialist Cabinet has "betrayed public expectation" in the same degree as its predecessors. Serious delays in rationing and "riceless days" were the direct result of a "do-nothing" Government, the writer said. "Mis-management" of the housing situation was another charge leveled at the present Administration. One may temporize with respect to clothing and food, TOKYO SHIMBUN believed, but a "winter of tragedy" will result if the population is without shelter. Premiums as high as 10,000 yen and a monthly rent of 700 yen were said to be in common demand for the ordinary sized room. Further exertions by the Government for control were thought to be preliminary to importation of building materials considered necessary for the eventual solution of the housing problem.

FOREIGN

Public speculation on an atomic war in view of Foreign Minister Molotov's recent statement moved JIJI SHIMPO to chastise those who think of "man's greatest discovery in destructive terms only." The newspaper --- regretting the impression that Russia is preparing for another war --- joined with TOKYO SHIMBUN in calling for beneficial and progressive use of atomic energy instead of limiting its powers to "lethal capacities."

Secretary Marshall's testimony before the Joint Foreign Affairs Committee marked the end of commercial diplomacy and the beginning of political diplomacy, in the opinion of DAI ICHI SHIMBUN. The journal portrayed the Wedemeyer Report as succeeding the Marshall Report, which, the writer said, aimed primarily at consolidating warring Nationalist-Communist factions and so stabilizing China as a "safe foreign market."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 13 November 1947

No. 629

COAL

Japan's coal situation --- from political battles over socialization to actual conditions at mines --- received critical treatment today in five metropolitan journals.

On the political side, NIPPON KEIZAI reported that the Emergency State Coal Control Bill, revised at Tuesday's tri-party meeting, had been scored as catering to the capitalists, while Democrats viewed even the revised Bill as impracticable because of equipment shortages. Intra-party dissension stirred by the conference was noted in ASAHI, which described subsequent conferences as held in a "threatening atmosphere." Possibility that opposition to the appointment of a new Agriculture-Forestry Minister (see below) might be coordinated with resistance to the Bill moved MAINICHI to predict disposition of the measure before naming the new cabinet minister. SHIN YUKAN criticized both Socialists and Democrats for what the journal called a failure to provide coherent arguments either for or against State control of the mines, urging them to appeal to public opinion more positively and eschew the "meaningless details of the Bill."

In a special article on Hokkaido mines, NIPPON KEIZAI admitted that mines were hampered by severe financial burdens, but also felt that industrialists and miners lack "burning zeal" to increase output. In this respect, TOKYO TIMES stated that miners should agree to work 10 hours a day, to compensate for equipment shortages, and that the Government should move immediately to improve working conditions.

ECONOMY

Reporting that the Government may submit a second supplementary budget, YOMIURI defined "sound finance" as "keeping the budget within certain limits; making ends meet, and sharing the burden equitably." From this point of view, the journal insisted that budget expenditures (approximately 23 percent of national income) must be curtailed. Secondly, "making ends meet" was said to presuppose retention of the 1,800-yen wage standard, and "the successful collection of taxes." Finally, "large-scale increases of indirect taxes," necessitated by the tax evasion of blackmarketeers, was held to be inequitable, because of the disproportionately heavy burden imposed upon average citizens. To achieve sound finance, the journal recommended rationalization of the Administration, suspended payments on public bonds, establishment of an orderly flow of commodities, and heavy taxation of inflationary incomes.

Meanwhile, TOKYO MINPO predicted that the budget for the current fiscal year will not be balanced without the issuance of bank notes to span the gap between revenue and expenditure, and NIPPON KEIZAI took the Government to task for its "lack of consistency in fighting the blackmarket." Whereas the transportation of illicit goods is strictly policed, the paper claimed that activities such as cigarette sales are countenanced by the authorities. Consequently, according to the writer's observations, the people's confidence in the Government is shaken, and respect for the law undermined.

WOMEN

The international YWCA conference now being held in Tokyo was considered by ASAHI to have broad aspects which would be "deepened and widened" if all women in Japan "should take it as their own conference, and consider the issues with the participants." As the first international conference held in Japan since the war, and including as it does representatives of both Allied and Axis nations, the meeting has particular significance, the journal noted. With emancipation, Japanese women have acquired additional responsibilities toward society in the prevention of war and the construction of a new world, the writer observed, "In this sense, it is important that the conference is held in this country under the sponsorship of Japanese women."

LABOR

Wednesday's rally in the Imperial Palace Plaza of 100,000 workers (TOKYO MINPO's figure; 30,000 according to MAINICHI) representing 44 labor organizations drew minor news attention. "It is worthy of note that reflecting political unrest the cry 'Down with the Socialist Cabinet!' has come to be heard directly from workers," MAINICHI said, while TOKYO MINPO reported without comment the demands (for minimum wage guarantees, security of the right to strike, full distribution of daily necessities at official prices, etc.) submitted by the group to the Administration.

Feudalistic practices, which reportedly prevail at the Nisshin Chemical Works in Niihama City (Ehime), were scored by NIPPON KEIZAI. A lead article explained the system whereby labor is hired by the day through group bosses who retain part of each worker's wage, and listed evasions whereby the company has been able to avoid changes required by the prefectural labor commission.

POLITICS

Opposition of the Democratic and People's Cooperative Parties to the expected appointment of Masaru Nomizo as Agriculture-Forestry Minister dominated political news in most papers. In order to obtain the support of the two Ministerial parties for the State coal control measure (see above), Premier Katayama and Cabinet Secretary Nishio were said to have agreed to postpone Nomizo's appointment. Although Nomizo was regarded generally as the leading candidate for the position, only YUKAN MIYAKO categorically stated the Premier was "determined" to name the Japan Farmers' Union executive to the Agriculture-Forestry post.

Explanation of the objections to Nomizo appeared in ASAHI and SHIN HOCHI. According to the former, Nomizo's nomination would strengthen the JFU, which reportedly has policies conflicting with those of the People's Cooperatives. In addition, the writer said that there have been "complaints" that Communications Minister Miki (leader of the People's Cooperatives) has supported many Socialist policies over those of his own group. Discussing the latter point, SHIN HOCHI claimed that not only Miki, but State Minister Sasamori (also a People's Cooperative) "have rendered no service to the party since they became members of the Cabinet." Thus, it was believed that intra-party forces opposed to the two leaders had "maneuvered" the opposition to Nomizo.

New Party Movement

Discussion of a new party movement and criticism of the Administration drew the attention of several papers. Four Liberals who discussed a new party with Foreign Minister Ashida (a Democrat) were reported by ASAHI to have won the Cabinet member's approval of "general principles." Predictions that the Katayama Cabinet would not retain power until the peace conference were expressed by YUKAN MIYAKO and TOKYO MINPO. Dismissing the recent Hirano case, the latter believed that difficulties facing the Administration have "much deeper roots; they come from a stalemate of policies (which) . . . have done nothing to check inflation, increase production or secure the national life."

FOREIGN

The recent coup d'etat in Siam was regarded by JIJI SHIMPO as unfortunate because of its evidence of violent political strife, rather than because of its indication that the country is turning to the right. That Siam is becoming rightist was agreed upon by both JIJI SHIMPO and the Communist organ AKAHATA, with the latter foreseeing difficult conditions of living if the right wing proved successful in taking over the sovereign powers in conjunction with the military forces. At a time when democratic government is first appearing in Asia, JIJI SHIMPO concluded, the results of the coup "cannot help attracting the attention of the world."

Recent statements by a US Congressman that "Japan is the only bright spot in the world" drew expressions of regret for Japan's war responsibility from SEIJI SHIMBUN. "If Japan is the 'only bright spot in the world,'" the writer declared, "the Japanese must ask the pardon of all nations, especially of those peoples who suffered under Japanese aggression in the past." While admitting that the words were in a sense "gladdening news," the editorial urged that the best way to atone for Japanese aggression is to "abide by the spirit of the new Constitution."

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 11 and 12 November 1947

No. 628

FOREIGN

Foreign Minister Ashida's statement that the Government has made preparations for the preliminary peace conference received prominent attention in major Tokyo papers Tuesday and today. Commenting upon the Minister's observation that a national coalition cabinet is not a prerequisite for the peace parley, MAINICHI noted that, since Japan had accepted unconditional surrender, it was "meaningless" to support a national coalition on the theory that the peace conference could be "turned in our favor by sending a representative of a particular party to the conference."

MAINICHI observed that the peace conference would probably not be held as soon as had been anticipated, and, moreover, that further delays may be expected "unless China undergoes a radical change of attitude." Terms of the treaty, "though just, are likely to be hard," the journal cautioned, and readiness to face hardships was recommended in order to avoid over-optimism and consequent "dangerous disillusion." Meantime, TOKYO SHIMBUN warned that Japan has not yet secured the "international trust" felt to be essential for conclusion of a satisfactory peace treaty.

Coup d'Etat in Siam

Tokyo journals generally regarded overthrow of the Siamese government by wartime premier Field Marshal Phibun as the work of nationalists with the army as their center. "It is questionable whether the general opinion of the world supports the revolution," observed MAINICHI, which concurred with ASAHI in the view that Phibun is still looked upon internationally as a wartime collaborator with the Japanese. Stability of the Siamese government under Phibun's former administration, trouble over the Indo-Chinese border dispute, and British requirements necessitating export of rice to England were regarded by other papers as causes leading up to the recent coup.

Marshall Plan

Economic crises and food shortages in Western Europe were reviewed in foreign news commentaries in SHIN YUKAN, JIMMIN SHIMBUN, and TOKYO TIMES, while ASAHI discussed the significance of Secretary of State Marshall's request to Congress for funds for aid to Europe and China. The Secretary's references to relations between the US and Russia were felt by the paper to be an indication that "the conflict between the two camps led by the Soviet and the United States is now grave." Marshall's request for assistance for the Chinese Nationalists was interpreted by ASAHI as removing some ambiguity from America's China policy, and was hailed as offering hope that the Marshall Plan might also be carried out in the Far East.

POLITICS

Recent political developments were widely interpreted as indicating that the Katayama Administration is now confronted with its "most critical period." Citing the Hirano case and the anticipated resignation of State Minister Hayashi as "evidence" of Cabinet disunity, some editorialists appeared to believe that "drastic measures" were required to prevent increased demands for a new government. In this connection, major papers reported that the People's Cooperatives would withdraw as a Ministerial Party if Masaru Nomizo, an official of the Japan Farmers' Union, is appointed Agriculture-Forestry Minister. (Premier Katayama has decided to name Nomizo, according to MAINICHI).

Meanwhile, Liberal Party charges that Katayama's dismissal of Agriculture-Forestry Minister Hirano was unconstitutional received prominent attention. The Premier's denial was described as "evasive" by MAINICHI, and other commentators questioned whether the removal procedure was "correct."

Describing Japan's present political situation as "unfortunate," TOKYO TIMES attributed recent political developments to the Administration's "lack of power" and to the Ministerial Parties' "lack of ability." Similarly, SHIN YUKAN thought that attempts to stabilize the present situation "without a clear attitude" would be to no avail, but conceded that the Administration had stood "firm" during the recent Cabinet change. Foreseeing a "crisis," AKAHATA declared that the "patching-up" of the Government would not "satisfy the working masses, on whom pressure is becoming stronger each day." Comment in TOKYO TOMIN SHIMBUN, SHIN HOCHI and SEIJI SHIMBUN was also critical, but MAINICHI maintained that "no matter which party takes the helm of State affairs, the difficulty of the task will remain the same."

As former Premier Yoshida reportedly consented to give his support to efforts to organize a new conservative party, three journals speculated upon a possible government change. To KOKUSAI SHIMBUN, it seemed that the length of time Foreign Minister Ashida supports the present coalition was the "big question." JIMMIN SHIMBUN believed that the Liberals were in "high spirits" but not yet prepared to make an "important proposal," and TOKYO SHIMBUN advocated a merger of the Liberals and Democrats.

ECONOMY

Bank of Japan bank-note issue has exceeded 170 billion yen, according to NIPPON KEIZAI, which expected the figure to reach 200 billion by the end of the year. Recent issue was said to be principally for rice purchases from farmers and reconstruction funds. ESB Director-General Wada was quoted in JIJI SHIMPO to the effect that 33 billion yen in bank-notes would have to be issued during the third quarter of the fiscal year to finance the nation's industries.

Meanwhile, the Administration was said to be planning "to lift the limit on Finance Ministry bond issue in an attempt to readjust the time gap between revenues and expenditures of the State Treasury." JIJI SHIMPO approved the proposal as an expedient, providing the Government sought "expansion of the revenue structure, improvement in tax payment morality."

Less than six million shares of Zaibatsu stocks, valued at approximately 253 million yen, have been disposed of to date, according to NIPPON KEIZAI. (The total value of Zaibatsu securities, including the shares of other dissolved monopolies, has been estimated to be 25 billion yen). Because of the high cost of living, the paper opined, the general public cannot afford to purchase stocks, and those who have ample funds generally "prefer to invest in a business which can bring in profits more readily than these shares." On the other hand, SHIN YUKAN considered stock ownership "by the public, especially workers," to be feasible. The latter were urged to become "small-time capitalists" through security investments, thus advancing the interests of the entire economy.

The electricity shortage drew comment from several metropolitan journals. In a typical editorial, YOMIURI asked the Government to establish "an electric policy," proposing that it encompass provisions for the construction of dams, the exploitation of new sources of power, and for the repair of existing facilities.

LABOR

While refraining from a direct accusation that the labor movement in Japan is under the "control of revolutionists," TOKYO SHIMBUN discerned a "serious trend" in that direction. The Government was urged to take immediate and decisive action against a "growing spirit of violence and conspiracy" counter to the principles of democracy. Labor leaders supporting a "revolutionary ideology" were said to be willing to seize upon any pretext in order to encourage "riot" and disorder, and laborers were warned against "precipitating themselves into distress." In a similar vein, a letter to YOMIURI from the Tokyo area vice-chairman of the Government Railway Workers' Union deplored Communist "fractionalism" which reportedly stands in the way of unification of the labor front and is designed to suppress the will of the majority by the action of a few.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 9 and 10 November 1947

No. 627

FOOD

Weekend editions emphasized Parliamentary Vice Minister Inouye's assurance of full rations until April, but also printed his explanation of an anticipated 12 million koku shortage for the food year 1947-48. According to NIPPON KEIZAI, uncertainty prevails as to whether world food conditions will permit imports in sufficient quantity to make up the domestic lack, and a crisis can be expected in May or June. Meanwhile, rice shipments into Tokyo were said to be seriously delayed, but reports of "smooth" and "favorable" deliveries in the prefectures were prominently featured.

Free Sale of Surplus Rice Advocated

Rice deliveries were considered by JIJI SHIMPO to be pre-eminent in ensuring Japan's return to a normal economy and society. Questioning the success of further appeals to the farmer's sense of ethics as against his sense of profit, the journal challenged the Administration to stimulate the flow of commodities and encourage production by adopting measures to legalize the disposal of surplus rice in a free market. Recalling the time 25 years ago when a rice riot broke out because the price rose to 50 sen per sho, TOKYO SHIMBUN, in contrast, based hope for success of the present delivery program on the farmers' "understanding and fraternity." Commenting on cancellation of delayed rations, SEIJI SHIMBUN cautioned against incurring the people's disfavor by ignoring past promises, and regarded Government guarantees of a "future supply" as having little validity. Citing as evidence the 10 million koku of rice reportedly handled in illegal transactions last year, SHIN YUKAN requested the people to reflect upon their own complicity in the situation. The blackmarket continues because the people want it, the writer argued. Another paper, DAI ICHI SHIMBUN, continuing comment on the starvation death of Judge Yamaguchi (Press Analysis No. 624), stressed the alleged contradiction between official statements concerning the food situation and the actual conditions faced by the people.

ECONOMY

Disagreement between Democrats and Socialists was believed by MAINICHI to have prevented the Government from instituting a program to rationalize employment. "How the Government will deal with this problem," the paper declared, "must be watched in relation to the ideological conflicts which the present coalition involves." The Democrats were said to be advocating personnel retrenchment, whereas the Socialists assertedly would consider employee dismissals only as a last resort, stressing instead "the liquidation of bogus capital," the utilization of idle equipment, and anti-blackmarket measures. Meanwhile, NIPPON KEIZAI maintained that the ESB "is desirous of promoting industrial reorganization." The Board reportedly intends to continue industrial inspections as an established procedure, in order to check blackmarketing, tax evasions, and wage payment violations.

Former Zaibatsu employees have set up several hundred small firms, most of which are not actually doing business at present, according to a recent Metropolitan Police Board investigation reported by YOMIURI and TOKYO SHIMBUN. The latter paper feared that because of financial difficulties these companies may engage in blackmarketing "by selling the enormous quantity of goods which was in the possession of the Zaibatsu at the time of the surrender."

PRESS

Two editorials on the gorotsuki (gangster) press agreed that extortionist or special-interest newspapers hamper democratization. But the writers also held that the public was partially responsible for the "spiritual destruction" of the yellow press. SEIKAI NIPPO called for strict control of newsprint allocation and increased public morality, while ASAMI chastised readers who yield to "intimidation" and newspapers which limit their mission to support of political bosses.

Premier Katayama's apology to the press for charging it with incorrect reporting in connection with the Hirano issue appeared as a news story in YOMIURI which described the Cabinet chief's remarks as "improper."

POLITICS

Political developments and comment drew prominent attention over the weekend, particularly in minor journals. Announcement that Democratic Party leaders would continue to support the Administration and predictions that State Minister Hayashi (a Democrat whose qualifications for public office have been questioned) would resign were widely reported. JIJI SHIMPO quoted Liberal Party Chief Secretary Ono's forecast that his party would demand dissolution of the Diet toward the end of the present session.

In regard to the Hayashi issue (which TOKYO MINPO believed would mark "a turning point in the political situation"), several papers observed that the Minister's own party was remaining "calm" or "unsympathetic." Contrasting reasons for this were presented by YOMIURI and SHIN HOCHI. To the former, Hayashi was in "revolt" against the Democratic Party, which had adopted a "passive attitude to hide internal disunity," while the latter paper contended that Democratic leaders wished to avoid a dispute because of plans to assume Government leadership "in two or three months."

The effect of Agriculture-Forestry Minister Hirano's dismissal was considered in several commentaries, as writers generally foresaw the appointment of Masaru Nomizo (an official of the Japan Farmers' Union) to the position. Comment fell into two broad groups: MAINICHI, SEIJI SHIMBUN, YUKAN MIYAKO, TOKYO TIMES, and DAI ICHI SHIMBUN appeared to minimize the "damage" done to the Cabinet and the possibility of its displacement, while ASAHI, TOKYO SHIMBUN, JIMMIN SHIMBUN, and SEKAI NIPPO indicated belief that the position of the Administration and the Socialist Party, had been weakened. Within these two groups, however, there was a variety of opinions; for instance, editorials which presented the second view ranged from TOKYO SHIMBUN's declaration that Premier Katayama should resign to SEKAI NIPPO's rebuke of Socialist leaders for the manner in which Hirano was removed.

FOREIGN

Russian Foreign Minister Molotov's address on the 30th anniversary of the Revolution was regarded by a MAINICHI editorialist as having heightened international tension, while TOKYO SHIMBUN felt that the statement had a "delicate bearing" on questions of atomic control. Comparing the content of the speech with remarks made by Vishinsky a few days earlier, MAINICHI termed it "an extension of the attack on America." While noting Molotov's observations on the "possibility of cooperation between different economic systems," the paper observed that "the general impression received is that this (cooperation) does not constitute the focal point of the address." Although references to Russia's possible control of the atomic bomb were reported by MAINICHI as having attracted "greatest attention," the journal appeared to concur with press service dispatches which were reported as saying that references to dying capitalism and the eventual triumph of communism were more alarming to the American people than references to atomic bombs.

Chinese Political Situation

Monday's ASAHI questioned whether suppression of the Chinese Democratic League might not lead to an "endless quarrel" between "two Chinas" of the right and left, following extermination of this "last and lawful non-government party." Expecting that the dissolution of the League would make the China policy of the US even more involved, ASAHI asserted that public opinion in China regarding the Japanese peace treaty would be conditioned by "future political developments -- both internal and external -- centering on China herself."

LABOR

YOMIURI, in an editorial attacking the extreme left in the labor movement, hailed the creation of an anti-communist league within the Government Railway Workers' Union as an opportunity to "establish labor independence," and called on capitalists and "orthodox" labor leaders to unite in the reconstruction of Japan. The journal, charging that Communist tactics have restored "prowar disdain of unions as nurseries of ... agitators," accused the extreme left-wing of continuing a battle for union control which has hampered the normal growth of a democratic labor union and held that the "suffering of the laborers" had stirred anti-communist sentiment among the "masses."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 8 November 1947

No. 626

POLITICS

The demand by State Minister Hayashi for the ouster of Cabinet Secretary Nishio and Justice Minister Suzuki attracted major news attention in all leading journals and revived press speculation over internal disputes threatening the unity of the Socialist-led coalition regime. In what was generally described as "a bombshell announcement," Hayashi reportedly accused both Nishio and Suzuki of false allegations in regard to the Democratic State Minister's purge standing, and called on Premier Katayama to dismiss the two Cabinet officials on grounds of "unfounded and deceitful charges." A MAINICHI report quoted Hayashi as declaring that "my probe into the matter has unearthed insidious facts . . . entirely unfit for a gentleman to mention before a meeting of this kind," and the Minister was said to have urged that steps be taken against "the sordid acts of Government officials who attempt to execute political designs under the mantle of authority." Assurance by the State Minister that his demands "do not aim at the overthrow of the Administration" was noted by TOKYO MINPO, which reported Hayashi as denying "any responsibility for whatever political confusion may arise" as a result of the Cabinet dispute.

Belief that the Government "faces a new internal crisis" as a result of the Hayashi incident was expressed by MAINICHI, while JIJI SHIMPO reported the opinion of "some observers that the event may lead to overthrow of the Cabinet." The former journal considered that Democratic Party leaders would avoid wholehearted support of Hayashi in the belief that "the time is not ripe for political change," although party elements opposed to the pending coal supervision bill were held to be favoring exploitation of the issue as a step toward defeat of the Socialist leadership. Meanwhile, a Liberal Party demand for dissolution of the Diet was noted by YOMIURI, which attributed the move to conservative dissatisfaction with the Cabinet ouster of former Agriculture-Forestry Minister Hirano.

Cabinet Popularity Seen Declining

Editorial charges of "betrayal" and "ineptness" were leveled against the Katayama Administration by AKAHATA and SEIJI SHIMBUN, as a variety of minor journals voiced belief that recent political disturbances have caused a decline in public support of the Government. Asserting that the Cabinet "has completely betrayed the trust of the common people since assuming office," the latter paper attributed the development primarily to official insistence on the "unworkable" wage program, plus internal disputes centering around the dismissal of Hirano. AKAHATA similarly claimed that "all recent political disturbances are a consequence of Government inability and the distrust of the people," and charged the Socialist leadership with "total lack of sincerity." A YUKAN MIYAKO commentary quoted "widening rumors that the Cabinet will collapse before the end of the year" as a result of the alleged failure of Administration policies.

ECONOMY

Because hoarded goods enable blackmarkets to operate, ASAHI editorially proposed that "the ESB make surprise inspections of all the warehouses of business firms and factories." The journal also suggested that former paymasters of the Japanese armed forces be contacted "to ascertain where military goods were disposed." Production has been impeded, it was believed, because of a shortage of materials which remain hidden in the custody of "blackmarket capitalists and brokers."

JIJI SHIMPO reported the Cabinet's decision to set up an agency to aid small business in boosting production of export commodities. The organization will study and recommend techniques "to improve the management of small and medium enterprise," and training schools will be established to teach progressive business practices.

LABOR

Mass meetings of both the anti-Communist faction of the Government Railway Workers' Union and an opposing element drawn from the union's youth section received considerable notice. According to MAINICHI, the former group favors "social democracy" politically and a socialistic system economically and emphasizes its independence from leftist control, but the latter group characterized it a "product of anti-labor maneuvers." In the meantime, the Central Labor Relations Committee delayed presentation of a joint mediation plan for disputes of railway and communication workers because of the opposition of certain labor members of the committee who pointed out the incompatibility of the demands of the two unions. The communication workers reportedly asked "real wages based on a theoretical calculation of living expenses," while railway employees want "nominal wages based on actual living expenses." YOMIURI expected a CLRC draft plan "in some form or other within a few days" formulated on the policy of "paying emergency livelihood subsidies without touching upon the problem of the 1,800-yen wage level." On the other hand, revision of the present wage standard was proposed by AKAHATA as a probable solution of the communication workers' problem.

Editorial comment in JIJI SHIMPO chided labor for expecting the Government to take on sole responsibility for livelihood problems. Opposition to wage increases was said to be based upon the Administration's "consideration of the general welfare of the people."

POPULATION

Government sponsorship of a birth control program, was urged by NIPPON KEIZAI as "the only way to solve the population problem" at this time. Emigration was held to be not politically feasible, and was regarded as economically impractical because of the enormous shipping facilities that would be required. Also the writer doubted that, under present conditions, the population problem could be solved domestically by developing foreign trade.

The birth rate during the first five months of 1947 was said to have been 70 percent greater than during the corresponding period in 1946. "If this trend continues," the editorial predicted, "the Japanese population will increase by more than one million annually, and the food situation of our country will become even more precarious." The Government was scored because it was said to be encouraging a high birth rate through family allowances, tax deductions for dependents, and special allotments to pregnant women.

PRESS

Comment on Premier Katayama's alleged deprecation of false press reports in connection with the Hirano purge -- which drew featured attention on 7 November -- was restricted to little more than passing mention in two papers.

YOMIURI reported that the Cabinet Press Association, which had demanded a formal retraction, was displeased by Katayama's reported preference of an "oral form to a written one" in cancelling his remarks. SEIJI SHIMBUN predicted that dissatisfaction over Katayama's expected attitude (which the journal did not describe) would "confuse conditions greatly."

FOOD

The reported price decline and growing availability of fruits and vegetables argue against retention of price controls, according to editorials in ASAHI and SEIJI SHIMBUN. Fruits are more abundant, ASAHI said, because they have been released from controls and planned transportation, while the latter journal urged that removal of restrictions be extended to fish as the only means of insuring a continuing flow of food to the cities.

CULTURE

Admission taxes and blackmarket manipulation of ticket blocks prevented the working class from attending a recent performance of the "Forty-seven Ronin," JIJI SHIMPO charged in an editorial which predicted cultural decadence unless such "enemies (of art) are exterminated."

ASAHI greeted the opening of fine arts exhibits by taking note of culture's growing popularity among the general public, but the writer urged a museum guide system lest "unawakened people" absorb nothing from art galleries but "dusty air."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 7 November 1947

No. 625

ECONOMY

Fundamental reorientation of Government economic policy in line with "world trends" was foreseen today as a result of Diet statements by Premier Katayama and reported long-range plans of the Economic Stabilization Board. Replying to a lower house interpellation, the Cabinet leader was said by MAINICHI to have expressed optimism over recovery prospects "if the peace conference is successfully concluded and if Japan's independence and foreign trade are both established." Meanwhile, KOKUSAI TIMES declared editorially that the US and Soviet Russia "have diverted their attention from Europe to the problem of Japan," but questioned the nation's "readiness for a thoroughgoing plan of industrial reorganization." Asserting that "now is not the time to rely upon the aid of Allied nations," the paper called for primary emphasis on the development of light industries to meet demands of the world market.

An important change in economic planning was anticipated by YOMIURI and JIJI SHIMPO, which devoted major headlines to reports of an ESB program assertedly aimed at the attainment of "an independent position in the world economy." The latter paper foresaw further strengthening of domestic controls over production and distribution, and predicted "forceful measures" to maintain present wage-price levels. Interpreting the expected policy shift as an answer to "increasing public criticism," the writer claimed that "the people have steadily lost confidence in the Cabinet due to the failure of emergency economic measures." YOMIURI similarly noted efforts of ESB Director Wada to gain broad public cooperation through coordinating Board activities with those of both official and non-Government agencies.

Drastic Action Demanded

Immediate steps to check rising prices and halt the progress of inflation were urged by SELJI SHIMBUN and SHIN HOCHI, while TOKYO TOMIN SHIMBUN perceived "alarming signs of failure within the wage-price system." The first-named journal declared that the current inflation "has been manufactured solely by the Government," and advocated "drastic reorganization of the administrative structure to curtail the sweeping powers of officials." SHIN HOCHI asserted that the Katayama Cabinet "has utterly lost popular support and is destined to be destroyed," but called nevertheless for "concrete and specific measures to restore the flow of commodities and stabilize living standards." A corollary editorial in TOKYO MINPO charged the Administration with failure to develop a counter-inflation plan, and attributed rising costs on the blackmarket to recent official increases of rice and food prices.

POLITICS

Although interest in the dismissal of Agriculture-Forestry Minister Hirano diminished considerably, several papers continued to comment, and there was particular emphasis upon the origin of the disagreements between Hirano on the one hand and Cabinet Secretary Nishio and ESB Director Wada on the other. Relatively unimportant space was allotted to reports that State Minister Hayashi would bring up rumors of his possible purge at today's Cabinet meeting. Only TOKYO MINPO believed that the Administration faced a "serious situation" if Hayashi should be disqualified.

Discussion of recent political developments in YOMIURI concluded that the future of the present Government would depend upon the pending State coal control bill, which the journal believed, the Democratic Party would support because of fears of "a wave of labor instability." However, TOKYO MINPO predicted a "crisis" over the coal measure, and said that the Democrats were attempting to become "the next political power." In the opinion of MAINICHI "the storm resulting from the Hirano case is increasing," and DAI ICHI SHIMBUN, SHIN YUKAN, and JIMMIN SHIMBUN foresaw "difficult times" ahead for the Katayama Administration.

LABOR

Anticipated announcement of a Central Labor Relations Committee plan to meet in full the communication workers' demand for livelihood allowances aggregating ten billion yen received widespread coverage. According to MAINICHI, the mediation scheme also envisages the establishment of a minimum wage scale and the setting up of a "scientific payroll research agency" within the Government to survey prices in terms of the net wage scale. While giving some credence to a report that the Government will consent to the CLRC plan, ASAHI maintained that approval might be conditioned upon whether or not the present wage scale would be undermined by the new proposal. A Cabinet meeting on Wednesday was unable to reach a conclusion on the general attitude toward grievances of the seven other Government employee unions which have submitted their cases to the CLRC, although MAINICHI said the Communication, Labor, and Transportation Ministers were attempting a "political solution" to ward off Finance Minister Kurusu's opposition to any program calling for additional expenditure of national funds.

Today's inauguration of an "Anti-Communist League" by a faction of the Government Railway Workers' Union was interpreted by YOMIURI as indicative of the "intense struggle" between right and left wings for dominance of that organization. The new group was said to be contending for "real living expense," and taking a resolute stand against the "theoretical living expenses for 2,400 calories" being asked by other government unions.

Despite the semblance of quiet on the labor front evidenced by the return of absentees to their jobs, ASAHI's commentator could not believe that workers "have been persuaded into usual normal working conditions." Mounting grievances over the 1,800-yen wage scale were thought to have gone beyond the point of safety, and this fact was said to account for the "deep-rooted stubbornness characteristic of recent labor disputes." NIPPON KEIZAI also gave consideration to the plight of labor in terms of livelihood problems, but maintained that hasty action which stops industrial production would be contrary to real union objectives and calculated only to intensify the contradiction between wages and prices. In a more pronounced vein, YUKAN MIYAKO defended the labor point of view and declared that, with regard to the 1,800-yen standard, it is now only "common sense" to consider proper pay at a 3,000 to 4,000 yen level.

FOOD

Editorials in five journals on scattered aspects of the food situation were high-lighted by attacks on Government production and distribution policies. TOKYO TOMIN SHIMBUN -- criticizing "makeshift policies" in the field of price adjustment -- charged the Administration with adopting an agricultural policy which would subordinate industry to the role of producing only enough collateral to finance food imports. In the same vein, TOKYO SHIMBUN blamed the Government for allegedly abandoning plans to make Japan self-sufficient in food, and urged swift introduction of scientific farming methods to ease the present dependence on outside sources.

FOREIGN

Local elections in Great Britain and Western Europe were the subject of editorials in ASAHI and YOMIURI, and the latter offered the opinion that "the retreat of the Socialists is undeniable" throughout Europe. The fact that in the two and a half years since the end of the war, Socialist governments already had encountered major difficulties from the right and the extreme left cannot be regarded as a "temporary phenomenon," the YOMIURI writer remarked. Among causes for the Socialist set-back, the paper observed, were the natural dissatisfaction with any government which has been in power during a critical period, alteration in Socialist philosophy which has brought it closer to the conservative standpoint, dissension between various party factions, failure of Socialist governments to curb inflation and blackmarkets, and "the widening rift between the US and the USSR."

ASAHI's survey of the recent British elections attributed the conservative victory in England -- like that of the RPF in France -- to dissatisfaction with the government in power "rather than positive support of the Conservative Party." At the same time, the writer believed that the trend in Western Europe is "toward the unification and strengthening of anti-Communist influences" and that, from this point of view, the groundwork for realizing the Marshall Plan is "progressing steadily."

* * *

Kagan

CIFE

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 30 October 1947

No. 618

C. O.
EXC. OFF.
A. J.
ASS. ADJ.
SGT. MAJ.

Chairman Sebald's statement to the Allied Council --- concerning the delay in repatriating Japanese from Russian-controlled areas --- was lead story in five Tokyo papers and received prominent attention in four others. Although no editorial comment appeared, headlines and space allotments appeared to indicate unusual interest.

JIJI SHIMPO's front page devoted greater attention to the Council meeting than did any other journal, but YOMIURI --- which included a second-page summary of the repatriation program --- led all papers in total space on the subject. Adjacent to a small headline, "Chairman Sebald Reports to Allied Council," the YOMIURI story was captioned: "Why Is Repatriation of Japanese Nationals Being Delayed? Can Be Accomplished Within Five Months; Only Russian Agreement Awaited."

Other papers also used headlines which emphasized the possible return of repatriates within the mentioned five month period. The device of a small "box" or subordinate heading was utilized to indicate that the main headline referred to developments at the meeting. For instance, ASAHI's top headline declared, "USSR Lacks Sincerity in Repatriation of Japanese Nationals," but the explanation, "Chairman Sebald Reports to Allied Council," appeared below. A second ASAHI report noted the "fiery debate" between the US and Soviet delegates, as did the principal headline in MAINICHI. For the most part, actual news accounts were factual and were confined to the highlights of the proceedings.

ECONOMY

Large-scale retrenchment within both private industry and public administration was foreseen today as a result of statements by ESB Director Wada and Cabinet Secretary Nishio calling attention to Japan's financial limitations. Prominently featured by all morning journals, the Wada announcement reportedly presaged future restriction of State loans to key industrial producers despite the acknowledgment that "many enterprises may be wrecked as a result." Urging immediate efforts to relate domestic prices to "the world level," the ESB spokesman was said to have stressed the need for "deflation policies" and to have warned that industrial wages might be reduced to the official standard of Government workers. Meanwhile, a "drastic reduction of surplus personnel" within the Administration was demanded by Nishio, who was quoted in a YOMIURI report as favoring sharp civil employment cuts "even at the expense of labor security."

Budget and Taxation

Calls for improvement of the tax structure and strengthening of collection techniques were voiced editorially by three major papers, as the pending supplementary budget bill remained an important source of press comment. Warning that failure to collect an estimated 100 billion yen in tax revenue during the current fiscal year "will destroy the policy of sound finance and throw the tax system into confusion," ASAHI charged the public with "a radical decline in the sense of tax responsibility." NIPPON KEIZAI similarly expressed doubt whether estimated revenues could be successfully collected and called for "fundamental reorganization of the existing structure." Belief that the principle of sound finance "must be maintained at all costs" led TOKYO SHIMBUN to observe that "the prevention of tax evasion is far more effective than the application of a higher tax," and the paper cautioned against alleged large-scale evasion by blackmarket merchants.

Editorial admission that "there is no alternative to the austerity life under a heavy tax burden" was expressed by JIJI SHIMPO, which declared that "circumstances both at home and abroad permit no other consideration."

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SHIN HOCHI observed that the people must bear 90 percent of supplementary budget expenditures through taxes and Government profits from the sale of tobacco." Arguing that the higher cigarette charges "may have been inevitable," the paper denounced "the continued payment of war bond interest and the tax irresponsibility of the 'new yen' class." JIMMIN SHIMBUN maintained that "the working class not only is deprived of tobacco but is excluded from amusements through the application of admission taxes . . . and sees its purchasing power decline as a result of price inflation."

POLITICS

Negotiations between the Liberals and Democrats -- reportedly aimed toward designed control of the Administration and installation of Democratic President Ashida as Premier -- were featured editorially together with critical appraisals of the Katayama Cabinet. ASAHI, considering Liberal-Democrat discussions, said that a merger would evolve a new party featuring a "conflux of the main currents" of both groups. Contending factions within the two parties were said to be compromising their differences in view of possible union. However, stating that "public unrest with present policies and conditions attending the peace conference would dictate the time of formation," the paper quoted Premier Katayama as saying that the Socialists were "backed by the working class and refuse to yield the baton of national leadership to a conservative group."

SEIJI SHIMBUN, elsewhere critical of Cabinet economic policies, offered tacit support to Katayama by criticizing "behind-the-scenes political trickery . . . without the persuasion of the nation," while AKAHATA urged workers to support "a true democratic power including members of the Socialist Party," in view of the "impending union" of conservative factions.

LABOR

Adjournment of public hearings on the communication workers' wage demands was reported by the metropolitan press, after labor representatives "bolted" a meeting of the Central Labor Committee, which was meditating the dispute. The latter action was in protest against ESB Director Wada's insistence that the 1,800-yen wage standard be maintained.

"Mass absenteeism" of communication workers should be subject to regulation, regardless of whether or not it was considered a strike, SEIJI SHIMBUN declared. Meanwhile, ASAHI noted the Government's decision to refuse wage and salary payments to employees who have participated in "the so-called wildcat strikes."

EDUCATION

The effect on the educational system of a cut in the proposed supplementary budget drew attention from MAINICHI, while YOMIURI reported that the Democratic Party favored delay in implementing the new 6:3:3 plan in view of existing financial conditions. Members of the People's Cooperative and Socialist Parties were said to be opposed to the stand taken by the Democrats.

MAINICHI's editorial expressed fear that budget cuts would prove fatal to the establishment of the new educational program. With the limited appropriations now available for education, a choice must be made between reconstruction of schools and establishment of the new system, the journal said. Those favoring a smaller budget were criticized for confusing two distinct problems. Local governments could not be expected to provide funds to supplement adequately the appropriations from the central treasury, MAINICHI felt, since "if great reduction is made in the national budget, there may be some backing down in already scheduled local expenditures."

FUEL

Announcement of the Government's fuel plan, as reported by ASAHI, provides for division of the country into eight large sectors, and the rationing of charcoal or its equivalent according to the relative temperatures of each. Tokyo assertedly will be entitled to nine fuel bales per household for the winter season, whereas distribution in other areas will vary from 15 bales in Hokkaido to seven in Kagoshima. Meanwhile, MAINICHI noted that metropolitan officials claimed the charcoal shortage to be so serious that it may be impossible to distribute even a single bale during the next two months. The price of charcoal was said to have advanced 10.2 percent from September to October, as compared with a reported 2 percent average rise for all consumer goods on sale in Tokyo during the same period.

Kochi

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 29 October 1947

No. 617

C. O.

ECONOMY

EXEC. OFF.

A. D. J.

ST. AD.

SGT. MAJ.

Cabinet approval of drastic tax increases -- designed to accumulate 63,724,000,000 yen from direct and indirect levies under the supplementary budget -- today dominated news columns in the Tokyo press, as editorial comment continued to center around economic and financial problems arising from the new budget program. Scheduled for presentation to the Diet early next month, the revised tax bill reportedly was adopted together with a special assessment against "non-war sufferers," and was thought to be aimed primarily at "new yen classes" and high income groups. Government spokesmen were said to be confident of a total tax revenue exceeding 133 billion yen for the 1947-48 fiscal year -- approximately six times over receipts of the preceding year.

Meanwhile, impending Diet consideration of the supplementary budget led to renewed speculation over effects of the measure upon the national economy. Appeals for "re-examination" of the 1,300-yen official wage base were reported by MAINICHI to have been voiced by the Socialist, Democratic and People's Co-operative Parties, while TOKYO MINPO noted "strong opposition" to the budget program on the part of Communist leaders. The same paper editorially joined the Communist Party organ AKAHATA in denouncing the Cabinet draft as "a reactionary budget . . . imposing the whole burden on the workers in the interests of conservative elements."

Policy Changes Seen

Growing public demand for revision of the emergency economic program as a result of inflationary budget pressures was seen by ASAHI in a commentary anticipating the incorporation of new policies in next year's regular budget. The journal predicted swift Diet passage of the current supplementary draft but foresaw future Government concessions to labor and to business circles "which oppose the bureaucratic power of the ESB." An admission by ESB Director Wada that enforcement of the additional budget "weakens one of the main bulwarks of the price structure" was noted by JIJI SHIMPO, but a NIPPON KEIZAI article quoted Wada as favoring "reinforcement rather than abandonment of the emergency economic measures." Belief that "the key to the solution lies in fundamental reorganization of the national economy as a whole" was expressed editorially by TOKYO SHIMBUN, which called for sharp curtailment of administrative spending and large-scale rationalization of private industries.

POLITICS

Belief that the defeat of ESB Director Wada in the supplementary budget decision (Press Analyses Nos. 615,616) was further indication of serious Cabinet disunity was indicated in political commentaries. There was no comment on Wada's appeal for the support of all parties in "reinforcing" Government economic policies to eliminate "dangerous elements" in the budget, but TOKYO MINPO contended that the ESB Director had become "politically powerless" and that "the center of government is shifting from the ESB to the political parties." To accelerate this tendency (and apparently to maintain support of the Administration's economic program), the Cabinet was said to be seeking closer cooperation between the three Ministerial parties.

All commentators foresaw increased difficulties for the Administration, and SHIN YUKAN declared that reorganization of the Cabinet was required, if not fundamental reformation of the coalition Government. Citing the delay in enacting the State coal control bill, demands for revision of the 1,800-yen wage level and the price system, "wildcat strikes" and other asserted examples of "political instability," SHIN HOCHI proposed strengthening of "administrative power or there will be a crisis in November." In another column, the same paper

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urged the Government to ask for the cooperation of the press."

Editorials in SEIJI SHIMBUN and AKAHATA singled out the Socialist Party for criticism. Japan's Socialists, according to the first-named paper, are in the same position as those who have gained power in other countries: "they face a critical situation caused by a workers' offensive" and by Communists with "political intentions." The latter were said to be no less active "in the background" in Japan than in European nations. AKAHATA charged that the Socialist Party was "shirking its responsibility" by attempting to blame Government leaders for the alleged unpopularity of economic policies.

FOOD

Opposition to Labor Minister Yonekubo's rice allocation plan delayed Cabinet action on the daily necessities distribution program, according to ASAHI. The minister proposed "special measures" to supply extra rice rations "to workers engaged in major industries (including Government personnel), thereby boosting their real wages." Both ESB Director Wada and Agriculture-Forestry Minister Hirano allegedly took issue with the plan on the ground that it would reduce present basic rations, as indicated by prospects of the rice supply for 1947-48.

Consumer prices of staple foods were expected by MAINICHI to be established at today's Cabinet session. (These prices concern staples to be rationed as of 1 November). Because of the discontinuance of Government subsidies, an increase in the rice price was anticipated, which will reflect delivery and rice cleaning charges, and certain food corporation expenses.

YUKAN MIYAKO denounced the reported plan of the Government to "cancel its food debt to the people for the current year, (which would take) advantage of the new crop year beginning 1 November." The paper argued that such a proposal is "undemocratic," and the Government assertedly would appear as "irresponsible." Blackmarkets would be encouraged, the paper thought, because tacit acknowledgment would be given that they, rather than legal channels, have been the means by which some food has been obtained.

FOREIGN

The political situation in France and American-Soviet relations continued to be the subject of commentaries in several journals. There seems no need to take a gloomy view of the future in spite of opposition between the US and the USSR, a JIJI SHIMPO writer declared, but nevertheless warned that "henceforth the situation will grow more involved and troublesome, and each nation will be waging thought warfare all the more seriously." Similar "opposition of two worlds" was seen by SEIJI SHIMBUN's editorialist who felt that even in Japan middle-of-the-road parties were tending to become insignificant in the face of opposition from the left and right. Such struggles going on currently in South American countries were believed by JIMMIN SHIMBUN to be "a local pattern of the postwar world political situation."

Editorials in JIJI SHIMPO and KOKUSAI TIMES discussed the political significance of the recent French elections, with the former repeating the often-expressed opinion that France is now obliged to depend on either the US or Russia because of her economic difficulties. Although deGaulle's French People's Rally has proved victorious in local elections, it does not yet have any members in the National Assembly, and it is therefore too soon to judge the trend of French politics, KOKUSAI TIMES asserted. SEIJI SHIMBUN saw in the situation only the "sharpening of the opposition between the extreme right and left-wing parties."

PRESS

Wide coverage was given by the Tokyo press to recent statements by Major Imboden of CI&E before the Japan Newspaper Editors and Publishers Association, and at Doshisha University. Commenting on the significance of the SCAP official's remarks, TOKYO TOMIN observed that, as the Japanese press had become more skilled in reporting, it had also become more "commercial" and less aware of its function as the critic of events. "We would like to point out," the journal remarked, "that one of the greatest causes for the defeat lies in the commercialization of the press." The writer urged the establishment of a "truly free and ethical press by cooperation with the readers."

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
Analysis and Research Division

PRESS ANALYSIS, 28 October 1947

No. 616

C. O. ECONOMY

EXEC. OFF.
ADJ.
ASST. DIR.
SGT. MAJ.

A major change in Cabinet economic policy -- centering around the relaxation of official wage and price ceilings -- today was foreseen by five journals (MAINICHI, YOMIURI, JIJI SHIMPO, TOKYO MINPO and TOKYO TIMES), as speculation over inflationary effects of the new supplementary budget dominated front pages in the Tokyo press. Belief that the Katayama Cabinet "stands at the crossroads of sound or deficit finance" was voiced by JIJI SHIMPO as the result of a reported statement by Cabinet Secretary Nishio "implying that present wage-price standards must sooner or later be revised." The journal anticipated further policy changes in the direction of blackmarket control, currency circulation, administrative retrenchment, and "rationalization of industry."

Meanwhile, the fear that combined expenditures of the regular and supplementary budget "will spur wage and price increases and stimulate inflation" was held by TOKYO TIMES to be the cause of pending policy revisions. But the writer urged maintenance of the 1,800 yen wage level through prevention of "unsound" payments and an increase of "real" wages. Similarly, a SHIN YUKAN commentary declared that "the wage line must be held at all costs," and called on the Administration and the people to "tackle the problem of commodity distribution and face the grim issue of 'austerity life.'"

Cabinet Test Seen

The opinion that success or failure of the revised economic program hinges upon the "political competence" of the three-party Administration was advanced by MAINICHI and TOKYO MINPO in articles predicting severe effects on wage-price policies as a result of budget spending and tax measures. Immediate steps by the ESB to implement the emergency economic program were expected by YOMIURI, which reported plans for relaxation of the wage ceiling, stronger Government controls over economic policy, and coordination of food distribution agencies. The journal considered that measures related to the supplementary budget would be applied only after approval by political investigation committees of the three Ministerial parties.

Editorial Comment on the Supplementary Budget

Asserting that a balanced budget is indispensable to curb inflation, MAINICHI nevertheless pointed out that "all the measures intended to secure that balance will in turn spur the inflationary spiral." The delay in establishing the supplementary budget was said to have resulted from a controversy between those who favored increased revenues by raising Government railway fares and postal rates, and those who advocated higher tobacco prices as the sources of additional revenue. The latter point of view was finally adopted by the Cabinet, but the effect of the former would be no less inflationary, in the writer's opinion.

YOMIURI manifested a less impartial attitude, indicating that it feared "the Government's increases of tobacco and sake prices and the cut in tobacco rations will prove the signal for a (general) rise in prices . . . with the result that costs of commodities will jump 46 percent toward the end of the year." JIJI SHIMPO also was critical of the budget on the ground that "the deficit in the special account" reflected the Government's failure to rationalize the State railway and communications industries.

ASAHI denounced the new budget as "specious balancing," but endorsed the Government's decision to obtain increased revenues by raising tobacco prices. The paper asserted that "it is regrettably impossible to expect any further increase in revenue in the field of direct taxes," and added that "the only way . . . we can hope to survive is . . . to endure poverty and want. For some time to come we have just sufficient economic strength to permit us to maintain the

lowest level of living. Thus the pressure on tobacco, however heavy, must be considered inevitable." As an anti-inflation measure, the editorialist insisted that the Government collect all outstanding direct taxes, including income tax, so that "weaker and poorer taxpayers" will not have to suffer because of tax evasion by blackmarketeers. SEIJI SHIMBUN also endorsed the Government's plan to obtain increased revenue. Although considering tobacco a necessity, and not a luxury, the journal, nonetheless, approved this measure providing the current ration system be improved.

NIPPON KEIZAI objected to the supplementary budget principally because it involved increased taxation. It lamented the new tax on non-war sufferers, increased income and consumption taxes, and measures taken for increasing "monopoly profits." The writer recommended that "sound finance" be established through the reduction of Government personnel and an efficient re-organization of administrative agencies.

PEACE CONFERENCE

Statements by Chinese Foreign Minister Wang in regard to an early peace received considerable attention in Tokyo papers, with NIPPON KEIZAI and SHIN YUKAN featuring reports on the interview in the lead position. While there was little direct editorial comment on the Chinese Minister's visit, SEKAI NIPPO expressed the hope that he would "fully grasp the real state of Japan . . . in relation to the establishment of eternal peace in Asia."

Similarly, DAI ICHI SHIMBUN's commentary emphasized Wang's important place in the making of the peace. The decisive conclusion of the peace conference will be in the hands of China and Australia, the paper observed, and added that China was taking a balanced position between that of the US and Russia.

POLITICS

Interest in new party activities diminished noticeably, but political implications of Ikuo Oyama's return to Japan continued to draw editorial interest. YOMIURI and SEIJI SHIMBUN were particularly concerned over the reported Cabinet controversy between supporters and opponents of ESB Director Wada, who was generally regarded as having suffered defeat in the supplementary budget decision (Press Analysis No. 615). It was the opinion of the last-named paper that Wada had been placed in an "extremely difficult position," and that the present political situation "indicates a crisis for the Administration," but Wada was expected to remain in office in order to carry out ESB policies.

Democratic Ministers (who endorsed Finance Minister Kurusu's budget views) were reported by YOMIURI to be ready to "sacrifice" Wada, but Premier Katayama and Cabinet Secretary Nishio "are determined not to do so." The same journal said that Communications Minister Miki had been asked to effect a reconciliation between the two Government factions.

Comment on Oyama in SHIN YUKAN, YUKAN MIYAKO, and KOKUSAI TIMES generally reiterated previously-expressed opinions (Press Analyses Nos. 614, 615). In contrast, SEIJI SHIMBUN recalled that the "faithlessness" of some of his fellow workers had been one of the reasons for his self-imposed exile, and believed that, for this reason, "he will not now be easily won over by the Socialist Party."

LABOR

Although abandonment of "mass absenteeism" was said to have restored Tokyo's postal system to "almost normal" operation, YOMIURI registered official apprehension lest "slowdown" tactics, reportedly being used by Osaka Central Telegraph Station employees, should spread to the capital. Meanwhile, according to JIJI SHIMPO, the National Farmers' Union issued a statement denouncing the Government workers' absenteeism as a "modification of the 1 February general strike" tactics, and, holding the LSB responsible for prevailing economic unrest among workers, demanded the resignation of Director General Wada.

Editorial comment in TOKYO SHIMBUN, while admitting that the main problem for labor as well as the nation is one of scarcity, cautioned public office workers to remember the status of the Government as "the nation's clerk." At the same time, Government neglect with regard to implementing revision of wage scales, and improvement of housing, was characterized as "irresponsible and unscrupulous."