

GHQ/SCAP Records(RG 331)
Description of contents



- (1) Box no. 3426
- (2) Folder title/number: (7) (end)
404
- (3) Date: July 1948 - Sept. 1948

(4) Subject:

Classification	Type of record
324	s

(5) Item description and comment:

(6) Reproduction: Yes No

(7) Film no. _____ Sheet no. _____

ITEM 2 The Way to Go with the Coming Political Change - Provincial
Paper: Chuka Kokusai (Osaka) - 21 Jul 48. Translator: H. Arai.
 (TK)

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 Summary:

Although the Ashida Cabinet betrayed its incompetence, it somehow struggled through the second Diet session. However, the political situation is still in utter confusion. Indications are that the present Cabinet will be unable to tide over the special Diet, which is expected to be convoked shortly, and Diet dissolution will become inevitable.

In view of this situation, we can say that the present Government will probably be overthrown soon after the convocation of the special Diet. At present the government parties have 229 seats in the Diet, only nine more than the opposition parties who also have the 12 members of the preliminary organization for a new Liberal Party.

Moreover, since the left-wing faction of the Socialist Party assumes a rigid attitude toward the Government on the problems of war bond interest payment, anti-inflationary measures, the new wage standard, and rice price, it can be said that Socialist-Democratic co-operation has now come to the limit. It is only natural to think that the future course of the political situation depends entirely upon the special Diet to be convoked shortly.

In view of this situation, each party has already begun to undertake various maneuvers. Some are struggling for a conservative merger, some are trying to form a central party designed by NARAHASHI and MIKI, and some are busy exerting their own party influence. However, these moves involve many things unpardonable. Notwithstanding the fact that the establishment of democracy is always advocated, the actual administration in JAPAN does not seem to have rid itself of feudalism and reactionary character. This fact is illustrated by the struggles for power among minor parties and by the switching of politicians from one party to another. With the transfer of political power in sight, the people must now grasp the moves of each party.

At this time, we should like to advise the Socialist Party to rise up. Although the recent factional strife within the party ended in decreasing the general public's support for the Socialists, it is not always impossible for the party to recover its influence, if it introspects and pushes socialistic policies. We hope the left-wing Socialists particularly will brace themselves up for this purpose.

ITEM 3 Ashida Wants Another Government Party Head Conference - Mainichi - 25
Aug 48. Translator: M. Yasutake. (UG)

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 Full Translation:

At their conference held some time ago, the heads of the three government parties agreed to convene a 20-day special Diet session in the middle of next month. But it now seems certain that the special Diet session will be held at the end of next month at the earliest, and that the session will continue much longer than originally scheduled because the study of the National Public Service Law revision bill has been much delayed and a plan for the revision of the wage scale and a wage-stabilization measure based upon the 10 economic principles have not taken concrete shape.

It seems that Premier ASHIDA wants to hold another three-party-head conference just before he starts on a speaking tour in the Tokai district, namely, around the 2nd of next month. But the date of the conference is not definite because it is unknown whether the aforementioned date will be suitable to Socialist Chairman KATAYAMA.

ITEM 10

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Yoshida Determined to Organize Single-party Cabinet - Mainichi - 28 Jul 48. Translator: H. Akutsu. (TK)

Full Translation:

President YOSHIDA of the Democratic Liberal Party, clad in a kimono at the former residence of Prince KONOYE, JAPAN's wartime premier, declared, "The centrist party would be weak, hardly able to stand a heavy wind.

"The war has reduced JAPAN to a ruinous condition. Talks of distribution of wealth at this time are premature. If distribution is to be materialized, there would be no way but to seize the wealth of the rich people. We cannot make progress under such a condition. The Democratic Liberal Party is therefore the party to lead the nation through the present critical situation with its clear-cut policy."

About a year and a half ago, in the last stage of his cabinet, YOSHIDA suffered a bitter experience in his efforts to collaborate with the Socialist Party. He is now earnestly and confidently planning to form a single-Democratic Liberal Party government. He continued:

"This is no time for the middle-of-the-road policy; it's too abstractive and is decidedly not the policy for battling through the prevailing crisis. The situation requires a clear and definite policy, such as one proposed by the Democratic Liberal Party or the Socialist left wingers, or even that of the Communist Party."

The past year and half, during which he gained much experience as president of the major opposition party, has brought a remarkable change over his character. He is no longer fretful as in the past but is showing signs of readiness for a free talk with the people.

YOSHIDA went on, "The Government has contracted a habit of pretending to enjoy a special favor of GHQ and tries once in a while to evade part of the political responsibility. GHQ has always been fair with all political parties. As the result of the general election last year, my cabinet retired to make room for the Socialist Party which became the first major party. In a talk with Mr KATAYAMA on that occasion, I told him of the fair attitude of GHQ toward all political parties.

"What would become of JAPAN if things are continued slovenly as they are being done now? It is a prerequisite for the people to make a restart in their endeavors. I am in real earnest. Unless the Government resigns, I am determined to secure majority votes in the anticipated general election for our party and set up a single-Democratic Liberal Party cabinet."

Won't Reshuffle Gov't, Prime Minister States

Ashida Also Says He Does Not Intend to Select Successor to Nishio

The Government has no intention of reorganizing the Cabinet or appointing a successor to ex-Deputy Prime Minister Suehiro Nishio who resigned, Prime Minister Hitoshi Ashida said in a press conference Wednesday afternoon at the Prime Minister's official residence.

Nothing is decided on the question of calling an extraordinary Diet session, he said, because the proposal of the Social Democrats for convoking an extra session on July 20 has not been formally received.

Unless some serious unexpected situation arises in the future, Dr. Ashida said he will not resign.

While House of Councillors shelved the bill to suspend interest payment on war bonds,

it is not clear whether the Councillors were for or against it, he said.

He added that it is necessary to execute a retrenchment in Government personnel to improve the food supply situation, to establish a concrete structure, to invite foreign investment, and to revise the price structure.

"A limit is rumored to have been reached in the cooperation between the Democrats and the Socialists," he said, "but I think that the Cabinet will bring the conflicting elements together into a united whole. Politics is a compromise and I don't think unity has become impossible just because Mr. Nishio has left us."

He added:
"As the exchange rate is the
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Won't Reshuffle Gov't, Says Ashida

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prerequisite condition for inducting foreign capital, we sincerely hope that it will be duly determined soon.

"The bottlenecks in the induction of foreign capital are taxes on capital. The Economic Stabilization Board is now considering means of legally recognizing the legitimate profits of investors.

"It is asserted that foreign capital cannot be inducted well unless the labor laws are revised but that is not so. I think that if all Japanese worked earnestly and hard, that would contribute much to the solution."

Questioned on the middle way politics proposed by Chairman Takeo Miki of the People's Cooperative Party, and the amalgamation of conservative parties, he replied that it would be unfortunate for Japan which is now on the road to reconstruction to change administrative policies "quickly and vastly."

A cabinet by the Opposition parties is welcome, he said,

but the situation must be handled so that "no great disturbance will happen in Japan." It is the opinion of the conservatives that "a national cabinet is the best, whoever might be its head," he said.

JUL 8 1948
NIPPON TIMES

Cabinet Lists Conditions For Accepting Mediation

The labor dispute over wages between the Government and its employees were apparently destined for rough-sledding as the Government laid down its conditions for the acceptance of mediation by the Central Labor Relations Board.

Earlier, the Liaison Council of Government and Public Workers Unions had asked the CLRB to arbitrate. The workers would be in a position to strike one month after the CLRB agrees to mediate.

The CLRB asked the Government whether it would accept mediation by that body. The Government at its Cabinet meeting yesterday agreed to accept the mediation, if the following conditions are fully understood by the unions:

- 1) The liaison council of Government and public workers unions, which brought the issue before the CLRB, includes the local autonomous government employees union and the Metropolitan Government Workers Union that have no relations with the Government.
- 2) Though the appeal to the CLRB was made by the liaison council, the council's decision is not binding on the participating unions, leaving ambiguous where the responsibility for the action goes.

3) Only a few of collective negotiations have reached a point where an appeal to the CLRB should be made.

4) The Government should know the CLRB's opinion over the "political problems" of the price revision, the mass taxation and the ceiling wage system that are included in the council's appeal.

The Government issued a statement including the above points through Deputy Chief Cabinet Secretary Kiichi Arita.

JUL 10 1948
NIPPON TIMES

MAJORITY OF PEOPLE OPPOSED TO CABINET

Yomiuri Poll Shows 64.3%
Against Ashida Gov't.

The latest public opinion poll conducted by the Yomiuri Shimbun shows that 64.3 per cent of the people are opposed to the Ashida Government.

The public opinion checkup was held during the period from July 1 to 3 and covered 3,080 registered voters, who were individually questioned as to their views.

Support or non-support of the Ashida Cabinet—64.3 per cent non-support; 25.1 per cent support; without opinion—10.6 per cent.

Those favoring resignation of the Ashida Cabinet—37.5 per cent; those for Diet dissolution—26.9 per cent; those for reshuffle—14.3 per cent; those for status quo—10.8 per cent; without opinion—10.5 per cent.

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**CABINET PARTNERS
 BLAST EACH OTHER
 IN SPEAKING TOURS**

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**Early End of Collaboration
 Between Socialists and
 Democrats Seen**

The recent stumping tours of the Cabinet Ministers following the adjournment of the Diet have pointed with increasing clarity that the days of collaboration between the Democratic and the Socialist parties are numbered, according to observers.

Tetsu Katayama, chairman of the Socialist party, touring the Tohoku district reiterated an earlier statement that the Diet must be dissolved and added further fuel to a difficult situation. Mr. Katayama made his "bombshell" statement first at Sendai and again at Morioka.

Gizo Tomabechi, Democratic Chief Cabinet Secretary, in a press conference in Tokyo, blasted the Socialist leader's statement and said there was no reason for such a stand since the Cabinet partners were not at odds on any issue.

Prime Minister Hitoshi Ashida in Hiroshima taking a more conciliatory view admitted that the Socialists could bring about a Diet dissolution if they so desired. But he added that Mr. Katayama's views do not necessarily reflect the opinion of all of the Socialist Cabinet Ministers.

He said that he is planning a three-party leaders' conference to decide on the question of calling an extraordinary session of the Diet and of forming a centrist party.

Socialist Commerce-Industry Minister Chozaburo Mizutani, who remained in Tokyo, expressed surprise at Mr. Katayama's bid for a dissolution of the Diet as soon as an extraordinary session is convened. He said Diet dissolution would be "utterly meaningless," and would only benefit the malcontents within his party.

But Socialist Ministers, especially Labor Minister Kanju Kato and State Minister Masaru Nomizo, who are now touring the Chugoku district, are virtually making it their main theme to attack the Democratic Party, placing the burden for the poor showing of the Cabinet on their coalition partners.

During his tour in the Kansai district, Mr. Kato reiterated that the Democratic Party must be held responsible for the current labor unrest, for it attempts to revise "for the worse" the existing labor laws.

In addition, the Labor Minister declared that this labor issue is liable to decide when the Ashida Cabinet will have to quit.

Prime Minister Ashida and Kozaemon Kimura, secretary general of the Democratic party, who are trailing Labor Minister Kato on their speech-making tour were reported to have been seriously irked by Mr. Kato's mud-slinging at their party.

Dr. Ashida lashed out at Mr. (Continued on Page 2)

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**Cabinet Partners
 Blast Each Other
 In Speaking Tours**

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Kato for his having "gone too far as a Cabinet Minister."

Mr. Kimura declared: "There can't be any compromise between the Social Democratic party and ours."

Strangely enough, Mr. Nomizo virtually followed Dr. Ashida on his stumping trip in the Kansai district and denounced the latter's party for the failure of an effective administration of national affairs.

Observers said the return of the Cabinet Ministers to Tokyo and the subsequent holding of a three-party conference may become the turning point leading to major Cabinet crisis.

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NIPPON TIMES

**OPPOSITION HEAD
 ASKS RESIGNATION
 OF ASHIDA CABINET**

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**Yoshida Blasts Government
 For Lacking Definite
 Policy**

The immediate resignation of the Ashida Cabinet was demanded by Shigeru Yoshida, president of the leading Opposition party, in a statement bitterly criticizing its lack of a definite policy with which to lead the nation.

The Democratic-Liberal Party leader in one of his infrequent statements bluntly charged that the Ashida Cabinet brought about "such a disgraceful condition as never before seen in the history of Japan's parliamentary politics."

He blamed the Government parties for its attempt to hold on to the reins of administrative power while losing completely the confidence of the people.

All of the major bills of the Government have been radically revised or rejected by the Diet, Mr. Yoshida pointed out.

He continued:

"Moreover, it has been the habit of the Cabinet to refer explicitly or implicitly to Allied directives every time it found itself in trouble. It is foolish for any Cabinet to pretend as if its errors and ineptitude were condoned by the GHQ, and it could with impunity lay half its political responsibilities to the door of the Allied Headquarters. For any intelligent person understands fully the position of the GHQ which consistently maintains an impartial attitude toward all political parties, while leaving the task of administration to be performed by the Japanese Government on its own responsibility within the framework of Occupation policies.

"What is expected of the Government is that it casts aside all selfish considerations and concentrates its efforts on national reconstruction, which calls for the retrenchment of finances and balancing of the budget, for the expansion of production and induction of

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**Opposition Head
 Asks Resignation
 Of Ashida Cabinet**

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foreign capital, and for the purification of the labor movement by freeing it from subversive Communist machinations behind the scene.

"The present Cabinet only stands in the way of these vital undertakings of the nation by clutching desperately to the reins of government and shouting hollow words of propaganda. There is one manly thing it can do at this juncture:

Admit failure and resign."

In an interview following the issuance of the statement, Mr. Yoshida said he did not give any thought to the centrist party being planned by Prime Minister Hitoshi Ashida. "Because its nature is not clear, the people are not interested in it," he opined.

He opined that a general election is necessary to clarify the political division.

The next cabinet, he continued, must be formed by a strong conservative party.

Meanwhile, it was revealed that 28 bureaucrats including Katsuo Okazaki, former Foreign vice-minister, and Shigeru Kawagoe, ex-ambassador, have announced their desire to run in the next general elections on the Democratic-Liberal ticket.

JUL 2 2 1948

NIPPON TIMES

CABINET'S FUTURE SEEN THREATENED BY SOCIALIST RIFT

Withdrawal Of Left Wing Elements Perils Party And Government

The widening rift between the rightists and leftists among the Socialists over the Nishio issue seriously threatens not only the solidarity of the Social Democratic Party but the life of the Ashida coalition Cabinet as well.

Withdrawal of 10 extreme leftists from the Social Democratic Party hard on the heels of Hisao Kuroda and five others was taken as an unmistakable sign by Kyodo yesterday that the party is slipping into a swamp of factional strife from which it may not be able to emerge in its present form.

This fact is apparent, Kyodo said, in view of the fact that these 16 "seceders" have indicated a firm determination to continue their fight of house-cleaning in the Social Democratic Party. Support was given by members who still remain within the party.

Puts Blame on Nishio

Jiichiro Matsumoto, Vice-President of the Upper House, yesterday championed the cause of the 16 dissident Socialists and vehemently demanded that the purge axe fall on ex-Prime Minister Saehiro Nishio first rather than on Mr. Kuroda and his five colleagues, for Mr. Nishio is responsible for the furor now engulfing the Social Democratic Party, Mr. Matsumoto said.

On top of this Mr. Matsumoto urged Mr. Kuroda and the other 15 leftists to continue their valiant fight to clean up the Social Democratic Party and restore it to what it should be, regardless of the consequences.

The leftist leader added, however, that if the Social Democratic Party finds its real self, it shall not be able to maintain a coalition with the Democratic Party for the three-party policy accord then virtually will become null and void.

Would Reinstiate Nishio

Reflecting the seriousness of the situation, Chief Cabinet Secretary Gizo Tomabechi asserted yesterday that if Mr. Nishio is found not guilty he should be reinstated in the Cabinet as Deputy Prime Minister.

This statement, however, is regarded by political observers as the Democratic Party's attempt to appease the Socialists who are finding it increasingly hard to work with the Democrats.

But Mr. Tomabechi expressed misgivings over the possibility of continuing a coalition with the Social Democratic Party. He said that if their collaboration should reach the limit, there will be only one way left, namely, the dissolution of the national legislature.

Even optimistic government party leaders, however, seriously view the situation arising from the bolting of the 16 leftists from the Social Democratic Party.

Won't Strengthen Party

Optimism that their withdrawal will result in the consolidation of the Social Democratic Party and consequently of the government parties is brushed aside as "nonsense" now. For 16 additional Socialists in the opposition camp

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Cabinet's Future Seen Threatened By Socialist Rift

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has narrowed the margin of the numerical strength between the Government and opposition parties in the Lower House, thereby jeopardizing the position of the coalition Cabinet in the Diet.

The situation becomes more serious when one considers that the staunch dissident Socialists inevitably will throw a vicious monkey-wrench not only into the machinery of the Social Democratic Party but into the Socialist-Democrat coalition as well during the special Diet session which is likely to be held in September.

Unless an able trouble-shooter appears in either the Social Democratic Party or the Democratic Party—which appears definitely out of the question under the circumstances—there is every reason to believe that the 16 Socialist "seceders" will serve either to dismember the loosely-knit Ashida coalition Cabinet or relegate the Social Democratic Party to the position of a lesser political association in and outside the Diet.

JUL 13 1948

NIPPON TIMES

More than 60 per cent of Government and Municipal officials and those of the free professions thought that foreign investments would be of little help to detour further progress of the inflationary spiral, and 57.8 per cent of salarymen and workers shared this view.

However, 23.6 per cent of Government and Municipal officials and those of the free professions, and 18.9 per cent of merchants, manufacturers and other business people held the Government could forestall the progress of inflation through effective use of foreign capital.

per cent of salarymen and workers held the view that black market prices would go up to a large extent. Against these, 18.8 per cent of merchants, manufacturers and other business people and 13.6 per cent of farmers and fishermen expressed belief that black market prices would remain unchanged.

To the last question, "Do you think the Government can check the progress of inflation through effective use of foreign investments?" 49.7 per cent said the Government could not, 16.4 per cent had no opinion.

To the question, "Do you think black market prices will rise following the upward revision of official prices?" 53.8 per cent thought they would to some extent, 24.4 per cent thought they would to a great extent, 11.7 per cent said black market prices would remain unchanged, and 10.1 per cent failed to answer the question.

The notion that black market prices would go up to some extent following the readjustment of official prices was shared by 62.3 per cent of Government and Municipal officials and those of the free professions. A little over 30

To the question, "Compared with the corresponding period of last year, are you better off now?" 64.43 per cent said no, 23 per cent said about the same, 11.3 per cent said they were better off and 1.4 per cent failed to answer.

Classified according to professions, 68.8 per cent of merchants, manufacturers, and other business people, and 66.5 per cent of farmers and fishermen said they were hard hit by the Cabinet's economic policy, while 28.3 per cent of Government and Municipal officials and those of the free professions said their livelihood was about the same as last year.

Public Has Little Hope Improvement of Conditions Under Ashida Gov't Seen Dim by Majority in Poll

The survey was conducted by Jiji Press in cooperation with 18 newspapers.

Classified according to professions, 74.3 per cent of Government and Municipal officials and persons in other professions held no hope for the Government's economic policy, 72.4 per cent of salarymen and workers were equally pessimistic.

Only 7.5 per cent of 7,500 persons polled expect economic conditions to improve under the Ashida Cabinet, 61.6 per cent pin no hope on recovery under the present Government and 30.9 per cent have no opinion, the Press Public Opinion Survey League reported yesterday.

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ITEM 6 Prompt Convocation of a Diet Session Desired - Tokyo Times -
19 Jul 48. Translator: M. Minato. (TK)

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 Summary:

Premier ASHIDA, in an interview on the train which took him to MATSUE Shi, declared that the Government will emphasize the food and clothing problems, administrative readjustment, and adjustment of the domestic situation for the introduction of foreign capital. He added that it will revise the labor laws, if necessary.

However, the majority of the people do not seem to be interested in his statement, since they are informed that no policy of the Ashida Cabinet will be able to pass the Diet at the next extraordinary session and that the Cabinet has no other course than to dissolve the Diet.

Inasmuch as the bill to postpone interest payments on war bonds, on which the Socialists laid emphasis as their only Socialistic policy, was shelved by the Upper House, the Socialist Party has assumed a firm attitude and requested the Government to convoke promptly an extraordinary Diet session. We also hope that this will occur as soon as possible so that the dissolution of the Diet and a general election will be hastened.

The following can be given as reasons why we request the dissolution of the Diet and a general election. First, the formation of the Ashida Cabinet is against the normal course of parliamentary politics, since it was the result of the reins of government being juggled.

Second, the coalition with the Socialists has reached its limit. Each time important bills were presented to the Diet numerous members seceded from both the Democratic and the Socialist parties. Moreover, all their original party policies were twisted into impractical laws as a result of the constant necessity of compromises.

Third, the Socialist Party is already considering the withdrawal of their members from the Ashida Cabinet. Premier ASHIDA has also frequently declared that the Diet will be dissolved if the Government fails to realize its policies. His statement is evidence that he himself also admits that the Government is already facing a political crisis.

Even from the above reasons we can understand that the earlier a general election is held, the earlier the reorganization of the legislature will be. It is not too long since the last general election. And yet the shifting of political parties is more frequent than ever before. The present political balance is quite different from the division of party strength immediately after the completion of the last general election.

The Ashida Cabinet seems to want to present various important bills, including the supplementary budget, due to the revised wage standard for the Government and Public workers. However, it should convoke an extraordinary Diet session promptly and hold a general election without wasting time for the preparation of bills. It would be advisable for the Ashida Cabinet to decide on its course on the basis of the people's desire.

ITEM 11 Cabinet Crisis Inevitable (Sub-editorial) - Shin Tokyo - 13 Jul 48.
Translator: I. Kimiko. (TK)

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Full Translation:

On receipt of any formal proposal from the Socialist Party, the Government reportedly will decide upon an extraordinary Diet session, although it will be one in which many conflicts will arise. Explaining at a press conference on 7 July such urgent issues as the final decision of the Government on the revision of the labor laws, the carrying out of administrative readjustment, the drafting of a supplementary budget in accordance with the basic wage revision, preparations for enacting laws necessary to the importation of foreign capital, and the revision of the National Civil Service Law, Premier ASHIDA expressed his confidence of being able to meet the extraordinary Diet session.

Of these issues, the most controversial is the amendment of the labor laws, which includes the revision of the National Civil Service Law. Even if the cancellation of striking rights of government and public office workers, which will be effected by revising the National Civil Service Law, is limited so that it will apply only to non-field workers, the revision bill may be made into a political issue by the Socialist Party, depending upon its contents.

Such being the case, the Government will probably not be able to pass through the extraordinary Diet session by revising the labor laws as easily as Premier ASHIDA expects, while it is also problematic to what degree the Government can concede to the judgment of the Central Labor Committee regarding the standard wage problem. If cabinet ministers' views conflict on these questions, Socialist cabinet ministers may resign from the Ashida Cabinet before the call of the extraordinary Diet session.

Furthermore, it is feared that the bill to suspend interest payments on war bonds, left undeliberated in the second Diet session, may become a source of embarrassment to the Socialist Party due to the strong opposition by the House of Councillors.

To what extent agreement among the three government parties, which seem to have reached a limit regarding those questions will continue, depends upon Premier ASHIDA's political ability. It also seems certain that the Premier will be prepared to dissolve the Diet in the event of a deadlock.

Meanwhile, the labor offensive is expected to gain strength around the beginning of August when the term of the appeal to the Central Labor Committee by the National Council of Government and Public Office Workers Unions expires. Judging from the fact that the leadership of labor unions has now been taken over by their left wingers, the labor strife will be waged on an unprecedented large scale.

Even judging from Premier ASHIDA's aggressive speech recently made at KOFU Shi, which suggested oppression of labor movements, it can be said that the days of his Cabinet are numbered.

ITEM 3 Nishio's Resignation and the Socialist Party - Asahi - 7 Jul 48.
Translator: J. Wada. (UG)

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Summary:

Deputy Premier NISHIO resigned as State Minister yesterday. But, it is clear that the political situation which entered into a new stage with the adjournment of the second Diet session, will follow a new course with this issue acting as the impetus.

Further, these developments will not be directed toward stabilization, but instead, will involve delicate disturbances and crises. For, although two cabinets have been formed and two sessions of the Diet concluded since the general election of last April, no fundamental problems have been solved during that period.

The role which the Socialist Party played and the responsibility which it should bear for the results are serious matters. Criticism of the role and responsibility of the Socialist Party have begun to take concrete shape, bringing about various problems in the political world. The Nishio case has political significance and deserves watching in that it has emerged as one of these problems.

In this connection, there is a problem which draws our attention. It is alleged that NISHIO's resignation was postponed until yesterday because of the fear that his immediate resignation might cause the Ashida Cabinet to collapse and result in failure of the budget to pass. Is this allegation true?

Fundamental conditions calling for an immediate approval of the budget remained, irrespective of NISHIO's resignation. The fact is that NISHIO's resignation might have caused the Ashida Cabinet to fold up. It is understandable in view of actual politics what effect the resignation of NISHIO, who represents the Socialists in the Cabinet, would have brought upon the Ashida Cabinet.

However, if NISHIO's resignation could have affected the life of the Ashida Cabinet, the ties between the Socialists and the Democrats, which constitute the foundation of the three party coalition, are not very strong.

We criticize this point because we believe that this criticism will help the future course of the Socialist Party.

Then, what is the political significance of the Nishio case? It is that the political practicability of the Socialist-Democratic coalition may have reached the limit. The factor which made the Nishio case into a political issue already existed when the Ashida Cabinet was formed.

It had been carried over to the Ashida Cabinet from the Katayama Cabinet without any settlement, and came to the fore during the final days of the session. It was ready to burst at the slightest disturbance in the political situation.

ITEM 2

Ashida Cabinet May Live Until Next Year, Premier Says - Yomiuri - 11
Jul 48. Translator: K. Higashikawa. (UG)

Full Translation:

Premier ASHIDA declared yesterday that the Ashida Cabinet may live to see next year, although he admitted that there is no telling when it may fall. The declaration was made in KOFU where he arrived the same day to attend the inaugural meeting of the Kofu chapter of the Democratic Party.

Speaking on the labor offensive anticipated in August, the Premier minced no words in strongly asserting that any destructive action designed to throw the nation into disorder will be summarily dealt with. "Anyone who violates the law will be thrown into jail, and if present jails are not enough, we will build more," he declared.

Following are the questions and answers exchanged between the Premier and the press:

Question: The polls recently taken show that the people's support of the Ashida Cabinet and the Democratic Party has decreased. What do you think of this?

Premier: The talk of the unpopularity of the Ashida Cabinet is not news. The MAINICHI reported that only 12 percent of the people support the Ashida Cabinet, but in the byelections held recently in various parts of the country, the Democrats have won. This makes us feel confident of victory in case of a general election. There is no telling when the Ashida Cabinet may fall. It is like a man's life; no one can guess it right. Its downfall may come tomorrow, but on the other hand it may live to see next year.

Question: How are you going to meet the August labor offensive?

Premier: The moot point is how it will be waged. If the labor offensive is calculated to throw the nation into disorder or has a destructive purpose, the Government will be compelled to deal with it summarily. Anyone who violates the law will be thrown into jail, and if present jails are not enough, we will build more. Collective bargaining is now being carried on in connection with the demand of the National Council of Government and Public Office Workers Unions for a 5,200 yen basic wage. Their demands include those other than economic, and we must urge them to reconsider their stand. We know it's a hard

life, but there is no other way for them but to bear it at this time.

Question: Don't you think the price revision will serve to shake the sound public finance, the importance of which is so much emphasized by the Government?

Premier: The price revision, people say, will break the sound public finance, but it is Utopian to talk of a healthy public finance in a nation thoroughly exhausted by war. It would be more practical to speak of "a balanced" public finance.

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Nishio May Quit Post To Insure Cabinet Peace

By HOWARD HANDLEMAN
INS Correspondent

Reports were circulated in Tokyo Friday that Deputy Prime Minister Suehiro Nishio may resign to prevent the repercussions of the investigation of illegal political transactions from creating a crisis which could cause the cabinet to fall.

The Muto Diet Committee has delved deeply into the legal aspects of the money received by Nishio from construction companies, particularly the Obayashi-gumi which has the contract to reconstruct Tokyo Central Station at an estimated overall cost of 179,000,000 yen.

An evening newspaper reported Friday that Nishio was considering resignation and that an announcement could be expected within two or three days.

Political observers said that if Nishio is considering resignation "it might be that he is sacrificing himself to save the coalition cabinet."

Another observer added: "After all, this investigation has left Nishio a questionable political asset to the cabinet."

The Opposition parties, led by the Democratic-Liberal Party, may be expected to exert utmost pressure upon the dozen or so of the Taiyokai conservatives in the Democratic Party in an effort to organize a united conservation front out to crush the Government. A switch of a dozen votes from the Government to the Opposition would spell defeat for the Ashida Cabinet. That is how thin the Government majority in the Lower House has been cut.

While the Democratic Party faces the danger of its Taiyokai stampeding into the Democratic-Liberal ranks at any time, the situation within the Socialist party is not encouraging in the least. The left-wing Socialists entered the ranks of the Government parties reluctantly and they have not changed their attitude in the least. Under the leadership of Chairman Mosaburo Suzuki, leader of the Socialist left wing, the party's Political Affairs Research Committee has gone on record as opposing the budget plan drafted by the Cabinet. Party Chairman Katayama has also voiced his dissatisfaction with the budget, declaring that his party was prepared to revise it drastically.

It may be said without contradiction that the coming Diet deliberations over the national budget will be critical for the Ashida Cabinet. The situation is such that the administration may suffer a defeat on any one of several issues. In a showdown vote, for example, on the proposal to suspend interest payments on wartime bonds, a number

of Democrats and some People's Cooperatives may cast their ballots with the Opposition against the measure. The Democratic seceders are claiming that at least a dozen other Democrats would join them in fighting the bill.

The question of increasing railway rates by 3.5 times is also pregnant with danger, since both the left-wing Socialists and the Opposition parties are opposing the raise. They are proposing an increase of not more than 2.5 times. While the left-wing Socialists will probably finally go along with the Government parties, the Democratic-Liberals may be expected to fight the raise to the last and thereby gain public favor. A defeat of the proposed 3.5-fold increase in railway fares would mean a drastic revision of the entire budget.

The bolting of the Democrats may portend the eventual downfall of the Ashida Cabinet, for the margin held by the Government is too close for comfort.

STARS & STRIPES JUN 12 1948

Heading for the Rocks?

Is the Ashida Cabinet heading for the rocks? That was the question which was being asked in political circles this week following the decision of a handful of Democratic Party members to secede from their party.

While the bolters numbered only a handful, the effect of their leaving one of the Government parties cannot be underestimated. As a result of their secession, the position of the coalition administration has become more critical than ever before. The Government parties' margin of seats in the Lower House has been whittled down to less than 25. In the coming Diet debates over the budget and numerous bills accompanying the fiscal measure, the Government must be completely united. The defection of any group of Representatives in the Government parties would result in a resounding defeat for the Ashida Cabinet.

Behind this scene of differences among the Government parties looms the ideological battle between the conservatives and the progressives. The basic problem before the Ashida Cabinet at all times has been to bring these forces together into a smooth-running administration. At various intervals during the past one year, this issue has come to a head. The secession of the so-called Shidehara faction of the Democratic Party over the Socialist proposal to institute state control of the coal mines was one instance. Another instance revealed itself in the fall of the Katayama Cabinet through the balking of the left-wing Socialists who claimed that the conservative Democrats were running the Government. The bolting of the Democratic malcontents over the issue of the suspension of interest payments on wartime bonds is a most recent example. The seceders complained that the Ashida Cabinet was accepting too many Socialist proposals or which the war bond plan is one.

NIPPON TIMES JUN 12 1948

FALL OF CABINET AFTER BUDGET OK SEEN INEVITABLE

Move to Leave Coalition Grows Among Socialists And Democrats

The fall of the Ashida Cabinet following the passage of the national budget measures through the Diet seemed inevitable as opinion was gaining ground within both the Socialist and the Democratic parties that they should not lose the opportunity for an orderly withdrawal from the coalition administration.

Mosaburo Suzuki and Mitsusuke Yonekubo were reportedly in conference with Chairman Tetsu Katayama Tuesday night when they urged the early resignation of Deputy Prime Minister Suehiro Nishio "in the interests of the Socialist party."

They said that the political situation was moving toward the placing of the blame for a possible Cabinet fall on the Socialists. The early resignation of Mr. Nishio will prevent such responsibility being hoisted on the Socialists, they said.

Katayama Agrees

Mr. Katayama agreed with this opinion, but said that such action should follow a definite decision from the procuratorial authorities.

In Democratic circles, it was reported that Wataru Narahashi, advisor, was of the opinion that the time was rapidly approaching for the resignation of the Deputy Prime Minister. He was alleged to have said that the Democrats should grasp the chance to slip from under a Cabinet fall.

He was said to be preparing for a possible coalition with the Democratic-Liberal Party by indicating that the policies of the Opposition would be similar to the Democratic Party line.

Mr. Katayama, however, said yesterday that he and the Socialist leaders had never asked Mr. Nishio to resign. He said the situation had not reached the stage where Mr. Nishio's resignation would be asked by the Socialist Party.

A group within the left-wing of the Socialist Party, on the other hand, was continuing to demand a thorough "house-cleaning" within the party which should begin with the Nishio case.

At a meeting of the left-wingers Tuesday night, it was indicated that the left-wing group is split between the pro-Government and the anti-Government factions.

The anti-Government faction reportedly favored an immediate clarification of the Nishio issue regardless of its effects upon the budget deliberations.

While Prime Minister Hitoshi Ashida attempted to unite the Democratic Party in view of the Diet deliberations on the budget, the Taiyo-kai faction urged him to prepare for a merger of all conservative elements.

Dr. Ashida reportedly told the Taiyo-kai representatives that he agreed with the idea in principle, but that the time was not yet ripe for such a step.

Observers pointed out that the Taiyo-kai faction intends to take part in the conservative merger on as favorable conditions as possible after the passage of the budget.

NIPPON TIMES JUN 1 7 1948

OPPOSITION PARTY TO LAUNCH ATTACK ON ASHIDA CABINET

Democratic-Liberals May Introduce Motion of Non-Confidence

With rumors of Cabinet resignation and Diet dissolution flying in political circles, the Democratic-Liberal Party yesterday made plans for a determined offensive to unseat the Government.

Lower House Democratic-Liberal members meeting in the Diet building decided on the following steps:

1. To effect sweeping changes in the national budget;
2. To work for the introduction of a resolution of non-confidence in the Cabinet;
3. To introduce a motion of non-confidence against Deputy Prime Minister Suehiro Nishio and Attorney-General Yoshio Suzuki; and
4. To call a meeting of all Opposition parties to moot ways and means of effecting the fall of the Ashida Cabinet.

The Democratic-Liberals also agreed that Shigeru Yoshida, party president, should lead the attack against the Government.

Secretary-General Takeshi Yamazaki issued a statement following the meeting declaring that the early downfall of the Ashida Cabinet would benefit the people.

Observers said the Democratic-Liberals would attempt to revise the budget drastically on the one hand while working for a merger of the conservative elements.

Democratic-Liberal circles revealed that the party's Political Affairs Research Committee would complete its draft revision of the budget today or tomorrow.

They also expressed confidence that the Taiyo-kai faction and other groups within the Democratic Party are showing a growing willingness to join the projected conservative amalgamation.

JUN 1 8 1948

NIPPON TIMES

OPPOSITION RALLY OK'S RESOLUTION TO UNSEAT GOV'T.

Cabinet Is Charged With Inefficiency; Draft of Budget Criticized

As the Government parties found themselves temporarily stalled over the question of the rate of increase for the railway passenger fares, the Opposition parties meeting in a rally unanimously adopted a resolution for the overthrow of the Ashida Cabinet.

With Etsujiro Uehara presiding, the conferees charged the Ashida Cabinet with inefficiency and passed a manifesto stating their determination to unseat the Government so that they might save the nation from the inflation and the industrial crisis.

The statement pointed out the internal dissension among the Government parties and bitterly criticized the budget draft as running counter to the general trend of public opinion.

Other Parties Present

Besides the Democratic-Liberal Party, the Social Renovation Party, the Daiichi Giin club, and the Japan Farmers' Party were represented.

A resolution charging the Ashida Cabinet with "leading the people to the brink of complete ruin" was also passed.

As the Opposition prepared to launch a determined offensive against the Government, observers believed that the Ashida Cabinet was taking steps to maintain the status quo as long as possible.

Talks of Diet dissolution and Cabinet resignation which flared up among Government circles during the earlier part of the week have apparently subsided.

Mitsusuke Yonekubo, Social Democrat and ex-Labor Minister, in a press interview yesterday declared that the Socialists must be prepared to meet the possible introduction of a non-confidence against Deputy Prime Minister Suehiro Nishio by the Democratic-Liberal Party.

Admitting a wide divergence of opinion in his party over the Nishio issue, Mr. Yonekubo, however, expressed confidence that the majority of the Socialists would vote against a resolution against Mr. Nishio. He estimated that about 20 Socialists would abstain from voting on such a motion.

May Not Vote

Left-wing sources, however, revealed that more than 50 Socialists would not vote. It was reported that this group has already decided to refrain from voting on a non-confidence motion.

not

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Socialist leaders are attempting to line up the left-wing elements against an Opposition motion. Left-wingers, however, are fearful that the defeat of a non-confidence action against Mr. Nishio would only serve to strengthen the influence of the right-wingers, observers said.

While the Lower House plenary session approved a Government request to extend the Diet sessions until the end of the month, leaders of the Social Democratic Party including the members of the Political Affairs Research Committee met Thursday evening and discussed the problems concerning the budget bills. New revenue sources to fill the deficit to be caused by the lowering of the railway fare increase to two times was the chief topic of discussion.

It was decided at the meeting that to cover the deficit caused by the two-fold in-

(Continued on Page 2)

Opposition Rally OK's Resolution To Unseat Gov't.

(Continued from Page 1)

crease plan instead of the 3.5-fold raise to reduce the expenses of materials consumed by the Government, to improve railway enterprise, to transfer fund from trade fund and to reduce the transaction tax. It was also proposed to institute a tax on illegally increased property, and to advance the income tax rate on large incomes.

These decisions were expected to be acted upon by the Socialist Central Executive Committee.

NIPPON TIMES JUN 19 1948

A Breathing Spell for The Ashida Cabinet

Now that the end of the present session of the Diet is almost here, the Ashida Government can heave a great sigh of relief. Although last minute wranglings over the budget are still continuing, the passage of the budget bill is assured if only for the reason that no further delay of this absolutely necessary legislation is permissible. And also there is no time left for any new crisis to develop out of the Diet. Thus the Ashida Cabinet is safe for the time being.

Favor Gov't. Resignation

Tokyoites Want Democratic Liberals to Form New Cabinet, Poll Reveals

Tokyo voters are in favor of the immediate resignation of the Ashida Cabinet and desire the Democratic-Liberal Party to form the succeeding cabinet, according to a public opinion survey conducted by the Tokyo Shimbun, in cooperation with the Tokyo Public Opinion Research Institute.

The poll was conducted by the paper for two days from June 17 on 945 eligible voters in Tokyo chosen through random sampling methods.

To the question, "What do you think the present Cabinet must do?";

- 1) 22.1 per cent advocated resignation en bloc,
 - 2) 19.1 per cent, dissolution of the Diet.
 - 3) 11.5 per cent, status quo,
 - 4) 7.9 per cent, cabinet reshuffle,
 - 5) 21.5 per cent, do whatever it likes,
 - 6) 17.9 per cent, no opinion.
- Of those who advocated re-

signation en bloc, 63.8 per cent wanted it immediately and 32 per cent after the passage of the budget in the Diet.

In the event of the resignation, what kind of government do they want?

The answer was:

	per cent
A single-party cabinet	44.3
by Democratic Liberal	29.8
„ Socialists	10.1
„ Democrat	2.4
„ other parties	0.8
A coalition cabinet	22.8
Anything	14.4
No opinion	18.5

To the third question, "What parties do you vote if a general election is held now?"

The reply was:

	per cent
Democratic Liberals	40.7
Socialists	20.8
Democrat	6.0
People's Cooperatives	1.1
Communists	3.2
Other parties	0.5
Any party	1.01
No opinion	17.6

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But it was a tight squeeze. For a while it seemed almost inevitable that the Cabinet would collapse. The final hurdle was the non-confidence vote in Deputy Prime Minister Nishio, which the Government forces managed to override by the slim majority of 31 last Thursday evening. That Government victory definitely assured the continuation of the life of the Ashida Cabinet for at least the duration of the present Diet session. But once over this hurdle, the Government's chance of surviving for a considerable period longer has markedly increased. Thus there is ample reason for the Government to feel profound relief.

It cannot be considered, however, that a period of real political stability is now in prospect. The most serious immediate crisis has been overcome and there will now probably be relative quiet for at least a few weeks. But the Government is bound to run into new complications fairly soon.

Although Deputy Prime Minister Nishio managed to avoid being overthrown by the Opposition, his expected "voluntary" resignation in the near future will cause a crisis in the Social Democratic

Party and a crisis also in the Cabinet. The expected labor offensive, centering around the new wage demands of the labor unions, will also put the Government to a severe test. It is highly problematical whether the Ashida Government can survive these new tests.

The chief reason for the questionable ability of the Government to survive these tests lies in the attitude of the Social Democratic Party. The expected resignation of Mr. Nishio will markedly weaken Socialist influence in the Cab-

net. It will also weaken the right-wing element in the Social Democratic Party and will give comparatively greater strength to the left-wing element which has always been far from enthusiastic about cooperating with the Democratic Party. The chances of the Socialists drifting away from the present coalition with the Democrats will therefore become greatly increased.

This drifting away of the Socialists from the present coalition will tend to be even more strongly accelerated by the wage issue. The Socialists, especially the left-wing Socialists, are inclined to sym-

pathize strongly with the workers. The Government, committed to the necessary policy of sound finance, is bound to oppose the workers' demands. Rather than to share the odium of opposing the workers, the Socialists may prefer to dissociate themselves from the Government.

Thus, although the Government has safely weathered the crises engendered by the Diet session to attain comparative security for the time being, its future prospects are none

too assuring.

The only factor working in favor of the continuation of the present Administration is that there is nothing yet in sight capable of taking its place. Despite all their brave show of opposition to the Government, the Democratic-Liberals demonstrated pretty conclusively in the recent Diet maneuvers that they still lack the strength necessary to take over the Government and to carry on alone. Even if the Ashida Cabinet should fall apart completely through the split of the Socialists and the Democrats, the Democratic-Liberals would not be able to step into the breach by themselves. Some new and larger combination of forces would be necessary to provide for a satisfactory succession to the Ashida Cabinet.

Thus, the comparative quiet which has come to prevail over the political scene is bound to be temporary. When the second phase of the Nishio case comes up, when the wage issue becomes acute, and particularly when a more tangible prospective successor to the Ashida Cabinet begins to take shape, a strenuous revival of political activity with new Cabinet crises can be expected.

JUN 29 1948

NIPPON TIMES

Yoshida Asks Ashida Quit

Cabinet Called 'Failure'; Dietmen Seek New Election

By LESLIE NAKASHIMA
UP Correspondent

Former Prime Minister Shigeru Yoshida, president of the Conservative Democratic Liberal party, in a statement issued yesterday, demanded resignation of the Ashida Cabinet.

Yoshida denounced the Ashida Government for "trying frantically to continue in power under one pretext or another"

despite a record of "failure."

He also charged the Ashida Government with referring "explicitly or implicitly to Allied directives everytime it found itself in trouble."

Yoshida asserted that SCAP's policy has been consistently to maintain an impartial attitude toward all political parties, leaving the administration of the country as much as possible in the hands of the Japanese Government so long as occupation policies were not contradicted.

He attacked the Ashida Cabinet, alleging that it has tried to give a false impression to the Japanese that it has the backing of SCAP.

Japanese observers attached significance to Yoshida's remarks because it was reported that he had seen General MacArthur last Saturday.

Yoshida said the Ashida Government should eradicate elements aiming to exploit the labor movement for political purposes, balance the budget, increase production and invite foreign capital into Japan for the nation's reconstruction, but it has failed.

Yoshida charged that the Ashida Government was obstructing the recovery of Japan by "clutching desperately at the reins of government and shouting hollow words of propaganda" and that its only course was to resign.

The Democratic Liberal party is now the No. 1 party in the House of Representatives with 151 members, followed by the Social Democrats with 111 and Ashida's Democratic party, 88.

Yoshida's blast against the Ashida Government came as an increasing number of Diet members demanded dissolution of the Diet to pave the way for new elections.

Ashida, himself, expressed confidence that his party would win the elections and expressed no intention to resign.

JUL 2 1948

STARS & STRIPES

PRESS COMMENTS

Wednesday, July 7 1948

CABINET RESIGNATION OR DIET DISSOLUTION?

YOMIURI—The Ashida Cabinet has betrayed its weakness and ineptitude beyond any doubt in the course of the Diet session just closed. Whatever Prime Minister Ashida's view may be, there can be no doubt that the present Administration is rapidly losing its *raison d'être* while, on the other hand, various subjective conditions are apparently calling for a change in the nation's political setup.

First, the present Cabinet is being shaken to its foundation by the resignation of Deputy Prime Minister Nishio and the pigeonholing by the legislature of the bill for war bond interest moratorium.

The Ashida Cabinet, on the other hand, should now either resign en bloc or dissolve the House of Representatives by way of assuming responsibility for the virtual collapse of the coalition setup and the failure of all its political plans.

Thirdly, the present Cabinet is to blame for assuming an extremely negative attitude toward labor policies. At the present moment the Administration is apparently satisfied with patching up immediate labor issues merely with makeshift measures and lacking any positive will to tackle the knotty problem. This attitude constitutes a "political sabotage."

The three coalition partners—Democratic, Social Democratic and People's Cooperative Parties—should be advised to effect an en bloc resignation of the Cabinet by way of assuming responsibility and start anew in accordance with their respective platforms. This step should be the first prerequisite to a political overhauling and "inspiring fresh spirit in the mind of the public." Or as an alternative to this action, the Cabinet may effect Diet dissolution.

JUL 8 1948

NIPPON TIMES

ITEM 11

How to Form the Next Cabinet - Tokyo Shimbun - 17 Jul 48. Translators:
Y. Terasawa & K. Murakami. (RL)

404

Summary:

The Ashida cabinet, which has barely survived the second national assembly session, is now beset with the bolt of the Socialist radical leftists, the withdrawal of Socialist-Democrat Iink NISHIO from the cabinet, and the new Centrist Party movement. The rumored end of the Socialist-Democrat coalition has now become only a matter of time; it is an accepted fact that the coming extraordinary session of the Diet will be a Diet dissolution session.

The following are the plans of each party for facing the political situation:

While on a speaking tour in KOFU and KYOTO, President ASHIDA of the Democratic Party stated that the end of the Socialist-Democratic coalition is still far from being reached and that the three-party policy agreement is still being strictly maintained.

It can be assumed that ASHIDA has reached the conclusion that dissolution of the Diet is inevitable. His efforts during the speaking tours appear to be an overture to a general election.

POLITICAL SERIES: 2542 (Continued)

ITEM 11 (Continued)

Unpopularity of Ashida Cabinet Affects Democrats

Because the Ashida cabinet has become most unpopular, the Democrats have little prospect of attaining success in the next election, even if the Diet is dissolved now. Under such conditions, MIKI, chairman of the Peoples Co-operative Party, suddenly advocated the formation of a Centrist Political Federation, and asked for Premier ASHIDA's co-operation. MIKI is expected to announce formally the details of his plan around the middle of August.

At present, MIKI has no intention of forming the new Centrist Party; his intention is merely to form a united front of minor parties, with the Democratic and Peoples Co-operative Parties taking the leadership. Through this united front, MIKI aims at taking the initiative in the next administration.

ASHIDA apparently has interpreted this to mean that the Centrist Political Federation will lead directly to the formation of the Centrist Party, and that the next Cabinet will be formed under the Centrist Party. The common desire held by ASHIDA and MIKI is to prevent the Democratic-Liberal Party from taking over the next administration.

It is obvious that the Democratic-Liberal Party will become the top party in the Diet if a general election is held under the present circumstances. ASHIDA and MIKI want to advance preparations for the formation of the Centrist Party before the Ashida cabinet collapses, and permanently stop the Democratic-Liberal Party from coming into power. This is the idea behind the formation of the Centrist Political Federation or the Centrist Party.

This plan has been nurtured by ASHIDA ever since he formed the Democratic Party after leaving the Liberal Party. At first, he had planned to include both progressive Democratic-Liberals and right-wing Socialists into the new party, but he now apparently has abandoned the idea of winning right-wing Socialists to his side, for KATAYAMA refused to join the Ashida cabinet, and NISHIO clarified his position by announcing that he will not join the Centrist Party by any means.

Ashida to Merge Minor Parties

ASHIDA now intends to merge minor parties, including the Peoples Co-operative Party and progressive elements of the Democratic-Liberal Party, into the Centrist Party, to be formed by the Democratic Party.

The following is an analysis of these minor parties.

Although advocating the formation of a Centrist Political Federation, the Peoples Co-operative Party at present has no intention of dissolving to form a new Centrist Party. MIKI stated that he has let ASHIDA know how he feels about this matter.

Although a few leaders within the Socialist Reform Party are in favor of joining the new Centrist Party movement, it is not the inclination of a majority of the party. Some are even thinking of returning to the Socialist Party. It is not believed that this group will respond to the new party move as a party.

SHINSHIN-KAI leaders met with Liberal OTAKI, Kameyoshi to confer on the proposed new Centrist Party. It appeared that the Japan Liberal Party would go along with this movement, but on 15 July, the Liberal suddenly merged with the People's Party (KOKUMIN-TO) and formed the New Liberal Party Formation Preparatory Committee. This group will work for a conservative union under the slogan of anti-Communism and production-first. Thus, the Liberals will drop out of the Centrist Party movement.

POLITICAL SERIES: 2542 (Continued)

ITEM 11 (Continued)

Because its leader, NAKANO, Shiro, is on close terms with the Democratic-Liberals, the Farmers Party is keeping aloof of the Centrist Party movement. Some members of the DAIICHI GIEN Club (First Diet Members Club) may respond to the Centrist Party movement, but even with half of them joining, it still totals only five or six men.

Seek to Split Progressive Elements

No active bid has yet been extended toward the Democratic-Liberal Party. Although the Centrist Party advocates are watching for an opportunity to split the party by instigating the latter's progressive elements to start a secession movement, nothing is in evidence at present. From the points stated above, it will be difficult for the Centrist Party advocates to take over the next Government. How NARAHASHI, Wataru will fit into this picture is an interesting point. Some say that ASHIDA has already reached his limit in coping with the Democratic-Liberals, but that NARAHASHI may be able to take appropriate action.

MIKI wants NARAHASHI to help him in materializing his plan for the Centrist Political League. It will be interesting to see how far the ASHIDA-NARAHASHI-MIKI trio gets in solving the difficulties of the Centrist Party movement. NARAHASHI, himself, who had started a stumping tour as soon as he was released from the purge, has said nothing definite about his ideas on this problem.

The strength of the Centrist will depend upon how solidly united are the Democrats, and how strong they will be in the coming election.

In order to run the next administration successfully, it is absolutely necessary for the Centrists to win the co-operation of the Socialists. If the Socialists do not join the Centrists, or at least co-operate with them, Premier ASHIDA's plan will end in failure. Co-operation between the Centrist Party, or the League, and the Socialist Party is key to ASHIDA's middle-road policy. The Democrats need the Socialists' help in carrying out their middle-road politics. The Democrats' headache comes from this point.

ITEM 1. Reds Demand Immediate Cabinet Resignation - Akahata - 22 Jul 48.
Translator: R. Ishii (JJY).

404
Full Translation:

The assault on Secretary-general TOKUDA represents the meanest form of violence against the vanguard of democratic revolution by the still lingering militaristic reactionary elements instigated by the recent dictatorial policies of the Government.

The attack was not made on TOKUDA as an individual, but against the working classes of our country as a whole. It was nothing but a result of a series of government policies of militaristic tinge, such as the declaration of the state of emergency in FUKUI Shi after the quake disaster which oppressed all movements of democracy, the suppressive measures used against the demonstrations in OSAKA and fourteen other prefectures, and the labor law revisions that deprived the workers of their right to strike.

Furthermore, the assailant was definitely a member of an anti-Red group. This reveals that there still exist in JAPAN militaristic groups of bosses under the patronage of the ruling class that should have been eliminated long ago according to the Potsdam Declaration.

Such tendency of terrorism is not confined to JAPAN alone. An attempt was also made on the secretary-general of the Italian Communist Party recently.

In the name of the working masses of JAPAN, the Communist Party hereby launches a positive attack upon all dictatorial policies of the governing class, and, at the same time, demands the Government to eliminate all such reactionary elements in accordance with the terms of the Potsdam Declaration.

An Appeal to the Working Masses

The governing class of JAPAN has at last come to use the meanest acts of violence in their attitude toward the working classes, being unable to convince them by their make-believe democratic policies. This dictatorial attitude of the Government is reflected in numerous reactionary laws and regulations which suppress labor unions, farmer's groups, and all other democratic organizations and their movements.

We hereby appeal to you laborers of our country to firmly unite as one and form a joint front in all homes, towns, and villages against all undemocratic factors. Defenders of the peoples' rights are the people themselves.

Such acts of terrorism are nothing but a sign of fear on the part of the governing class over the laborers' revolutionary growth.

The Japan Communist Party will forever continue to uphold the glory of being the vanguard of the working masses of JAPAN, being firmly convinced of their great ability in their struggles with capitalists. We strongly demand the Government, on behalf of the whole nation, to thoroughly clarify its attitude toward the case and immediately resign en bloc.

We demand these steps:

- (1) Punish severely the terrorist and his group;
- (2) Annihilate all anti-Communist militaristic terrorist groups.
- (3) Lift all oppression on workers;
- (4) Overcome fascism with a democratic racial front;
- (5) Uphold peace, liberty, and independence.

(Japan Communist Party
Central Executive Committee)

ITEM 1 Diet Dissolution and Socialist-Democrat Relations - Tomiuri - 21 Jul 48.
Translator: Y. Kurata. (JJY)

404
Full Translation:

While the Socialists themselves seem somewhat surprised at Chairman KATAYAMA's statement calling for Diet dissolution, great significance is being attached to the Socialist-Democrat ties, which are bound to be loosened through the Diet dissolution.

As is clear from the results of public opinion polls conducted by various newspapers, only mass resignation of the Ashida Cabinet or Diet dissolution can settle the present political unrest. These being the circumstances, the Socialist-Democrat relations, which are the basis of the present Cabinet, have been getting cooler since the war bond interest moratorium bill was sidetracked in the second Diet; for the Ashida Cabinet, rough going is in sight.

It seems to us that Chairman KATAYAMA's request for Diet dissolution clearly reflects such political circumstances. In fact, Chairman KATAYAMA seems determined to wash his hands of the Ashida Cabinet to liquidate the Socialist-Democrat coalition. Perhaps he came to this conclusion because he judged it advisable for the Socialist Party to do so.

To take a different view, however, the reason why Chairman KATAYAMA was so hasty as to call for Diet dissolution while on a stumping tour without consulting with his fellow party leaders is that he could no longer resist the pressure of public opinion. In this sense, Chief Cabinet Secretary TOMABECHI can be justified in terming the Socialist Chairman's statement a sort of election build-up.

Theoretically, KATAYAMA's bid for Diet dissolution is a careless and irresponsible move originating in party tactics in the light of the fact that he is a spokesman of the Socialist Party and at the same time a pillar of the Ashida Cabinet. However, to take into account the present circumstances where public opinion is unanimously in favor of Diet dissolution, which is actually regarded as inevitable as a result of the changing political circumstances since the last general election, it can be said that KATAYAMA really took the bull by the horns in demanding Diet dissolution, provided the demand will not be watered down afterwards under the pressure of other party leaders.

Anyhow, it is true that KATAYAMA's demand for Diet dissolution has created a stir in the nation's stagnant political situation and the stir thus made will be enlarged gradually. If his insistence is backed by a majority within the Socialist Party, then Diet dissolution is unavoidable. By the same token, the one-year-old Socialist-Democrat co-operation is bound to be liquidated.

The liquidation of the Socialist-Democrat tie-up will have no small effect upon the future movement of both parties. But, by and large, the break will deal a thumping blow to the Democratic Party, which has been all-out to tighten its bond with the Socialists following the expulsion of the latter's die-hard left-wingers. Thus, the so-called middle-of-the-road politics will lose its foundation.

In his statement demanding Diet dissolution, Chairman KATAYAMA said: "Other than the Socialist Party, which rejects both conservatives and extreme leftists, a center party lacking an ideology is out of the question." This can be construed as a flat denial of the middle-of-the-road politics insisted upon by Premier ASHIDA. It reveals a candor not seen hitherto in KATAYAMA's attitude.

Actually, however, how far KATAYAMA's statement will go in leading the Socialist Party as a whole still remains to be seen. It is true that he is in a position to represent the Socialist Party, but it is equally true that he has not had much weight to date in making decisions on party issues because of pressure from NISHIO and his men. Suffice it is to say that right-wing leaders, such as NISHIO, YONEKUBO, and MIZUTANI, have already given vent to dissatisfaction over KATAYAMA's statement.

If Chairman KATAYAMA's intention fails to materialize as a result of opposition from within the party, then the Socialists will be divided into mutually irreconcilable groups in regard to their relation with the Democratic Party. In this point, too, the Ashida Cabinet will face considerable difficulties, and Chairman KATAYAMA will lose his authority.

Earlier, we insisted that the Democrat-proposed middle-of-the-road politics was quite meaningless. Thus, we are deeply interested in the political situation revolving around KATAYAMA's statement, which is apparently aimed at destroying middle-of-the-road politics.

ITEM 7 Nishio Resignation from Executive Committee Post Also Demanded - Mainichi
 - 7 Jul 48. Translator: R. Shibata. (UG)

404. Full Translation:

With the submission of NISHIO's resignation, the Socialist Party has succeeded in disposing of this case as an intraparty problem in line with its previously decided policy.

NISHIO's resignation also satisfied the so-called "reform faction," inasmuch as its first goal was achieved. But, because the demand presented by the faction to Chairman KATAYAMA included such items as NISHIO's resignation from not only the ministerial post but also from the Central Executive Committee and from the Central Committee meeting so that unbiased discussions may be held, it is expected that a new situation will develop centering around the reform faction's new attack on NISHIO following his retirement from the Cabinet.

Developments of the Nishio issue depend on the Central Committee meeting to be held at the end of this month. It is most unlikely that NISHIO will quit his important post in the Central Executive Committee. If either he is judged as guilty or, prior to this, the Central Committee decides on his punishment, this will lead to the downfall of the right wingers.

Conversely, if the prosecutors office rapidly proceeds with investigations and Nishio's innocence is proved, the decision of the Central Committee will certainly be in favor of NISHIO. So, the right wingers now desire to postpone the Central Committee meeting until the prosecutors' decision.

On the other hand, if the ouster of such extreme leftists as KURODA takes place soon, it will have an unfavorable effect on the purification faction.

The Socialist Party held a Central Executive Committee meeting at 1430 hours yesterday to discuss the problem of party control over the extreme leftists. Among those in attendance were KURODA, SUZUKI (Kiyoshi), and HORI belonging to the opposition group.

Since the meeting failed to reach a decision as to whether the problem should be referred to the Central Committee or not, it was decided to carry the problem over to the Central Committee meeting to be opened at 1000 hours today.

ITEM 15 Death Sentence - Shin Hochi - 22 Jul 48. Translator: M. Minato. (RL)

404 Full Translation:

Although the average span of an American's life is 73 years, that of an American president is only 68 years. From this fact alone, we can easily see that the presidency is accompanied by tiring tasks.

According to an article carried in the 18 July issue of the America-Japan Weekly, the first question which DEWEY, Republican Party presidential nominee, was asked at a press conference was, "Why do you want to become president, when it is said that the post shortens a man's life?"

Although there may be a difference between a premier and a president, if Japanese journalists asked a premier, "Why did you become premier?", the premier may possibly display his oratorical power on his aspirations, or he may become enraged. However, there are only a few persons in the history of Japanese parliamentary politics who accepted the premiership in cognizant of the fact that by doing so, they are deliberately shortening their lives.

Since terrorism was prevalent in JAPAN before democracy was introduced, assassinated premiers were not few. However, many premiers have made a fortune and enjoyed a long life of retirement.

In AMERICA, running for the presidency is called the "sentence of death". If every person who assumes the premiership in JAPAN takes his post with the feeling that he was being sentenced to death, a cabinet which would be a public servant in the true sense of the word may appear.

ITEM 6 What Has the Diet Accomplished? - Rodo - 9 Jul 48. Translator:
Seki. (MM)

Summary:

404
The second session of the Diet, after 209 days, finally adjourned on the fifth. What did the Diet accomplish? It revised commodity prices, including a 2.55-fold increase in transportation fares, passed a 1,000,000,000,000 yen budget and it also exposed the behind-the-scene activities of political parties, especially the internal confusion of the Socialist Party. Thus, the second Diet session has given the people a heavier economic burden to bear and at the same time made the people lose their faith in political parties. If the people's hopes about democracy, which started auspiciously under the new Constitution, are dashed to pieces because of this, it will be a grave matter.

If the slovenliness of politics by the majority spurs politics by force, it will lead to two extremes of fascism.

We are prepared for a hard, austere life under the present economic condition. Consequently, we consider the increase of taxes and rise of commodity prices, which are inevitable to some extent. But, at the same time, we expect production to be rehabilitated, the country to be reconstructed and our lives to be brightened. However, more concretely speaking, what have political parties actually achieved? Although the efforts of the Socialist party in lowering the increase in transportation fare from 3.5 to 2.55 are appreciated, the Socialist party cannot be said to have had any concrete plans for the economic rehabilitation of our country. They devoted much more time and energy to their internal feud than to the study of policies. We are greatly dissatisfied.

But we cannot blame the Socialist party alone, for the labor organizations of Japan are partly responsible for the present plight of the Socialist Party. In the first place, powerful labor unions, confused by the theory of freedom of supporting political parties, have not positively assisted the Socialist party. Second, the labor unions have not communicated systematically their independent policies and political demands to the party. Third, the labor unions have not given financial assistance to the party. Labor unions have neither undertaken the campaign expenses of a Diet member belonging to the union, nor his living or activities expenditures. Such being the case, the Socialist party cannot claim to be firmly based on labor organizations.

Aside from those who believe in direct action by labor unions, i.e., revolution by force, using the tactics of general strike, the labor unions whose aim is to bring about the democratic revolution by the medium of the Diet must give serious consideration to the present condition of our nation's politics, which was revealed by the second session of the Diet.

One may be dissatisfied with the state of affairs in the Socialist party, rebuke the right winger and find fault with the left winger, but that will not help the situation in the least. The most urgent question for the labor unions is how to strengthen their voice against political parties. The Federation of Labor Unions has inaugurated a Liaison Committee between the Socialist party and the Federation. The activities of this committee must be accelerated and the question of political funds studied at the same time. In short, conditions following the second session of the Diet seem far more serious.

Cabinet Seen Shaky Despite Budget Accord

While the Government parties reached a compromise on the budget revision issue, political observers generally believed that the negotiations over the question have widened the gap between the Socialist and the Democratic parties.

They said that the collaboration between the two parties "has just about neared the end." The complete split, they pointed out, however, would not come for some time to come.

With the budget issue virtually settled, the filling of the gap in the Cabinet after the anticipated resignation of Deputy Prime Minister Suehiro Nishio is expected to come into the political limelight.

Chief Cabinet Secretary Gizo Tomabechi said yesterday that the Government does not contemplate the replacement of Mr. Nishio with a Democratic State Minister, if and when he resigns.

He intimated that the Ashida Cabinet would accept a Socialist to take Mr. Nishio's place. He added, however, that if the Socialists refuse to send another Cabinet Minister, Mr. Nishio's chair would be left vacant.

Political circles believe that Chairman Tetsu Katayama would not send a replacement for Mr. Nishio. They opined that Mr. Katayama may even go so far as to withdraw all Socialist Ministers, depending upon the political situation.

On the question of the convocation of an extraordinary session of the Diet, following its adjournment on July 5, Mr. Tomabechi said:

"If either the Opposition parties or the Social Democratic Party should propose an extra-ordinary session of the national legislature, and if more than one-fourth of the Diet second the motion, the Ashida Cabinet undoubtedly will hold it."

Mr. Tomabechi, however, expressed the hope that the Diet will not meet at least one month after the conclusion of the current session.

He explained the Government will need some time to prepare a new modified budget plan designed to take care of new wage issues.

More than that, he continued, if negotiations between the Government and its employes over the wage issue should collapse, and the latter appeals to the Central Labor Relations Board for mediation, considerable time will be required to solve the labor issue.

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Cabinet Faces New Crisis As Socialists Incensed

Indications pointed yesterday that the Ashida Cabinet might be confronted with another major crisis as the Socialists voiced their bitter dissatisfaction over the bill to suspend interest payments on wartime debt.

The Socialist leaders openly accused the Democratic Cabinet members of "insincerity" in failing to prevent the Upper House Finance and Banking Committee from shelving the bill.

Some Socialists threatened to withdraw all Socialist Democratic Cabinet Ministers from the Ashida administration.

The Socialist Party's Central Executive Committee went into their important session at 4 p.m. yesterday to take up the question of the shelving of the war bond interest payment bill, the Nishio case, and the problem of the extreme left-wingers. The decisions of the CEC is expected to have far-reaching effects upon the fate of the Socialist party as well as the Ashida Cabinet. At press time, the CEC was still in session.

At a dawn meeting immediately following the adjournment of the Diet, Socialist leaders including Labor Minister Kanju Kato and State Minister Masaru Nomizo seconded proposals for the whole-

Backers of Cabinet Drop To New Low, Poll Shows

The majority of the people is opposed to the Ashida Cabinet, wants the Diet dissolved, and favors the Democratic Liberal Party, a Mainichi Shimbun public opinion poll conducted for four days from June 23 revealed.

The survey covered 3,000 representative people from all parts of the nation and in all professions.

The poll disclosed that 72.8 per cent of the people do not support the Ashida Cabinet. Only 19.5 per cent voiced their backing for the administration, while 7.7 per cent had no opinion.

Compared with the journal's survey in March, the popularity of the Ashida Cabinet fell 11.2 per cent while its opponents increased by 23.8 per cent.

Dissolution of the Diet was demanded by 44.4 per cent, of those questioned, a Cabinet resignation by 25.3 per cent and a Cabinet reorganization by 12.5 per cent. Only 7.8 per cent favored the status quo. Ten per cent had no opinion.

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Ashida's Cabinet Faces New Crisis

(Continued from Page 1)

scheduled to go into session yesterday afternoon, the questions of the extreme left-wingers and of Suehiro Nishio besides the war bond interest payment issue complicated the internal situation of the Socialist party.

Eighteen extreme left-wingers issued a statement yesterday opposing disciplinary action against those who had voted against the budget and demanding an extraordinary party convention. They asked Mr. Nishio to assume full responsibility for the political donation case and added they will continue to fight for the betterment of the party.

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sale secession of the Socialists from the Cabinet. Mitsusuke Yonekubo, party whip in the Lower House, declared the Government should be held responsible. "The honor and dignity of our party is now at stake," he said.

Mr. Yonekubo added that the time has come for the Socialists to "make clear" their attitude.

It was pointed out that the measure to suspend war bond interest payment was one of the major planks of the Socialist party and one of the few Socialist proposals to be put before the Diet.

Commerce-Industry Minister Chosaburo Mizutani reportedly claimed that the Upper House should be held accountable for the shelving of the bill.

As the Central Executive Committee of the party was (Continued on Page 2)

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ITEM 1

Katayama's Declaration for Diet Dissolution Dooms Ashida Cabinet -
Mainichi, Tokyo Shimbun, Yomuri - 20 Jul 48. Translator:
K. Higashikawa. (JJY)

404

Summary:

(MAINICHI) A great repercussion has been created by the bombshell declaration made by Socialist Leader KATAYAMA on Sunday to demand dissolution of the Diet at the outset of the envisaged special session of the Diet at the end of August.

The consensus is that the bombshell declaration has shaken the Ashida Cabinet to its very foundations and that a general election will be held in October following dissolution of the envisioned special Diet session.

The meeting of the heads of the three government parties anticipated to be held upon the return to the capital of Premier ASHIDA and Socialist Leader KATAYAMA holds the key to the political situation in the immediate future, observers said.

Socialists Had Better Part with Democrats,
Premier Says

Premier ASHIDA, in a press interview yesterday morning at IWAKUNI Shi, stated that, if a cleavage is made between the Democrats and Socialists, the latter had better part with the Democrats. He said:

"An arrangement has been made for me to see KATAYAMA upon my return to TOKYO. When I see him, everything will become clear. A cleavage is liable to be created even between father and son. If a cleavage has been made between the Democrats and the Socialists, they had better part." The Premier, accompanied by Economic Stabilization Board Director KURUSU, left IWAKUNI yesterday morning for HIROSHIMA.

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ITEM 1 (Continued)

Commerce-Industry Minister Says
Socialists Fully Agree on Dissolution

Commerce-Industry Minister MIZUTANI, in a press interview yesterday, declared that the Socialists had arrived at a complete agreement of views on the dissolution of the Diet. He added, "Although KATAYAMA declared in SENDAI that he would demand dissolution of the Diet at the outset of the special session, I, for one, would rather lead the situation toward the dissolution after doing our best on the bill for deferment of the war bond interest payment and on the wage and other problems. As soon as KATAYAMA returns to TOKYO, I will persuade him to take this course."

NISHIO, Suehiro, stated to the press yesterday that he disagrees with KATAYAMA's opinion to demand an immediate dissolution of the Diet, adding that as soon as KATAYAMA returns to TOKYO he would like to talk the matter over with him.

Chief Cabinet Secretary Tomabechi Meets
Speaker Matsuoka

In their meeting yesterday Chief Cabinet Secretary TOMABECHI and Speaker MATSUOKA reportedly agreed that a dissolution of the Diet is unavoidable. In the absence from the capital of all the Democratic cabinet ministers, who are now out on political campaign trips, Chief Cabinet Secretary TOMABECHI saw Speaker MATSUOKA regarding KATAYAMA's declaration and conferred with him as to the time the special Diet session should be called, the advisability of dissolving the Diet, and on the question of the next regime. At this meeting Speaker MATSUOKA reportedly expressed the opinion that 10 September or thereabouts would be most suitable to convoke the special session of the Diet.

At first Speaker MATSUOKA is said to have expressed the opinion that a national regime should be organized by averting a dissolution of the Diet. His opinion was based on the ground that, even if a general election is held, the present differences among the three government parties could not be threshed out. However, it is said that they finally came to the conclusion that a dissolution of the Diet is after all unavoidable because a national regime could not be hoped for under the prevailing political situation.

Tomabechi Says He Cannot Comprehend Katayama's
Declaration

(TOKYO SHIMBUN) In a press interview following the Tomabechi-Matsuoka conversations, Chief Cabinet Secretary TOMABECHI stated: "I am very much surprised at KATAYAMA's declaration reported in this morning's papers. It is inconceivable that the head of the most friendly party should make such an unexpected statement. Considering the fact that the Socialist Party demands the convocation of a special Diet session to deliberate the bill on war bond interest deferment, it is senseless for KATAYAMA to call for an immediate dissolution of the Diet.

"I am at a loss to understand the true intention of KATAYAMA in making the statement in question. I am inclined to think that the report is erroneous. I want to ascertain the truth from the Socialists. As soon as Premier ASHIDA returns to TOKYO the matter will be discussed by all the cabinet ministers representing the various parties.

"Speaker MATSUOKA also could not understand the true intentions of KATAYAMA's statement. MATSUOKA said, 'In my opinion, even though a general election is held after dissolving the Diet, a political

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ITEM 1 (Continued)

situation similar to the present will ensue. Personally, I think it would be most appropriate to organize a national regime under the prevailing political situation."

Socialists Divided on Time to Dissolve Diet

(YOMIURI) Socialist Diet Policy Committee Chairman YONEKUBO stated, "Although the Socialists have decided on the basic policy to leave the present coalition, inasmuch as we are a government party we could not very well introduce a resolution for dissolving the Diet at the outset of the forthcoming special session."

When the four leaders--KATAYAMA, Secretary-general ASANUMA, Diet Policy Committee Chairman YONEKUBO, and Political Research Committee Chairman SUZUKI--met in conference recently, all except ASANUMA agreed that the Socialists should bolt the coalition on the springboard of the proposed special Diet session, but the Socialists are divided on the question as to when they should walk out of the Cabinet.

Commerce-Industry Minister MIZUTANI and his followers are of the opinion that, inasmuch as the special session is demanded to deliberate pending bills, Socialists should break away from the coalition when the prospects of passage of the war bond interest bill and bills in connection with importation of foreign capital are well in sight and the wage problem has been settled.

Others are of the opinion that the Socialists should bid goodbye to the present coalition when the discussion of the wage issue and the revision of the Civil Service Law is at white heat, for by that time the labor offensive will be intensified. Accordingly, KATAYAMA's statement to demand dissolution of the Diet at the outset of the envisaged special session has never been formally taken up by the party, it is said.

KATAYAMA reportedly fears that the Socialists would lose the opportunity to break away from the coalition if they continue to co-operate with the present coalition until the time advocated by MIZUTANI and others. Some, therefore, consider that KATAYAMA's bombshell statement was made to bring pressure upon MIZUTANI and his followers.

The majority of the Socialists consider that when the wage issue is thrown into a cauldron of verbal warfare, that is the time to call for the dissolution of the Diet. If and when the Socialists find it difficult to leave the coalition on that occasion, the next step should be to recall Socialist Leftist Cabinet Ministers KATO and NOMIZO.

Democrats to Strengthen Camp

Anticipating a general election, the Democrats will complete the work of strengthening their front during the month by appointing a vice-president, advisers, and a successor to the chief secretary. As soon as ASHIDA returns to TOKYO the Democrats will also decide their policy to face the envisioned special Diet session. In the event the Diet has to be dissolved, the Democrats are also expected to speed up the work of organizing the proposed center party.

ITEM 2 Opinion Survey Shows Decline in Support to Ashida Cabinet - Asahi -
20 Jul 48. Translators: S. Katagiri and M. Yasutake. (UG)

404
 Full Translation:

The Ashida Cabinet managed to survive the past Diet session, but its internal unity is not so strong as at the time of its inception. All parties seemed to have reached the stage of reorganization. The political situation was stabilized temporarily, but it is now being shaken due to the difficulty of living caused by the enormous 1948-49 budget, revision of the price system and the labor offensive.

The ASAHI on 13 and 14 July conducted a nation-wide survey in order to seek the people's opinions on the political situation. This is the second opinion survey conducted by this paper since the survey of last March, the time of the formation of the Ashida Cabinet. In the recent survey, the random poll method was adopted throughout all the cities, towns and villages surveyed.

According to this survey, more than half of those questioned did not support the Ashida Cabinet. They hoped for either a Diet dissolution or cabinet resignation en masse. Many hoped that a conservative party would form the next Cabinet.

To the question, "What party will you support if a general election is held soon?", the Democratic Liberal Party has the strongest support of all parties, but the rate of support has decreased with almost no exceptions. The number of those who answered "I do not know" increased considerably.

While only 16 percent of those surveyed supported the Ashida Cabinet, 52 percent did not. In the survey conducted last April and November when the YOSHIDA and KATAYAMA Cabinets were near collapse, 49 and 54 percent of those surveyed did not support these cabinets. This is nearly the same rate as the recent survey.

In the survey conducted last March, immediately after the formation of the present Cabinet, 30 percent supported the Cabinet, 31 percent did not and 39 percent refrained from expressing a definite opinion. During four months since that survey public opinion tended toward opposition to the Cabinet.

Only 10-17 percent of all classes surveyed supported the present Cabinet. Sixty-five percent of the salaried men and more than a half of those engaged in commerce and industry and industrial workers did not support the Ashida Cabinet. The unemployed, farmers and fishermen follow the above-mentioned professions in their opposition to the present Cabinet.

Sixty-two and 41 percent of men and women, respectively, did not support the present Cabinet. Most women replied that they had no opinion. Opposition to the Cabinet was stronger among the younger generation and the highly educated than among the older generation and the less educated.

There is now a rumor regarding the formation of a coalition Cabinet by the opposition parties with the Democratic Liberal Party as its center. There is a move for the formation of a conservative coalition Cabinet by the Democratic and the Democratic Liberal parties. There is also a move for the formation of a coalition Cabinet by the Democratic Liberal, Socialist, Democratic and Peoples-Co-operative Parties. The Ashida Cabinet has less support than these three forms of cabinet.

The number of those who hoped for Diet dissolution was a little more than that of those who asked for cabinet resignation en masse. The number of those who replied, "I cannot make a decision" or "I do not know" totaled 33 percent of those surveyed.

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Fifty-one percent of the supporters of the Democratic Party were of the opinion that the situation may as well remain unchanged, but 29 percent hoped for either a Diet dissolution or cabinet resignation en masse. Twenty percent of the supporters of the Socialist and the Peoples Co-operative Parties wanted no political change, but 41 percent hoped for Diet dissolution. This is 4 percent higher than of those supporters of the opposition parties who hoped for Diet dissolution.

Thirty-six and 37 percent of the Democratic-Liberal supporters hoped for cabinet resignation and Diet dissolution respectively. Many of the supporters of parties hoped for the stabilization of the political situation through some measure. Ten percent saw no necessity for a political change.

Answering the question, "Which cabinet do you want, if the present Cabinet resigns--a conservative or a Socialist-led one?" a comparatively large number of the people chose the former.

A gradual change appeared in the support of parties since the opinion survey conducted last November when KATAYAMA led the Cabinet, and the Democratic-Liberal Party took the lead, replacing the Socialist Party. The same tendency has appeared in the recent survey. The Democratic-Liberal Party has secured the strongest support, followed by the Socialist, Democratic, Peoples Co-operative, Communist and other minor parties.

In the March survey, 40.4 percent supported the Democratic-Liberal Party, but the recent survey showed a one percent decrease in the number of Democratic-Liberal supporters. The number of supporters of the Socialist and the Democratic Parties have also decreased. The number of those who refrained from expressing their views reached 30.4 percent in the recent survey, a 6 percent increase over the March survey.

The recent survey checked the change in public opinion regarding the parties during the one year since last April by asking, "For what party did you cast your vote in the general election of last April?" and "For what party will you cast your vote if a general election is held soon?"

Seventy-nine percent of those who supported the Liberal Party in the general election of last year still intend to cast their votes for the Democratic Liberal Party. And 29.35 and 23 percent of the former supporters of the Socialist, the Democratic and the Peoples Co-operative parties have newly come to support the Democratic Liberal Party.

The Socialist Party retained 42 percent of its supporters at the time of the general election of last April, but 22 percent of them did not reveal what party they support now. The majority of the remaining Socialist supporters have come to support the Democratic Liberal Party.

Thirty-five percent of the Democratic supporters at the last April general election have come to support the Democratic Liberal Party, 23 percent of them refrained from expressing their views; 37 percent still supported the Democratic Party. The Communist Party retains 46 percent of its former supporters, but 11 percent supported the Socialist Party and 36 percent refrained from expressing their views.

The Democratic Party has the strong support of farmers, fishermen and those engaged in commerce and industry. The Socialist Party still has many supporters among industrial workers, salaried men, farmers and fishermen. The number of Democratic supporters has shown a marked decrease in the recent survey. As in the case of the Democratic Liberal Party, the Democratic Party has strong support among farmers, fishermen, and those engaged in commerce and industry, but while the

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former has the support of 42 and 38 percent of urban and provincial people, respectively, the latter has only eight and 11 percent of the support.

The number of Communist supporters among industrial workers showed an increase over the last survey, but the recent survey showed that the Communist Party has no support among those engaged in commerce and industry.

Results of the public opinion poll (bracketed figures are the results of the survey made last March):

First question: Do you support the Ashida Cabinet?

Yes - 16 (30%)

No - 52 (31)

No opinion - 32 (39)

Undecided - 17

Don't know - 15

Second question: What do you think the Ashida Cabinet should do?

Remain in power (Cabinet reorganization included) - 16%

Resign - 23

Dissolve the Diet - 28

Undecided - 18

Don't know - 15

Third question: Which do you prefer, the present Ashida Cabinet or a coalition cabinet headed by the Democratic Liberal Party?

Ashida Cabinet - 12%

Coalition cabinet headed by the Democratic Liberal Party - 34

Don't want either - 19

Undecided - 19

Don't know - 16

Fourth question: Provided that a coalition cabinet is formed by the Democratic and Democratic Liberal Parties, which do you want, the coalition cabinet or the present Ashida Cabinet?

Ashida Cabinet - 10%

Coalition cabinet - 34

Don't want either - 21

Undecided - 20

Don't know - 15

Fifth question: Provided that a coalition cabinet is formed by the Democratic Liberal, Socialist, Democratic, and People's Co-operative parties, which do you want, the present Ashida Cabinet or the coalition cabinet?

Ashida Cabinet - 11%

Four-party coalition cabinet - 30

Don't want either - 24

Undecided - 19

Don't know - 16

Sixth question: If the Ashida Cabinet resigns en masse, which do you want, a conservative cabinet or a Socialist-controlled cabinet?

Conservative cabinet - 43%

Socialist-controlled cabinet - 19

Other forms of cabinets - 5

Undecided - 17

Don't know - 16

Seventh question: If a general election is held in the near future, to which party will you give your vote?

Democratic Liberal Party - 39% (40%)

Socialist Party - 17 (19)

Democratic Party - 10 (13)

Peoples Co-operative Party - 2 (1)

Communist Party - 1 (1)

Independents - 1 (0)

Don't know - 30 (24)

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ITEM 2 (Continued)

Seventh question: For Which Party Will You Vote in the Next General Election?

	Number of answers	Democratic Liberal	Socialist	Democratic	Peoples Co-operative	Communist	Minor groups	Don't know
Industrial workers	415	30%	26%	8%	1%	3%	0%	32%
Salaried men	512	39	27	8	3	2	1	20
Merchants and industrialists	644	51	11	10	1	0	0	23
Farmers and fishermen	1,432	36	14	11	2	1	1	35
Unemployed	88	31	19	8	0	1	0	41
Others	106	38	9	10	3	0	1	39
Male	1,684	45	19	11	2	1	1	21
Female	1,513	33	15	8	2	1	1	40
In twenties	838	41	23	10	2	2	2	20
In thirties	789	41	20	9	1	1	1	27
In forties	664	46	14	10	1	1	1	27
Over fifty	906	33	10	10	2	0	0	45
Primary school graduates	2,361	36	14	10	2	1	1	36
Middle school graduates	667	50	23	7	2	1	1	16
College graduates	169	48	27	10	1	1	1	12
Urban inhabitants	1,075	42	21	8	1	1	0	27
Rural inhabitants	2,122	38	15	11	2	1	1	32
Total	3,197	39.4	16.8	9.8	1.8	1.0	0.8	30.4

ITEM 6 Postponement of No-confidence Motion to Special Session Likely - Yomiuri -
4 Jul 48. Translator: U. Futonaka. (GS)

404
 Full Translation:

The no-confidence motion against the Cabinet, which the Democratic Liberal Party originally scheduled to bring to the Diet floor Monday, is likely to be carried over to the anticipated special session.

The party's top-ranking executives reached the following agreement at a meeting yesterday morning:

1. Ousting of the Socialist Party left-wingers will not materialize during the course of the current session; 2. The number of aye's and no's cannot be definitely estimated at present; 3. A special Diet session, if convened in the near future, will be rather advantageous.

This agreement will be formally referred to the Executive and the Diet Members' Council. It is highly probable that postponement of the measure will be favored.

More than 10 Taiyokai members of the Democratic Party met with interested legislators of other parties in the Diet building yesterday to confer on the formation of a new conservative administration.

More than 10 Taiyokai-affiliated Diet members, including SUZUKI, Kyohei, HOSOKAWA, Yasohachi, YONETA, Yoshimori, and GOTO, Etsuji, have, for some time, been preparing to form a Conservative Unification Conference. The initial preparatory meeting was held at 1800 hours by those Democrats and Diet members of the Democratic Liberal, Peoples Co-operative, and Peoples Parties, as well as the Independents. The following items were taken up:

1. A concrete program for the formation of a unified conservative conference will be worked out by a sub-committee, to be elected from among enthusiastic members of various parties; 2. Liaison will be secured during the adjournment; 3. During the next special Diet session, the question of conservative merger will be referred to the various parties in a move to make the measure effective.

This preparatory gathering was attended by Democratic Liberals' MIZUTA, Mikio, KANDA, Hiroshi, EZAKI, Masumi, ARITA, Goro, TAGUCHI, Suke-toro, KURAIISHI, Tadao, SUZUKI, Riichiro, WAKAMATSU, Torao, HARADA, Ken, and SASAKI, Morio.

The TAIYOKAI-affiliated legislators intend to base their activities upon the belief that a conservative cabinet should take over the next administration, and, accordingly, to promote the merger of conservative forces. In the meantime, however, there are indications that the presidency and the premiership will go to a person deserving fresh popular support, in an attempt to erect a solid conservative regime. This implies the shelving of four elder statesmen--YOSHIDA, SAITO, SHIDEHARA, and ASHIDA.

ITEM 8 Katayama to Seek Early Diet Dissolution - Shin Yukan - 19 Jul 48.
Translator: B. Ishibashi. (WM)

404
 Full Translation:

Chairman KATAYAMA of the Socialist Party, now in TOHOKU on stumping tour, was interviewed by the press at Koriyama Station on 17 July.

He asserted that it is time for the Centrist Party to clarify its policies and that Diet dissolution is inevitable. His statement follows:

"The projected Centrist Party has not yet clarified its objective. However, the time has already come when it should decide whether to adopt capitalism or social democracy.

"The present political situation indicates that a Diet dissolution is inevitable. In my opinion, it is desirable that the Diet be dissolved at an early date. After my return to TOKYO on 25 July, I intend to discuss this question at a conference of the heads of three parties.

"The Socialist Party has the right and left factions. However, the proper course for the party is to make a decision through investigation, and in disregard of minor differences. The party should work as a unit toward its realization. It is not proper to be as childish stubborn as the Kuroda faction was. The expulsion issue has not had much influence on the party. I do not believe that the Socialist Party's popularity has declined.

"Only bills which require urgent action will be presented to the extraordinary Diet session, and discussion will be limited to matters held over from the second Diet session, including wage, price and war bonds interest payment problems.

"I am very sorry about NISHIO's plight and want to have it settled as early as possible. I earnestly hope for the formulation of a law which would make just elections possible."

ITEM 5 Democratic Liberal President Yoshida Demands Cabinet Resignation -
Mainichi - 22 Jul 48. Translator: K. Higashikawa. (GS)

Summary:

404
 Democratic President YOSHIDA, in a statement issued yesterday, relentlessly attacked the Ashida Cabinet and demanded its immediate resignation.

"The present Cabinet has no definite policies, nor confidence in its ability," YOSHIDA declared. Pointing out that practically all the important government bills have either been amended or defeated by the Diet, and that the unity of the government parties is crumbling daily, the DLP President asserted, "Despite the fact that the people have completely lost confidence in the present Cabinet, it is desperately clinging to the reins of power in a most ugly manner, unheard of in the history of the nation's parliamentary government."

Completely ignoring private interests, the DLP President continued, the Government should make the greatest exertions possible for a speedy reconstruction of the nation by retrenching public finance, balancing the annual budget, purifying the so-called labor offensive by liquidating the elements which are attempting to disturb the government at the back of the labor offensive, by increasing production, checkmating the spiralling inflation, and by importing foreign capital into the country.

In conclusion the DLP President demanded that "the present Cabinet should immediately resign, because it not only stymies the efforts of the people to rebuild the nation but it does nothing else except to indulge in empty publicity and to cling to the reins of power."

YOSHIDA's statement was issued following a meeting of the party's executive members at 1300 hours, when they discussed its basic policies.

In an exchange of questions and answers between the press and the DLP President, following the reading of the statement, YOSHIDA asserted that his party will triumph in the envisioned general election.

Question: What is your stand towards the Center Party idea advocated by the Democrats?

YOSHIDA: We take no notice of it. What is it, anyhow? Nothing is clarified in the way of principles and policies.

Question: Will the Democratic Liberals present a resolution for Diet dissolution at the next special session?

YOSHIDA: The present strengths of the political parties are unnatural. There has been a considerable change since the general election of last year. The Diet should be dissolved if only to determine in which party people place their confidence. We have not

as yet considered the matter of whether or not we should present a resolution for breaking up the Diet.

Question: Are you confident of being able to win a majority in the next general election?

YOSHIDA: I am fully confident of absolute victory. (Assistant General Manager HOSHIJIMA chimed in and said the DLP is sure of returning 250 candidates.)

Question: In the event you acquire the reins of power, would you organize a conservative coalition, or a national regime?

YOSHIDA: I would form a single-party cabinet resembling a conservative merger. Past experience has taught us the futility of a coalition of political parties with different principles and policies. At this particular time, when we are faced with the necessity of channelling foreign capital into the country, the policies of the Government should be clear-cut; otherwise it will become difficult to invite foreign capital. A single cabinet must be formed to attain this end.

Question: Suppose the proposed center party is organized and the DLP fails to gain a majority, would you form a coalition with the center party?

YOSHIDA: In any event, a single party cabinet is ideal, but if the proposed center party is a conservative party there is no reason why they should not co-operate with us. If our policies do not agree with theirs, there is nothing to be done but to part with them.

Question: You said something about purifying the labor offensive?

YOSHIDA: What I mean is to remove social unrest by stabilizing the living conditions of workers and by purifying the labor offensive. To realize this we will revise existing labor laws. In addition to that, we have some secret trump cards to play.

ITEM 7 Listen to What People Say - Yomiuri - 10 Jul 48. Translator:
R. Ishii. (JJY)

404 Summary:

The public opinion survey this paper recently conducted clearly indicates that the people have completely lost hope in the Ashida Cabinet.

According to the survey, only 25.1 percent supported the Cabinet, while 64.3 percent demanded the resignation of the Cabinet; 26.9 percent expressed a desire to have the Diet dissolved, while only 10.8 percent asked for maintenance of the status quo.

The survey is reliable as it has been based upon one of the most scientific methods known. Is the Cabinet going to stay in power in spite of the people's distrust?

At the time he came into office, Premier ASHIDA said that, although the Cabinet was started amidst widespread unpopularity, it would surely gain people's favor within three months. Four months have passed since then, and the people's favor, far from turning toward the Government, is fast running away from it.

It must be viewed as quite undemocratic that the Government should stay in power supported by such a small number of people. But, however hard the Government may try to stick to its post, it is an undeniable fact that it has now come to the crossroads of resignation en bloc and Diet dissolution.

It seems that the Government has virtually come to the decision to resort to dissolution of the Diet as expressed by Premier ASHIDA at his press conference Wednesday. However, this government attitude was not one urged by the people's nonconfidence, but one urged by various political bottlenecks serving to cause a split between the Government and the Socialist Party. Whatever the motive, however, it must be a matter of great joy that the Government has decided to dissolve the Diet.

To speak the truth, Diet dissolution should have been carried out in the last cabinet reshuffle in February. The irresolute attitude of the Government at that time was the chief cause of the current political chaos. Since the people has given a judgment on the Government, it should frankly meet the people's demand without delay.

The survey also indicates that the overwhelming majority of the people are in favor of a single cabinet of the Democratic Liberal Party alone. The nation has now become quite disgusted with coalition cabinets. They are now well aware that a coalition cabinet can never adopt a strong policy because of its multilateral character.

Premier ASHIDA is advocating a four-party coalition, but the lack of a major opposition party will surely lead the nation's politics again to a crisis.

Regarding the question of what party the people would vote for, the Democratic Liberal Party was first with 38.4 percent support. However, it should not flatter itself that the people are really supporting it, as it is natural that in these chaotic days the opposition is more popular among the people than the ministerial parties.

Chief Cabinet Secretary TOMABECHI's words that a Democratic Liberal cabinet is not to be allowed in point of world confidence must be strictly condemned as going counter to the basic principles of democracy. The people may be capricious, but it is not proper to disregard their voice. We earnestly hope that the politicians will make the best use of this survey for their self-reflection.

ITEM 9 Nishio to Be Tried on 16 July - Jiji - 10 Jul 48. Translator:
S. Katagiri. (JJY)

404 Full Translation:

It has been decided that the first public trial of former State Minister NISHIO, indicted on charges of violation of Government Ordinance No 328 and of perjury, be held at 1000 hours on 16 July before Chief Judge TANIKAWA, Seiji, chief of the Third Criminal Affairs Section of the Tokyo District Court, and Associate Judges NAKAHAMA, Tatsuo, and DATE, Akio. IDEI, Yoshio will act as prosecutor, and MIWA, Juso as counsel.

ITEM 9 Economic Policies of the Ashida Cabinet - Magazine: Diamond (Weekly) -
 1 Jul 48. Translator: W. Takashima. (V.M.)

404
 Summary:

The age of political vacuum has come when true politics cease to exist. The inflation is the concentrated expression of the serious crisis which confronts JAPAN in the period since the defeat. Therefore, the political administration which would put JAPAN back on her feet must have as its aim, the stabilization of this inflation.

The current Ashida Cabinet promised the people that it would break the economic crisis through the introduction of American capital, that once foreign capital begins to flow in, a three GO (.954 pt) ration of staples can be assured, or that subsidiary foodstuffs will be increased in September and cotton goods released. The people pinched themselves to see whether they were dreaming. But also because they have been fooled so often, they wondered whether the introduction of foreign capital was as important as ASHIDA assured them.

Unfortunately, the peoples' suspicions proved true. The delay in food distribution has spread to more than 11 prefectures, almost simultaneously with the Agriculture Minister's statement that there is no reason to be concerned over our future food situation. Prices which temporarily showed extraordinary stability are about to soar again with the increase in the price of rice. The sale of sugar forced on the people during the last several months has seriously strained the workers' already precarious livelihood, and stimulated the rise in the blackmarket price of rice. At the same time, the forced delivery of reserve rice is causing a great increase in the number of "bankrupt farmers." If such a situation is left as it is, the relationship between the demand and supply of foodstuff will become severely strained.

What is the difference between the Ashida Cabinet's economic policy and that of the socialistic Katayama cabinet? There is none, for they are identical. As in the case of the Katayama cabinet, it is based on the erroneous concept that the inflation will naturally become stabilized if only production is increased. This is wrong from the standpoint of both experience and theory. To make this clear, it is necessary to distinguish between the following two cases: One, where increased production accompanies inflation; the other, where diminishing production is the accompanying condition.

It is apparent that the inflation prevailing in postwar JAPAN is of the latter type unlike the German inflation after World War I which belonged in the first category. The current inflation has from its inception slowed down production. This may be attributed to two conditions peculiar to JAPAN, bureaucratic control and an economy which does not permit freedom of action. Therefore in the case of JAPAN, the plan of stabilizing the inflation solely through increasing production is, from the first, not the problem.

Accordingly, the main cause behind the inflation in our national economy is the huge burden of an unbalanced national budget, and to remedy this, the thorough dissolution and readjustment of our gigantic bureaucratic organization and the rationalization of government enterprises in accordance with commercial principles must first be carried out. Of course, this calls for great sacrifices, but if we delay because of this, the economic crisis will explode in our faces.

Yet, the Ashida Cabinet, which succeeded to the overthrown Katayama Cabinet, is attempting to take up the same policies and loudly advocates a temporary stabilization of the inflation. As long as complete study is not made of the inflation and bureaucratic control, foreign capital will not actually serve to rehabilitate our national economy. If the financial inflation is not stabilized, materials obtained with the introduction of foreign capital will not be used to maintain and expand our production facilities, but to produce consumer goods, which is not the accumulation but the consumption of capital. It may temporarily ease our present distress, but it will bring us double grief in the future.

It is apparent that national finance has today exceeded the limit that our national economy can bear. Unless this is ameliorated now, our economy will probably take two courses to undermine sound finance, shrinking production and evasion of taxes. And if the budget bill of approximately 400,000,000,000 yen for this fiscal year is passed without revision, it will become a new springboard for further inflation. The five-year economic rehabilitation program based on this erroneous idea of temporary stabilization will become a "revised edition" of last year's plan "to enter the black by November."

ITEM 14 72% of People Do Not Support Ashida Cabinet, Public Opinion Survey Shows -
Mainichi - 5 Jul 48. Translator: F. Mitsuhashi. (FST)

404
Full Translation:

Although the long-debated 1948-49 fiscal year budget bill has finally passed the Lower House and is certain to pass the Upper House, many controversial issues still remain unsettled in the political situation.

The Mainichi Shimbun Public Opinion Survey Department conducted a second survey on the popularity of the Ashida Cabinet for four days beginning 23 June throughout the country. As a result, it is learned that only 19.5 percent of the people support the present Cabinet. This is a decrease in the ratio of support by 11.2 percent as compared with

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the first survey conducted in March, immediately after the cabinet formation. It is also learned that as many as 72.8 percent do not support the Cabinet, a 23.3 percent increase in the ratio of nonsupport in comparison with the previous survey.

The unpopularity of the Ashida Cabinet is such that the current ratio of support is 3.7 percent lower than that of the former Katayama Cabinet in January, immediately before its resignation, and the ratio of disfavor is higher by 2.6 percent than that of the latter.

Question 1. Do you support the Ashida Cabinet?

	Yes	No	Undecided	Total
Farmers & Fishermen	17.2	77.8	5.0	100.0
Salarymen	18.7	80.0	1.3	100.0
Laborers	17.1	79.0	3.9	100.0
Merchants & Industrialists	14.0	82.3	3.7	100.0
Professionals	17.5	81.4	1.1	100.0
Farm women	19.7	66.1	14.2	100.0
Nonfarm women	24.0	66.5	9.5	100.0
Average	19.5	72.8	7.7	100.0

As seen from the classification according to occupation, the ratio of support, and that of disfavor are almost identical in every case. Slightly more women than men support the Ashida Cabinet. The fact that the percentage of those who could not define their attitudes is 7.7 percent, or 12.1 percent lower than that of the first survey, indicates that the people have become more critical of the Government during the past four months since the present Cabinet's formation.

Question 2. How should the Ashida Cabinet act in view of the current political situation?

	Carry on status quo	Reshuffle the Cabinet	Dissolve the National Assembly	Resign bloc	No answer	Total
Farmers & Fishermen	6.2	11.3	49.0	27.8	5.7	100.0
Salarymen	9.8	6.7	56.9	25.3	1.3	100.0
Laborers	9.0	11.6	48.1	26.1	5.2	100.0
Merchants & Industrialists	5.5	7.9	53.0	28.7	4.9	100.0
Professionals	4.1	14.4	51.5	28.9	1.1	100.0
Farmwomen	8.4	13.7	35.5	24.9	17.5	100.0
Nonfarm women	8.4	15.2	40.1	22.3	14.0	100.0
Average	7.8	12.5	44.4	25.3	10.0	100.0

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As noted in the above table, 7.8 percent are in favor of status quo and 12.5 percent demand a reshuffle of the Cabinet. In comparing these figures with those in answer to Question 1 in which 19.5 percent indicated their support of the Cabinet, it is clear that the ratio of absolute support for the Cabinet is very low, to say the least. On the other hand, the fact that the percentage of those demanding the dissolution of the National Assembly is greater than those demanding resignation en bloc shows the people's disgust at the constant changing political alignments.

Question 3. If the Ashida Cabinet dissolves the National Assembly and a general election is held, what party will you vote for?

	Male	Female	Average
Democratic Liberal	43.8	40.3	42.1
Socialist	23.9	21.9	22.9
Democratic	8.2	8.8	8.4
Peoples Co-operative	2.6	2.9	2.8
Communist	3.7	1.3	2.5
Others	10.5	11.5	11.0
Undecided	7.3	13.3	10.3

Question 4. If the Ashida Cabinet resigns en bloc, what party should take over the next administration?

	Male	Female	Average
Democratic Liberal	40.0	41.8	45.4
Socialist	20.0	18.0	19.0
Democratic	4.2	5.6	4.9
Peoples Co-operative	1.4	1.3	1.4
Communist	1.3	0.9	1.1
Coalition	5.1	3.3	4.2
Others	7.8	8.6	8.2
No opinion	11.2	20.5	15.8

The Democratic Liberal Party enjoys the overwhelming support, 45.4 percent. This figure includes 1.9 percent in favor of a coalition headed by this party. In the 19 percent which support the Socialist Party, 2.2 percent favor a coalition led by this party, while in the 4.9 percent in favor of the Democratic Party, 0.6 percent want a Democrat-led coalition. Despite the fact that it is extremely difficult to form a single party Cabinet under the prevailing political circumstances, only a few people favor a coalition Cabinet. This indicates the sharp criticism of the people towards coalition cabinets.

ITEM 2 Nishio Officially Resigns - Tomiuri - 7 Jul 48. Translator:
K. Higashikawa. (UG)

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Summary:

Deputy Premier NISHIO tendered his resignation to Premier ASHIDA 1040 hours yesterday at the latter's official residence. After reporting his resignation at the cabinet meeting held the same day, the Premier formally announced NISHIO's resignation.

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ITEM 2 (Continued)

Prior to submitting his resignation to the Premier NISHIO sought the understanding of the Socialist cabinet ministers at the official residence of the Commerce-Industry Minister.

The Prosecution Office is expected to take legal action against NISHIO tomorrow at the latest.

Nishio Uphold His Innocence

NISHIO, in a press conference yesterday, expressed the firm belief he has not infringed upon any administrative ordinance.

He stated:

"I have not resigned for the sole reason that the Prosecution Office has decided to indict me. If a State Minister resigns for the simple reason he is indicted on suspicion, it may lead to the growth of fascism on the part of the prosecution authorities. Especially in my case I am fully convinced that I have not infringed upon any administrative ordinance.

"I have resigned due to intraparty reasons. A section of our party called for my resignation. I cannot belittle this state of affairs considering the fact that I joined the cabinet as a representative of the party. I have made up my mind to resign because of the fact that Central Executive Committee Chairman KATAYAMA is finding it very difficult to keep peace within the party.

"There are two kinds of political donations: one is made officially to the party and the other personally to a leader of the party. I firmly believe that my case falls in the latter category. The reasons are:

"(1) When building contractors made donations to the Progressive and the Liberal parties, they took the money to the headquarters of these parties and handed the contributions to them, pointing out specifically that the donations were for the parties, and the contributors received official receipts. In my case I was called to the office of Mr IIDA, and Mr FUKAI, who was present, said, 'You are at liberty to use the money any way you like, but, if possible, please give part of the money to Mr MORITO, chairman of the Political Research Committee.' The receipt was, of course, issued in my name.

"(2) TAKENAKA, Fujiemon reportedly stated to the prosecution authorities that he was consulted by his leading executive members in the latter part of March as to the amount of the contributions to be made and as to which party they should be given; and that on that occasion two or three men expressed the hope that in the case of the Socialist Party the money should be given only to anti-communists. A sum of 1,500,000 yen was given to the Progressive and the Liberal parties, but only 500,000 yen was given to me. The total amount of contributions made by TAKENAKA is said to be 10,000,000 yen instead of the reported 8,000,000 yen. If these are accurate, what does the large difference in the amounts given to the Progressive and the Liberal parties and to me mean?

"I cannot agree with the viewpoint that the money I received was mostly used for party expenses. Party expenses mean the ordinary expenses of the party, the cost of publicity campaigns required for general elections, and printing and travelling expenses. Money distributed by leaders of the party to fellow members in general elections should not be regarded as party expenses.

"There is a rising voice within a section of the party calling for reform. In my opinion the reform should be effected through revising the present Election Law in such a way that it would not be necessary for party leaders to distribute money to fellow members in general elections or for political parties to receive contributions either personally or officially.

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"It is one of the great weaknesses of a newly-rising party, such as ours, not to have a spirit of mutual aid at a time when the party is faced with the necessity of enlarging its influence. I received the donation because it was not from an organization but from a personal sympathizer."

The following questions and answers were exchanged between NISHIO and the press following the press conference:

Question: What are you going to do should you be asked to join the Cabinet again after you are acquitted?

NISHIO: I would prefer to stay in the party and attend to party business.

Question: You stated that you have resigned on account of intraparty affairs. Will there be no change in your position in the party?

NISHIO: The reform faction says that I should resign from the Executive Committee, but I leave this matter entirely to the decision of the authorized machinery of the party.

Question: What do you think of your successor to the cabinet?

NISHIO: Judging from statements made by chairman KATAYAMA, I do not think the party will recommend anybody to replace me immediately.

Question: Don't you think that giving up the coalition between the Socialist and Democrats at a time like the present when a labor offensive is anticipated, would adversely affect the reconstruction of JAPAN?

NISHIO: Yes. That would be a loss to JAPAN. I do not think it right for the Socialists to exploit such problems as the labor offensive to win popularity. The Socialist Party should serve as the breakwater against the labor policy in order to prevent it from becoming reactionary. Even if the party stays out of the Cabinet, I do not want to see the party become such a senseless party as the Democratic Liberal Party. The Socialist Party should support a progressive party even though it be a conservative party, but should fight against any and all reactionary forces.

Question: What ideas have you regarding the rumored central party?

NISHIO: Personally I welcome it. I would much prefer to see a progressive conservative party which can rival the Socialist Party. If such a central party should be organized there will be no sentimental friction, although the two parties may fight over policies, and they will be able to practice fair play. That's what I would like to see. The rumor that a section of the Socialists will be embodied in the envisioned Central Party is nonsensical.

Question: Do you think a cleavage will be created in the present coalition by future problems?

NISHIO: Apart from my case, a rift has already been created in the cabinet. I think the best way would be to dissolve the Diet.

Question: Which do you think better, a coalition or a single party cabinet?

NISHIO: A coalition cabinet is inevitable under the existing conditions when the formation of a single party cabinet is impossible. Some say that the last day of the coalition is already close at hand. This opinion rises because they held undue optimism regarding coalition. These people do not fully realize the conditions which have made it necessary to form a coalition.

Question: What do you think of the measures taken by the Illegal Property Transactions Committee?

NISHIO: The duties of the committee are not to spot violations of administrative ordinances. Accordingly, the committee should attach importance to uncovering illegal transactions. The committee should make fuller investigations into the Ono and Chizaki cases and then draw an overall conclusion.

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ITEM 2 (Continued)

Socialists to Request Convocation of Extraordinary
Diet Session to Debate War Bond Interest Payment

The Socialist Party, at yesterday's CEC meeting, decided to request the Government to convoke an extraordinary session of the Diet speedily to moot the bill for deferment of war bond interest payment. The bill has been shelved by the Diet just adjourned. It was further decided to determine what measures would be taken against KURODA and other leftist radicals at today's CEC meeting.

At yesterday's meeting, the executive members were of the opinion that the fact the Upper House left the deliberations on the bill for deferment of war bond interest payment incomplete beclouds the seat of the responsibility. For this reason, the Socialists should request the Government to call an extraordinary session of the Diet as speedily as possible. The executive members want to see the session convene in July for about a week's time.

On the issue of the expulsion of KURODA and other dissident leftist leaders (including DOI), YASUHIRA, INAMURA and TANAKA, proposed that the matter be first referred to the Unity Committee for decision. They further spoke against expulsion of the dissidents. Rightist leaders spoke in favor of outright expulsion of the dissidents, contending that in cases where a violation of party unity is clearly involved, the Central Executive Committee should render speedy and final decisions. Present indications are that the dissidents will be expelled from the party today.

The meeting unanimously accepted the resignation of ARAHATA.

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ITEM 1 General Election Shall Precede Cabinet Change, Premier Says - As
- 8 Jul 48. Translator: K. Higashikawa. (JJY)

Full Translation:

Premier ASHIDA, in a press conference yesterday, declared that the Cabinet will not be reorganized for some time and revealed his opinion that a general election shall precede a cabinet change. The convocation of an extraordinary Diet session as desired by the Socialist Party, will be decided upon at a cabinet meeting, the Premier stated, adding that the bill for deferment of war bond interest payment will be presented to the next special Diet session.

He further declared that, unless something unforeseen happens, the Ashida Cabinet will stay in power until the next regular session of the Diet. The Government will map out a plan for stabilizing wages and formulate a revision of the existing labor laws by the time the next special session of the Diet is convoked, the Premier stated.

He added that the Government will try to stabilize wages by releasing textiles and other goods. The Government is now drawing up a plan to reduce the capital tax as one of the means of making the nation ready to avail itself of foreign investments, the Premier revealed.

Pointing out the necessity of continuity of policies to meet the prevailing chaotic economic conditions in this country, he emphasized the necessity of the middle-of-the-road policy. He also advocated the formation of a four-party national coalition at some future date. He also disclosed the view that it would be inappropriate for the Ashida Cabinet to resign en bloc under the present political situation and that a general election shall precede a cabinet change.

These are the questions and answers exchanged between the Premier and the press:

Question: Rumors are current to the effect that NARAHASHI or TOMABECHI will be chosen to replace NISHIO. Do you intend to reorganize the cabinet?

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Cabinet Shuffle Not Planned

Premier: NISHIO resigned yesterday. It seems to have been decided that he will not be replaced by anybody for the time being. Accordingly, it is the policy of the Government not to reshuffle the Cabinet. Regarding the personnel affairs of the Democratic Party, this matter will be taken up with TOMABECHI as soon as he returns to the capital from his trip. I have no intention of appointing NARAHASHI as foreign minister.

Question: Is the Government going to ~~convok~~ a special session of the Diet as desired by the Socialist Party? What does the Government think of the failure of the bill for deferment of war bond interest payment to pass the Diet?

No Word Received from Socialists on Special Session

Premier: I am given to understand that the Socialist Central Executive Committee is still undecided on this question. Therefore, as soon as the Socialists come to a definite decision on the matter, the Government will also decide on it after due consideration. Up to the present, we have received no representation from the Socialists, but if we receive it the Government will take the matter up at a cabinet meeting.

I really wanted the Upper House to give decision on the bill whether it opposes or approves it. As a matter of fact, I negotiated with the Upper House in the hope of settling the matter one way or the other, even if we had to prolong the Diet session, but I was unsuccessful. I can assure you that the bill will be taken up at the next extraordinary Diet session, if it is convoked.

Question: We think that a special session of the Diet will be convoked in September quite apart from the special session now under discussion. What are your views of the political situation until then?

Premier: The present Government will stay in power. It is the common practice in a constitutional form of government for a majority party to hold the reins of power unless something unforeseen happens. There are many promises to be fulfilled by the Government. These include the proposed administrative reform, increasing food production, putting our own house in order to receive foreign investments, enforcement of price revisions, and other problems. Some of the ministries have already drawn up their plans for administrative reforms. Other ministries are also drafting their plans.

Question: What is the Government going to do with the labor policy, including the stabilization of wages and the revision of the wage level?

Cabinet Undecided on Labor Law Revision

Premier: Regarding the demands of the National Council of Government and Public Office Workers Unions, I suppose this matter will be taken up with the Central Labor Committee according to the outcome of the collective bargaining. It remains to be seen what decision the Central Labor Committee will make.

Frankly speaking, the Cabinet has no unified plan as yet for revision of the existing labor laws, and I admit that divergent replies were made in the Diet by the ministers concerned. The Government will, however, formulate a unified plan by the time the third Diet session takes place.

People consider that the Socialists and Democrats will be at loggerheads on these problems. It is true that there is a difference

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between the Democrats and the Socialists in their essential policies, but there is no reason why the two parties cannot cooperate together on that account. It's the beauty of the parliamentary form of government that points of agreement can be found as in the case of the war bond issue.

The Economic Stabilization Board is now studying the wage stabilization problem, and I believe it will be able to map out a plan by the time the next special Diet session is convoked. In my opinion, no issue will be made of the revision of the National Public Servants Law, as the matter is provided for in the Labor Adjustment Law.

Question: What is your view of the future economic conditions relative to the spiraling inflation and anticipated foreign investments?

Price Revision Aimed to Halt Inflation

Premier: Some fear that price revisions will spur inflation, but in my opinion vicious inflation will not set in if wages and prices go up in equal proportions. In the past there was no equilibrium in prices, and this fact has stymied production. The present price revision has been made for the purpose of placing industries on a paying proposition. The essential aim of the price revision and the 1948 budget is to halt inflation. By the enforcement of the budget the Government aims to halt the speed of vicious inflation.

The note issue of the Bank of Japan will, however, increase in the future. Under prevailing conditions I do not think vicious inflation will set in even if the note issue of the Bank of Japan should increase by 30,000,000,000 or 40,000,000,000 yen.

I am of the opinion that workers will be able to live with the new wage level, if the real wage is secured in January and February. With this end in view the Government plans to increase the distribution of rations. We are now permitted to distribute 90,000,000 yds of textiles, in which article blackmarket practices are most rampant. Furthermore, the shipment of American flour has increased of late, and for this reason I do not think there will be any stoppage or arrears in distribution of staple foods in the between-season this year.

As regards foreign investments, I sincerely hope that the yen exchange rate will be fixed as speedily as possible. The Economic Stabilization Board is now drafting a legislation for reducing the capital tax, which in the past has been placed at a high rate, and I hope to be able to present it to the Diet at an early date. I do not think foreign capitalists will lack a sense of security because labor laws are not revised. The revision of labor laws, therefore has little to do with importation of foreign capital.

Question: What is your opinion of the Central Political Council advocated by MIKI? Do you intend to tide over the next political storm through the instrumentality of the Central Political Council in place of the conservative merger advocated by the Democratic Liberal Party?

Premier Favors Center Party Move

Premier: Both MIKI and myself have long been cherishing the idea of the middle-of-the-road policy. It was fortunate that I happened to see him immediately after he announced the proposition. I informally replied to him that I would like to respond to his call.

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ITEM 1 (Continued)

by unifying the opinion of my party.

I do not think it suits the present political and economic conditions of JAPAN for political parties, whose policies are diametrically opposed to each other, to take the reins of power alternately. For instance, the preceding Government was in favor of the state control of coal, whereas the present Government is opposed to the state control. This state of affairs is liable to lead to confusion. It is undesirable for present day JAPAN to see drastic changes in economic policies each time a cabinet change takes place.

At present the Democratic Liberals say that they cannot by any means reconcile themselves with the Socialists. What would happen if these two irreconcilable parties were to take the reins of power alternately in a short period of time. The result is quite obvious. Under existing conditions it fits JAPAN for the left- and right-wingers to co-operate together.

Conservative Merger Believed Unfeasible

The Democratic Liberals and Democrats do not agree with each other even on the one issue of the budget. In my opinion, before we can talk of a conservative merger it is necessary for the conservatives to survey their past policies and to iron out differences. In the past the policies of the Democrats have been closer to those of the Socialists and the Peoples Co-operatives and have been entirely at variance with those of the DLP. That is the very reason why we have formed the present coalition.

We Democrats cannot make bedfellows with the DLP for the simple sentimental reason that the DLP are as much conservatives as the Democrats are. In my opinion, a political party akin to the proposed Central Political Council will develop in the future. As the Premier and president of the Democratic Party, I should encourage the movement.

Some people say that the days of co-operation between the Socialists and the Democrats are numbered, but I can see no reason for this. If policies are reconcilable the envisaged Central Political Party can be organized with either the Socialists or the DLP or both. Some time ago DLP President YOSHIDA stated that he could reconcile himself with modified capitalism. If he really means it we can work hand in hand with the DLP.

I have not yet heard of the details of the Central Political Council proposed by MIKI. I think he is going to decide whether or not it should take the form of a four-party coalition.

Under the present political situation only the rightists and leftists are bound to wax strong. Radical leftists are about to drop from the Socialist Party. Among those who are in favor of the proposed Central Political Council there is a tendency to walk to the right. In other words, the middle-of-the-road force is thinning out.

If things are allowed to go on as they are, there is the danger of a "Nazi" uprising which will threaten the constitutional form of government. It would be to the best interests of JAPAN for political parties who can reconcile themselves with each other to take the reins of power. There is political rivalry in the UNITED STATES also, but it is not of such a nature as to preclude compromises.

ITEM 2 Nishio to Resign around 6 July - 4, Yomiuri - 4 Jul 48. Translation
 M. Yasutake. (UG)

404
 Full Translation:

(ASAHI)--It is expected that Deputy Premier NISHIO will tender his resignation to Premier ASHIDA around 6 July, after the Diet's adjournment. It seems that NISHIO will issue a statement immediately after the presentation of his resignation and clarify, at a press interview, the situation surrounding his resignation and his attitude, by breaking the silence he has maintained since he testified at the Illegal Property Transactions Committee.

Premier ASHIDA will accept NISHIO's resignation and ask the Socialist Party to choose a successor from among its members. It is believed, however, that the Socialist Party will refuse the Premier's request. It seems likely that the ASHIDA Cabinet will remain in power, leaving one state ministerial post vacant.

Based on the belief that the Cabinet will be weakened by the resignation of Deputy Premier NISHIO, who served to maintain Socialist-Democratic co-operation, Premier ASHIDA seems to have made secret maneuvers to strengthen the Cabinet through reorganization after NISHIO's resignation, to cope with increasingly serious labor problems. His efforts, however, have ended in failure. Consequently, the Government will face a special Diet, making every possible effort to avoid reorganization and asking for Socialist co-operation.

Nishio States Attitude

NISHIO is expected to issue a statement with his resignation around 6 July and appear at the Prosecutors' Office. NISHIO kept silence when he was attacked by the "house-cleaning" left-wing Socialists, but his recent attitude seems to be as follows:

"There is the view that I should have resigned earlier with the Prosecutors' Office's decision to prosecute me and with the occurrence of internal trouble within the Socialist Party. I have remained in office up to now because I believe that if an important Cabinet member is forced to resign merely by such a decision of the Prosecutor's Office, it will set the bad precedent of a Cabinet being overthrown by a Prosecutors' Office's decision.

"I think that my duty will be fulfilled with the passage of the budget bill and the adjournment of the Diet session. Then the possibility of a Cabinet collapse will disappear and I will resign and appear in court. As a Socialist, I do not think my acceptance of political contributions was a good thing. Frankly, I think it was bad. But, the financial conditions of the Socialist Party forced me to resort to such a step. I think that I should be called to account for my act, but at the same time, I believe that the financial reconstruction of the party should come first."

Nishio to Resign around 6 July

(YOMIURI)--There are two views regarding the date of NISHIO's resignation. One view believes that NISHIO will resign immediately after the passage of the bill and the other one predicts NISHIO's

POLITICAL SERIES: 2506 (Continued)

ITEM 2 (Continued)

resignation after his prosecution. Premier ASHIDA is cautiously handling the Nishio issue by keeping in touch with Chairman KATAYAMA of the Socialist Party, because NISHIO's resignation will have an important influence upon the future political situation.

KATAYAMA is now in a difficult position because he cannot delay NISHIO's resignation due to the strong demand of the left-wingers. It seems that KATAYAMA intends to accept NISHIO's resignation around 6 July or immediately after the passage of the budget bill in the Upper House, and that an understanding has already been reached between the two.

Heated Discussion at Socialist Diet-members' Meeting

Twelve extreme left-wing Socialists, including KURODA, OKADA, and NAKAHARA who cried for the purification of the Socialist Party, voted against the budget bill yesterday. ARAHATA quit the party and ADACHI, SUZUKI, Yuji, and WADA abstained from voting. With the accentuation of an internal strife due to these occurrences, the Socialist Party is now faced with the most serious crisis since its formation in connection with the Nishio issue.

Extreme left-wingers, including KURODA, are still continuing a movement to cleanse the party in co-operation with their supporters in the party, even at the sacrifice of their membership. They demand NISHIO's resignation from not only his ministerial post, but his post as a member of the Central Executive Committee as well.

They are also firmly determined to realize their demand at a meeting of the Central Committee to be held at the end of this month. Further, the "house-cleaning" left-wingers hold that voting by some left-wingers against the budget bill originates from the Nishio case and that party leaders should be held responsible for the matter. They are even thinking of abstaining from voting on a motion of nonconfidence in the Government, to be presented by the opposition parties on the final day of the present Diet session in case NISHIO does not resign within the next few days.

Socialist leaders are thinking of eliminating extreme left-wingers, including KURODA, from membership around the time of the Diet's adjournment and after NISHIO's resignation from his Cabinet post. At a meeting held among the Socialist Diet members at 0500 hours, yesterday, after the adjournment of the plenary session, heated discussions passed between "house-cleaning" left-wingers such as NOGAMI, YAGO, INAMURA, TANAKA, Toshi, SASAKI, and NARUSE and party leaders including KATAYAMA, ASANUMA, and YONEKUBO. The opinion was strong at the meeting that the Nishio case should be settled first and that less harsh measures than against NISHIO should be taken against extreme left-wingers, including KURODA.

At the outset of the meeting, NOGAMI, YAGO, NARUSE, and TANAKA called party leaders to account for the Kuroda issue. Then, INAMURA said that the right of decision should be given the Diet members' association hereafter to control the intra-Diet activities of the members, but that the recent act on the part of KURODA and others was not a violation of orders, because no party decision had been made.

Chairman KATAYAMA stated that the Nishio case and the Kuroda issue should be handled separately. He expressed his dissatisfaction with the attitude of extreme left-wing Socialists who put the Nishio case in the hands of KATAYAMA, but did not trust his ability to settle the case. He further revealed his determination to take strong measures through formal procedure, against extreme left-wingers who voted against the budget bill.

Answering criticism by the left-wingers, Secretary-general ASANUMA emphasized that he, together with Chairman YONEKUBO of the Diet Policy Committee, had done everything possible to settle the issue. He expressed the opinion that strong measures should be taken against those who disobeyed party decisions.

POLITICAL SERIES: 2506 (Continued)ITEM 2 (Continued)

SASAKI and others stressed that measures should be taken against KURODA and others who acted with him after the Nishio case has been settled. They said that NISHIO did more harm to the party than KURODA and the others, and that mixed motives lay behind NISHIO's acceptance of political contributions.

They asked for milder measures against KURODA and those who acted with him, than against NISHIO on the afore-mentioned grounds. As the result of the meeting, it was decided to hold a Central Executive Committee meeting to discuss the issue. However, certain "house-cleaning" left-wingers are not necessarily sympathetic to KURODA and others who voted against the budget bill. It is thus supposed that the Socialist Party will be faced with the grave danger of a split in the near future.

ITEM 3 Premier and Labor Minister Differ on New Wage Base Issue - Mainichi -
2 Jul 48. Translator: M. Yasutake. (JJY)

404. Full Translation:

The plenary meeting of the Lower House, held at 1610 hours yesterday, heard emergency interpellations.

HIRAKO, Kiichi (Social Reform Party): "In connection with the improvement of state hospitals under the jurisdiction of the Welfare Ministry, what concrete measures has the Government to shelter repatriate patients and to give them medical treatment?"

Welfare Minister TAKEDA: "I think that the present facilities are adequate. I have obtained the Finance Ministry's understanding that the Finance Ministry will advance reserve funds in case the appropriation for state hospitals is not sufficient.

Finance Minister KITAMURA also made a reply.

SHIGETOMI, Taku (Democratic Liberal): "The Agriculture-Forestry Ministry is applying a not yet enacted law forcibly. What does the Government think about this?"

Agriculture-Forestry Minister NAGAE: "I regret that the Special Food Procurement Law was announced before it was enacted."

SUZUKI, Masabumi (Democratic Liberal): "Does the Government have any intention of prohibiting strikes in public utilities? What does the Government think about strikes by government and public officials?"

Premier ASHIDA: "The Government has no intention of prohibiting strikes by employees in public utilities because it believes that the present legislation is sufficient for the purpose. As for strikes by government and public officials, nonclerical workers have the right to strike, but clerical workers have not. If they go too far, they will be punished.

"The 3,700-yen wage base can be maintained. If someone holds the wage base untenable, it is due to a difference of view."

Labor Minister KATO: "As for strikes by public utilities employees and government and public officials, I agree with the Premier. However, I am not sure about the maintenance of the 3,700-yen wage base. (Here the opposition side became clamorous.) To maintain the wage base, I shall endeavor to guarantee substantial wages."

SUZUKI interpellated again and pointed out that there was a difference in the replies made by the Premier and the Labor Minister. After KATO replied, Premier ASHIDA reaffirmed his previous reply. This caused an uproar on the opposition side. SUZUKI asked to interpellate again, and over the objections of the government party side he took the rostrum again.

In the course of the meeting, a bill for partial revision of the Civil Code and one other bill were approved by accepting an Upper House amendment.

Then a bill to cover special cases such as an election campaign and a bill for partial revision of the Lower House Election Law were presented jointly. In the course of discussion held after the chairman's report, KITA, Jiro, of the Farmers Party opposed the bills, but both of them were approved.

Next a bill for telegram and telephone charges and a bill for partial revision of the Postal Law were submitted. After the chairman's report, SHIRAI, Sakichi (Democratic Liberal) explained the revision plans for both bills presented by his party. In the course of discussion, HAYASHI, Momoo (Communist), opposed the revision plans of the Government. In the vote the revision plans of the Democratic Liberal Party were rejected and the government plans were approved.

Next five bills including a harbor area bill were approved. NARISHIGE, Mitsuzane, questioned whether there was a quorum present. The meeting was recessed, but it was reopened immediately afterward. The meeting adjourned at 1912 hours.

ITEM 7 Yonekubo Offers Resignation over Left-wing Defection - Mainichi - 4 Jul
48. Translator: H. Miyoshi.

404. Full Translation:

Assuming responsibility for violation of party decisions by some 10 Socialists in deliberations on the budget at the Lower House plenary session early Saturday morning, Chairman YONEKUBO (Socialist Party's Diet Policy Committee) announced his intention of resigning from that position at a meeting of the Executive Committee. Other leaders, however, requested that he stay.

ITEM 1 Attorney General Decides to Prosecute Nishio - Mainichi, Yomiuri -
6 Jul 48. Translator: K. Higashikawa. (JJY)

404
Summary:

(MAINICHI)--With the passage of the 1948 budget, Attorney General SUZUKI yesterday decided to prosecute Deputy Premier NISHIO on the charge of violation of an administrative ordinance and took necessary steps to obtain Premier ASHIDA's approval at noon yesterday at the Diet Building. Although Premier ASHIDA did not reply "Yes" or "No," it is generally considered that he will agree to NISHIO's indictment.

Attorney-General SUZUKI originally intended to give his decision to have NISHIO prosecuted after the latter's resignation, but in order to prove that the Attorney General's Office is not influenced by politics, he decided to render his decision before NISHIO's resignation, it was learned.

Nishio to Resign Today

Deputy Premier NISHIO decided to tender his formal resignation to Premier ASHIDA today and to report his decision at the Socialist Central Executive Committee meeting scheduled to be held at the Diet Building today. He is expected to issue a statement at the same time. Now that his prosecution has become definite, NISHIO is said to have decided to resign before Premier ASHIDA gives approval to his indictment.

may be, it is quite clear that it will create a political storm and chaos.

"The application for approval of the prosecution of NISHIO came into my hands on 10 June, which was two days after the Government had presented the 1948 budget to the Diet. Of course, the Attorney General should not decide whether to prosecute a case by taking into consideration the political situation.

Budget Delayed Prosecution

"On the other hand, in the discharge of his duties the Attorney General should always take to heart the interests of the people. Had there been a political change before the passage of the 1948 budget, the blow dealt to the people would have been immeasurable. The case in question is not of such an important and urgent nature as to call for an immediate solution in preference to the passage of the budget.

"The whole case resolves to the question as to whether the contribution was made to him in his personal capacity or to the party. When I received the whole papers, I found one or two doubts on which I wanted to be sure. I received a reply on these points recently.

"Now that the budget has been passed, something to which the people have been looking forward, even if a political storm should be created, it would not be so bad as it would have been had the case been prosecuted on or about 10 June."

Socialists Will Not Recommend Nishio Successor

A complete agreement of views has been reached among Socialist leaders, including KATAYAMA, not to recommend any successor to NISHIO after his resignation. The reason given is that NISHIO's resignation is not due to any conflict between the Socialists and Democrats but is due solely to personal reasons. Socialists are of the opinion that the question of his successor will come to the fore, if it ever does, at about the time the next session of the Diet takes place, for at that time it will become clear whether or not the present Cabinet will be able to continue to hold its own. The Socialists further declare that the mere fact of their not recommending a successor to NISHIO at this time is not an evidence that their co-operation with the present Cabinet has cooled off.

POLITICAL SERIES: 2510 (Continued)

ITEM 1 (Continued)

Will Not Create Political Confusion Now, Says Suzuki

Attorney General SUZUKI, in a press conference yesterday, revealed that he was agreeable to NISHIO's prosecution but that he has been waiting for the right time to avoid possible political unrest. He stated:

"Today I have rendered decision on the request for prosecuting Deputy Premier NISHIO on the charge of violation of an administrative ordinance and have taken the necessary steps to obtain the Premier's approval. The moot point of the Nishio case is highly technical, and for this reason it is a fact that there is a difference of opinion. I am, however, of the opinion that it would be more appropriate to have the case prosecuted and adjudged in a public court inasmuch as suspicion exists. Accordingly, I was in full agreement with the policy to prosecute the case.

"However, I thought it was necessary for me to give serious consideration to the time he should be indicted. When an important politician like NISHIO is prosecuted, whatever the charge may be, it is quite clear that it will create a political storm and chaos.

"The application for approval of the prosecution of NISHIO came into my hands on 10 June, which was two days after the Government had presented the 1948 budget to the Diet. Of course, the Attorney General should not decide whether to prosecute a case by taking into consideration the political situation.

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"The whole case resolves to the question as to whether the contribution was made to him in his personal capacity or to the party. When I received the whole papers, I found one or two doubts on which I wanted to be sure. I received a reply on these points recently.

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POLITICAL SERIES: 2510 (Continued)ITEM 1 (Continued)

It would be interesting to see if the resignation of NISHIO will reduce the influence he has cultivated in the party. Even if he is indicted, rightists believe that he will be found not guilty, and for this reason they do not think NISHIO's influence in the party will wane.

Rightists further scoff at the idea that NISHIO's resignation and the expulsion of leftist radicals from the party will give leadership of the party to the leftist realists, including KATO, SUZUKI, and NOMIZO. Rightists are of the opinion that the contrary will be the case for the expulsion of the leftist radicals will weaken the influence of the leftists as a whole.

(YOMIURI)--Article 75 of the Constitution reads: "The Ministers of State, during their tenure of office, shall not be subject to legal action without the consent of the Premier, but the right to take action is not impaired hereby."

ITEM 2 Cabinet Likely to Continue with Reshuffle - Tokyo Shimbun - 2 Jul 48.
Translator: R. Shibata. (JJY)

404
Full Translation:

With the government parties' compromise reached on the controversial 1948 budget bill at the 30 June meeting of the leaders of the three parties and the Diet approval of the bill expected for 4 July when it will pass the House of Councillors, the Government now has a prospect of tiding over the current session of the Diet. The political situation hereafter will move centering around such subsequent issues as the resignation of State Minister NISHIO, expected to take place immediately after the adjournment of the Diet session, and the Socialist-Democratic collaboration verging on the point of split due to the increasing labor unrest. The following views on whether the Diet will be dissolved or the Cabinet will continue to exist through a reshuffle are gaining weight.

It is almost certain that State Minister NISHIO will resign simultaneously with the decision on his indictment. Some, however, hold the strong opposition view that for a person of an important governmental post to have to resign whenever he is indicted will set a bad precedent. Since it is conceivable that this view will come into question in some form or another at the Diet, the time of NISHIO's resignation is still uncertain.

The ousting of extreme leftists who assumed a strong attitude toward the Nishio case and the 1948 budget bill will remain a problem for the Socialist Party to settle. In connection with this, it is noteworthy that these left-wing Socialists are moving toward the formation of a new farmer-labor party. In view of this situation, the Socialist leaders are now in a dilemma whether or not they should immediately put an end to its collaboration with the Democrats. For these two reasons, the opinion that, if NISHIO's resignation actually takes place, the party should not send a succeeding minister from among the Socialists is gradually losing weight.

It is naturally expected that NISHIO's resignation will be followed by that of Attorney General SUZUKI, his colleague. Therefore, an opinion is now strong that the Socialist Party will be obliged to respond to the demand for sending succeeding ministers from the party before a fundamental solution for the problem of Socialist-Democratic collaboration can be reached.

If a succeeding minister, after NISHIO's resignation, is appointed from among the Socialists, it is possible that the Ashida Cabinet will continue to hold the reins of power. This will offer a good opportunity for the Democrats to consolidate intraparty unity.

Premier ASHIDA is apparently determined to attach more importance to the assertions of the younger members of the party with the view to settling such issues as the resignation of Chief Secretary KIMURA and the moves of the Taiyokai members toward a conservative merger. ASHIDA's policy is expected to go along these lines:

(1) Chief Secretary KIMURA, who has disaffected younger party members, will be succeeded by Chief Cabinet Secretary TOMABECHI in his present capacity of State Minister.

(2) NARAHASHI, Wataru, will succeed to the post of chief cabinet secretary. In anticipation of possible friction stemming from his not being a member of the Diet, however, he will not be appointed a state minister.

(3) Director-general KURUSU of the Economic Stabilization Board will be kept at his present post, although it is rumored that he is striving to be shifted to the post of foreign minister.

(4) If the voluntary resignation of President HITOTSUMATSU of the Construction Board is possible, the Premier will try to realize the participation of Chairman INAGAKI of the Political Research Committee in the Cabinet.

In the event of the resignation of NISHIO and SUZUKI, YONEKUBO and ASANUMA are considered as the most prospective successors. However, if the assumption of ministerial posts by these two becomes difficult owing to circumstances within the party, the Socialist Party will probably endeavor to have Attorney General SUZUKI remain in office so as to keep in close touch with outgoing NISHIO.

72 Per Cent Of Eligible Voters Against Ashida Cabinet, Mainichi Poll Reveals

TOKYO, July 5.—Seventy-two per cent of 3,000 voters do not support the Cabinet headed by Democrat Prime Minister Hitoshi Ashida, and nearly half of the voters desire the Democratic Liberal Party to form the succeeding cabinet after the dissolution of the Diet, according to the public opinion survey conducted by the Mainichi.

Compared with the figure in March when the Ashida Cabinet was formed, the percentage of supporters decreased by 11.2 to 19.5 per cent. Those who do not support increased by 23.3 to 72.8 per cent.

This was the second nationwide poll conducted by the Mainichi's public opinion investigation department since the formation of the Ashida Cabinet.

For four days beginning June 23, the Mainichi distributed 3,000 cards to both male and female eligible voters throughout the country regarding the following four questions:

(1) "Do you support the Ashida Cabinet?"

Answer: 19.5 per cent "Yes"; 72.8 "No"; and 7.7, no opinion.

(2) "What do you think the Ashida Cabinet must do at present?"

Answer: 7.8 per cent advocated status quo; 12.5, cabinet reshuffle; 44.4, dissolution of Diet; 25.3, resignation en bloc; and 10, no opinion.

(3) "What party will you vote for if the general election is held after the dissolution of the Diet?"

Answer: 42.1 per cent, Democratic

Liberals; 22.9, Socialists; 8, Democrats; 2.8, People's Cooperatives; 11, other parties; and 10.3 no opinion.

(4) "What party do you think should form the succeeding cabinet if the Ashida Cabinet falls?"

Answer: 45.4 per cent, Democratic Liberals; 19, Socialists; 4.9, Democrats; 1.4, People's Cooperatives; 1.7, Communists; 4.2, coalition cabinet; 8.2, others; and 15.8 no opinion.

Tomabechi, Matsuoka See Need Of National Cabinet

Kyodo

TOKYO, July 19.—Agreement was reached today between Chief Cabinet Secretary Gizo Tomabechi and Speaker Komakichi Matsuoka of the House of Representatives on the need of forming a national coalition cabinet.

Tomabechi talked with Matsuoka at 11.30 a.m. in the Diet Building over the present political situation.

During the one-hour talk, Tomabechi asked Matsuoka what he thought of the reported demand of Diet dissolution made by Chairman Tetsu Katayama of the Socialist Party.

The House Speaker replied that he had not been informed of such a demand. He asserted that he favored a national coalition cabinet to ameliorate the present political uneasiness.

Tomabechi expressed agreement to the idea. After the conference, he told the press that he could not understand why the Socialist Chairman made such a demand.

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Cabinet Resignation Demanded By Yoshida

Inter-Party Maneuver Hit By Opposition Leader

TOKYO, July 22.—Shigeru Yoshida, leader of the Opposition, yesterday demanded an immediate resignation of the Ashida Cabinet, giving as its reason lack of definite policies and the Cabinet's loss of people's support.

Speaking before the press, the Democratic-Liberal president declared "looking back on the progress of the political situation during the past half a year, one will find that the present Cabinet has no definite policies whatsoever."

After bitterly denouncing the inter-party maneuvers among the Democrats, Socialists and People's Cooperatives, he also asserted that many important bills were either amended or rejected by the Diet and that the unity of the three Government parties was already torn to pieces.

"Despite the fact that the people's support is already alienated from the Cabinet," he continued, "it is still engrossed with desperate attempts at maintaining the reins of political power."

"Such a plight is, indeed, unprecedented in our history of the Diet," Yoshida stated.

Cabinet To Hold Out Until Next Diet Meets

No Reshuffle Of Ministers Seen, Says Premier Ashida

TOKYO, July 8.—In the event of the political change, the Cabinet should dissolve the National Diet, without resigning en bloc, and the succeeding Cabinet should be formed on a four-party coalition basis, Prime Minister Hitoshi Ashida declared at a press conference held at his official residence yesterday at 3.30 p.m.

Questions and answers were exchanged between the Democrat Prime Minister and various reporters assigned to the Cabinet regarding the prospect of the political situation after the end of the second Diet session, the economic situation, the anti-inflation measures, and the Government's labor policy.

Highlights Of Statement

The Prime Minister's statement made at the press interview is highlighted by the following points:

(1) The Cabinet will maintain status quo, without carrying out the reshuffle of Cabinet Ministers even after the resignation of Deputy Prime Minister Suehiro Nishio.

(2) It will be decided at the Cabinet meeting whether the extraordinary session of the National Diet will be convened at the request of the Socialist Party.

(3) A bill providing for one-year suspension of interest payment on war bonds will be again submitted at any cost to the next special Diet session.

(4) Unless a sudden problem arises in the future, the Ashida Cabinet will hold on until the next Diet session.

Stabilization Of Wages

(5) Bills providing for the administrative readjustment, the stabilization of wages and the revision of labor acts will be submitted to the coming extraordinary Diet session.

(6) The stabilization of wages will be realized through the release of various materials. For this purpose, the Government has decided to release 90-million yards of fiber through the rationing channel.

(7) In an effort to readjust a structure for induction of foreign capital, the Economic Stabilization Board is now mapping out a plan to reduce the tax on capitals.

(8) The formation of a Cabinet among the big four parties of Democrats, Socialists, Democrat Liberals and People's Cooperatives has been advocated, with stress being laid on the "middle-of-the-road politics."

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In a strongly-worded verbal statement, President Yoshida further said the Government must put aside self-interest, retrench the State finance, balance the revenue and expenditure, and clean the so-called labor offensive from any ulterior political motive so that elements of political disturbance may be wiped out.

"The present Cabinet, which has failed to achieve the said purposes by devoting itself to hollow propaganda and clinging to power, should resign immediately," Yoshida said in conclusion.

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Ashida Still Has Hope Re 3-Party Collaboration

Kyodo

HIROSHIMA, July 19.—"I do not believe the coalition between the Democratic Party and the Socialist Party has reached its limit despite prevailing rumors to the contrary," Prime Minister Hitoshi Ashida declared this morning.

Neither of the parties, he said, has made policy proposals beyond the framework of the three-party accord and there was no indication that their collaboration has come to an end.

The Prime Minister disclaimed any knowledge of the proposal for the dissolution of the Diet in September made by Tetsu Katayama, chairman of the Socialist Party. He added, however, the matter would be taken up at a conference of the three party heads as soon as he returns to the capital.

Asked what he thought of the comment made by Katayama that the organization of a central party "is meaningless," Ashida replied that such a party was absolutely necessary to practise his "middle-course" politics. He said, however, that he had no intention of refuting Katayama's comment on his new party movement.

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ITEM 1 Cabinet to Discuss Powers of Personnel Authority - Mainichi - 17 Aug 48
Translator: K. Higashikawa. (JJY)

404
Full Translation:

The Government is scheduled to convene a special cabinet session tomorrow to arrive at an interim conclusion relative to the revision of the National Public Service Law. Included in the agenda of the cabinet meeting are revamping of the Transportation and Communications ministries, reconstruction of the monopoly bureaus, and establishment of a new wage scale for government employees consequent upon the discontinuance of arbitration by the Central Labor Committee.

The vice-ministers' conference, which has been deliberating upon the revision of the NPSL during the past several days, is expected to draw up a draft revision before the special cabinet session takes place. It is, however, generally considered difficult for the Government to reach a final conclusion at tomorrow's session owing to the numerous doubtful items that have presented themselves in the process of revising the NPSL. The strong opposition of the Socialists to the nature of the Personnel Authority and to the wide powers vested in it is considered another factor that will delay the final revision of the NPSL by the Government. The chief doubtful points are:

(1) In the event of the Cabinet's making amendments to the budget compiled by the Personnel Authority, the Diet will have to deliberate on both the original budget and the amended budget.

(2) The advisability of the Personnel Authority having an independent reserve fund.

(3) The present plan is for the Personnel Authority to formulate regulations governing the authority but the Premier will be held responsible for the regulations. Doubts exist on the advisability of this set up.

The scope to which the term "public" servants" should apply, the differentiation between general workers and specialists, and the question as to whether ordinary laborers should be included among public servants are expected to be discussed at tomorrow's special cabinet session. It would also be necessary for the Government to define the scope of political activities public servants are allowed to engage in.

The Communications Ministry has already decided to divide the Ministry into Postal and Telecommunications Ministries, each to carry independent special accounts. This plan is expected to be submitted

to tomorrow's cabinet meeting. It is generally considered that the plan will be finally approved by the Government.

At present, the Government is considering three plans for reorganizing the Transportation Ministry. The first plan is to convert it into a General Railway Board, another into a Railway Public Board, and the other into a Railway Corporation. In any event, it is considered that it will take some time before the Government decides on any of these plans.

The Government is of the opinion that the revamping of the monopoly bureaus can be effected easily by the Monopoly Structure Deliberation Committee.

The Government is urging the Special Personnel Committee to complete the new wage scale for government employees in the course of the current month. Some of the cabinet ministers object to changing the 3,700 yen basic pay on the grounds that it will affect the price line, but the new wage scale is expected to be deliberated with an eye to the sources of revenue to meet it.

The Government is expected to decide an outline of the revision of the NPSL, but present indications are that the outline will be further examined by the cabinet ministers concerned and at a conference of Vice-ministers. In view of the fact that the revision of the NPSL is the most important bill to be presented to the special session of the Diet to be convoked in September and as the possibility of the recall of the Socialist cabinet ministers is involved, great importance is being attached to the revision of the NPSL as a trial balloon for the political wind at the forthcoming special session of the Diet.

ITEM 1 Cabinet Discusses Personnel Authority - Mainichi - 19 Aug 48.
Translator: K. Higashikawa. (JBY)

Full Translation:

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Discussions at yesterday's special cabinet session to deliberate upon the revision of the National Public Service Law were focused upon the proposed Personnel Authority. The cabinet ministers present agreed that the establishment of the Personnel Authority and the powers to be vested therein are quite constitutional.

The Government, however, decided to study the matter further by organizing a special committee composed of State Ministers HITOTSUMATSU, SUZUKI, KATO, FUNADA, and TOMABECHI. Special cabinet meetings will also be held today and tomorrow to deliberate further upon the revision of the NPS Law. The outcome of these special cabinet meetings will be submitted to the regular cabinet session scheduled for 24 August after the return to the capital of Premier ASHIDA from his stumping tour in the Hokuriku district.

The special cabinet meeting yesterday, which was opened at 1030 hours and adjourned at 1600 hours, was attended by all cabinet ministers, with the exceptions of State Minister NOMIZO and Attorney General SUZUKI. At the outset Finance Minister KITAMURA stated that the Finance Ministry had no intention to take any currency measures, and also offered explanations concerning the revision of the nation's banking system.

Akita Reports on Vice-Ministers' Conference

The discussion of the revision of the NPSL, the piece de resistance of the day, was led by Vice Cabinet Secretary ARITA, who offered explanations on the outcome of the deliberations on the NPSL revision by the vice-ministers' conference. Labor Minister KATO led the interpellations, the chief points of which were:

- (1) The scope of the term "government employees."
- (2) The character of the Personnel Authority. The Personnel Authority is to be attached to the Cabinet, in which case what will be the relationship between the Premier and the Personnel Authority? What relationship will the reserve fund to be carried by the Personnel Authority have with the other ministries?
- (3) Will it really be appropriate for the Personnel Authority to decide the status of the government employees?

POLITICAL SERIES: 2591 (Continued)

ITEM 1 (Continued)

(4) What is the Government going to do with government employees' organizations already recognized through official documents? For instance, the mutual relief organizations of government employees?

(5) What is the relation between the Personnel Authority and the existing labor laws. For instance, the promulgation of a labor standards law for government employees to replace the present Labor Standards Law.

(6) Questions relative to punishments.

Following explanations offered by Communications Minister TOMIYOSHI on the proposed division of the ministry into two ministries, the cabinet meeting went into recess. The meeting was reopened at 1400 hours, when Chairman ASAI of the Temporary Personnel Affairs Committee was ushered in, and the cabinet ministers present listened to his explanations on the proceedings taken by the committee in connection with the draft revision of the NPSL.

The major points of discussion that followed were: (1) The nature of the Personnel Authority and the powers to be vested therein; (2) The independence of the budget of the Personnel Authority; (3) The wage problem of the government employees to be handled by the Personnel Authority.

Ministers Agree on Constitutionality Issue

Construction Minister HITOTSUMATSU raised the question of unconstitutionality of the Personnel Authority in regard to its nature and powers. All the cabinet ministers present, however, reached an agreement that no infringement of the Constitution would be involved even if the Personnel Authority should function outside the authority of the Premier, although it is to be attached to the Cabinet.

The reasons for this contention were that, although all the legislative machinery is attached to the Diet and all the judicial machinery to the Attorney General's Board, it would not be necessary for all the administrative machinery to be attached to the Cabinet. For instance, the Accounts Inspection Board and the National Security Committee are not responsible to the Cabinet.

Concerning the budget of the Personnel Authority, it was contended that even if an independent budget is compiled by the board, the budget will not cover more than its personnel expenses. At the meeting it was also reaffirmed that the powers to be vested in the Personnel Authority concerning the wages of government employees will be restricted to determining the basic wages.

After all, the Personnel Authority will become an independent administrative board, but the powers for final decision will be held by the Cabinet. For this reason, it is generally considered that the question of unconstitutionality of the Personnel Authority has been settled for the time being.

Deliberation Will Take till End of Month, Kato Says

In a press conference following yesterday's special cabinet meeting, Labor Minister KATO stated that the deliberation of the revision of the NPSL would not be completed before the end of the current month on account of the unconstitutionality issue. He said:

"At today's cabinet meeting questions were raised in connection with the report of the proceedings of the Temporary Personnel Affairs Committee made by Chairman ASAI. After all, the Government decided to organize a small committee composed of five cabinet ministers, including myself, to deliberate the revision of the NPSL to form an opinion of its own without being influenced by the draft revision

POLITICAL SERIES: 2591 (Continued)ITEM 1 (Continued)

framed by the TPAC. The debates will begin tomorrow.

"The unconstitutionality issue is a grave one, and for this reason the deliberation will not make rapid progress. I think it will not be completed before the end of the current month. In the event the committee comes to the conclusion that the Personnel Authority involves unconstitutionality, the Government will not be able to present the bill to the Diet. In that eventuality it will create a grave issue."

Socialists Make 7-Point Bid

The Socialists yesterday presented to the Government a seven-point demand, including recognition of the right of public service workers to organize and the right of collective bargaining. Socialist Secretary-general ASANUMA, YASUHIRA, Shikaichi, and MATSUZAWA, Kanendo, called on Chief Cabinet Secretary TOMABECHI yesterday morning before the special cabinet session took place and presented a draft revision of the NPSL framed by the party's Political Research Committee. The Socialists particularly pointed out these seven points:

- (1) Recognition of the right to organize and the right of collective bargaining of public service workers;
- (2) Reaffirmation of already acquired rights;
- (3) Clarification of the term "public service workers";
- (4) Reorganization of the government enterprises from the viewpoint of socialization of key industries.
- (5) Democratization of the Temporary Personnel Affairs Committee;
- (6) Legislation of a Public Service Workers Trade Union Law;
- (7) Recognition of full-time union officials.

Communications Minister Will Discuss Reemployment of Union Officers

Communications Minister TOMIYOSHI yesterday conceded to discuss the re-employment of full-time union officers, when All Japan Communications Workers Union Chairman DOBASHI and NCGPOWU representatives called on him and Labor Minister KATO following the special cabinet session. They called on the two ministers to discuss the revision of the NPSL. Questions and answers exchanged between the ministers and the labor representatives follow:

DOBASHI: "The Government says that the right to strike of trade unions and the right of workers to organize have been invalidated, and for this reason it seems that the Government is going to re-employ full-time union officers speedily. However, it appears as though the Government is going to deprive trade unions of their already acquired rights."

Labor Minister KATO: "The Government is going to re-employ full-time union officers, because of the fact that the right of collective bargaining provided for in the Trade Union Law has already been nullified."

DOBASHI: "The question of full-time union officials is not mentioned in the labor contract between the All Japan Communications Workers Union and the authorities concerned, but it is difficult to act in exact accordance with the notice of the Government."

Communications Minister TOMIYOSHI: "If the matter of full-time union officials is not stipulated in the labor contract, it is not an acquired right. We will discuss this matter anew later on with the union."

POLITICAL SERIES: 2591 (Continued)ITEM 1 (Continued)

DOBASHI: "Which is responsible for the revision of the NPSL—the Cabinet or the Temporary Personnel Affairs Committee? This is not clear."

Labor Minister KATO: "The committee is drafting the revision, and the Cabinet will approve the draft, but the committee is responsible for the draft."

DOBASHI: "What measures are left for the trade unions to express their will?"

Labor Minister KATO: "All they have to do is to express their will as ruled. In that respect the Labor Ministry will do its best."

NLCGPWU Issue Statement

Issuing a statement on Tuesday, the NLCGPWU declared that the reported draft revision of the NPSL contains elements which go to oppress union movements. The statement was handed to Chief Cabinet Secretary TOMABECHI yesterday through DOBASHI.

Central Labor Committee Decides to Release Opinion

The Central Labor Committee, at yesterday's general meeting, decided to issue a statement containing an authoritative opinion relative to the contents of the revision.

At the meeting the neutrals were in favor of releasing an opinion of the committee within the scope and restrictions of Gen MacARTHUR's letter. Representing labor, Committee Chairman TSUTSURA expressed the opinion that it would be senseless to issue an opinion of the committee within that scope. Labor Representative KUMAMOTO stated that there is no necessity to present recommendations to the Government, as the revision will be deliberated by the Diet, and that it would be enough for the committee to clarify its interpretation of the distinction between operative and administrative workers and the scope of the term "public service workers."

It was finally decided that the committee release its opinion only concerning the Central Labor Committee and the Labor Committee issues contained in the draft revision of the NPSL. It was also decided that the opinions of the minority of the members, including that of TSUTSURA, should be included in separate sheets. The Central Labor Committee hopes to complete the draft by 1 September.

AJGWU Decides on Three-Point Dispute Policy

The All Japan Communications Workers Union yesterday decided on a three-point basic dispute policy. The policy calls for (1) struggling for the protection of a minimum standard of living, (2) struggling for the vindication of basic rights of labor, and (3) struggling for the recovery of communications. The decision came as a result of three days' meeting at the headquarters held from 16 August. The meeting also discussed the ways and means to develop the struggle.

Kitamura Considers Wage Increase Difficult

An increase in wages of government employees is considered difficult due to a lack of sources of revenue. Chief Cabinet Secretary TOMABECHI has sounded out the opinion of the Finance Ministry, but Finance Minister KITANURA is reportedly opposed to increasing the 3,700 yen base owing to the difficulty of finding the sources of revenue to meet the increase. He is also opposed to increasing wages

POLITICAL SERIES: 2591 (Continued)ITEM 1 (Continued)

from the present 3,700 yen base on the ground that, if wages are increased, prices will have to be revised again, which will adversely affect the execution of various government policies.

Finance Minister KITAMURA is in favor of pegging real wages and is of the opinion that it is unnecessary to increase the 3,700 yen base if the rations are increased, whereas Chief Cabinet Secretary TOMABECHI is in favor of increasing the basic wage. Economic Stabilization Board Director KURUSU is considering an increase in the staple food ration. Present indications are that it will take some time before the Government can come to a final conclusion on the wage issue.

Transportation Ministry Hurrying Reorganization

Removal of the present shortcomings and inconsistencies in the management of the railway business and maintenance of integrity in personnel management are the two basic principles under which the Transportation Ministry is hurrying forward with the reorganization of the Ministry, it was learned. Under these policies the Ministry continued its deliberation yesterday on the plan prepared by the secretariat of the Railway Bureau under the leadership of KAGAYAMA, director of the bureau. The Ministry has not yet been able to decide whether or not railway workers should be classified as public service workers.

The Ministry is also undecided whether the railway enterprise should be turned into a semi-private undertaking or a government enterprise. It has three plans: (1) to make the Ministry a railway board; (2) to make it a public organization; (3) to turn it into a corporation. In any event, the Ministry proposes to make the undertaking an independent enterprise.

It also plans to adopt a president for the head of the enterprise, the president to have the status of a state minister. It is proposed that the tenure of office of the president should be at least three or four years, so that the president will not be changed each time there is a cabinet change. It also plans to avoid supervision over petty accounting matters by the Finance Ministry as has been the case in the past.

Railway Bureau Director KAGAYAMA is in favor of classifying railway workers as public service workers on the ground that they are to look after public property. However, the authorities are of the opinion that a Railway Workers Law should be promulgated on the ground that, in view of the special nature of the railway enterprise, it would be awkward for the railway workers to be classified in the same category as other government workers. If a railway workers law cannot be enacted, special provisions should be made in the National Public Service Law governing the employment, dismissal, and wages of railway workers, so that efficiency wages can be given to them. These are the major plans but it will take some time before a final conclusion is reached.

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Opposition Asks For Yoshida Resignation

404 By United Press

Opposition parties in the Diet, quick to exploit developments the past week, are demanding resignation of the conservative two-month old Yoshida Cabinet.

Former Prime Minister Tetsu Katayama, chairman of the Socialist party, fired the opening gun yesterday when

he declared the Yoshida Government "unfit" to supervise the next national elections, probably in late January to elect a new House of Representatives.

Katayama said the Yoshida Government was a minority party cabinet and therefore not qualified to take charge of an election.

Prime Minister Shigeru Yoshida countered that it was Katayama's privilege to start a movement to crush his cabinet but the public was familiar with the abnormal circumstances which brought his minority party into government power last October.

Yoshida referred to the resignation of the preceding Ashida Cabinet to assume "moral responsibility" for the arrest of a cabinet member on a bribery acceptance charge and his resultant election as succeeding prime minister by the Diet.

Two setbacks suffered by the Yoshida Cabinet last week added ammunition to the new movement to effect the downfall of the government.

The first was the drunkenness of Finance Minister Sanroku Izumiyama and his "improper advances" upon a woman Diet member which forced his resignation as a cabinet and Diet member.

The second was the government's abandonment of its 5,330 yen monthly wage schedule for government workers in favor of the opposition parties' higher 6,307 yen level.

General MacArthur's economic directive Saturday, to Yoshida, also has been interpreted in some opposition parties groups as criticism of the present government, another reason for the drive to oust the cabinet.

Japanese observers said these are the factors which caused the opposition parties to delay passage of the supplementary budget and a vote against the government.

Passage of the budget and the non-confidence motion was slated last week. Had it not been for the aforesaid developments which put the government of the defense, the House of Representatives would have been dissolved last week and new elections called for January.

20 DEC 1948

STARS & STRIPES

COALITION CABINET HELD MOST LIKELY AFTER NEXT POLLS

404 Developments During Past Week Indicate Trend in Political Circles

The possibility of another three-party coalition government to replace the Ashida Cabinet following a general election loomed large on the political horizon as the Government parties sent out feelers for the continuation of the present political line-up.

Developments during the past week which pointed toward this end were believed to be the following:

1. The Ashida-Jiki conference on the possible establishment of a "Central Political League" which would follow a "middle-of-the-course" policy.

2. The statement of Socialist Chairman Tetsu Katayama that the Socialists would never support the Democratic-Liberals under any conditions.

3. The statement of Commerce-Industry Minister Chozaburo Mizutani that the Socialist Party anticipates the formation of another three-party coalition cabinet in which it will participate.

Kyodo's political writer claimed that the Socialists are already preparing for the formation of a second Katayama Cabinet with the backing of the political league sponsored by the Democratic and People's Cooperative Parties.

According to Socialist sources, the present Diet line-up will not undergo a drastic change following a general election and the Democratic-Liberals could never form a single-party administration.

The three Government parties, moreover, have apparently agreed that while it might become inevitable for the Diet to be dissolved, the Cabinet will not resign. Observers said that the Socialists, Democrats, and the People's Cooperatives standing election as Government parties would be in a position to continue the tie-up following the election.

Several factors, however, stand in the way of the continuation of the present Cabinet partnership.

They include:

1. The possible split between the Socialists and the Democrats on the wage issue with pressure from the labor unions and the left-wingers forcing the Socialist Party to part company with the Democratic Party.

2. The plans of Wataru Nara-hashi, Democratic Party advisor, to organize a merger among all the conservative parties:

3. The proposal of Chief Cabinet Secretary Gizo Tomabechi for the formation of a national coalition cabinet including all the major political parties:

4. The confidence of the Democratic-Liberal Party that it will emerge from the elections with a clear-cut majority in the Diet.

17 AUG 1948

NIPPON TIMES

Special Cabinet Session To Be Held On August 18

404 Kyodo TOKYO, Aug. 4.—The Government at the regular Cabinet meeting yesterday decided to hold an extraordinary meeting on August 18 to study a draft bill concerning the revision of the National Public Service Law.

Prime Minister Hitoshi Ashida and other Cabinet Ministers, who are scheduled to leave the capital on their stumping tours, are expected to return here tomorrow.

5 AUG 1948

Cabinet Resignation Likely, Says Mizutani

404 TOKYO, Aug. 9.—Chances are strong for the Ashida Cabinet to resign en bloc rather than to dissolve the Diet after the passage of the bill for a revision of the National Public Service Law during the third session of the National Diet, Commerce Minister Chozaburo Mizutani declared here today.

Mizutani based his prediction on the possibility that the heads of the three Government parties would not agree at a conference to be held subsequent to the passage of the bill.

10 AUG 1948

MAINICHI

Katayama Adherent; Wants Dissolution of Cabinet Or Cabinet Quitting

ASAHI-GAWA, Aug. 21.—Tetsu Katayama, former Prime Minister and leader of the Socialist Party, declared this morning that if the Democratic Party doggedly tries to avoid a Diet dissolution, the Ashida Cabinet will be compelled to carry out an en bloc resignation.

Katayama's speech to the press, it is generally believed, implies that the present Administration must choose one of two alternatives, that is, whether to dissolve the Diet or resign en bloc.

22 AUG 1948

MAINICHI

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CONCORD POSSIBLE WITH OPPOSITION, ASHIDA DECLARES

Says He Will Seek Accord On Policy After Diet Dissolution

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Informed sources revealed that a "political truce" among the political parties would be called until the passage of the bill to revise the National Public Service Law. They pointed out that such a truce is already existing for all practical purposes since the leading Opposition party, the Democratic-Liberal Party, is agreed on the necessity of revising the NPS law. The Socialist party which strongly opposed the measure from within the Government has also decided for its revision.

Kyodo

FUKUI, Aug. 19—The Democratic Party and the Democratic-Liberal Party, the leading Opposition party, should be able to collaborate following the dissolution of the Diet, Prime Minister Hitoshi Ashida said today en route to Fukui.

Dr. Ashida, concurrently president of the Democratic Party, pointed out: "I believe it is possible to collaborate with them if we find an agreement of views on policies."

The Prime Minister, however, stressed that the Diet would not be dissolved unless the projected "Central Political League" fails to gain a majority in the Lower House, or the existing three-party coalition is split beyond repair.

He pointed out that the contemplated league will be established by mid-September.

It will include most of the Socialists as well as the People's Cooperatives with the Democrats as the nucleus, Dr. Ashida stressed.

He predicted that the date of the opening of the extraordinary Diet session will be delayed because of the need to prepare the bill to revise the National Public Service Law. He added that the extraordinary session would be longer than the scheduled 20 days.

to find some basis for the continuation of their present three-party tie-up.

The cause for this new sentiment that the present Cabinet partners should continue to hold the reins of administration lies in their growing confidence, derived from a month of stumping tours, that a general election will not cause any great change in the present relative positions of the various parties in the House of Representatives.

Of course the Opposition Democratic-Liberals do not share in this view. Hopeful of gaining a clear majority, they are proceeding on the assumption that they will be able to supplant the present Government with a single-party Cabinet. They are not altogether deaf to talks of a union of all the conservative elements, but obviously they are not overly enthusiastic.

Among the Government parties, opinion has hitherto been widely diverse. Among the Democrats, a section of the right-wingers has been pushing talks with the Democratic-Liberals for a conservative merger. Another section, led by Wataru Narahashi, has been working for a somewhat similar amalgamation of the conservative elements, although with slightly more of a progressive inclination which would not debar cooperation with the right-wing Socialists, and with the hope that the Democrats would be able to capture the leadership of the proposed new party.

A third group in the Democratic Party, represented by Prime Minister Ashida, has been looking forward to a loose federation among all political parties under a "middle-of-the-road" policy. This faction presupposes that a temporary political truce is necessary in this period of economic emergency. This federation idea has also been strongly backed by Takeo Miki of the People's Cooperative Party, although it is questionable as to whether Mr. Miki's party as a whole supports this plan. For some members of this party are known to dislike any formal tie-up with the Socialists and have always been prominently mentioned in connection with the talks of a conservative merger.

In the Socialist party, the cleavage between the right and the left wing has been clearly defined in all respects, and the question of the next regime has been no exception. The left-wing elements have come out strongly for making the Socialist party a party of Opposition, while the right-

wingers have been leaning toward the continuation of the present Cabinet partnership in some form or other.

But recently there seems to be some indication that these diverse views are beginning to converge on the common point that the present three-party cooperation should be retained. There is no very clear tangible move in this direction as yet, but the Socialist right and left-wingers seem to be coming closer together.

Chairman Tetsu Katayama of the Socialist party recently declared that his party would never support a Democratic-Liberal Prime Minister no matter how the election results should turn out. This

statement assumes a great significance if it is coupled with an observation made by left-wing leader Mosaburo Suzuki to the effect that the Socialist party would not refuse to cooperate with the present Government parties in the event that it is returned as the leading party in the Diet. In this light, the positions of the right and the left wing may not differ too greatly after all. At the same time, the Socialist party is swinging toward the opinion that it should not withdraw its members from the Cabinet but stand election together with the Democratic and the People's Cooperative parties as a Government party.

Inasmuch as the previous diverse opinions prevailing among the various groups in the Government parties arose from the belief that the Socialists would soon pull out from the Cabinet, the new tendency in the Socialist party has given a definite boost to a reconsideration of the whole situation. This turn of Socialist opinion toward apparent acquiescence in a continuation of the present Government line-up has had the effect of markedly strengthening the proposals for a loose "middle-of-the-road" federation. Such a federation would offer the best chance for the present Cabinet partners to succeed themselves in wielding the reins of administration.

Of course, no one knows what the eventual outcome will be. But the recent shift in tendency in the Socialist party, inevitably affecting the course of action of all the other Government parties, is the latest result of the political leaders' appraisal of the voting inclinations of the electorate in the grass-roots areas.

1000N TIMES 20 AUG 1948

Another Coalition Cabinet?

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Although it has been assumed for some time that some sort of a political change would become necessary following the convocation of the coming extraordinary Diet session, it is now becoming increasingly likely that the Government parties will seek

20 AUG 1948

NIPPON TIMES

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LIBERALS WOULD FORM SINGLE-PARTY CABINET

Yoshida Says Coalition Can't Execute Revival Here

Kyodo
UTSUNOMIYA, Aug. 9—The Democratic-Liberal Party will head a single-party administration if it should win a majority of the Diet seats as a result of the expected general election, Shigeru Yoshida, president of the party said here yesterday.

He said that his party has no intention of forming a coalition government among the conservatives.

Mr. Yoshida is here to attend the inaugural meeting of the Tochigi branch of the Democratic-Liberal Party.

He opined that Japanese reconstruction can not be carried out by a coalition cabinet.

Emphasizing the need for an early dissolution of the Diet, the Opposition leader said that it is "absurd" for Prime Minister Hitoshi Ashida to believe he enjoys the support of the people simply because the Government parties have a majority in the Diet.

10 AUG 1948

NIPPON TIMES

SOCIALISTS PARC MOOTS FIVE-POINT POLICY PLAN

Left-Wing Influence May Affect Fate of Cabinet

Kyodo
HAKONE, August 9—The Political Affairs Research Committee of the Social Democratic Party yesterday began to deliberate on its five-point policy program which may affect gravely the fate of the Ashida Cabinet in September or October.

As the Committee started debate in the first session of the three-day conference, observers predicted that the party policy will swing decidedly toward positive socialism chiefly because the leftists are predominant at the meeting.

The policy now under deliberation includes: 1) a revision of the National Public Service Law; 2) anti-inflation measures; 3) a revision of the price-wage structure, 4) a third farmland reform program; and 5) an early convocation of the peace conference.

All decisions to be made at the three-day conference will be submitted to the party's Central Committee which will meet in early September.

10 AUG 1948

NIPPON TIMES

Opposes Conservative Regime

He insisted that the next administration should not be "conservative."

Political circles opined that the above statement amply indicates the willingness of the "progressive" Socialists to join a coalition government.

The Socialist leader reiterated that the Diet should be dissolved but added that the Socialist Cabinet Ministers would remain in the Cabinet in order to insure a "fair and just" election.

He sharply criticized Prime Minister Hitoshi Ashida's "stubborn" refusal to dissolve the Diet as an "expression of formalism."

Shidehara Disapproves

Meanwhile, Kijuro Shidehara, supreme advisor of the Democratic-Liberal Party, who also arrived in Hakodate aboard the Hikawa Maru, said that his party is intent upon forming a single-party cabinet.

NIPPON TIMES 13 AUG 1948

ASHIDA AND MIKI AGREE ON POLICY

Cabinet Will Not Resign But House Will Be Dissolved, Leaders State

Prime Minister Hitoshi Ashida and Takeo Miki, chairman of the People's Cooperative Party, were reported yesterday to have reached an agreement during talks late Saturday on the following points:

1. The Cabinet will not resign.
2. The House of Representatives will be dissolved unless there is some other way to settle the present political situation.
3. The proposed central league will be made the main political force instead of organizing it for the purpose of gaining the casting vote.

That is to say, the leaders of the two parties agreed to avoid a Diet dissolution as far as possible, but in case there is no way but dissolution to improve the political situation, the Diet will be dissolved. Even in such an event they will not think of a Cabinet resignation. Under the present demand for a middle course, rejecting extreme leftist and rightist tendencies, they also agreed to make the proposed central league the principal political force, intending to form it before the convocation of the next Diet. But the central league is not intended as a new political party, and it will be only a league of the parties, the leaders agreed.

NIPPON TIMES 16 AUG 1948

SAYS CHANCES STRONG CABINET WILL RESIGN

Likely After Bill to Revise NPS Law Is Set

Kyodo
KYOTO, Aug. 9—Chances are strong for the Ashida Cabinet to resign en bloc rather than to dissolve the Diet after the latter writes into law the bill for a revision of the National Public Service Law during its special session, Commerce-Industry Minister Chozaburo Mizutani declared here today.

Mr. Mizutani based his prediction on the possibility that the heads of the three Government parties would not agree at a conference to be held subsequent to the passage of the revision bill in the Diet.

The special session may not be called until the latter part of September, he said, since other important measures besides, the NPS Law revision must be drafted.

Following the special Diet session, he added, Prime Minister Hitoshi Ashida, Socialist Chairman Tetsu Katayama and People's Cooperative Chairman Takeo Miki are scheduled to confer on whether the Cabinet should dissolve the Diet or render its resignation.

Inasmuch as there is little likelihood that they will come to an agreement, he opined, the Cabinet will resign.

10 AUG 1948

NIPPON TIMES

KATAYAMA BACKS COALITION CABINET ON PRESENT LINES

Head of Socialist Party Says Issue Should Be Decided After Polls

The statement of Chairman Tetsu Katayama of the Socialist Party in an interview at Hakodate, Hokkaido, that the future of the three-party coalition Cabinet should be determined in the light of the next general election was interpreted in political circles as signifying a bid by the Socialists for the continuation of the present Government line-up.

Observers noted that Mosaburo Suzuki, left-wing Socialist, had said earlier that the Socialist Party would not "refuse" a three-party coalition if it should emerge as the leading party after the general election.

Mr. Katayama arriving in Hakodate aboard the Hikawa Maru also declared that the election would determine whether the next cabinet should be formed by the Socialists alone or along other lines.

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ITEM 7 Saito Calls for Early Cabinet Resignation - Kumamoto Nichinichi -
25 Sep 48. Translator: A. Kido. (MJF)

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 Full Translation:

Top Democratic-Liberal Party Adviser SAITO Takao, currently on a lecture tour of KYUSHU, made an hour-long speech at 1500 on 24 September at the KUMAMOTO Girls' High School auditorium, on JAPAN's postwar state and the present political situation. He made the following point in this address:

"The ASHIDA Cabinet, not based on constitutional government, is very weak, indeed, and its administration is a completely batched-up affair. The Democratic Party should, by rights, have assumed the responsibility for the KATAYAMA Cabinet and become an opposition party. This applies also to the Socialist Party. I am of the opinion that these two parties should, as a matter of course, withdraw from the Cabinet at once, become the Opposition, and reconconsult the peoples' wishes.

"It is certain that the Cabinet must soon resign en bloc or effect a Diet dissolution. Of late, some have begun to advocate 'middle-of-the-road politics' or a 'Centrist political league,' but these are only the final frantic struggle before the downfall.

"After the general election the number one party must, single-handedly assume the reins of government."

Thus, he called for the appearance of a Democratic-Liberal Cabinet. Further, he strongly advocated a conservative merger, saying he would like to devote himself to the realization of a constitutional government comprised of two major parties pitted against each other.

ITEM 4 Uehara Criticizes Cabinet as Ineffectual - Hokuriku Yukan -
26 Sep 48. Translator: A. Kawamura. (TK)

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 Full Translation:

UEHARA Etsujiro, adviser to the Democratic-Liberal Party, attended the situation critique lecture meeting in TOYAMA on 25 September sponsored by the Toyama Prefectural Chapter of the Democratic-Liberal Party. He states as follows on the present chaotic political situation:

"Many things have changed since the general election last year, and I cannot feel that the triparty coalition Ashida Cabinet at present is representative of the people's will. Moreover, the Ashida Cabinet is lacking in both action and planning. Thus, even in the induction of foreign capital it is no wonder that American investors take no positive interest. The Cabinet's call for induction of foreign capital is no more than an empty propaganda.

"The Ashida Cabinet is regarded by political circles as being somewhat of an oddity since its members spend more time on stumping tours than in the capital. This, too, people say, is because they don't want to get involved in arguments over policies lest it endanger their hope of hanging on to political power under the precarious cloak of a triparty coalition.

"Regarding a Diet dissolution, I can say nothing about it until the special session meets. If the special session meets some time in November, and if it is extended and the dissolution is introduced at the next regular session of the Diet, the dissolution may come next spring."

ITEM 4 Cabinet Resignation Preferable--Narahashi - Asahi - 3 Oct 48.
Translator: K. Sato. (JJY)

404
 Full Translation:

OSAKA--Democratic Party Adviser NARAHASHI Wataru commented on the political situation as follows in a press interview in OSAKA yesterday afternoon:

"There are two means of settling the existing political situation. They are cabinet reshuffle and resignation en bloc, but dissolution of the Diet is impossible.

"In my private opinion, resignation en bloc is preferable. Following this, a coalition cabinet should be formed headed by KATAYAMA, in which the Democratic Liberal Party should join if possible."

NARAHASHI will return to TOKYO several days earlier than the 8 October date originally decided upon.

ITEM 11 Arrest of Diet Representative - Gifu Times -
19 Sep 48. Translator: E. Sato. (RL)

Summary:

404
 ONO, Banboku, Diet representative from this prefecture and former secretary-general of the Democratic-Liberal Party, was arrested on suspicion of having accepted a bribe to help the Showa Denko win approval of tremendous government loans. If it is true that ONO committed irregularities, prefectural residents who elected him to the Lower House should reflect deeply.

A number of leading Japanese financiers and government officials already have been arrested in connection with the Showa Denko scandal. It is undeniable that some politicians are also involved in the case.

It cannot be predicted how the case will develop, but there is no denying that it is strongly tinged with politics. If any member of the Ashida cabinet is caught in the scandal dragnet, the wholesale resignation of the cabinet may be inevitable.

The people's greatest concern is whether the Reconstruction Finance Bank, organized with State funds, is under control of some political and financial circles; whether a large sum of money which was lent to private companies by the bank has been used for illegal purposes; and whether state affairs have been conducted with illicit funds. Politics indeed is linked with money, but a thorough investigation must be made of such a scandal as the Showa Denko case in order to safeguard democracy.

We hope that the suspicion under which ONO Banboku, our fellow-citizen, has been placed will be dispelled as soon as possible. However, if he actually was engaged in illegal practices, we must call him to account, and, at the same time, assume responsibility for having elected him to the Lower House.

Among the Lower House members from this prefecture are many whose actions have caused various rumors. We should study what action to take to democratize politics.

ITEM 14 Cabinet Overthrow Rally Slated for 8 October - Akahata - 2 Oct 48.
Translator: H. Nakayama. (WN)

Full Translation:

404
 On the occasion of ESB Director-general KURUSU's arrest, the standing committee of the Democracy Protection League issued a statement on 30 September to the effect that the League would hold a rally on 8 October at Kyoritsu Hall, KANDA to start a campaign to overthrow the Ashida Cabinet. The gist of the statement follows:

The present big scandal concerning the aid given to the Showa Electric Company by the Reconstruction Finance Bank, which is operated with the heavy taxes levied upon the people of the nation, is a sample of how the conspiracy between JAPAN's monopolistic capital and privileged bureaucrats of the Finance ministry (former chief FUKUDA of the Accounting Bureau), the Commerce-Industry Ministry (former chief SUZUKI of the Textiles Bureau) and the Agriculture-Forestry Ministry (former vice-minister SHIGEMASA) is corrupting Japan's economy and impeding its rehabilitation. The Government is exploiting the people and becoming more and more corrupt. On this occasion, such a government should resign en bloc and should be replaced by one which will carry out economic reconstruction for the sake of the people.

For that purpose, our League will hold a rally for the protection of the people's democracy at Kyoritsu Hall on 8 October to start the campaign to overthrow the Ashida Cabinet.

ITEM 8 Minor Parties have Troubles - Tokyo Times -
22 Sep 48. Translator: K. Yasutake. (SS)

404
Full Translation:

With the troublesome dissolution issue hanging over it, the extraordinary Diet Session will probably be convoked by the middle of October. Although Premier ASHIDA remains firm in his stand that he will maintain Government leadership as long as he can retain a majority support - even by one vote -, it is generally believed now that the Government parties have a slim majority of only nine votes. In this situation, the moves of the minor parties are about to assume significance.

The Social Reform Party is the biggest of the non-government minor parties. Since HIRANO, its erstwhile pillar, is gone, it has had a dearth of both party funds and leadership. This led the party to show interest in participation in the Government when the Ashida Cabinet was formed. But this move was spectacularly rejected by its old rival, NISHIO, at the last moment. Next it failed in the attempt to form the CHUO SELJI KYOGI KAI (Contrist Political Council).

This party is beginning to show the effects of its flimsy construction. Recently another of the customary personnel shuffle was effected and all of the secretaries were changed. AKITA Yosuke who had bolted from the Peoples Cooperative Party is now on the verge of bolting this party. Because of these internal quakes, a collapse is feared.

In addition to AKITA, whose bolt in order to follow his friends OHARA and HAYAKAWA is regarded as a matter of time, FUJITA, a party leader interested in NARAHASHI's Middle Road Party plan, is also considering secession. Thus the feeling for party dissolution may be regarded as at its height.

Secretary-General SATAKE alarmed by this trend asked Vice-Secretary General OGAMI to proclaim a disciplinary declaration in an attempt to unify the party. But this declaration boomeranged, and it is probable that its effect will be to hasten secessions from the party.

Fearing defeat in the next general elections, certain party members including HONDO and ETO, close friends of HIRANO, are contemplating a return to the Socialist Party. The general atmosphere in the party appears to be that of waiting for a signal for dispersion. Once the signal is sighted it is probable that the members will scatter to the Democrats, the Socialists, the Peoples Cooperatives and the Democratic Liberals.

The Peoples Party was formed by OZAWA under the pretext that he would thereby pioneer a conservative federation after he had bolted the Democratic Party because of some temporary dissatisfaction. However, his plans did not materialize as expected. Thus to assuage his disappointment and to remain in the public limelight he made a call for a federation of minor parties. But this move has been considered a gesture toward the Government parties. Meanwhile SEKO is playing a lone game and NAKANO Shiro, is on the verge of being involved in a scandal. Thus the tribulations of the minor parties are by no means trivial.

A considerable number of both the Government and non-government party members will not escape without some censure as the Coal Control issue and the Showa Denko financial accommodation issue, now under investigation by the Illegal Property Transactions Investigation Committee, develops. ONO of the Democratic Liberal Party was the first to be affected. If the case extends to ASHIDA and KURUSU, as ONO averred with provoking indifference, a great change in the division of the political world is probable.

Apart from the above problem the dissolution and reforming of minor parties may even accomplish a change in present political influences. Thus it is believed that the maneuvers by the various parties to break up and incorporate the minor parties will probably intensify.

ITEM 7 Weakening Chances of Early Diet Dissolution - Seiji -
21 Sep 48. Translator: S. Yokoyama. (RL)

404
Summary:

It is now generally believed that the much-rumored Diet dissolution will not take place this year due to the recent compromising attitude of the Socialist Party.

The principal reason why the dissolution was postponed temporarily, despite the fact that no noticeable change has taken place in the political situation, is that the Diet members do not favor a Diet dissolution at this time.

The majority of the present Diet members managed to be elected to the Diet in spite of their incapacities by taking advantage of the political vacuum created by the purge proceedings. They lack confidence that they will be reelected. The Diet dissolution was advocated as an effective weapon to intimidate the political opponent. It is only natural that the dissolution will be postponed since it was advocated only as a gesture.

Democratic cabinet members were the first to advocate the Diet dissolution. In early June, when the foundation of the Ashida cabinet was endangered by the difficult budget problem and the Nishio case, the Democratic cabinet members maintained that the cabinet was prepared for an immediate Diet dissolution if the Socialist leftists would demand the en bloc resignation of the cabinet. With this strong attitude, the Democrats succeeded in passing the budget and tiding over the Nishio problem.

Needless to say, the principal reason why KATAYAMA refused to participate in the present cabinet was that he wanted to realize party unity by remaining outside of the cabinet. However, the Socialist Party was thrown into confusion regarding the budget and the Nishio problem, to the point that extreme leftists were expelled from the party.

It seemed inevitable that the leftists' mounting dissatisfaction with the Democratic Party should end in further dissension of the Party. To cope with this situation, KATAYAMA demanded an early dissolution of the Diet in order to prevent the party from breaking up.

It is thus evident that both the government and the Socialist Party advocated the Diet dissolution only from partisan considerations. With the rise of the National Public Service Law problem, the role of the Socialist Party as a bulwark against the labor offensive became extinct. If the Socialist Party takes an adamant attitude now, it may result in promoting a conservative amalgamation.

It is undeniable that the left-wing position was weakened by the new situation. It seems likely that the Socialist Party, including the left-wingers, are in favor of the delay in convoking the extraordinary Diet. However, it cannot be said that the signs of Diet dissolution have totally disappeared, as some people have begun advocating it for an entirely different purpose.

The danger exists that the Diet dissolution will be demanded in order to destroy the Illegal Property Transaction Investigation Committee if the future investigation into the Showa Denko scandal and the conditions of the State Coal Control prove detrimental to the conservative camp. If the Diet dissolution is demanded for such clandestine purposes, the people's indignation against the politicians will become intensified. The people should maintain a vigilant watch over the political situation.

ITEM 5 November Crisis Is Rumored Once Again - Dai Ichi -
20 Sep 48. Translator: K. Yasutake. (TK)

404
Full Translation:

At the recent three government party heads meeting, it was agreed that the extraordinary session of the Diet would be convoked around 1 October. However, they did not touch on the Diet dissolution issue, which ought to have been the subject for the conference. The political situation is therefore muddled as ever.

As for the political situation after the convocation of the Diet, Premier ASHIDA is regarded as doing his best to avoid dissolution. The anti-dissolution faction of the Socialist right wingers headed by ASANUMA says that a political crisis has passed. But as the rank and file in the Socialist Party is vigorously urging dissolution, there is no knowing what conclusion will be reached at the Central Committee meeting of the Socialist Party to be held early in October.

At the coming third extraordinary session, there are many problems confronting the Socialist Party for which they will have to fight to defend their party policies:

1. There is a big gap between the Socialist and Democratic Parties over the basic standard and the source of revenue for the revised pay for public office workers.
2. In all probability the opinion of the Socialist cabinet members on the revision of the National Public Service Law will not be adopted.
3. There is disagreement between the Socialists and Democrats over the concrete measure for wage stabilization.

The situation is disheartening for the Socialist right wingers who are striving to postpone the dissolution.

The Democratic Liberal Party, the Opposition, is resolved to demand either the resignation en bloc or Diet dissolution at an opportune moment even if the Socialist Party does not make such a demand. When this takes place, the position of the Socialist Party will prove most embarrassing because it was the Socialists who first started clamoring for dissolution. Chief Secretary ASANUMA of the Socialist Party says that this is the source of constant grief.

On the other hand, the preparatory committee to form the new Liberal Party headed by OZAWA and SEKO has now resolved to assume a clear-cut opposition attitude in the forthcoming third extraordinary session. They are already in touch with NAKANO Shiro of the NOMINTO (Farmers Party), and they will attempt to drag all the minor parties into this Opposition Camp. The Kuroda faction has already separated itself from the Socialist Party. The margin of seats between the Government and non-government parties in the House is extremely small. A perpetually unstable political situation is anticipated.

The Socialist Party will decide its definite political attitude after the Central Committee holds its meeting. However, from past experience one can anticipate that the left wingers will probably be suppressed by the right wingers at the last moment. But even if the attitude of the Socialist Party is consolidated along the rightist line, there is a pile of evidence which points to continuing political instability. The third session of the Diet, therefore, will prove stormy from about the middle of its session. The November crisis rumor has leaked out from Government sources despite its efforts to avoid dissolution.

Under these circumstances Chief Cabinet Secretary TOMABECHI has remarked, "We may consider the coming November as a critical month. However, when there arises a necessity for another general election, the Democratic Party will be in the most advantageous situation!" This may be regarded as a check against dissolution. Still, it is a noteworthy remark.

ITEM 3 Government Wants Diet Convocation on 11 October - Asahi - 23 Sep 48.
 Translator: J. Ide. (WA)

464
 Full Translation:

The Lower House Steering Committee held its plenary session at 1130 hours yesterday to deliberate on the date of the convocation of the special session of the Diet and the drafting of various bills to be presented to the forthcoming session by the Government. They requested the attendance of Chief Cabinet Secretary TOMABECHI. At the meeting, TOMABECHI admitted that the convocation of the special Diet session on 1 October is no longer possible in view of the difficulty of completing the National Public Service Law Revision Bill, although the recent conference of the three-party heads promised that all efforts would be made with the goal of opening the Diet on that day.

The Democratic Liberal Party strongly demanded that the special session be convened as scheduled to take up the various party-submitted bills such as the emergency flood relief measure and the NPSL revision bill. To this proposal, the Chief Cabinet Secretary sought the understanding of the party representatives present by declaring:

"The NPSL Revision Bill will be decided finally at the end of this month. In this connection, the Government must deal with the Local Public Service Law and the organizational reform of the communications, government railway, and monopoly enterprises, all of which will have some relation with the supplementary budget bill. Unless the NPSL revision bill is fixed formally, it will be impossible for the Government to start the deliberation on the supplementary budget bill. The Government now anticipates that the special Diet session will be convened around 11 October."

The representatives of the government parties approved TOMABECHI's request formally, but the Steering Committee as a whole did not make any decision on the date of the convocation of the special Diet session.

ITEM 1 Diet Dissolution May Have to Be Postponed, Says Katayama - Asahi - 23 Sep 48. Translator: T. Fukushima. (JFY)

404
 Full Translation:

Socialist Chairman KATAYAMA Tetsu, now on a speaking tour of the Chugoku district, told press correspondents yesterday aboard a train for YAMACUCHI Shi that Diet dissolution might be put off to next year in order not to disrupt the Illegal Property Transactions Committee's probe into the Showa Denko scandal and the state coal mine control graft case to clear the gloomy shadows shrouding political circles.

He pointed out that the revision of the National Public Service Law, the decision on the new wage level, and the reorganization of ministries suggested by SCAP will be the three biggest issues for the coming extraordinary Diet. Their deliberation, he predicted, would be completed during the special session and not carried over to the next ordinary session.

KATAYAMA contended that if there was need for deferring the calling of the third Diet, a decision for so doing should be made quickly, for the Diet members must know the change of the opening date a reasonable time beforehand. He said that he would give post facto approval to reasons for the postponement of Diet opening asserted by the Government, if they were admitted beforehand by Secretary-general

ASANUMA of his party. However, he contended, the exact date of Diet convocation should be determined at a conference of the three ministerial party heads to be held at the end of this month on his return to TOKYO:

He admitted that, if the bills were not prepared in time, some delay in calling the Diet might be pardonable. Notwithstanding, he insisted, the Premier's policy address could be made regardless of the preparation of the bills. Besides, he said, he wondered if some of the bills were not ready. "I will inquire into this point at the three party head meeting," he added.