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Paper Allocation

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Paper Allocation

Major Napier, 26-6962

Newsprint Control

Govt Sec DCS/SCAP 18 Aug. 1949

3 1. The creation of an informal education advisory group to the Prime Minister, with or without prior approval of General Headquarters, appears to be clearly within the authority of the Japanese Government to determine its internal administrative affairs, especially in view of present policy as set forth in SCAP Staff Memorandum No. 23 of 16 July 1949. Its actions would become a matter of SCAP concern only if they led to governmental actions in conflict with policies and directives of the Supreme Commander.

2. The record of the past four years makes it plain that no responsible official of the Japanese Government would deliberately take action in defiance of a SCAP directive. So long as SCAPIN 195, requiring establishment and enforcement of paper rationing procedures remains in force, it is inconceivable that the Prime Minister would order the discontinuance of newsprint allocation on his own responsibility.

3. Government Section believes no action is indicated.

Encls: N/C

C. W. _____

Gen. Whitney's file

Paper Allocation
CW

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

30 July 1949

MEMORANDUM FOR: Deputy Chief, Government Section

Subject: Akahata Newspaper

Plans had been laid to raid the Akahata newspaper headquarters, Communist party headquarters, and the Akatsuki Printing Company on the morning of 30 July as stated in the memorandum of 29 July, Subject, Akahata Newspaper. The plan called for the Tokyo District Procurators' Office to obtain the warrant from the Tokyo District Court in the name of the Tokyo Metropolitan Police. This was done at 9:00 p.m., 29 July. In the meantime, the Tokyo Metropolitan Police, Second Section, assembled the police chiefs in the area surrounding the Communist party headquarters in order to instruct them on the necessary preparations for the raid in the morning. The Second Section is presently investigating the murder of Shimoyama, part of the Mitaka train case, and the Akahata newspaper case.

This conference of the police chiefs attracted the attention of the newspapers and the Press Club in the Metropolitan Police Board that a big case was in the offing. The Second Section chief, Matsumoto, realizing that the newspapers had some suspicion, thought that they knew that the Communist party headquarters was to be raided. He feared that criticism would be brought on the Tokyo Metropolitan Police if a raid was made with all newspaper reporters present.

At 10:00 p.m., after the warrants had been obtained and delivered from the procurators' office to the Tokyo Metropolitan Police, Matsumoto canceled the raid and notified the procurators' office at approximately 11:00 p.m. At the present time, Matsumoto is blaming the leakage of information on the court, but the situation is such that information could not have possibly leaked out of the court. The Metropolitan Police Board is considering raiding the headquarters on the morning of 31 July or 1 August. The procurators are taking the stand that nothing can be gained from raiding the headquarters at such a late date.

The arrest of Nagai, of the Akahata newspaper, on 29 July has already led to his confession to all economic law violations stated in the previous memorandum. The case can be prosecuted with the present evidence without the raid on the headquarters.

MAKOTO MATSUKATA

SECRET

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

29 July 1949

MEMORANDUM FOR: Deputy Chief, Government Section

Subject: Akahata Newspaper

On 29 July the Tokyo District Procurators' Office and the second section of the Metropolitan Police Board jointly informed the undersigned of the following:

Through the investigation of the forgery of ration tickets, previously reported, evidence has been uncovered that the AKAHATA, Communist party organ newspaper, bought 100 reams (5,000 pounds) of No. 21 paper at 470,000 yen (400,000 yen over the ceiling price) without any ration ticket. This was done through the connivance of Inoue, Morio, manager, Nagai, Kijiro, supply section chief, of the AKAHATA newspaper, and Murayama, Goro, president of the Nihon Kamiseihin Kogyo, K.K., who was indicted for the forgery of ration tickets and is presently under detention. All three are members of the Communist party.

Evidence has also been found that one ration ticket worth 8,000 pounds of paper, which was allocated to the AKAHATA newspaper, worth 260,000 yen, was given to the Akatsuki Printing Co. Akatsuki is the official Communist party printing office, the manager being Miyamoto, Masaji. The Akatsuki Printing Co. also got 19 reams of newsprint from the AKAHATA in exchange for 150 reams of special paper. The Akatsuki Printing Co. has from April 1948 to January 1949 sold approximately 400 reams of paper worth 1,000,000 yen on the blackmarket.

Based on the above investigation, preparations are being made to raid the AKAHATA and the Akatsuki Printing Co. on the morning of 30 July. It is estimated that approximately 200 policemen will be used in this operation with the same number in reserve. At noon 29 July, Nagai of the AKAHATA newspaper and Communist party member was arrested.

MAKOTO MATSUKATA

SECRET

Prime Minister

THE PRIME MINISTER'S OFFICE
TOKIO

July 12, 1949

My dear General,

I take pleasure in sending herewith a statement on the question of abolishing control on newsprint and printing paper, which was a subject of our conversation the other day.

Yours truly,

Shigeru Yoshida

Shigeru Yoshida

General of the Army Douglas MacArthur,

Supreme Commander for the Allied Powers,

Tokyo.

Abolition of Control on Newsprint and Printing Paper.

Control of newsprint and printing paper is a hazzardous task, involving as it does, arbitrary judgment of the relative values of the newspapers and other publications concerned. Nevertheless, allocation has been necessary during the past years because of the extreme shortage of paper.

But now in the light of the steady expansion of paper production and the market condition, as set forth in the attached Reference Data, it is believed the time has arrived for the lifting of control from newsprint and printing paper. It may be pertinent to consider the positive advantages of decontrol such as follows:

1. Decontrol will leave to the readers the task of juding the merits of newspapers and other publications, and eliminate the evil of arbitrary official fixing of levels.

2. Decontrol will afford a newspaper to increase its pages according to its discretion and resources, and to fulfil its mission as an organ of public opinion more fully, by devoting more space to the purposes of democratization and political enlightment.

Liberal papers, expanded in size, will be able to combat effectively the vicious propaganda of such publications as the Akahata.

3. Publications of a dubious value will be eliminated not by government action but through free competition and the process of natural selection on the basis of popular judgment and preference.

4. Additional pages will enable newspapers to earn more from advertizements and to rationalize their enterprises. The higher production cost, attending the increase in size, will be covered by the increased advertizement revenue, so that it will not necessitate undue raises in the subscription price.

5. The expansion of newspaper and publishing enterprises will be welcome as a counter-measure against any deflationary trends. It will stimulate the paper market and check a general business recession.

July 12, 1949.

Reference Data

Supply and Demand of newsprint and printing paper.

Production volume for 1948

Newsprint	228,869,000	Lbs.
Printing paper	213,260,000	
Total	442,229,000	

Figures for 1931-35 (Base Period)

Newsprint	568,260,000	Lbs.
Printing paper	439,240,000	
Total	1,007,700,000	

It will be seen from the above figures, the actual production volume for 1948 was no more than 44% of that of the base period.

On the other hand the market price as against the official price has markedly fallen since February this year, and the narrowing of the gap between the two, indicates the gradual approximation of the supply to the effective demand.

Printing paper	Official price	Market price February	Market price June
No. 35	¥21,35	¥40,00	¥24,00
No. 36	¥18,44	¥40,00	¥24,00

Estimating the present effective demand to be 70% of the actual demand for the 1931-35 period, it will be necessary to insure the production of 700,000,000 Lbs. On the basis of 1948 figures it means that we shall be able to balance supply and demand if we increase production by

165,000,000 Lbs. in Newsprint
99,000,000 Lbs. in Printing paper.

This production expansion is expected to be realizable by March, 1950 through special measures to be taken with respect to capital, electric power and materials.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Civil Information and Education Section
APO 500

25 May 1949

MEMORANDUM FOR THE RECORD:

1. At 1430 this date Mr. Narita, Chief of the Paper Allocation Agency, Japanese Government, called on the undersigned to convey certain messages from Premier Yoshida.

2. Mr. Narita stated that the Premier, some days ago, had requested that the Paper Allocation Committee not announce its decision to change paper allocations for party organs until the Premier received from General MacArthur a reply to the letter recently submitted. However, it now appears that no reply will be forthcoming immediately; therefore the Premier has indicated that the Paper Allocation Committee may announce its decision immediately.

3. Mr.Narita stated that the Premier wished to correct two statements in his letter to General MacArthur, that he had been poorly advised on certain aspects of the paper allocation situation. First, the statement that the Premier's suggestion had been rejected by the Paper Allocation Committee was in error. His suggestion never had been placed on the agenda of the Paper Allocation Committee. Second, the Premier's statement that the Paper Allocation Committee, originally of a strongly leftist character was self-perpetuating, with the implication that the present committee was of the same character, was in error. He has now ascertained that the personnel of the committee was changed completely at the time the committee was transferred from the Ministry of Commerce and Industry to Cabinet supervision.

4. Mr. Narita indicated that there might be other statements in the letter to which Lt. Col. Nugent took exception as errors of fact and indicated that the Premier would be glad to be informed if such was the case.

5. The Premier was greatly concerned about a statement attributed to Lt. Col. Nugent to the effect that the Premier had taken no interest in paper allocation during his former tenure of office and since the formation of his present Cabinet had displayed no interest until the Paper Allocation Committee was advised to make such changes in allocations to party organs as would effectively deprive the Akahata of most of its paper. The Premier drew the inference from this statement that the undersigned felt that he (Mr. Yoshida) either favored the Communists or that he was afraid of Communist retaliation. Mr. Narita was assured that neither the undersigned nor anyone in the headquarters known to him considered that Mr. Yoshida favored Communism or any Communist. Mr. Narita went on to say that the Premier previously did not have a real understanding of the work of the Paper Allocation Agency or the Paper Allocation Committee, that he did not know that he had the power to bring to the attention of the committee any allocation which he considered inequitable, that it was only when the present movement toward changes in allocations for party organs was initiated that

the Premier had really given the paper situation any thought; that Mr. Honda, Minister of State in charge of paper allocation, was so busy with other affairs that he had not been able to keep the Premier fully informed, that the Premier, on studying the situation, felt that the logical solution was to take all paper allocations away from all political parties in order to prevent the Akahata from receiving any allocated paper whatsoever.

6. Mr. Narita, on being questioned, stated as his personal opinion that the revised allocation for party organs was very drastic but agreed that it was established upon an equitable formula--one that would stand up in the courts if legal action were taken to appeal it. He stated further as his personal opinion that to take all paper away from all political parties might involve a question of constitutionality and that if an appeal were taken the matter might drag on in the courts for a long time (and that in the meantime Akahata would receive its present allocation). Referring back to the Prime Minister's letter, Mr. Narita stated that the newspaper panel of the Paper Allocation Committee certainly was not communist dominated and that he doubted very much if it contained communist members or sympathizers. As for the Magazine Panel he thought that there might be two or three who were Communist sympathizers. He stated further that the Prime Minister's letter, as originally written, was "much more severe in tone--toward the Communists, that is" but that it had been rewritten several times (according to his best information) and that he felt it had become somewhat garbled in its final form. (The impression was unavoidable that the submission of this letter to the C-in-C is now considered a poor move by all concerned.)

7. Mr. Narita then requested assistance in implementing the clearance of a Cabinet ordinance connected with the Newspaper Allocation Committee but this latter point has no bearing on the basic problem of paper allocations for party organs.

8. In concluding, Mr. Narita once again emphasized on behalf of the Prime Minister that although "when considered from a logical standpoint" the sudden interest of the Prime Minister in paper allocation at a time when action was being taken to reduce the amount of paper for the Akahata might seem strange to Lt. Col. Nugent, it did not indicate that the Prime Minister favored continuing a larger allocation to the Akahata or that he feared retaliation by the Communist when action was taken. Undersigned assured Mr. Narita that Mr. Yoshida's position is understood.

DRN

D. R. NUGENT
Lt. Col., USMC,
Chief, C I E Section.

Draft Note Verbale in Reply to Prime Minister's Letter on Party Organ Allocations

1. Note has been taken of your letter of 13 May 1949 concerning the allocation of paper for the publications of political parties.

2. It is gathered that you have no objection to the intended substantial reduction in the allocation for Akahata, daily newspaper of the Communist Party. You are sceptical, however, about the giving of paper to other parties to venture "into the arena of political journalism."

3. I am informed that nothing in the allocation adjustment plan compels any political party to publish a newspaper or take advantage of its right to apply for a paper allocation. Any party is at liberty to refrain from taking an allocation and to petition the Paper Allocation Committee to give its newsprint to general daily newspapers. As the newsprint concerned would not go very far toward increasing the pages of general newspapers, the possibility might be considered of recommending that it be used to meet the demand of this year's repatriates from the Soviet Union for subscriptions to general daily newspapers of their choice.

4. If your letter is interpreted correctly, however, what you have in mind is not voluntary relinquishment of newsprint by such parties as may prefer not to issue newspapers but rather arbitrary denial of allocations to all political parties. Apart from its political expediency, I question whether such repression would be in consonance with the spirit of Article 21 of the Constitution, which guarantees "freedom of assembly and association, as well as speech, press and all other forms of expression."

5. You regret that the Paper Allocation Committee has rejected your proposal. I understand that the Committee never has received the proposal and therefore cannot have rejected it.

6. I do not imply that the Committee might have adopted your proposal. However, had the Committee rejected it without convincing you of the correctness of its position, I am informed that you would not have been without authority to press the matter further. Though it is true, for good and substantial reasons, that under the Diet-approved law providing for the Paper Allocation Committee the Government has no power to override its decisions, it is specifically the responsibility of the Minister in charge or the director of the Paper Allocation Agency, under Article XX of the original Cabinet ordinance concerning the Committee and under a similar article in the draft new ordinance which is to take its place, to review all Committee decisions, with the right to call attention to inequities. I am informed that the Government never has availed itself of this right. Nor has it ever laid any difference with the Committee before the bar of public opinion.

7. You refer to Akahata as having been "treated generously on an equal footing with ordinary commercial dailies." I am told that the Paper Allocation Committee never has considered this newspaper as other than a party organ in a category distinct from ordinary commercial dailies. When

the commercial dailies were given additional newsprint last year to issue a four-page edition once a week, Akahata was excluded because it was not an ordinary commercial daily. When arrangements were made for subscribers to shift from unwanted to wanted commercial dailies, Akahata again was not included.

8. You repeat the not unfamiliar assertion that Akahata received so large an allocation in 1945 and 1946 because the Paper Allocation Committee of that period "happened to be of a strongly leftist character." The outstanding example of "generosity" by this same Committee, I am told, was its allocation to the revived Jiji Shimpo, hardly a leftist publication, of newsprint for 600,000 copies daily, so many more than it had facilities to print or could sell that subsequently the allocation had to be cut by more than half.

9. You say that because the Paper Allocation Committee is self-perpetuating "its original complexion does not readily change with the times." The Committee which existed when the Akahata allocation was made was completely reorganized in the autumn of 1946 when the Committee was transferred from the jurisdiction of the Ministry of Commerce and Industry to the direct jurisdiction of the Cabinet.

10. I would call your attention also to Article VIII of the Diet-approved Law Concerning the Paper Allocation Agency. This provides that the Government, through the director of the agency, "when he has justifiable reasons," may veto any candidate nominated for election to a Committee vacancy. This veto power ends only after the Committee chairman has proposed two unacceptable names for any one vacancy. I understand that the Government never has made use of this power.

11. You believe that a "shameful state of affairs" exists which "ought to be rectified." If you refer to the size of the allocation for the Communist Party, rectification is now in process which will reduce that allocation by 72 percent. If you refer to the attitude or composition of the Paper Allocation Committee, adequate remedial powers would seem to be at your disposal.

17 May 1949

Comments on checknote (restricted) from Chief of Staff to Chief, CIE, and others. Paragraphs refer to paragraphs of the same letter designation under paragraph two of reference checknote.

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a. Paper is allocated at present to four of the eight political parties represented in the Diet by more than four members. The Communist and Social Democratic parties receive newsprint for newspapers. The Democratic Liberal, Cooperative, Social Democratic and Communist parties receive printing paper for magazines.

All of these allocations began in 1945 or 1946, when the paper supply permitted the Paper Allocation Committee to be relatively liberal in giving paper to all applicants able to prove they had the facilities to convert it into publications. As far as is known, all parties which applied in that period received paper. The amounts allocated usually were less than the parties requested, there being a shortage of printing facilities at the time and some doubt as to public demand for the projected publications, but it was the intention of the Committee to consider increases on demonstration of public demand for more copies. The Communist Party originally received 47,000 pounds monthly for Akahata. On presentation of a claim that more copies could be distributed, the allocation was increased to 77,350 pounds in April, 1946. The records do not indicate that any other party requested an increase.

Since the shortage of paper for textbooks required the freezing of allocations for other publications at the end of 1946, no political party has received a new allocation or an increase in its allocation. All parties, however, have filed applications for new or increased allocations.

Under the status which has prevailed for two and a half years, the Communist Party has been receiving about 80 percent of the total of 105,000 pounds of newsprint and printing paper going to all parties.

b. It cannot be remembered that any special justification was formulated by the Paper Allocation Committee or the headquarters for the allocations made to political parties in 1945 and 1946. There was in that period much emphasis on freedom of expression. The Communist Party had been outlawed for many years, and the other parties had gone out of existence before the war. There was a general assumption that they were entitled to paper to help them re-establish themselves and set forth their policies and views.

In a checknote to CIE, dated 16 January 1948, Government Section expressed belief that "party periodicals might be of . . . importance in the achievement of political education objectives."

c. The original Paper Allocation Committee, attached to the Information Board and then transferred to the Ministry of Commerce and Industry when the Board was dissolved, came into existence in November 1945 in response to SCAPIN 195, 26 October 1945, which ordered the Japanese Government to end the allocation of paper by the Japan Newspaper League and Japan Publishers'

Association and create a paper rationing organization composed of publishers, Government officials and disinterested individuals.

This original Committee functioned under the joint guidance of ESS and CIE, but ESS gradually lost interest and no longer participated in CIE consultations with Committee members.

In mid-1946, the first Yoshida Cabinet, without consulting the headquarters, shifted the Committee from the Ministry of Commerce and Industry to the Prime Minister's Office. Its motive was to control paper allocation for political purposes.

To remedy this situation, CIE worked out a system which provided for a new Paper Allocation Committee intended to be as free as possible from Government interference but linked to the Government for administrative purposes through a Paper Allocation Office under the Cabinet. This system had its legal basis in a Cabinet Ordinance until 1948, when it was sanctioned by the Diet in the form of a law.

The Committee is composed of two panels, each of eleven members, one to handle newsprint allocations for newspapers and the other to handle printing paper allocations for books and magazines. Each of the eleven positions on each panel is clearly defined. That is, for example, on the newspaper panel, one of five newspaper members is to be from a small newspaper started since the war in a city other than Tokyo or Osaka, and one of five members representing the general public is to be from the field of education.

The original members were selected by the Japan Newspaper Association, The Japan Publishers' Association and the Government. All were screened by CIE to make sure that they complied with the specifications set down in the ordinance and were not otherwise objectionable.

Each six months, the terms of three or four members of each panel expire. Members may be re-elected by a majority vote of the panel, but otherwise the chairman, with the aid of a nominating committee which consults all interested quarters, presents a slate of three qualified candidates for each vacancy. The Government, through the director of the Paper Allocation Agency (as the Paper Allocation Office has been renamed), has the right to disapprove of any candidate. This right it never has exercised. On election, moreover, CIE screens all new members. Never has a basis been found for objection.

This self-perpetuation of the Committee has not resulted in a closed corporation. The chairmen of both panels have changed within the past year, and only a few of the original members chosen in 1946 remain.

d. As has been indicated above, the candidates for vacancies on the two panels of the Paper Allocation Committee are chosen by nominating committees named by the panel chairmen and composed of panel members. The concern of the nominating committees is to find candidates with the qualifications specified for each vacant position, i.e., a man from a major metropolitan newspaper, a disinterested person from the field of science, a man from a small book-publishing firm outside Tokyo. To find candidates, the nominating committee

invites suggestions from all interested quarters. Even suggestions from the Government would be considered. In practice, however, most of the suggestions come from the Japan Newspaper Association and the Japan Publishers' Association. There is no evidence that these associations have sought to exclude men from companies not affiliated with them or to find "disinterested" persons likely to take instructions from them.

e. Under the Diet-approved law governing paper allocation for publications, the decisions of the Paper Allocation Committee are binding on the Government. The Government has the right to protest decisions for cause, but the Committee is not required to yield.

Under the admittedly vague authorization in SCAPIN 195, requiring "a complete and detailed report of the paper distribution activities" of each month, CIE reviews and approves or disapproves policy decisions and allocations made by the Committee.

16 May 1949

Lt.Col.Nugent
26-5016

Paper Allocation Committee

CJM CS 16 May 1949

1 In response to the request made at the conference on paper allocations for political party organs, attached is a list of the positions on the Paper Allocation Committee and their present occupants.

1 Incl
Subj List

- D. E. N. - - - - - - - - - - - - - - - - - -

CP

Composition of Paper Allocation Committee

I. Newspaper Panel

A. Representative of big pre-war Tokyo or Osaka daily general newspaper--Mr. Miyuki Komatsu, chief director of the Asahi (Chairman of the Newspaper Panel and concurrently of the Paper Allocation Committee).

B. Representative of a pre-war provincial daily general newspaper--Mr. Jiro Nishimura, chief director of the Niigata Nippo.

C. Representative of a small post-war daily newspaper--Mr. Minoru Yokota, president of the Sekai Keizai, a Tokyo newspaper specializing in economic news.

D. Representative of a small weekly general newspaper, pre-war or post-war--Mr. Shinkichi Nishimura, director of the Nichi-Bei (Japanese-American), a weekly published in Tokyo.

E. Representative of a small post-war special weekly newspaper, metropolitan or provincial--Mr. Toshiro Tanaka, of the Denki Shimbun, a weekly specializing in news of interest to the electrical industry.

F. Representative from the field of education--Mr. Kennosuke Kanahara, professor of Keio University.

G. Representative from the field of religion--Mr. Yoshitaka Kumano, professor of the Japan Theological Seminary.

H. Representative from the field of labor or agriculture--Mrs. Tsuneko Akamatsu, of the General Federation of Labor and the Social Democratic Party, which she represents in the House of Councillors.

I. Representative from the field of science--Dr. Masao Akagi, river conservancy expert of Kyoto University and member of the House of Councillors.

J. Representative from the field of industry or commerce--Mr. Toshio Fujishima, auditor of the Bank of Japan.

II. Book and Magazine Panel

A. Representative of a big pre-war Tokyo publisher of general books--Mr. Tare Minasaka, managing director of the Nippon Hyoron Company (Chairman of the Book and Magazine Panel).

B. Representative of a big post-war provincial publisher of specialized magazines--Mr. Hiroshi Tabata, president of the Sanichi Bookstore, Kyoto.

C. Representative of a small post-war Tokyo publisher of specialized magazines--Mr. Yutaka Yoshino, manager of the Rekishi Hyoron (Historical Review).

Inc 1-1

D. Representative of a small post-war Tokyo publisher of general books and magazines--Mr. Nobutaka Takashi, manager of the Kisetsu Magazine Company.

E. Representative of a small provincial publisher of general books or magazines--Mr. Michiyuji Uneda, managing director of the Kangen Magazine Company.

F. Representative from the field of child education--Miss Fumiko Amadate, professor of Tokyo Women's University.

G. Representative from the field of science--Dr. Tamemasa Yanagida, professor of Tokyo Women's Higher Normal School.

H. Representative from the field of religion--Dr. Yasushi Yuki, pastor of the Higashi-Nakano Church.

I. Representative from the field of labor or agriculture--Mr. Masahiko Yokoyama, assistant professor of the Economics Department, Tokyo University.

J. Representative from the field of industry or commerce--Mr. Kaichi Nishikawa, vice-president of the Petroleum Distribution Corporation.

K. Representative from the Ministry of Commerce and Industry concerned with paper distribution--Mr. Tomitaro Hosoi, chief of the Ministry's Bureau of Materials Relating to the National Livelihood (serving concurrently on the Newspaper Panel).

RESTRICTED

GENERAL HEADQUARTERS
FAR EAST COMMAND

CHECK SHEET

(Do not remove from attached sheets)

File No: Subject: Paper Allocation to Japanese Political Parties.

Note No.	
	From: CofS (Cy #1) To: G-2 (Maj Gen Willoughby) (Cy #2) ESS (Maj Gen Marquat) (Cy #3) DCofS SCAP (Brig Gen Keyser) (Cy #4) Govt Sec (Brig Gen Whitney) (Cy #5) CINS (Lt Col Nugent) (Cy #6) SGS (Lt Col LaPage) (Cy #7) Date: 15 May 1949
1	1. The addressee officers named above will meet the Chief of Staff in Room 600-J at 1130, 16 May. 2. Subject conference will inquire into the basis for the following. a. Paper allocation to the Japanese political parties. b. Justification of a, above. c. The history, method of placement, and authority for the existing Paper Allocations Committee. d. What is the source of the candidates for the Paper Allocations Committee? e. To what authority is the Allocations Committee subject? f. The attitude and nature of the Communist newspaper AKAHATA, and a statement as to whether its subscriptions are paid, and on what basis paper is allocated to this publication. 3. Based upon facts connected with the foregoing topics and any additional facts developed at the conference, DCofS SCAP will prepare a study for the information of the CinC, with recommended action intended to rectify existing allocation procedures, including the justification, if any, for allocations to Japanese political parties. Copy No. 5 - E. N. A. - - - - - - - - -

FEC AGO Form No 37

RESTRICTED

3415—FEC Printing Plant—12/48—50M

GOVT SECTION

Lt. Col. Hagent
26-5010

Background Information on Paper Allocation

CIE | Commander in Chief | 14 May 1949

1. Reference is made to the 13 May 1949 letter of Prime Minister Shigeru Yoshida to the Commander in Chief concerning paper allocations for publications of political parties and the request of the Commander in Chief for a full report on the facts.

2. The facts leading up to the decision of the headquarters to require adjustment of paper allocations for party organs follow:

a. The Communist Party, the first party to issue a publication after the war, applied for and received in December 1945 an allocation of 47,000 pounds of newsprint monthly for Akahata.

b. On demonstration that it could sell more copies than that amount made possible, the allocation was increased to 77,550 pounds monthly in April 1946.

c. In December 1946 the paper shortage made it necessary to "freeze" all allocations for newspapers. By that date, the Social Democratic Party was the only party other than the Communist to have applied for and received newsprint, though several other parties had small allocations of printing paper for magazines. Since then, there has been no change in allocations to political parties.

d. Because of accusations of favoritism toward the Communists and discrimination against the other parties, the Civil Information and Education Section in December 1947 invited comment from Government Section on a plan to adjust allocations for party organs.

e. As the suggestions of Government Section did not appear feasible, CIE sought to establish a precedent for adjustment of the allocations for party organs by working out adjustments of the allocations for other organ publications namely, school newspapers and trade-union newspapers.

f. In February of this year, Government Section revived the question, and CIE proposed that existing allocations for party organs be wiped out, that the quantity of newsprint for party organs be increased by about 100 per cent to 200,000 pounds monthly, and that this quantity be divided among all parties in proportion to the votes cast for them in the January general election.

g. With the concurrence of Government Section, the plan was submitted to the Chief of Staff on 1 March 1949. Approval for effecting it was given on 2 March 1949.

3. In accordance with established procedure, CIE 'suggested' the desired adjustment in a memorandum to the chairman of the Japanese Paper Allocation Committee dated 7 March 1949 (Tab A).

1 (cont'd) 4. As soon as word of the plan leaked out, the Committee came under heavy pressure from the Communist Party, which launched a propaganda campaign in Akahata to prevent the suggested reduction in its allocation by approximately 75 per cent.

5. The Committee presented its views to CIE in an undated memorandum, a copy of which is attached to Prime Minister Yoshida's letter.

6. CIE was compelled to reply with a memorandum on 8 April 1949 (Tab B), refuting the arguments of the Committee and concluding that, whatever their basis, they were indistinguishable from the opinions of the Communist Party and favored that party.

7. The chairman and other members have denied vehemently that the Committee favors the Communist Party. In the records of only a minority is there anything even bordering on a fellow-traveler relationship with the party. CIE is inclined to believe that the basic reason for the reluctance of the Committee to reduce the allocation for Akahata is fear of Communist retaliation. A secondary factor may be a feeling that such reduction would establish a precedent for arbitrary reduction of allocations for general newspapers and magazines.

8. Yielding to persuasion by CIE, the Committee submitted a draft regulation embodying all the essential points of the original plan but providing that the reduction for the Communist Party be made gradually over ten months. A copy of this draft is attached to Prime Minister Yoshida's letter.

9. On this ten-month point, the Committee felt that it could not compromise except on a specific order from CIE. Attached to the Prime Minister's letter is a copy of the memorandum of 5 May 1949 in which CIE requested that the reduction in the Communist Party allocation be completed in three months.

10. The above memorandum was strengthened on 10 May 1949 with a memorandum extending the "request" to all the major points in the adjustment plan (Tab C).

11. CIE understands that the Committee is announcing the adjustment plan on 16 May 1949. It is anticipated that the onus for it will be placed on CIE.

12. About midway in the negotiations, Mr. Katsushiro Narita, director of the Paper Allocation Agency, sought the opinion of CIE on an idea entertained by the Prime Minister. (The Paper Allocation Agency, which functions under the Cabinet, handles administrative details relating to paper allocation and otherwise services the Paper Allocation Committee, which has as much autonomy as it has been possible to give it within the Japanese Government structure.)

Lt.Col.Eugent
26-5010

Background Information on Paper Allocation

CIK — Commander in Chief — 14 May 1949

1 (cont'd)

13. The idea of the Prime Minister was that newsprint allocated to party organs could be put to better use if given to the daily general newspapers. There is a possibility that this had its origin in paragraph two of the CIK memorandum of 8 April 1949, in which it was stated that the purpose attributed to party organs "can be and is served by the news and editorial columns of general newspapers" (Tab B).

14. It appeared to CIK that the suggestion was motivated by:

a. Realization that the Prime Minister's own party already received so much support from the general press that it did not require a newspaper of its own.

b. Doubt as to the ability of the Democratic Liberal Party to publish a newspaper likely to have a favorable impact on the public.

c. Desire to deprive all opposition parties of mouthpiece newspapers or to handicap them in the issuance of newspapers.

15. It was pointed out to Mr. Narita that the total amount of newsprint for party organs, 200,000 pounds monthly, was not enough to benefit the general daily newspapers appreciably. Divided among them in proportion to their circulation, it would permit two additional pages only once every ten weeks.

16. There would be no objection, it was added, if the Prime Minister canvassed the parties for a voluntary agreement on relinquishing their newsprint for distribution to daily general newspapers, but it would be surprising if the Communist and Social Democratic parties agreed.

17. About 9 May 1949, Mr. Narita repeated the Prime Minister's proposal. This time there was more emphasis on abolition of party organs.

18. In reply, the opinion was expressed that one might question the effectiveness of the usual party organ but that denial to a party of the right to publish an organ probably would be contrary to Article 21 of the Constitution, guaranteeing "freedom of assembly and association as well as speech, press and all other forms of expression."

19. The Prime Minister writes that he is sorry that his suggestion "has been rejected by the Paper Allocation Committee." According to Mr. Narita, the suggestion never has come before the Committee. Thus it cannot have been rejected, though CIK is prepared to believe that it would be rejected if presented.

1 (cont'd) 20. The Prime Minister says that Akahata "has been treated generously on an equal footing with ordinary commercial dailies." The Paper Allocation Committee never has considered it as anything other than a party organ and therefore in the same category as other organ publications. When the general commercial dailies were given additional newsprint in 1948 to issue one four-page edition weekly, Akahata received not one pound. When arrangements were made for subscribers to shift from unwanted to wanted commercial dailies, Akahata was excluded.

21. The Prime Minister repeats the accusation that Akahata originally received so much paper because the Paper Allocation Committee of 1945 and 1946 "happened to be of a strongly leftist character." It had a leftist minority, but there is no evidence that the size of its allocation for Akahata was motivated by political considerations. The same Committee allocated enough newsprint to the revived Jiji Shimpo, which was and is anything but leftist, for a circulation of 500,000, which had to be reduced when the newspaper was unable to sell that many copies.

22. The Prime Minister says that because the Paper Allocation Committee is self-perpetuating "its original complexion does not readily change with the times." Not one of the members of the Committee of so-called "leftist character" which made the allocation for Akahata was carried over into the new committee organized in the autumn of 1945 after the first Yoshida Cabinet had confronted the headquarters with a fait accompli in having transferred the Committee from the jurisdiction of the Ministry of Commerce and Industry to the direct jurisdiction of the Cabinet in what had every appearance of being an attempt to gain control of paper allocation for furtherance of political ends.

23. It is true that the Paper Allocation Committee is self-perpetuating. It has been made so to prevent the Government from packing it with henchmen eager to allocate in accordance with Government prejudices. The chairman at all times has had the help of a nominating committee to select three candidates for each vacancy, and all candidates have been screened by the headquarters. CIE knows of no better method of preventing the Committee from coming under Government domination.

24. The Prime Minister believes that the present situation ought to be rectified. It is being rectified by an adjustment of the allocations for party organs which will reduce drastically the amount of newsprint going to the Communist Party.

3 Incls
1. (Tab A) CIE Memo to Japan Paper Allocation Comm. 7 Mar 49.
2. (Tab B) CIE Memo of 6 Apr 49.
3. (Tab C) CIE Memo of 10 May 49.

- - - - - - - - - - D. R. E. - - - - - - - - - -

COPY

MEMORANDUM

TO: Chairman, Paper Allocation Committee

SUBJECT: Allocations for Party Organs

1. Reference is made to the familiar complaints that paper allocations for political party organs are inequitable and to the allocation requests from various parties on which the Paper Allocation Committee so far has been unable to act.

2. It is believed the time has come to take up these complaints and applications and make a basic readjustment of allocations for party organs.

3. Fortunately, the Paper Allocation Committee already has experienced in readjustment of allocations for so-called organ publications. When allocations for school newspapers were re-adjusted last year, it will be recalled, the Committee took the following measures:

a. Cancellation of all existing allocations and pooling of the newsprint and printing paper involved.

b. Addition to the pool of a reasonable amount of new paper.

c. Notification of all schools concerned that they could share in the available paper in proportion to their student enrollments.

4. The same measures recently have been taken in connection with trade union publications. No reason is known for not applying them in readjustment of allocations for party organs. Though the Committee understandably is desirous of adhering to its obligation not to be swayed by political considerations in making allocations, it will realize that the political implications of the projected readjustment are no greater than the political implications of continuation of the present inequitable allocations. Now that a formula for equitable allocations to organ publications has been devised and proven workable, any delay by the Committee in applying it to allocations for party organs would place it in the untenable position of favoring a few parties at the expense of other parties.

5. If there is need in connection with the readjustment for a definition of a party organ, it is suggested that it be any newspaper, bulletin or magazine issued periodically by or in behalf of any recognized political party which is, in theory or in fact, subject to control by party leaders.

(cont'd next page)

Incl-1

Tab A

6. Subject to correction by the Committee, there appear to be at present three party newspapers and nine party magazines, receiving allocations totaling 94,000 pounds of newsprint and 14,600 pounds of printing paper monthly. It is suggested that enough new paper be added to this to make a total not greater than 200,000 pounds monthly.

7. As political parties are not like schools in having enrollments or like labor unions in having paid memberships, some other basis must be found for proportional division of the 200,000 pounds of paper among them. The only realistic and measurable basis would seem to be in the votes received in the recent general election. On this basis, the parties would receive the following amounts:

	Percentage of Votes of All Parties	Pounds of Paper
Democratic Liberal	46.89	93,780
Democratic	16.91	33,820
Social Democratic	14.45	28,900
People's Cooperative	3.64	7,280
Communist	10.27	20,540
Social Reform	1.39	2,780
Labor-Farmer	2.14	4,280
New Liberal	.64	1,280
Japan Farmers	.86	1,720
Minor	2.78	5,560
	99.97	199,940

8. It is suggested that the Committee immediately work out the details of the readjustment so that it may be effected from 1 April 1949. As party publications are not operated on the usual commercial basis, no reason is known for delaying full application of the readjustment to ease the consequences.

9. As was done with labor unions, to each party should be left freedom to decide how its share of the available paper will be used. It should be permitted to concentrate its paper on a single publication or to divide it among several publications. The Committee should satisfy itself, however, that no party is turning over paper to a commercial publisher for a publication which has little or no connection with the party.

10. Especially in the first few months, care should be taken to make sure also that no party is receiving more paper than it can absorb without waste. It is suggested that each party be requested to apply formally for its allocation and in doing so to explain in detail how it proposes to use it. In the case of new publications, the Committee would be justified in not issuing ration tickets until presented with evidence that publishing arrangements have been completed and that all copies printed can be distributed without waste.

7 March 1949

MEMORANDUM

TO: Chairman, Paper Allocation Committee

SUBJECT: Adjustment of Allocations for Party Organs

1. Reference is made to the Paper Allocation Committee's memorandum of 6 April 1949 titled "On Allocations Concerning Party Organs".

2. With all respect for the opinions of Committee members, it is necessary to make the following comments on some of the key points in the Committee's memorandum:

a. "In a country like Japan," says the Committee, ". . . propaganda activities aimed at the nation by political parties, particularly by means of publications named party organ papers, are of very great importance."

In any country, a political party always is seeking to attract the attention of voters and win votes. In doing so, it uses all possible means. It issues statements and holds press conferences. Its members make speeches and write articles for newspapers and magazines. It mails letters. It puts up posters. It distributes and shows films. It publishes bulletins, pamphlets, books, newspapers and magazines.

So-called party organs, therefore, are but one of the means which a party can use to seek support. There is no evidence that actually or potentially they are more effective or more important than the other means. If they were, the Democratic-Liberal Party might not now be in power. If they were, would it not be embarrassing for the Committee to explain why it has done nothing during the past two years to provide newsprint so that all political parties might have the advantage of this propaganda medium of such very great importance?

The purpose which the Committee attributes to party newspapers can be and is served by the news and editorial columns of general newspapers. That parties and their leaders may and do is sure, and as such it receives space in newspapers. For more Communist "propaganda" has reached far more readers through the daily general newspapers than through <u>Akahata</u>.

Though an organ publication may be useful, it is not essential to a party. Nor is it essential to the general public.

b. "Benefits of party organs, their functions of offering the nation materials and chances to give impartial judgment on policies of various parties, should be paid more attention," the Committee says.

Just what chance does any party organ known to the Committee give to a citizen to judge the party's policies impartially? The very aim of a party organ is more likely to be to deceive its readers into being anything but impartial. If it is impartial judgment of poly policies which the Committee desires to foster, logic should compel it to favor transfer of newsprint from party organs to general newspapers which give to readers the policies of all parties and the opportunity to compare them.

Incl-2

Tab B

c. The responsibility of the Communist Party for the unfairness in paper allocations for party organs is not in question. It is somewhat less than the whole truth, however, to explain away the failure to give such paper to other parties as entirely due to the fact that paper was scarce when other parties applied for it.

The responsibility for what has been done or not done rests with the Paper Allocation Committee. The mission of the Committee, as stated by law, is to allocate paper fairly. To fulfill this mission, the Committee has full power to change any allocation for cause. For cause, it has used this power successfully to adjust the allocations for school and trade union publications. It has both the obligations and the authority to remedy the inequity in allocations for party organs.

In its reluctance to remove this inequity in a way which happens to reduce the amount of paper given to the Communist Party, the Committee argues that it would be unfair to the party. It would be unfair because the party was innocent of any wrong. Likewise innocent are the parties which have been deprived of equitable shares of the limited available paper because so much of it has gone to the Communist Party. Why must "fairness" to the Communist Party take precedence over fairness to other parties?

In all fields of administration, situations arise in which it is necessary to undo or change something done in the past. The Committee seems to take the position that only such changes should be made as will not diminish any benefits resulting from what has been done in the past. Once a benefit has been conferred, it must be perpetuated eternally, regardless of the consequences for others. Such a position is untenable. It would block so many reforms that society would become a chaos of permanent inequities.

d. Also weak is the argument that the Committee cannot make an adjustment which reduces the amount of paper given to the Communist Party because never have allocations to general daily newspapers been reduced "without any due reason that can be attributed to the recipients themselves". Were the Kamloops mill of the Oji Paper Company to be destroyed by fire, the drop in the paper supply would compel the Committee to reduce all allocations for a reason well beyond the control of recipients.

e. Nor is the Committee's argument strengthened by its failure, in sanctioning the adjustment of allocations for school newspapers, to recall that at least two newspapers, Sakura and Shimei lost "duly allocated" paper "without any due reason that can be attributed to the recipients themselves". In the adjustment of allocations for trade union organs, moreover, not all publications continued to receive at least as much paper as in the past.

f. The solicitude of the Committee for the property rights of the Communist Party would seem to call for some disentangling of facts and feelings. The Constitution, to which the Committee looks for guidance, says: "The right to own or to hold property is inviolable. Property rights shall be defined by law, in conformity with the public welfare."

How either the letter or the spirit of this would be violated by an equitable adjustment of paper allocations which reduced the amount of paper given to the Communist Party is difficult to see. A paper allocation, as has been reiterated many times, in itself is not property. The paper which a publisher receives under an allocation becomes his property and is used in connection with other property -- the publishing establishment and its physical assets -- to produce property in the form of saleable publications. But the allocation itself cannot be bought or sold and is subject to change by the Allocations Committee.

A cut in the allocation to the party does not take away any part of its property. Nor would it necessarily affect the use or value of what really is party property. The party would have only to use more unallocated paper. According to one estimate, 75 percent of the paper going into books and magazines is unallocated grade. Many commercial publishers are making profits even though they use grades exclusively.

The advantage to the party in having as much allocated paper as possible lies in its relatively low cost. Thus the solicitude of the Committee for so-called property rights places it in the peculiar position of seeking to benefit the Communist Party by enabling it to save money on its paper to a degree not possible for other parties. In this sense, the Committee would subsidize the party.

Through no fault of their own, the other parties have been unable to enjoy much of the advantage of using low-priced paper which the Committee has permitted the Communist Party to enjoy for so long. Concern over what they have lost in the past because of this should be as much in the minds of Committee members as their concern over what the Communist Party would lose through an equitable readjustment.

6. The Committee argues that a reduction in the allocation for a party organ "means limitation of party activities". Does it mean to imply that party activities must be without limit? So obvious are the many limitations imposed on them by both natural circumstances and law that one would have to be naive to imagine that party activities enjoy special protection from limitations or the effects of limitations.

Ironically, the Committee's anxiety not to limit party activities is intended to benefit a party which never has hesitated, wherever it has come into power, to curtail or prohibit the activities of all other parties.

If all that the Committee meant was that a reduction in the paper allocation would reduce what the party does, clearly there is no basis for such an interpretation. The Communist Party happens to be much more than a publishing enterprise. Even in that part of its activities which is publishing, there need not be a decrease by a single copy in the circulation of the Communist Party publications. Paper is available on the open market to substitute for every pound of allocated paper lost to the party. Not a single employe in the

party's publishing bureau need be dismissed. Not a single citizen need go without his Communist publication. The only difference would be that part of the expense of this propaganda enterprise no longer would be covered by low-cost allocated paper to which other parties had a claim.

h. The assertion that reduction of the allocation for the Communist Party would be contrary to Article II of the Law for Establishment of the Paper Allocation Agency gives cause for wondering whether the law is understood. Rather, the present situation, in which the Communist Party receives considerable paper and the other parties very little, violates Article II. It is to end this violation that allocation adjustment have been requested.

3. To summarize the above comments, the Committee's memorandum is considered to:

a. Exaggerate the functions and importance of party publications.

b. Disregard the responsibility of the Committee for the inequity in allocations for party organs.

c. Place so-called fairness to the Communist Party above fairness to other parties.

d. Ignore past reductions by the Committee of exactly the same nature as that required in the allocation for the Communist Party.

e. Introduce baseless fears about the effect of allocation adjustment on property rights of the Communist Party.

f. Overlook the financial benefit which continuation of the present allocation would bestow on the Communist Party.

g. Misinterpret Article II of the law which governs the Committee's work.

4. Noted is the assertion of the Committee that its opinions "are by no means influenced by any particular political party or in no way meant to protect the interests of any special party". Whatever the basis of the opinions expressed in the memorandum, it is believed that reconsideration of them by the Committee will reveal that in many respects they are indistinguishable from opinions of the Communist Party and that they favor the same party.

6 April 1949

DECLASSIFIED: E.O. 12958 SEC. 3.5(b) AND 3.6(b) OR (c) NNDB # 775 072

COPY

MEMORANDUM

TO: Chairman, Paper Allocation Committee

SUBJECT: Allocations for Party Organs

1. Reference is made to previous memoranda on and discussions concerning adjustment of the allocations for publications of political parties.

2. In summary of the final position on this subject and in order that there may be no misunderstanding, it hereby is requested formally that:

a. The apportionment of paper to the various parties be based primarily on the relative number of votes obtained by their candidates in the last general election.

b. The adjustment cover all publications, whatever their nature, issued by or in the name of any party.

c. In case of a reduction in the amount of paper to which a party is entitled under the adjustment schedule, the total reduction shall be effected within three months, one third in the allocation for June 1949, another third in the allocation for July, and the final third in the allocation for August.

d. The total amount of paper allocated to all parties for their publications not exceed 200,000 pounds.

e. The adjustment be effected from 1 June 1949.

/s/ Dan Brown

10 May 1949

Incl 1-3

COPY

Tab C

AUTHORITY SCAP SWNCC 9(B) AND 9(D) BY (E) NNDB # 775-072

May 13, 1949

C O P Y

My dear General,

Between the Paper Allocation Committee and Mr. Don Brown, Chief of the Information, C. I. & E, a new plan has been worked out for allocation of newsprint among eight political parties in a manner as explained and provided for in the inclosed document.

Under this plan the allocation to the Communist party which is receiving an unduly large amount of paper for its daily, the Akahata (Red Flag) and other publications, will be substantially reduced. That seems to me only fair to other parties, whose requests for allocations have been turned down on the ground that there is not enough paper to go around. I do not see why a special government subsidy should be accorded to any one party -- above all, to the Communist party for conducting its vicious propaganda. On the other hand, several parties, now getting along without party papers, will under the plan, be given newsprint for venturing into the arena of political journalism, which I feel is very unwise.

The scarcity of money and talent, and of paper itself (after all, only a limited supply is available for the purpose), precludes any chances of success for such political journals. According to our past experience in Japan, they will be short-lived, and probably die an ignominious death after mutual stoning and mud-slinging.

Because of dire paper shortage even our leading dailies are confined to 2 or 4 page issues. Lack of space renders it physically impossible for them to play their proper role for the political education and democratization of the country. Circumstances being such as they are, I have suggested that, if there is any paper to spare for political parties, it be turned over to newspapers of repute with a nation-wide or regional circulation, so that they may print periodically, or on special occasions, additional pages exclusively devoted to political topics of the day. Perhaps, the extra space may sometimes be apportioned to the various political parties to be used as they like. This would far better serve the cause of democracy in Japan.

I am sorry my suggestion to the above effect has been rejected by the Paper Allocation Committee. I can do nothing further, because under the existing rules the government has nower to override the decisions of the Committee regarding paper allocation.

DOCUMENT CLASSIFIED UNCLASSIFIED DEC. 5(E) AND 5(D) OR (E) NNDB # 775 012

COPY

By the way, I am given to understand that the reason why the Akahata, which is so obviously a political propaganda organ, has been treated generously on an equal footing with ordinary commercial dailies, is that the paper allocation committee, as it was first set up, happened to be of a strongly leftist character. Moreover, it is a self-perpetuating body, one-third of the members being newly elected by itself every six months from among the candidates nominated by its chairman, so that its original complexion does not readily change with the times. Even now, those on the Committee, who represent big dailies, dare not to offend the Akahata for fear of retaliation in the form of Communist-inspired troubles in their own establishments. So does the Red Flag march on. It is a shameful state of affairs, which I believe ought to be rectified.

Yours very sincerely,

(signed)
Shigeru Yoshida

General of the Army Douglas MacArthur
Supreme Commander for the Allied Powers
Tokyo

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) NNDC # 775-072

BRIG GEN WHITNEY

COPY

May 13, 1949

My dear General,

Between the Paper Allocation Committee and Mr. Don Brown, Chief of the Information, C. I. & E, a new plan has been worked out for allocation of newsprint among eight political parties in a manner as explained and provided for in the enclosed document.

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The scarcity of money and talent, and of paper itself (after all, only a limited supply is available for the purpose), precludes any chances of success for such political journals. According to our past experience in Japan, they will be short-lived, and probably die an ignominious death after mutual stoning and mud-slinging.

Because of dire paper shortage even our leading dailies are confined to 2 or 4 page issues. Lack of space renders it physically impossible for them to play their proper role for the political education and democratization of the country. Circumstances being such as they are, I have suggested that, if there is any paper to spare for political parties, it be turned over to newspapers of repute with a nation-wide or regional circulation, so that they may print periodically, or on special occasions, additional pages exclusively devoted to political topics of the day. Perhaps, the extra space may sometimes be apportioned to the various political parties to be used as they like. This would far better serve the cause of democracy in Japan.

I am sorry my suggestion to the above effect has been rejected by the Paper Allocation Committee. I can do nothing further, because under the existing rules the government has no power to override the decisions of the Committee regarding paper allocation.

DECLASSIFIED BY: 14052 SEC. 3(E) AND 3(D) OR (E) NNDG # 775 072

By the way, I am given to understand that the reason why the Akahata, which is so obviously a political propaganda organ, has been treated generously on an equal footing with ordinary commercial dailies, is that the Paper Allocation Committee, as it was first set up, happened to be of a strongly leftist character. Moreover, it is a self-perpetuating body, one-third of the members being newly elected by itself every 6 months from among the candidates nominated by its chairman, so that its original complexion does not readily change with the times. Even now, those on the Committee, who represent big dailies, dare not to offend the Akahata for fear of retaliation in the form of Communist-inspired troubles in their own establishments. So does the Red Flag march on. It is a shameful state of affairs, which I believe ought to be rectified.

Yours very sincerely,

(Signed)
Shigeru Yoshida

General of the Army Douglas MacArthur
Supreme Commander for the Allied Powers
Tokyo

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) NNDG # 775 012

Political Parties

CONFIDENTIAL

GOVT SEC

462 Paper Allocations to Political Parties

CIE GS 16 February 1949

2 Con't) 9. CIE is prepared to arrange immediately for redistribution along the lines given above if GS agrees that:

a. The plan would remedy the more serious aspects of the present inequity in paper allocations for party organs.

b. The protests which the Communists are certain to make are not likely to embarrass SCAP.

[redacted]

Osborne Range - 26-345

3 From: GS To: CIE Date: 26 Feb 49

1. Government Section strongly supports the proposals (a) to cancel the existing paper allocation schedule to political parties and (b) to assign a monthly paper allotment of 200,000 pounds to political parties, for division on the basis of approximate party strength.

2. This Section does not reject CIE's proposal to allot paper on the basis of the percentage of votes received by each party in the 23 January 1949 general election, but considers that an allocation schedule based on an average of the percentages of votes received by political parties in the three general elections held during the Occupation would serve as a more realistic and equitable basis for the division. It is believed that such an allocation formula would more nearly reflect the actual support presently accorded political parties in Japan. Until the political situation has further crystallized it is likely that future elections will reveal sharp temporary fluctuations in political sentiment comparable to those registered in April 1947 and January 1949. It seems evident, moreover, that to allocate paper on the basis of returns from any one election would tend to perpetuate the political situation resulting from that election.

3. This Section believes that the proposal outlined in paragraph 2 is as reasonable and as defensible as the CIE proposal. It would have the added advantage of further reducing paper supplies assigned to the Communist party and of increasing supplies available to the moderate, middle-of-the-road parties, serving thereby to mitigate any possible polarization of political sentiment.

4. Should the alternative outlined in paragraph 2 be unacceptable to CIE, Government Section will not oppose any move to enforce the CIE plan outlined in the 16 February Check Sheet, believing that the need for prompt action to correct the existing situation outweighs the question of exactly how this

9

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDG # 773 072

3 (Con't) re-allocation should be effected, so long as the re-allocation formula is not wholly unreasonable.

5. Government Section concurs in the CIE proposal to require parties to provide substantial proof that allotted paper will be used for legitimate publication purposes, that arrangements have been made therefor, and recommends that allocations be increased gradually to the agreed quota levels only as conclusive proof is presented that supplies will be utilized properly and without waste.

C. W.

AUTHORITY FOR APPLICATION OF SECT. 3(E) AND 3(D) OR (E) ANDG # 775 972

CONFIDENTIAL

CHECK SHEET

Subject: Paper Allocations to Political Parties
Osborne Hauge 26-6457
10 Feb 49

From: GS To: CI&E

1 1. On 10 December 1947 CI&E reported to GS that the Communist party was receiving 83 per cent of all paper then being allocated to political parties. In commenting on this report GS suggested the advisability of revising allocation procedures so as to permit a more equitable distribution of available paper among major political groups.

2. Recent comments by political party leaders indicate dissatisfaction with present allotment schedules. GS requests information concerning paper allocations to political parties in order properly to evaluate these complaints.

2. From: GS To: CIE

Mr. Don Brown 26-6560
16 February 1949

462
From: CIE To: GS

2 1. Reference to the subject of the basic communication, the Civil Information and Education Section regarded its 10 December 1947 check note to Government Section on the same subject as something more than a report that the Communist Party was receiving 83 per cent of all paper allocated for organs of political parties. It proposed a concrete redistribution of paper and invited comment. The GS reply of 16 January 1948 was interpreted as rejecting the proposal and suggesting alternatives which there was hesitance to explore further because some aspects of them did not seem feasible and mainly because of the avoidance by GS of comment on the consequences of taking paper away from the Communist Party, to which CIE had invited special attention.

2. Allocations of paper for party organs have not changed appreciably since the 10 December 1947 check note, though it since has been discovered that the list of party organs known at that time was incomplete.

3. CIE is of the opinion that the dissatisfaction of the parties other than the Communist Party with these allocations is warranted. With a view to remedial action, it has been going over the 10 December 1947 proposal in the light of developments.

4. A development which would seem very pertinent is the adjustment made by the Paper Allocation Committee of the Japanese Government in the allocations for student newspapers and trade union organs, which for allocation purposes are in the same category as party organs and publications of other non-commercial organizations. In this adjustment, the following principles were evolved and applied:

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DECLASSIFIED AUTH: E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDB # 775072

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2 (Con't) a. All interested organizations in any field, unless too small to use paper advantageously, shall be given access on an equitable basis to such paper as is available.

b. Paper shall be divided among the organizations in any field in proportion to their relative "sizes."

c. Though an organization may issue more than one publication, its total allocation shall not exceed that to which it is entitled on the basis of its relative "size."

5. Application of the above principles to the allocation of paper for publications of political parties would involve the following steps:

a. Cancellation of all present allocations for party organs and the pooling of the paper concerned -- approximately 94,000 pounds of newsprint and 14,600 pounds of printing paper, or a total of 108,600 pounds -- for redistribution.

b. The addition to the above amount of approximately 91,400 pounds monthly, provided that this much can be obtained out of new production or taken from other allocations, making a total of 200,000 pounds to be divided among the parties for their publications.

c. Determination of an equitable basis for division. As few of the parties have dues-paying members in the sense that labor unions do and as their publications usually circulate beyond such membership as they have, the only objective basis would seem to be the percentage of votes they received in the 23 January 1949 general election. On this basis, the allocations would be:

Party	Percentage of Votes	Pounds of Paper
Democratic Liberal	46.89	93,780
Democratic	16.91	33,820
Social Democratic	14.45	28,900
People's Cooperative	3.64	7,280
Communist	10.37	20,740
Social Reform	1.39	2,780
Labor-Farmer	2.14	4,280
New Liberal	.64	1,280
Japan Farmers	.86	1,720
Miner	2.78	5,560
	99.97	199,940

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) AND ✓ 775 012

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2 (Con't) 4. Notification of the parties that applications for allocations not exceeding the above "quotas" will be received, to be accompanied by proof that each applicant party has completed arrangements for issuing the publication or publications contemplated and has reason to believe that the copies made possible by the requested allocation can be distributed without wastage.

5. Among the consequences of such redistribution would be:

a. The Communist Party would lose 75 percent of its present allocated paper, and all other parties would gain. That the Communists would oppose this may be taken for granted.

b. Their "quotas" would permit the parties to publish the following numbers of copies of two-page daily newspapers, or two-page weekly newspapers, or 48-page monthly magazines of A-5 size:

	Two-page Daily	Two-page Weekly	48-page Monthly
Democratic Liberal	130,038	840,366	781,157
Democratic	45,289	303,023	281,720
Social Democratic	38,972	272,904	240,737
People's Cooperative	9,318	65,226	60,942
Communist	26,391	184,037	171,098
Social Reform		24,908	23,157
Labor-Farmer		38,348	35,652
New Liberal		11,468	10,663
Japan Farmers		15,411	14,327

7. In criticism of the above plan, CIE is inclined to believe that it gives the Democratic Liberals more paper than they can use advantageously without waste. However, this is not considered serious enough to make the whole plan impractical or undesirable.

8. No alternative is known which is feasible. The giving to each party of the same amount of paper is opposed not only because the audiences for the reading of party organs differ in size but also because allocation of equal amounts to all applicants is contrary to the policy and practice of the Paper Allocation Committee and would set a precedent likely to make trouble in other allocation categories.

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDG # 775 072

Pol. Parties

CONFIDENTIAL

Paper Allocations to Political Parties
Osborne Hauge, 26-6457
10 Feb 49

GS CIAR

1 1. On 10 December 1947 CIAR reported to GS that the Communist party was receiving 53 per cent of all paper then being allocated to political parties. In commenting on this report GS suggested the advisability of revising allocation procedures so as to permit a more equitable distribution of available paper among major political groups.

2. Recent comments by political party leaders indicate dissatisfaction with present allotment schedules. GS requests information concerning paper allocations to political parties in order properly to evaluate these complaints.

C. W.

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8.

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) NNDG # 775 072

Supplies

CONFIDENTIAL

Subject: Paper for Political Party Publications.

From: GS To: CI&E 16 Jan 48

2 1. Government Section is not acquainted with the details of paper allocations and so recognizes that it may not be advisable under existing circumstances to increase the amount of paper available to political party publications. It is believed, however, that party periodicals might be of sufficient importance in the achievement of political education objectives to justify consideration of some increase, even though any supplementary allocations may necessitate reconsideration of existing schedules. Although it is impossible accurately to assess the ultimate effectiveness of such publications it would seem advisable to give them consideration for at least two reasons: (a) because public interest, although partisan, would probably be active and vigorous; and (b) because these are projects which would be accomplished wholly on the initiative of the Japanese themselves.

2. It is suggested that the Management Committee of the House of Representatives be asked informally, soon after the Diet reconvenes, to suggest a formula for the allocation of available paper stocks to political parties. It is recalled that the Committee's advice was followed when the question of allocating radio time was under consideration prior to the April 1947 elections. This alternative is suggested since the existing situation obviously requires some change and because the formula of alloting paper on the basis of percentages of votes cast during last year's House of Representatives' election would probably be an unrealistic basis for assigning paper quotas.

3. If for any reason it should seem necessary for the Headquarters to recommend an allocation, the formula agreed upon last spring in the allocation of radio time (based on the Management Committee's recommendation) might be valid in this case also. Under the terms of that plan paper would be allocated on the basis of equal shares to each political party, with some modification to provide for a few of the minor parties.

---------- C. W. ----------

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DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) NND # 773 072

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Paper for Political Party Publications

CI&E GS 10 December 1947

1 1. Reference is made to the demand of the political parties for more paper for party publications and to the dissatisfaction of most of them with what they regard as unfairness in the present apportionment of paper among them.

2. Three party newspapers and five party magazines at present are receiving 98,321 pounds of paper monthly. The Communist Party, with two newspapers and one magazine, receives 82,380 pounds, or 83.7 percent of the total; the Social Democratic Party, with one newspaper and one magazine, 12,820 pounds, or 13 percent; the Liberal Party, with two magazines, 3,100 pounds, or 3.1 percent, and the People's Cooperative Party, with one magazi ne, 1,008 pounds, or 1 percent.

3. On file with the Paper Allocation Committee are applications for 583,269 pounds of paper monthly for 16 new party newspapers and five new party magazines.

4. Though fully aware of the necessity for intensive political education of the Japanese public, the Civil Information and Education Section is not convinced that party newspapers and magazines are the most effective media for such education. Regardless of the merit of party publications, however, no paper is available for increased allocations to them. Nor does there seem to be much hope of much increase in paper production in the near future. Were anything to be done about the problem, therefore, it would have to be within the limits of the 98,321 pounds of paper which party publications now receive monthly.

5. As there is no uniform system of party membership or registration to indicate the relative sizes of the parties, the only way known to CI&E to obtain a relatively objective basis for fair division of available paper among party claimants is to use the votes the parties received in the April 1947 election of members of the House of Representatives. These votes follow, with each party's percentage of th e whole (the votes of independent candidates have been excluded because independents have no party publications):

Liberal	7,295,242	28.3
Social Democratic	7,168,888	27.8
Democratic	6,857,480	26.6
People's Cooperative	1,862,753	7.2
Communist	1,002,883	3.9
Minor Parties	1,560,000	6.0

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DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG # 773 072

Paper for Political Party Publications

CI&E GS 10 December 1947

1 Cont'd 6. Were the 98,321 pounds of paper now allocated monthly to party publications redistributed on the basis of the above percentages, th e amounts by parties would be:

Liberal	27,825	pounds
Social Democratic	27,333	"
Democratic	26,153	"
People's Cooperative	7,079	"
Communist	3,736	"
Minor Parties	5,899	"

7. These amounts would permit the parties to publish the following numbers of copies of two-page daily newspapers, or two-page weekly newspapers, or 48-page monthly magazines of A-5 size:

	Two-page daily	Two-page weekly	48-page monthly
Liberal	35,616	249,312	231,875
Social Democratic	34,986	244,902	227,775
Democratic	33,475	234,325	217,941
People's Cooperative	9,061	63,427	58,991
Communist	4,782	33,474	31,133
Minor Parties	7,550	26,285	49,158

8. Redistribution of paper as outlined in paragraph 6 would benefit all other parties at th e expens e of the Communist Party, which probably would be compelled to abandon Akahata or convert it into a monthly magazine. An effect so drastic, it must be recognized, would be protested in some quarters as evidence of desire to throttle the Communist Party.

9. CI&E, in anticipation of possible consideration of this matter by the Japanese Paper Allocation Committee, requests comment on the redistribution as outlined and its implication.

D. R. N.

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