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REVIEW OF

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January - 1950

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SCAP STATEMENTS

General MacArthur's New Year's Day
Message to the Japanese People

On 1 January, General MacArthur issued the following message greeting the Japanese people on New Year's Day:

"To the people of Japan:

"On this fifth New Year's Day following hostilities' end, one fact inescapably stands out -- although Japan is still technically at war, there are few places on earth more completely at peace.

"In keeping with my announced purpose to transfer the authority of government to your chosen representatives just as rapidly as they demonstrated the will and the capacity firmly to discharge the attending responsibility, the past year has witnessed progressive and far-reaching relaxation of Occupation controls. We have, indeed, gone a long way and internally have virtually arrived at a de facto peace. Your new leadership, strengthening under the stimulus of responsibility, is rapidly becoming safe guarantee against either the re-emergence of those institutions which brought your race to the brink of destruction or the substitution of alien concepts no less provocative of disaster. The ideal of human freedom, vigorously taking root in Japanese hearts, is progressively asserting itself through expression of the public mind whenever suppressive forces arise to challenge it. The myth of an unbridgeable gulf between the ways of the East and the ways of the West has been thoroughly exploded by the lesson of experience and no longer dominates man's thinking. For men now know that humanity, whatever the origin, race or cultural environment, is fundamentally the same in the impelling universal desire for higher personal dignity, broader individual liberty and a betterment of life. Given the opportunity, any segment of the human race thus will draw upon the best of the East and the best of the West, and from the resulting blend of tried and proved ideas will fashion a way of life best adapted to advance its own well being. If, therefore, out of the bankruptcy, chaos and despair left in war's wake there emerges an ethical base for New Japan, embodying many sound ideas which in practice

have raised the standard of Western life and provided the moral basis of Western thought, it will be but another triumph of common sense in its age-old struggle to apply enlightened knowledge as the guide to human decision.

"During the past year Japan has scored impressive gains along almost every front and the confidence reflected in my message to you of a year ago has found complete support in ensuing events. Despite the convulsions in many lands where the concept of human freedom is suppressed or under assault, Japan's free institutions progressively have strengthened. The individual citizen is grasping with increasing understanding and firmness the political responsibility which attaches to the sovereign power. The public opinion is giving striking evidence of its insistence upon responsibility in government and public officials are showing a growing consciousness of their responsibility for the stewardship of public affairs. The police of Japan have made rapid strides in organization and training and proved that they can adequately cope with the problems of enforcing the law and preserving the public order as servants, rather than masters, of the citizenry.

"With the continuation of the noble support of the American people tendered a prostrate Japan in her hour of most desperate need, a further broad advance has been made toward the self-supporting economy which is the goal of every Japanese citizen. The adoption of a truly balanced consolidated budget in the last fiscal year and the projection of one similarly balanced for the next has largely corrected the inflationary fiscal practice which persisted in the immediate post-war years, strengthened the Government's financial position and established the foundation for a sound system of public finance based on the capability of the people's support. The volume of currency outstanding has been stabilized, and for the second consecutive year provision has been made for debt retirement. Marked improvement in tax collections evidences an increasing consciousness of the individual's responsibility to support the operation of his public institutions. The implementation of the Government's plans to establish a more equitable tax structure and a fair and more efficient system of tax administration, will equalize the burden and, it is my hope, will permit substantial future tax reductions over a broad base.

"Production has continued the forward march initiated in 1946. Coal, utilities and other basic components of industrial activity are gradually approaching their pre-war levels, thus furnishing the sinews for overall industrial recovery. Consumer goods have become available in increasing quantities, and the production and collection of foods, benefited by good crops and a large catch of marine products, have reached new post-war highs. The farmers and fishermen thus are not only acquitting well their responsibilities toward securing the people's livelihood but are providing a striking demonstration of the fruits of free enterprise.

"Labor, too, by its energy and patriotism is making a splendid contribution to the national recovery. Turning from an irresponsible leadership of the past, it is now becoming well oriented toward an objective and healthy future. And its demand for moderation evidences that labor is coming to understand that in a society which is truly free the individual standard of life must bear a direct relationship to the constructive energies the individual contributes to life -- that every segment of society must earn its own way, as the arbitrary advancement of one segment at the expense of another inevitably weakens political and economic freedom.

"Correction of the fiscal maladjustment and elimination of many shortages have made it possible to approach a condition where stability of the price structure derives from the equilibrium of normal economic forces rather than from artificial devices. Thus, the economic control exercised through rationing, price ceilings and subsidies during the period of acute shortages and inflationary pressure has been lifted as rapidly as conditions in the various fields have warranted. With the latest relaxation of control, export trade was returned to a private basis on December 1st, as is import trade being returned today, retaining in the hands of the Government only such control as is necessary to safeguard Japan's foreign exchange position, the stability of her currency, and the equitable distribution of essential commodities still in short supply. Japan thus rapidly is approaching that economic ideal -- free private competitive enterprise -- which alone can provide hope for progressive advancement of the living standard.

"In foreign trade the gains initiated with the post-war resumption of exports have continued. Reflecting the accelerated industrial production and reopening of foreign trade outlets, exports this year approximately doubled those of the last. Coincident with the expansion of international trade, definite gains are being made toward attaining a balance between imports and exports. All this, indeed, shows healthy progress in the building of New Japan and foretells the day not long hence when political maturity, social justice, and economic self-sufficiency will make of Japan a sturdy and highly respected member of the society of free nations.

"This synopsis of the present etches the pattern of the future. It reflects the steady, unswerving progress of a people who, with backs to a discredited past, see a lofty goal ahead and are determined to avhieve it. It gives unmistakable answer to those voices of men -- the uninformed or misinformed, the informed but pathological cynic; the indoctrinee of Japan's old and discredited order, so blind that he 'will not see'; and the subversive who would sabotage the people's faith -- raised during the four years and more of occupation in self-ordained omniscience to forecast from time to time with insatiable persistence the imminence of economic disaster, the re-emergence of political reaction, the widespread absorption of the Communist hypocrisy, and the social convulsions inevitable from any effort to integrate Western ideals with Eastern culture. It is to the credit of both the American and Japanese peoples that these prophets of gloom have had their say without marring in the least the pattern of steady progress.

"As we enter the new year, two basic and yet unresolved problems cause concern in every Japanese mind -- the global ideological struggle brought close to Japan by the Communist roll over China, and the international procedural conflict delaying call of a Japanese peace conference. Such concern is indeed most natural. But the solution of these problems does not lie within Japan's present capability, and should not directly be drawn within Japan's orbit of Japan's internal politics. Pending such solution, however, Japan's road ahead is clearly delineated. She must continue steadfastly and invincibly forward along the course so well charted by the constitutional precepts. To do so is not only to strengthen Japan's own free institutions, but by example to strengthen the free institutions of others as well.

"Some contemporary cynics deride as visionary Japan's constitutional renunciation of the concept of belligerency and armed security. Be not overly concerned by such detractors. A product of Japanese thought, this provision is based upon the highest of moral ideals, and yet no constitutional provision was ever more fundamentally sound and practical. While by no sophistry of reasoning can it be interpreted as complete negation of the inalienable right of self-defence against unprovoked attack, it is a ringing affirmation by a people laid prostrate by the sword, of faith in the ultimate triumph of international morality and justice without resort to the sword. It must be understood, however, that so long as predatory international banditry is permitted to roam the earth to crush human freedom under its avarice and violence, the high concept to which you are pledged will be slow in finding universal acceptance. But it is axiomatic that there must always be a first in all things. In this historic decision, you are the first. The opportunity, therefore, is yours to exemplify before mankind the soundness of this concept and the inestimable benefit resulting from the dedication of all energy and all resource to peaceful progress. In due course other nations will join you in this dedication, but meanwhile you must not falter. Have faith in my countrymen and other peoples who share the same high ideals. Above all, have faith in yourselves."

<u>General MacArthur Greets Diet Delegation Going to the United States</u>

On 12 January, General MacArthur greeted the delegation of Diet members departing on the following day for a six-weeks tour to be devoted to study and observation of legislative procedure and political party practices in the United States. The group, which was composed of eight members of the House of Representatives, five members of the House of Councillors, and the Chief of the National Diet Library and an interpreter (the Democratic Liberal Party was represented by four members on the delegation; the Democratic Party with two; the Social Democratic Party with two; and one each for the People's Cooperative Party and the Ryokufukai).

The following were the members of the delegation:

<u>House of Representatives</u>: Noboyuki Iwamoto,
(Vice Speaker of the House)
Democratic Liberal

Inejiro Asanuma
Social Democrat

Takizo Matsumoto
People's Cooperative

Saburo Shiikuma
Democrat

Chusuke Imamura
Democratic Liberal

Makoto Oike
(no political affiliation)
Secretary-General of the House

Seiichi Shima
(no political affiliation)
member House Secretariat
Interpreter

Takeshi Yamazaki
Democratic Liberal

<u>House of Councillors</u>: Kanae Hatano
Social Democrat

Hidejiro Onoki
Democratic Liberal

Tatsuro Sakurauchi
Democrat

Hiroshi Takeda
Ryokufukai

Hideaki Kondo
(no political affiliation)
Vice Secretary-General of the House

<u>Chief Librarian of the National Diet Library</u>: Tokujiro Kanamori
(no political affiliation)

In the course of the interview, General MacArthur noted that the sending of the Diet delegation to the United States was a "historic event" and marked "a significant stage in the political reorientation of Japan" since the surrender. The Supreme Commander then went on to say:

"As leaders and active participants in the most peaceful political transformation ever effected by any country, East or West," General MacArthur told them, "you represent the new Japan, which places its faith in the sovereign will of the people rather than in dictatorship of the few. Most of you began your Diet careers following the surrender. All of you resisted

the single party system imposed upon your country by the discredited leadership of the past.

"I wish to congratulate you and your colleagues upon the signal success you have achieved in making genuine representative government a reality. At the outset, I had confidence in the ability of the people to understand, cherish and defend the liberties and dignity they won only at the staggering cost of war and defeat. Now, after six sessions of the National Diet under the new Constitution, my confidence in the true self-governing spirit of the people is stronger than ever. As their agents, you have given every indication of being able to fulfill the three basic functions of a representative assembly, making laws, supervising the administration of laws, and looking after the diverse individual and group interests of the people.

"In your new Diet Law, you incorporated many of the salient features of the United States Legislative Reorganization Act of 1946. I distinctly recall that shortly after the Diet Law was enacted about three years ago, the Speaker at that time, Mr. Yamazaki, Chairman of this delegation, proposed the study mission that you are now undertaking. I recommended then that far more could be gained from a study of this nature after the Diet had had practice with its new procedures. You are now in a position to observe and evaluate the United States Congress and state legislatures against the background of much experience. You can concentrate on the letter and spirit of those American legislative practices which are essential to your needs and thereby accomplish much more than you might have at an earlier date. From the cordial and sympathetic discussions you have had with numerous delegations of United States congressmen in your own Diet building, you may take for granted the hospitable treatment and generous assistance you will receive in the United States.

"Representative democracy is much more than popular elections and the assembling of successful candidates in legislative halls. The essential thing is that the people themselves rule, that legislators are the people's servants, reflecting and carrying out the people's will, that the combined wisdom of all is sounder than the arbitrary dictates of the few. This is the most difficult form of government. It imposes a burden of responsibility upon all citizens and encourages them to observe the conduct of their legislative

agencies. For over 300 years, Americans have conducted their affairs through popularly elected local assemblies, and for more than 150 years the United States has conducted its far-flung and ever-expanding affairs through a National Congress of state and district representatives. I urge you to observe closely the attitude of typical Americans toward their representatives and especially the attitude of elected representatives toward the desires and opinions of their constituents; and upon your return I urge you to inform your constituents and your colleagues concerning your observations of the fundamental spirit which underlies representative democracy in America at all levels."

General MacArthur Greets
Women Leaders Departing for U.S.

At noon on 30 January, General MacArthur greeted a delegation of ten women leaders scheduled to leave on 4 February for the United States to observe and study various aspects of the participation by American women in political, economic, and social affairs. The group,--which will be accompanied by an interpreter and Miss Ethel Weed, Women's Affairs Information Officer in SCAP's Civil Information and Education Section,--represented a cross section of the feminine leadership which has emerged in Japan's postwar era. The group was composed of the following members:

Tsuneko Akamatsu, member of the House of Councillors.

Fuji Egami, chief, Women's Division, Broadcasting Corporation of Japan.

Shun Goto, vice chief, Women's Section, Democratic Liberal Party.

Ai Kume, attorney; member of Conciliation Committee of the Domestic Relations Court.
Michiyo Marusawa, chief, Women's Section, National Railway Workers Union.
Katsuko Nomura, former member of Japan Consumers' Union League.

Matsuyo Omori, chief, Home Demonstration Section, Ministry of Agriculture and Forestry.
Setsuko Tanino, chief, Women in Industry Section, Women's and Minors' Bureau, Ministry of Labor.
Satoko Togano, member of the House of Representatives.

Nobuko Tomita, member of the Women's Section, Women's and Minors' Bureau, Ministry of Labor.
Kazuko Ito, interpreter.

In the course of the interview General MacArthur praised the women of Japan for their "magnificent response to the challenge to womanhood under a

democracy." He pointed out that during the less than four years since their enfranchisement they have "fully justified my faith in the part Japanese women were destined to play in the transformation of a completely regimented society into one composed of individuals each of whom of right is free, by demonstrating their capacity to assume the co-equal responsibilities of citizenship in a democratic state." The rapid development of women's influence in community affairs without sacrifice to their position in the home is "one of the truly momentous developments in Japan's history," he said, adding that "from a condition of subservience to traditional domestic routine with little individuality in law, the women of Japan now share equally with the men the sovereign responsibility of political direction. Never in history has there been a more far-reaching and dramatic transformation." General MacArthur noted that this transformation had not been accomplished by fiat or decree, pointing out that "the Occupation simply helped eliminate obstacles to the emergence of this new and potentially dynamic force in Japanese life. The women themselves, who accepted the equality under the law without the slightest pause and are demonstrating a genuine eagerness to assume the corresponding responsibility in public affairs, must be given full credit for the achievement. In all fields, in politics, in business, in education, and in the arts and sciences, their great and good influence is being progressively felt." General MacArthur further observed that this influence "is a continuing challenge to the men of Japan to reach an ever higher order of responsible statesmanship in service to the nation."

"Pointing out the uniquely vital responsibility of women in the training of youth to meet the exacting requirements of potential leadership, he added that "practical experience in civic affairs and in the stewardship of their newly won civil rights will materially broaden the field of home training with its reflection to be found in the character, the wisdom, and the vision of Japan's future leaders."

General MacArthur concluded by an expression of complete confidence that the delegation would be most cordially received in the United States and be afforded every opportunity "to observe and to study the practical application of American democracy in every phase of American life." He

emphasized his firm conviction that "the distinctions between American and Japanese traditions are basically distinctions between the concepts of freedom and regimentation, and that all peoples who cherish individual freedom may draw heavily upon American experience and example without the slightest impairment of native culture." He urged the women to note particularly "the spirituality which dominates American thinking, not only with respect to individual relationships within the American society but with respect to the American approach to the problems and needs of other peoples as well." He encouraged them not only carefully to observe the American scene but to have no hesitancy in informing Americans of the achievements of Japanese women who "by laboring with courage and devotion for the common benefit of all the people are acquitting well the responsibilities of citizenship, keeping faith with those who had faith that upon their enfranchisement they would emerge as a vital and beneficial force in the evolution of Japanese democracy, and writing an inspiring record to encourage the enlightened progress of less fortunate women of other races."

WOMEN IN PUBLIC LIFE IN JAPAN: In connection with the departure of the ten women delegation for the United States, SCAP's Public Information Office released the following information bulletin on 23 January on the participation of women in public affairs in Japan since the surrender:

Japanese women, who were virtually without political, legal or economic status prior to the Occupation, now hold 12 seats in the House of Representatives, 11 in the House of Councillors, 22 in prefectural assemblies and nearly 800 in city councils or town and village assemblies.

Before the war a woman's role even in the home was one of service and obedience. Traditionally, she was to go no place without her husband's permission. Legally she was an incompetent, and economically she had no independence.

This state of affairs was bitterly resented by some women who had come in contact with the western world and by a few others who thought of people as individuals. For more than three decades these women campaigned for recognition of women as responsible members of society.

The women's movement, however, scarcely toughed the masses until the war when the Japanese government recognized the utility of women's groups and

merged two national organizations into the government-dominated Greater Japan Women's Association. Independent groups were stifled. Women were required to participate in activities of the tightly controlled association under the direction of men acting for the government.

But immediately after the Occupation began the picture changed. The Supreme Commander for the Allied Powers concretely displayed confidence in the potential ability of Japanese women by granting them political rights. In the following election in April 1946, the first since the Occupation, women won 39 Diet seats.

In the second general election the following April, 833 women won political posts. These included 15 places in the House of Representatives, 11 in the House of Councillors, 23 in prefectural assemblies, 74 in city councils and 707 in town and village assemblies. Three were elected also to top posts in Japanese villages--that of village headman. In January 1949, in the third postwar general election, 12 women were elected to the House of Representatives and 22 to prefectural assemblies while the total of women in other elective offices remained unchanged.

Meanwhile, the attitude of women toward their political responsibilities changed radically. In the first Diet of which they were a part, women were shunted to one side, forming a women's bloc. Currently, by contrast, they sit with their own parties and are members of such Diet committees as those on labor, welfare, education, justice and foreign affairs.

In addition to their regular duties, women members of the Diet have formed special study groups on matters of concern to the whole population, veering away from their first tendencies to concern themselves solely with problems pertaining to women.

Since the appointment in April 1948 of Chiyo Sakakibara, law scholar and authority on the civil code, as Parliamentary Vice-Minister of Justice in the Katayama Cabinet, every succeeding cabinet with the present has appointed a woman as Vice-Minister. Tsuneko Akamatsu, a veteran leader of the labor movement, became Parliamentary Vice-Minister of Welfare in the Ashida Cabinet (March 10, 1948), and Tsuruyo Kondo, Vice-Minister of Foreign Affairs, in the second (Oct. 19, 1948) Yoshida Cabinet.

In February 1949 Hana Nakayama and Mitsu Kore became the first women to head Committees in the Diet. Mrs. Nakayama was elected chairman of the Reparation Acceleration Committee in the House of Representatives and Miss Mitsu Kore of the same committee in the House of Councillors.

Responding to an appeal by women, the government established the Women's and Minors' Bureau in September 1947 as part of the new Labor Ministry. Mrs. Kikue Yamakawa was appointed chief, the first women to ever hold the position of bureau chief in a Japanese Ministry. Two of her three section chiefs also are women.

The bureau has representatives in all 46 prefectures, giving women a channel through which to coordinate activities related to implementation of their legal and social gains. Similarly, a Home Demonstration Section was organized in the Ministry of Agriculture and Forestry to carry the extension program to rural women. Natsuyo Onori, home economics expert, heads this project which is also nationwide.

The new role of women has opened up many opportunities for them. A prominent social worker, Mrs. Shizue Yoshimi, was appointed Chief of the Child Care Section, Children's Bureau; and Mrs. Seki Hora, a pioneer of the public health nurse program in Japan, was made the Chief, Nursing Section, Medical Bureau in the Ministry of Welfare. A large number of women have been appointed as councillors and conciliation commissioners, lay advisors to judges in the 276 Family Courts, established in connection with the enactment, on Jan. 1, 1948, of the new Civil Code.

Mrs. Tamaki Uemura, president of the Japan YWCA, is one of the five members of the National Public Safety Committee, a group vital to effective democratic operation of the police system. Some 1,900 police women are now actively concerned with crime prevention, protection and guidance of women, youth and children.

Twenty percent of the 126,680 Welfare Commissioners stationed in all neighborhood areas are women, their job being to investigate welfare cases and recommend aid as needed. There are also women medical social workers and child welfare officials, new positions developed and open for both men and women after the war.

But direct political and government action has been only one of the major activities of women leaders. Because a democratic Japan must be based on democratic development at the roots, the women have been encouraged by SCAP to reform their many organizations on a sound democratic basis and use them as a medium for adult education. The Ministry of Education, in cooperation with various newspapers, has been instrumental in releasing upwards of 200,000 copies of a pamphlet on parliamentary procedure, and 30,000 copies of another on "Committees and Programs for Democratic Organizations".

Prefectural groups of women have combined with newspapers and local education offices in sponsoring institutes for women leaders on programs and plans for women's groups. From 1,000 to 5,000 women have attended institutes of this type in every area where they have been held.

Women are engaged in virtually all major industries, with more than 5,300,000 workers in non-agricultural employment. More than 2,000,000 women are employed in manufacturing and in wholesale and retail establishments. Some 670,000 are in the textile field. The other major fields of employment are: Commerce and finance, 1,360,000; professional service, 550,000; service industries, 530,000; government and non-profit organizations, 360,000; transportation and communication, 140,000.

Part of the improvement in the status of women has been achieved through the enactment of basic labor legislation such as the Labor Standards Law and through collective bargaining. More than 1,500,000 women are members of trade unions and represent close to one-fourth of the total union membership.

The Labor Standards Law, enacted in March 1947, contains many provisions designed to protect women in industry. It sets basic hours for employment, limits overtime, restricts night work in certain industries, provides for special leaves and embodies the equal-pay-for-equal-work principle.

The Labor Standards Law became fully effective May 1, 1948. Time enough has not elapsed yet to appraise the results; nevertheless, beneficial results have already been reported. To further the special interest of women in industry, the Women in Industry Section was established in the Women's and Minors' Bureau. It is expected that as the Section broadens its activities, it will be a real force in improving the status of Japanese working women.

Before the Occupation, Japanese girls had been segregated from the boys at the end of the sixth year of school. From that time forward their schooling was largely in domestic science and the responsibilities of the home. There were no universities for women. In only a few of the men's universities were girls accepted, and then in very small numbers.

In response to the provisions of the new Constitution that there shall be no discrimination because of sex, the new education system in Japan had been set up to remove all such barriers against women students. Coeducation at every level is now possible.

The curriculum for both boys and girls at all levels is the same with the exception of vocational electives in secondary schools. Legally women may now be admitted to men's universities, but actually, because of the prejudice against this and because of their poor preparation, they are not being admitted in great numbers.

Twenty-six women's colleges are included among the many colleges which have advanced to regular university level. That will mean for the first time the completion of equal educational opportunities for women in Japan. It will also make it possible for women to enter into many of the professions for which previously there was almost no opportunity for training.

General MacArthur Celebrates
70th Birthday on 26 January

On 26 Jamary, the Japanese metropolitan press hailed the occasion of the Supreme Commander's seventieth birthday with extensive news stories, photographs, and pertinent comments. All comments hailed General MacArthur as a bulwark against the spread of Communism in the Far East.

Lt. Colonel Charles C. Canada, General MacArthur's physician, made the following statement public on 20 January:

"General MacArthur is in superb physical condition as he approaches his seventieth birthday (26 January). He is alert and vigorous as he has always been through his active career. No further proof is needed concerning his good health than the fact that he did 365 full days of work in the past year. With such a rugged charge, what chance does his doctor have?"

Following is the text of the Nippon Times (26 January) editorial on the occasion:

"That Japan faces conditions which contrast most favorably with those of other war-devastated countries is proof enough of the historic leadership of Gen. Douglas MacArthur, who is today quietly marking his 70th birthday.

"One of America's greatest soldiers with a long and distinguished career, Gen. MacArthur undertook a dangerous and complex task when lesser men would have been satisfied to rest on their laurels. And that he has been successful in combining the skills of a soldier with the abilities of a statesmen emphasizes the courage, ability and character of the Supreme Commander for the Allied Powers, for history has recorded so often the tremendous odds that work against a great general undertaking the complexities of civil administration.

"As the victorious Allied military forces prepared to land on the shores of Japan, the populace was fearful that vindictive, punitive measures would be enforced against it. But Gen. MacArthur, with his innate humanitarianism and wise understanding, laid the foundation for the greatest and speediest revolution that the world has ever known, and centuries-old political, economic and social structures were replaced with those based on new and democratic concepts.

"While the United States and the rest of the world recognize the ability of this great American soldier-statesman from the objective viewpoint of his military and civil achievements in the light of the far-flung international conditions, the Japanese people have through their subjective experiences with the Supreme Commander had the opportunity to see those qualities which have made Douglas MacArthur the successful leader and administrator that he is.

"The simple, almost austere way of life undertaken by this great leader has struck a deep chord in the heart of the Japanese people. His decisive actions in carrying our Occupation policies have been timed to meet changes in local and international conditions, but they have principally and outstandingly anticipated inevitable shifts in the minds of the Japanese people and thus have made possible what is unquestionably the only peaceful occupation in world history.

"Emphasizing the simplicity of this man is the contrast between General MacArthur's modest celebration of his birthday -- a day unchanged in its schedule of work except for a small party in the evening highlighted by the presentation of a birthday gift by the General's 12-year-old son -- and the extravagant homage paid to Generalissimo Stalin on his 70th birthday last month, when all of the Communist world hastened to flood obsequious and adulatory praise on its leader.

"A study of the record of progress of the Allied Occupation of Japan is to read the accomplishments of the ideals of Gen. MacArthur.

"A people that was completely exhausted and without hope as the war's defeat destroyed their physical and moral world has in a matter of only a very few years been restored in vigor and faith by the driving power and optimism of the Supreme Commander. Under conditions in which communism should have flourished the best, the Japanese proponents of that ideology have slipped deeper into a morass and disintegration of their own making, as Gen. MacArthur stood firm against the tide that has swept over Eastern Europe and China.

"The Japan of today has seen Occupation controls progressively decreased, political and economic conditions remarkably bettered and international estimation of her improved. Few will deny that this remarkable record of progress for this country and its people would have been possible except for the statesmanship of a man of Gen. MacArthur's stature.

"On the occasion of his 70th birthday, the whole nation joins in expressing felicitations to Gen. Douglas MacArthur."

Six-Point American Far Eastern Policy Outlined by Jessup

Dr. Philip C. Jessup, United States Ambassador-at-large, arrived in Tokyo on 5 January en route for Bangkok to attend a conference on Far Eastern policy of top level Anglo-American diplomats. All metropolitan Tokyo papers (with the exception of Akahata, organ of the Communist Party), both on 5 and 6 January, published as top news Jessup's arrival, while Mainichi and Yomiuri featured the six-point American Far Eastern policy as outlined by the Ambassador-at-large in the course of a press conference on 5 January. Following is a summary of Ambassador Jessup's remarks:

"In summary I should like to restate certain principles which guide the policies of the United States in Asia and the whole Far East. These principles have been stated officially many times but it is important that the people in this country and in other countries should not lose sight of them.

"1. The United States has not abandoned and will not abandon China or the other countries of Asia and the Far East. Whatever differing opinions there may be about the merits or demerits of any particular action, no one should be in doubt on this point.

"2. We are opposed to the Communist theory and practice of attempting to overthrow established governments by force or subversion. We shall continue to oppose that theory and that practice in Asia and the whole Far East as elsewhere in the world.

"3. We are opposed to imperialism. We flatly and firmly reject it in our own policy. We oppose it when practiced by others.

"4. We believe in the right of people to determine their own forms of government without foreign dictation. This principle applies both to those states which are brought under foreign domination and to those peoples who are emerging or have recently emerged into full statehood. We are convinced that it is in the best interests of all concerned that a full transfer of authority to such peoples be consummated quickly and generously. We

appreciate the advantages flowing from a transfer which is based upon mutual accomodation. We recognize the farsighted statesmanship of those who transfer authority and the sense of deep responsibility with which those who take authority assume the burdens of government. Once won, however, political freedom must be preserved. It must be preserved not only against attack from without but also from those who would betray that independence from within. We shall strive unremittingly through the United Nations and in association with free peoples, whether they be in Europe or in Asia, to see to it that freedom is preserved.

"5. The United States of course, has a special interest in the future of Japan and looks forward to the time when a new liberal, democratic and peace-loving Japan will resume its proper place in the international community.

"6. We shall continue to take these stands because of our conviction that the true interests not only of the peoples of Asia and the Far East but also of the United States and of all the United Nations will be promoted thereby."

Jessup's Departing Statement

United States Ambassador-at-large Philip C. Jessup, Mrs. Jessup, and William J. Seabald, Chief, Diplomatic Section, SCAP, left Tokyo for Seoul, Korea, on 11 January. The party was accompanied by William M. Gibson of the United States Foreign Service and Miss Vernice Anderson of the Department of State.

Prior to departure, Jessup issued the following statement:

"The six days which Mrs. Jessup and I have spent in Japan have given us a vivid impression of the extraordinary progress which the Japanese people have made since the end of the war. General MacArthur has rendered a service of extraordinary distinction and of great historical significance. It has been of unique value to me to have an opportunity to meet him and to discuss problems with him. I have had the advantage also of contacts with many of his officers, with Japanese officials, scholars and businessmen and with Americans and other residents of Tokyo. Mrs. Jessup has visited Ochanomizu University where she spoke to a thousand women students and members of the

Faculty. She also addressed a group at the American Friends Service Committee Neighborhood Center at Toyama Heights and inspected some of the work of the UNICEF and of the Japanese Government for war widows and orphans. Her visits included also the Friends Center and Friends School of the Japanese Quakers. Our weekend visit to Kyoto gave us a glimpse of Japanese life in that cultural and religious center of Japan. These experiences and conversations, although necessarily crowded into a very brief time, have been of great value in the broad program of the Department of State for studying the problems of the Far East."

Statement by Fisher on Japan's Role in Asia

Harold H. Fisher, chairman of the Hoover Institute and Library at Stanford University, who arrived in Tokyo on 17 January to confer with SCAP officials, left for Hong Kong on 26 January enroute to Manila, Guam, Wake, and Honolulu. The author of many books and articles on international affairs, particularly on Russia and Russian affairs, and a news analyst for the National Broadcasting Corporation, Professor Fisher was also former director of the Civil Affairs Training School and the School for Naval Administration at Stanford.

Upon his departure from Japan he made the following statement:

"The success of General MacArthur's policies in Japan will have great influence on the course of events throughout Asia.

"Several weeks in the Middle East and South East Asia are a good preparation for a visit to Japan.

"The new Asian governments are trying to solve vast economic and political problems. They are doing so under great pressure and they are desperately short handed.

"Most of the leaders of these new states are western trained. Their preference and inclination is to try to solve their problems by democratic rather than totalitarian methods. They need help, not only economic and technological aid, but understanding and sympathy and friendly advice in administration and organization.

"Japan's problems differ in many ways from the problems of South East Asia, but at bottom they are all problems of self-government and self-support.

"For four years the Occupation has been helping the leaders of the new Japan to deal with these issues of self-government and self-support. This has included economic and technological aid and the encouragement of the use of political institutions, of education and of general enlightenment as the agencies of government from the bottom up instead of from the top down.

"The new Japan is bound to play a great role in Asia. General MacArthur's policies are aimed to prepare Japan to plan a constructive and peaceful role. They are based on the belief that governments of the people, by the people, and for the people offer the new hope for a decent and peaceful world.

"In developing American policy toward Asia, Washington should make the most of what has been accomplished in Japan and of the exceptional experiences that has been gained during the occupation.

"The occupation is an extraordinary achievement. Its importance goes far beyond Japan and the United States. In accomplishments and experience are great assets of incomparable value in finding humane and decent solutions of the problems of Asia."

Prime Minister's New Year Message to the Japanese People

Prime Minister Shigeru Yoshida in his New Year message to the Japanese people, published in the press on 1 January, declared that "we are now able to greet the new year with the prospect of a bright, heartwarming future." The Prime Minister pointed out that "we have succeeded in surmounting the unparalleled obstacles" and that "a new epoch of national reconstruction and rehabilitation is dawning upon us."

The message concluded with a note of regret: "There are still large numbers of Japanese who are still detained in Soviet Russia and Communist China."

The full text of the Prime Minister's message was as follows:

"I am glad to have this opportunity to wish you all a Happy New Year and say a few words as we enter upon the year 1950.

"Four and a half years have passed since the war's end. During those years, which cannot be said to be brief though time swiftly flies, we have encountered countless difficulties. The road our nation has travelled is by no means an easy one. But thanks to the indomitable spirit, perseverance, and efforts of you all, we have succeeded in surmounting the unparalleled obstacles, in preserving internal peace and order, improving the food supply, expanding production, and achieving a considerable measure of stability, so that a new epoch of national reconstruction and rehabilitation is dawning upon us.

"Nowadays we hear frequent reports from abroad that the conclusion of a peace treaty is near at hand. This serves only to indicate that the Allied Powers are viewing the progress of Japan with sympathy and hope. We are thus able to greet the new year, picturing for ourselves a bright, heartwarming future.

"I avail myself of this occasion to declare the determination of Japan to all the world not only to redouble her efforts towards national recon-

struction but also to cooperate faithfully with other nations for the promotion of world civilization, prosperity and peace.

"I regret that there are still large numbers of Japanese who are still detained in Soviet Russia and Communist China. It grieves me beyond words to think of the tragic plight of these compatriots of ours, who are spending this New Year's Day on alien soil amid the ice and snows of a bitter-cold winter, and submitting to hard labor and brutal treatment. Fortunately the problem of repatriation of Japanese has come to attract sympathetic world-wide attention, and it is my fervent hope that the way will be found soon to its satisfactory solution."

Prime Minister's Administrative Policy
Address to Seventh Diet

The Seventh Diet session resumed on 23 January following its year-end recess.

On the first day of the session Prime Minister Shigeru Yoshida delivered his long awaited administrative policy address. Touching upon the peace treaty discussions, the Prime Minister declared that Japan's "renunciation of war does not mean abandonment of the right of self-defense." However, Yoshida regarded mutual trust between Japan and "all peace loving democratic people of the world as this country's best guarantee of security."

The Prime Minister declared that Japan now stands on the threshold of national resurgence, adding that "considerable improvement has been brought about in the country's food situation, production is mounting, and trade growing, while the spectre of inflation has vanished."

The Prime Minister hailed the new balanced budget as one of the factors contributing to the nation's economic stabilization and general recovery. He also declared that the Shoup Tax Reform Mission's recommendations were but a starting point in the Government's program to effect a sweeping reform of the nation's taxation system. The Prime Minister also clarified the Government's stand on the question of raising the wage base for public service employees, saying that the Government could not accept the recommendations of the National Personnel Authority.

The address concluded with expressions of gratitude to the United States and Australia for their interest in accelerating the repatriation of Japanese nationals abroad.

Following is the full text of Prime Minister Yoshida's administrative policy address as delivered to the Diet:

"It is gratifying to note that, thanks to sympathetic Allied aid as well as to our own effort during the past four and a half years since the war's end, considerable improvement has been brought about in the food situation of the country; production is mounting; and trade also growing; while the spectre of inflation has vanished with the balancing of the budget. Her morale visibly heightened, Japan now stands on the threshold of national resurgence.

"Economic stabilization has conduced to political stability. Democracy, taking root firmly among our people, is in the process of wholesome development. The fact that the unerring judgment of the nation does not support extremism has been clearly demonstrated by the numbers of votes polled by the respective parties in the successive elections of the past. The labor movement, turning from radical and provocative tendencies to a course of moderation, is now seeking to protect and promote the interest of the working class through legitimate means. The political and economic stability so achieved has won the approval and encouragement of the Allied Powers, who are, as you know, moving toward peace with Japan.

"As for the conditions of our neighboring countries, China remains still a political uncertainty with complications multiplying in her foreign relations. Southeast Asia is also menaced by the activities of Communist elements. We ought to be thankful that Japan alone has been able to greet the New Year in peace, with confidence and fresh resolve to carry out the task of reconstruction. This is the moment, I believe, for all of us to unite in a redoubled effort to achieve national reconstruction and to realize a peace settlement. In the event a peace treaty is concluded, and Japan is restored to the family of nations as a free and active member, our nation will regain its pride, and acquire a new hope, which is bound to reinvigorate the country's economic and political life. I earnestly hope such a day will arrive soon.

"In last session of the Diet the question was debated whether we should want an overall peace or not. All of us would, of course, like to see an overall peace. But the matter depends solely upon world developments, which are utterly beyond our control. Quite naturally, grave concern was also voiced regarding the future security of Japan. Let me say that the key to our security lies in the very determination on our part to abide fully by the solemn declaration of our Constitution, renouncing war and armaments, and to devote ourselves to the cause of world peace, civilization and prosperity with public opinion of other peace-loving nations as our background. Renunciation of war does not mean abandonment of the right of self defense. But when our national policies are dedicated to peace and democracy and when our national will to adhere to those policies at all costs has fostered mutual trust between our country and all peace-loving democratic peoples of the world, then shall we have in this mutual trust the best guarantee for security. I believe that it is such mutual trust that will lead to concerted action by the democracies to ensure the security of Japan in the interest of all.

"Today the Government is submitting a consolidated budget for the coming fiscal year, which has been compiled strictly on the Balanced-budget principle as in the case of the budget for the current year, and which is intended to push vigorously forward the established economic stabilization and rehabilitation programs. It is for the first time since 1931 that our national budget has been balanced for two consecutive years.

"Not only have we balanced revenue and expenditure for the coming year, we have reduced them by some 80,000 million yen as compared with this year. We have cut taxes by 90,000 million yen, and appropriated about 100,000 million yen for public works as a positive contribution toward the country's economic recovery. Besides, in order to further the stabilization of living, substantial sums are set aside for important administrative expenditures, including 40,000 million yen for education, 50,600 million yen for unemployment relief and other welfare measures, and 47,000 million yen for the rehabilitation of disaster-stricken areas.

"Taxation is the starting point of government. Tax reform has been the wish of the nation over long years. The Government has already carried

a sweeping revision of the tax system, central and local, in accordance with the recommendations of Dr. Shoup. It is our intention to further simplify the administrative machinery, to rationalize or amalgamate government organs and government enterprises, in order to realize greater economy and further reduction in taxes. Furthermore we are planning to reform the local administrative structure in line with the findings of the Local Administration Inquiry Commission so as to promote local self-government.

"In view of the vital role of credits in the process of economic recovery, we plan to use government funds to accomodate essential industries, and to issue loans from the Counter-Aid Fund. We will pay special attention to the financing of medium and small enterprises through the granting of long-term loans and other positive measures.

"With respect to the pay base for government service personnel, the Government has arrived at the conclusion that it cannot accept the National Personnel Authority's recommendations. The current pay schedule was fixed only last March by revising actually the old schedule. Since then, the consumer price index has shown a downward trend month after month. To raise the pay base at this juncture would give rise to another price-wage cycle and revive the inflation spiral. The Government has decided, therefore, tosecure the living of its employes by raising their real wage through tax reduction, payment of various allowances, and reinforcement and expansion of welfare services. Of course, the Government does not regard the present pay as entirely adequate, and will study the problem as soon as our treasury resources permit. I desire to request all government workers to stand whatever hardships a while longer and cooperate toward the restoration of our national strength.

"Adjustment and abolition of controls has long been advocated by our party. We have already succeeded during this year in lifting control from a large majority of commodities. We hope we shall be able next year to reduce the remaining items to the minimum.

"The production volumes of mining and manufacturing industries for last year reached 80% of the prewar figures, which means an increase of 18% over the previous year. It should be noted that this quantitative increase

was accompanied by a marked improvement in quality. Our foreign trade, growing steadily, showed last year a two-fold increase in exports. Both import and export has just been transferred from government to private merchants. We are striving to improve trading conditions through conclusion of trade pacts, facilitation of foreign travels, employment of our own ships as they increase in number, and establishment of government organs and branches of private firms abroad.

"While the food situation is taking a turn decidedly for the better, the Government will hold fast to its fundamental policy of promoting self-supply through increased domestic production of foodstuffs. And to that end, we propose to initiate a soil improvement and conservation progran and to maintain floor prices for farm products. We will take all possible steps to improve and stabilize agrarian economy.

"As regards other important matters of administration, they will be explained to you by the competent ministers concerned.

"In conclusion, however, I desire to add a word concerning our compatriots detained abroad. The Japanese Government is profoundly grateful to the governments of the United States and Australia for the action they have recently taken in accordance with the discussion of the Allied Council for Japan relative to inquiry into the conditions of the many Japanese nationals still remaining in Soviet territory. We will continue to do our utmost toward a speedy and complete solution of this problem."

Opposition Critical
of Prime Minister's Policy Address

Criticizing the Prime Minister's administrative policy address to the Seventh Diet, the Opposition singled out those references relating to peace treaty issues and claimed that the address gave the general impression that in the event of war Japan intended to fight on "one side" instead of adhering to the spirit and letter of the constitutional stipulation renouncing war as an instrument of national policy.

This charge was contained in a public statement by Secretary-General Mosaburo Suzuki of the Social Democratic Party. Suzuki went on to say:

"Japan is committed to no other course but to ask for an overall

peace....Renunciation of war and the desire for lasting peace as proclaimed in the Constitution is the primary concern of the nation. It is a bigger thing than the right of self-defense. In this respect, the Prime Minister's policy address regarding the exercise of the right of self-defense is contrary to the will of the people regarding peace. His statement may be interpreted as a preparation for siding with one nation or group of nations in the event of war."

Turning to the question of revising the public service wage base, Suzuki declared that the basic wage of Government personnel should be raised: "The Prime Minister himself admits that it is too low, doesn't he?" Suzuki concluded.

Other Opposition parties spokesmen maintained that the Prime Minister's policy address lacked positive character. This view was summed up in a statement by Secretary-General Tokutaro Kitamura of the opposition faction of the Democratic Party when he pointed out that Prime Minister Yoshida had claimed that the political and economic situation was stable but that in actuality the nation was so far from stability that it was "in the throes of economic crisis and faced with political upheavals." Only on the problem of accelerating the repatriation of Japanese nationals abroad would his party cooperate with the Government, Kitamura asserted.

The Communist Party Diet Members' Group issued the following public statement on 23 January:

"The [Prime Minister's administrative policy] address has made clear the 'traitorous' character of the Yoshida Cabinet. The economic and political stability of which he speaks is nothing but a camouflage for the economic crisis and imperialistic war preparations, while the 'moderation' of the labor movement is another name for the conversion of the movement into another puppet labor union that the militarists sponsored during the war.

"The Yoshida Cabinet condemns the advance of the various Far Eastern peoples toward independence, emancipation, and peace as a threat to the peace of the Far East and is trying to turn Japan into a base for the destruction of Far Eastern and world peace.

"The current situation is not hopeless. Overall peace can be achieved

by cooperation between the Japanese popular democratic front and the forces of peace throughout the world.

"The speech, in short, was calculated to turn Japan into a militaristic colony and to involve the nation in war."

Editorial Reactions to the Prime Minister's Policy Address

The Tokyo metropolitan press was widely critical of the Prime Minister's administrative policy address in their editorial columns on 24 January.

Asahi warned the nation against accepting the Prime Minister's "facile optimism" at its face value. The Asahi editorial stated that the peace treaty was not necessarily close at hand as suggested by Prime Minister Yoshida, and it went on to accuse the Prime Minister of plagiarizing from General MacArthur's New Year's Message to the Japanese people, especially the assertion that Japan's disavowal of war does not mean the abandonment of her right of self-defense. Asahi's editorial characterized as "comical" the Government's proud claim to the first balanced budget since 1931, saying that the balanced budget was compiled at the sacrifice of the livelihood of Government officials and wage-earners.

Mainichi also termed the address as overoptimistic both on domestic and foreign issues, saying that too great reliance "upon others" with regard to the solution of domestic problems would likely result in internal chaos "immediately upon Japan's achievement of independence." Mainichi's editorial further stated that the Prime Minister's comments on international issues when evaluated from the viewpoint of "his status as a politician" were "nothing more than mere euphemisms."

On economic issues, Mainichi maintained that the Government had no reason to crow over its alleged success in reducing taxes when in reality some classes would only benefit by a four yen monthly tax decrease upon balancing the slash in national levies and the increase in local taxes. Such a "propaganda speech" might be acceptable from a Yoshida as president of the Democratic Liberal Party but not as Yoshida as Prime Minister, Mainichi's editorial concluded.

Yomiuri's editorial branded the address as "commonplace" and as containing nothing new. The editorial warned against misinterpreting as a right to rearm the Prime Minister's contention that Japan has not abandoned her right of self-defense. The nation, the editorial asserted, must continue its process of democratization and eradication of all militaristic tendencies.

On the economic side, Yomiuri attacked the "tremendous sums to be spent in retiring the national debt" as a tendency "aggravating present deflationary trends."

Jiji Shimpo bluntly stated that the Prime Minister's most startling statement was but a quotation lifted from General MacArthur's New Year Message to the Japanese people, concluding that the Yoshida had nothing to say on what the nation and the people desired most to know.

A single note of relief from the editorial barrage hurled against the Prime Minister was contained in Nihon Keizai's comment which admitted that the national economy "has been more markedly stabilized this year than in previous years."

Following is the full text of Mainichi's editorial on 23 January:

"In a few words Premier Yoshida's policy speech was very optimistic based on factors deliberately chosen to fit his speech. It is true that there are some optimistic factors, both domestic and foreign, but none of them are of such a nature as to allow us to be optimistic with abandon.

"One of the most important points touched in the Premier's speech is the question of guarantee of security, but in this respect the Premier merely spoke on the spiritual aspect of it, for he said, 'the key to our security lies in the very determination on our part to abide fully by the solemn declaration of our Constitution, renouncing war and armaments, and to devote ourselves to the cause of world peace, civilization and prosperity with public opinion of other peace-loving nations as our background.'

"Perhaps the Premier has something that he cannot officially say. The people are now discussing the more concrete question of permanent neutrality, collective security, or peace treaty and are feeling insecurity with either of them. For the Premier to talk about only the spiritual aspect of the question in his policy speech when the people are more concerned about the concrete aspect of these problems is entirely inadequate by any stretch of the imagination.

"The second important point is the question of the wage scale for Government employees. On this issue the Premier definitely stated that the Government could not comply with the recommendations of the National Personnel Authority. For the reason he stated that prices were declining monthly and that if wages were raised now it would lead to a vicious cycle of prices and wages.

"However, it may be pointed out that, although consumer prices have dropped, the prices of key materials, for which government subsidies are going to be abolished, and railway freightage are on the upward trend. And it is most likely that these will affect prices in general.

"Another most important factor is that during last year wages in private circles went up by some 30 percent on an average. This means that the minimum standards of living of the people have improved a little. Therefore, whatever other reasons there may be, government employees alone should not be excluded from this privilege.

"In private interviews Premier Yoshida displays some characteristics of his own, though they are rather outmoded, but all his formal speeches totally lack enthusiasm and richness in contents. To make matters worse, he is a very poor writer, but he should be able to make his policy speeches much more attractive and convincing and reflective of his character."

Following is the text of the editorial in Nippon Times on 24 January:

"Prime Minister Yoshida's administrative address before the Seventh Diet Monday is marked by a decided tone of optimism, not known to the Japanese people for years since and before the Surrender. Mr. Yoshida has weighed the state of the nation and has found it satisfactory -- at least outwardly.

"'Japan now stands on the threshold of national resurgence,' he has observed, pointing to the increase of production and trade, the favorable food situation, the balanced budget, the economic stability, and the wholesome growth of democracy. Indeed, it must be admitted that the sympathetic aid of the Occupation Forces and the efforts of the people have brought the Japanese nation far along the road to national reconstruction as compared

to the utter state of destruction and the depth of despair into which it was plunged at the time of the war defeat.

"But whether the Prime Minister's optimism is wholly warranted or not is open to question. The Seventh Diet opens its deliberations with a number of critical problems facing it. Politically, the storm which hit the political parties has yet to blow itself out. Following the unenviable pattern of the Democratic Party, the Socialist party is now split into three groups -- the leftists, the centrists, and the rightists. The Communist Party is still groggy from the thrashing it received at the hands of its masters in the Kremlin. The minor parties are doing their best to capitalize on the division of the Socialists. And the Democratic Liberal Party itself has yet to resolve finally the problem of the conservative merger.

"Economically, the budget has been balanced as the Prime Minister has boasted for the second consecutive year -- the first time this has happened since 1931. And with more stress upon public works, the 'stabilization budget' of the current fiscal year is being changed into a 'reconstruction budget.' But the financial stringency still remains and no remedy has been found for the drop in the securities market. Rumors are already being circulated about a 'March financial crisis.' Mr. Yoshida's administrative address does not touch this point.

"Being essentially an agricultural nation as yet with one-half of the nation's population engaged on the farms, the Seventh Diet must be charged with the task of finding a way out of the growing 'panic' among the farmers who view with alarm the possible competition of farm products from abroad. Mr. Yoshida has declared, of course, that the Government will maintain 'its fundamental policy of promoting self-supply' and will 'improve and stabilize agrarian economy.' But without elaboration, that is small comfort to the agricultural communities.

"The administrative address is quite emphatic on the question of the wage base of the civil service employees, declaring that it will not be adjusted to a higher level. This point, the only positive point in the Prime Minister's speech, will surely raise the concerted opposition of the Government's political and labor opponents. Mr. Yoshida's promise of raising the real wages of the workers by tax reduction, payment of allowances, and

expansion of welfare services has a familiar ring. This has been promised time and again before, but without concrete results. The Prime Minister, however, has added a new note by admitting that the present pay is not 'entirely adequate.' This might be considered progress in a way. But the workers and their representatives in the Diet will surely question the logic of Mr. Yoshida stating on the one hand that the nation's economy has been stabilized and on the other that a pay raise at this time would result in a price-wage cycle and a revival of the inflation spiral.

"Despite his optimistic tone on the whole, the Prime Minister has, as in the past, dealt with too many generalities. He has said nothing new. He has added nothing to what has been common knowledge. The people know that their nation has been making tremendous progress. But they also know that there are various and difficult problems which must be faced. They want to know how the Government is prepared to meet them. The Prime Minister, however, apparently does not deem it necessary to explain the concrete details of the administrative policies his Government will pursue.

"Mr. Yoshida, of course, may feel that his Government will be able to weather the Seventh Diet with utmost ease because of the political turmoil among the Opposition parties which has left the Democratic-Liberals in a stronger position than ever before. It is to be hoped that the legislators will not let their personal feuds hamper them from pressing the Government to clarify the administrative policy which the Prime Minister's address failed to reveal, and which the people have a right to know."

Finance Minister's Policy Address

The Government's current financial program was described as one of disinflation by Finance Minister Hayato Ikeda. In his financial policy address delivered to the Seventh Diet on 23 January,--the same day that the Prime Minister delivered his general administrative policy address,--Ikeda discounted those opinions referring to the Government's policies as being inflationary or deflationary. Ikeda cited the ¥80 billion slash in budget appropriations for the 1950-51 fiscal year as an example of the Administration's

attempts to relieve the people's tax burden. The Finance Minister stated that the general account budget for the 1950-51 fiscal year would be ¥661,400,000,000, balanced both as to revenue and expenditures. He reiterated the Prime Minister's announcement that the wage base for public service employees would not be raised, and stated that appropriations for public works projects had been increased to 60 percent over the current budget.

Following are the highlights of Finance Minister Ikeda's financial policy address:

"I. The basic idea in the compilation of the 1950-51 fiscal year budget has no difference from what I told you in the previous Session of the Diet. Now, I will explain the main points of the contents of this budget.

"(1) The first thing is that we have strongly maintained a really well-balanced synthetic budget. In the General Account, both the revenues and the expenditures are 661,400 million yen respectively, and together with the other Special Accounts and the accounts of Government Agencies, this balance of revenues and expenditures is strictly maintained.

"(2) Secondly, the main reduction of expenditures can be noticed in the price-adjustment subsidies.

"Next, the Special Accounts for Foreign Trade, Foodstuff Control and others, as well as the transfers from the General Account to the Rehabilitation Finance Bank and other Government Agencies, have been decreased to a large extent.

"(3) Accompanying the retrenchment of the expenditures, a thorough reform of the tax system is at last going to be enforced in the next fiscal year, as the result of which the total amount of tax collection and stamp revenues, in the revenues of the General Account, is estimated at 444,600 million yen, a decrease of 70 billion yen as compared with this year. Detailed explanation on the tax reform will be made when the bills are presented.

"(4) Fourth, a drastic amount has been estimated for public enterprises or other constructive funds. As the result I believe that it will contribute greatly to the promotion of effective demand, absorption of the unemployed and reconstruction of the general economy in the future.

"(5) Fifth, a large amount has been estimated for repatriation measures, unemployment counter measures, protection of the livelihood of

sufferers, health and hygiene, and other social policies, in order to contribute to the stabilization of the national livelihood.

"Further, concerning expenditures for scientific research expenses for national universities, scholarship funds, preservation of national treasures, and other cultural facilities, we have positively pan planned to push on for our development as a cultural nation.

"(6) Six, there is the question of the redemption of the national debt, a special feature since this year's budget. The redemption of the national debt should be given a specially important position as a means of economic stabilization at the present stage and also as the most certain means of capital accumulation. In its future operation we intend to keep pace with the progress of the economy and take the most prudent attitude.

"(7) Seventh, concerning local finance. We will abolish the local distribution tax system and newly establish the local finance equalization grants system, in order to strengthen the foundations of the finance of local bodies. As for local taxes, considering their connection with the national tax system, we shall increase the additional value tax, fixed assets tax and resident tax, and on the other hand, abolish the immovable property acquisition tax and alleviate the admission tax, etc., thus intending an overall reform of taxation.

"(8) Eighth, I want to say a word about commodity prices and the wage base, which are the basis of this budget bill. Commodity prices will be kept at the present level and we shall try to strengthen their stability and lead them on to a still decreasing tendency.

"Especially, as to the wage base for the public service personnel, the Government decided not to change the present base despite the recommendation for revision by the National Personnel Authority.

"II. Next, I want to state in short our view on the fundamental policy of banking measure which is unseparable from our financial measures.

"(1) In view of the important position of the private finance occupying in the national economy, the Government wants to maintain reasonable amount of circulation of currency in order to promote the smooth improvement of national economy.

"(2) The points on which the Government put the most importance concerning the supply of fund are those of long-term equipment fund, agriculture and marine produce fund and the small and middle size enterprise fund.

"(3) As the long-term fund is generally to be prepared with own-fund of enterprises, the Government wants to promote the ground to make the procurement of their own fund easy.

"(4) As for the ordinary rate of interest on loan of the financial institutions in the city, we think it proper in view of the international position of Japan's economy, to reduce the rate of interest by 2 per cent, and it was decided as a general rule, to reduce by 2 per cent on and from Feb. 1st.

"(5) Then I should like to speak on deposit.

"It is a matter of congratulation that the results of the deposit for the fiscal year 1948-1949 proved so successful as to exceed ¥250,000 million, the goal amount at the end of last year, and that the ratio between the deposits and the currency, and the ratio of long term deposit in the total amount of the deposit have been coming back to the sound normal condition of the pre-war time.

"Then I should like to express my opinion on the problem of the balance of the international outlay and inlay.

"Today when the domestic economy has just been stabilized, it is important task assigned on Japan's economy to realize the improvement of the balance of the international expenditures and income.

"First of all, the Government will take measures to develop exportations. The Government will hereafter promote the fixed policy, and, at the same time, the Government has scheduled to devise to make the civil trade active according to the new system which was established the other day, and to take various positive measures for the improvement of the invisible trade balance. And through all measures, the government wants to make preparations to our economy independent to meet the gradually decreased American Aids.

"The ground of the government's policy is disinflation, but not deflation. It is needless to say it is not inflation.

"The budget for the fiscal year 1949-1950 is to strengthen

the stabilization on the base of disinflation which was already established, and then to promote the national economy from the stabilization to rehabilitation."

ESB Director-General Delivers Economic Policy Address

In his economic policy address to the Seventh Diet on 23 January, Director-General Takayoshi Aoki of the Economic Stabilization Board stated that the Government would utilize to the maximum an estimated ¥158 billion in the Counterpart Fund of United States Aid to Japan during the 1950-51 fiscal year for the purpose of increasing the nation's export trade, bolster export industries, promote industrial technology, rationalize industry, develop power resources, and for soil conservation and flood control projects.

Regarding other economic policies, Aoki declared:

"Japan is still in excess of a huge sum of imports, and the deficiencies are remedied by the aid of the United States. We must also admit that resuscitation of the country has not made such progress as we expected, that the capital of enterprises has been depleted, and that the foundation for the future development of Japan's economy is not sufficient as yet. As the policy of the Government for this, we have taken measures to promote trade. As regards the export trade, we abolished the license system of the Government as a principle as from December 1st, 1949, and the business circles have been emancipated from the previous complicated formalities, and have come to be able to engage in export business very freely. As regards the import trade, the previous Government importation was changed into non-official importation on a large scale as from January 1st, 1950, and the budget of foreign currences for the receiving account of $171 millions and for the paying account of $148 millions for January to March, 1950, has already been prepared, and the first step toward carrying out non-Government importation has been started.

"Simultaneously with this, it is necessary to further strongly various other policies. It is required (1) to look to extend oversea export markets; (2) to look to improve trade conditions; and (3) to speed overall rationalization of industries. Especially with regard to export industries, we intend

to treat security of materials, funds, etc., with top priority, and to strive to promote their growth.

"Next comes the question of medium and small enterprises. The Government is bending its efforts as far as feasible in strengthening the contents of the enterprises, in financial disposition, in guiding technique, etc., along the lines of the actual situation of the minor enterprises in Japan.

"Further, in connection with these policies, we are putting out our efforts in the question of revaluation of assets, looking forward to its smooth operation and ample results. The bringing up of the economic basis is also important for the agricultural production. The Government, keeping this point in mind, intends to carry out various agricultural policies such as restoration of arable land and damages, irrigation, land improvement, etc., for the security of the basis for agricultural production as far as the national resources permit, and thus contribute to the stability of agricultural management.

"As for the fishery, we intend to maintain and bring up the fishery resources and promote their utilization as much as possible. In enforcing these policies, the Government intends to make further efforts for the plan and improvement of the early and effective use of the counterpart fund.

"In view of the favorable production of cement, iron and steel, the Government will make utmost efforts in the fiscal sphere for the increase of public work expenses, placing an emphasis on the restoration of damages, afforestation and embankment and for obtaining construction funds, such as new appropriation of housing funds, into the budget as far as the financial power permits.

"If the above-mentioned policies are put into force properly and pertinently, the prospect of trade for the 1950-51 fiscal year will be about 1,000 million dollars for import and more than 600 million dollars for export. The export will be increased by 20 per cent as compared with the projected export for the 1949-50 fiscal year.

"Finally, as to the stability of the national living, its standard will not be changed so much and will continue as is at present. The Government is intending to normalise the price structure and maintain the international price legal based on the 360 yen exchange rate, and thus to increase the real

wage, checking the rise of living expenses....

"....Those who harp on the spectre of economic instability [Aoki concluded] are doing so for some ulterior motives."

1950-51 Budget Bills Presented to Diet

Three budget bills for the 1950-51 fiscal year,--the General Account, the Special Account, and the Government Corporation budget bills,--were submitted by the Government to the Diet on 21 January. The three bills which made up the overall national budget,--Japan's first reduced budget in fifteen years and the second of the so-called "Dodge balanced budgets",--provided for a total sum of ¥661,406,000,000 in the General Account. The Special Account called for revenues totalling ¥1,740,072,000,000 as against expenditures totalling ¥1,697,607,000,000. The third bill, the Government Corporation Budget, called for an outlay of ¥1,291,027,000,000 and an income of ¥1,411,072,000,000. (For other details, see Review of Government and Politics in Japan, December 1949).

Directors of the Budget Committee of the House of Representatives on 25 January agreed on the following schedule for budget deliberations.

26 - 28 January	:	Explanation by government officials
30 January - 9 February	:	Interpellations
10 - 11 February	:	Public Hearings
13 - 16 February	:	Interpellations
17 - 18 February	:	Deliberation in sub-committees
20 February	:	Reports by sub-committees
21 February	:	Determination of each political party's attitude
22 February	:	Debate and final vote.

Editorial Comment on Government's Tax Revision Plan

Nihon Keizai on 19 January carried the following editorial commenting on the Government's proposed tax revision plan:

"The Government has now formulated an outline of revision of the national tax on the basis of the recommendations made by Dr. Shoup, and is expected to

be able to complete in the near future revision of the local taxes which are inseparably related to the national tax.

"According to the present plan, a total reduction of ¥71,000 million is to be made in the national tax and an increase of ¥36,000 million in local taxes, which would result in a total reduction of ¥35,000 million as compared with the total amount of tax receipts for the current year. This is a reduction of a little more than 5 percent of the total receipts from the national and local taxes amounting to ¥660,000 million for the current fiscal year, excluding profits on Government monopolies.

"In view of the fact that the 5 percent slash in taxes is on the total tax receipts of the Government both from national and local taxes, the tax burden of each individual will naturally be quite different even if the tax evasions committed in the past are not taken into account. That is the very reason why criticisms are made that the tax reduction made for workers is much too small or that the rate of tax reduction for persons of large income is rather too high.

"As details of local tax revision has not yet been clarified, it is not quite clear what reduction in the tax burden of each individual will really be made, and some are of the opinion that the individual tax burden will become heavier than in the past. Furthermore, if price changes resulting from the reduction of indirect taxes and the slash in the government subsidies are taken into account, diverse calculations and opinions are made and expressed regarding the percentage of tax in the cost of living to each individual.

"According to the announcement made by the Government, the tax burden of unmarried workers obtaining an annual earned income of ¥50,000 will be slightly reduced from the present percentage of 9.77 to 9.65 percent, bringing about a mere 0.04 percent reduction in the cost of living. In the case of married men with two children obtaining an annual income of ¥150,000, the tax burden will be decreased from the present 10.57 percent to 8.22 percent. This will reduce cost of living by 4.19 percent.

"The slight tax reduction, such as mentioned above, will not really be felt by taxpayers. Moreover, it is most likely that the slight reduction will be offset by price changes and other economic conditions. It is, therefore, necessary that a tax reduction which everybody can feel be made by further trimming the spending program of the Government and after seeing

the result of the present tax reduction."

Opposition Interpellations
on Prime Minister's Policy

One or two highlights of Opposition parties' interpellations on the administrative policy addresses need be recorded here.

Shoichi Miyake, Social Democratic Party member of the House of Representatives, on 25 January called for the dissolution of the House to sound out public opinion on the peace treaty issue, on the general political situation, and as a "drastic reorientation of economic policy." After attacking the Administration for its "general attitude of disregard of the Diet," the laws and regulations, and the general despotic attitude of the Prime Minister, Miyake urged speedy enforcement of a social security system and the drafting of a third land reform program.

"Should the policies of the Yoshida Cabinet continue, complete independence will never come even after a peace treaty is concluded," Communist leader Sanzo Nosaka charged in the same plenary session of the House of Representatives on 25 January. Nosaka declared that Japan would be transformed into a military base "before the people became aware of it," adding that "subordination to a foreign power" was progressing in the economic, political, and cultural spheres, as well as in all fields of the people's livelihood. Charging that the Yoshida Cabinet desired a separate peace treaty in order "to legalize and make this situation permanent," the Communist leader contended that "only an overall peace with all nations concerned will save Japan and that is what the people want."

In the plenary session of the House of Representatives on the night of 26 January, Kanichi Kawakami, Communist interpellator, continued his colleague Nosaka's line of criticisms against the Government's policy of "catering" to foreign interests at the expense of Japan. His most pointed statements were as follows:

"1. The world economic panic centering around the U.S.A. is growing worse and its influence soon will be extended to Japan. The Yoshida government has no independent economic policy of its own.

"2. The Japanese people oppose the heavy tax burden imposed by the government in order to make possible redemption of 120 billion yen of the national debt, a measure which does nothing more than place Japanese economy under the influence of international capitalists.

"3. The government has leavied heavy tax burdens on the shoulders of Japanese nationals but is preparing to reduce taxes on foreigners.

"4. The government is trying to promote foreign investments in Japan..... This is not of benefit to our country.

"5. Abolition or reduction of subsidies for price adjustment is one means of colonising Japan at the expense of laborers and farmers.

"6. The government's plan of turning the management of the electric power and communication industries over to a public corporation and of transferring the national railways to private control means turning these enterprises over to foreign interests.

"7. Abandoning protective tariffs, which the government proposes, will ruin Japan's economy.

"8. Although the Finance Minister says that the Counterpart Fund is a burden on the American people, I am of the opinion that the burden is falling on the Japanese."

Although Prime Minister Yoshida made no reply, Finance Minister Hayato Ikeda countered with the following statement:

"We hope to encourage foreign investments for the sake of Japan's reconstruction, not in the interests of the foreign countries....The statement that the Counterpart Fund is a burden on the Japanese people is preposterous.... Limiting tariffs is necessary for Japan's economic development."

Director-General Takayoshi Aoki of the Economic Stabilization Board added:

"Price subsidies have been reduced to a minimum in order to offset price increases -- not to reduce Japan to a colony status."

Telecommunications Minister Seaki Ozawa replied that the Government was not planning to nationalise communication enterprises or to transfer national railways to private control.

Finance Minister Ikeda speaking earlier in the plenary session of the House of Councillors had flatly denied the possibility of an economic crises developing in March. He based his assertion on several factors including the

yearly increasing tax collections, Government payments to be made in February and March for rice deliveries, and more U. S. Aid Counterpart Fund to be made available. The Finance Minister also reiterated an earlier statement that both wages and commodity prices were becoming stabilized while production was increasing.

Ikeda further defended the Government's policy to maintain the "disinflation" policy in its economic and financial programs, and reiterated the Government's position rejecting the National Personnel Authority's recommendations for increase in the public service wage base on the ground that the NPA advice would necessitate the "defrayal of the enormous sum of ¥60,000,000,000."

ESB Director-General Aoki in the same session declared that "the much-dreaded stabilization crisis" would be averted by speedy treasury disbursements, release of Counterpart Funds, and the Bank of Japan's open market operation. Aoki expressed the belief that "effective demand" would rise during 1950-51 fiscal year through increased exports and more domestic investment.

In the same session, Agriculture and Forestry Minister Kotaro Mori declared that he wished to increase the nation's self-sufficiency in foodstuffs. Mori revealed that the export of silk, which was once poor, had recently recovered due to increased demands from Europe.

Referring to the monetary stringency in agrarian districts, Mori stated that the Government intended to extend long-term loans to farming and fishing villages from the Counterpart Fund of the U.S. Aid by discounting agricultural and fishery bills.

In this connection, Prime Minister Yoshida declared that the Government was putting through a request to SCAP officials for a further expansion of fishing areas enclosed by the so-called "MacArthur line." He declared that SCAP authorities "are enthusiastic about the matter."

Prime Minister and Democratic Liberal Party Spokesman
Reply to Interpellations on Peace Issues

Opposition parties interpellators in both Houses of the Diet on 25-26 January hammered away at Prime Minister Yoshida on the subjects of the coming peace treaty and Japan's right of self-defense.

In the plenary session of the House of Representatives on 25 January,

Takeo Miki (People's Cooperative), representing the New Political Council, said:

"At present, leaving the peace treaty problem entirely in the hands of the Allied Powers, who are doing their best in the interests of Japan, is preferable to insisting on a settlement in the form of a separate peace treaty. The stand the Prime Minister has taken will divide Japanese public opinion."

Prime Minister Yoshida replied:

"If I remember correctly, I have never committed myself on whether a separate or overall peace treaty is preferable. We can win the trust of the Allied Powers if we are faithful to our Constitutional renunciation of war and if we continue to democratize Japan. Then, I believe, the peace treaty which the Japanese people wish for will be realized."

Replying directly to Communist Sanzo Nosaka, the Prime Minister stated that the Government was neither informed nor had it been formally approached on the question of military bases. Yoshida went on to declare that the peace treaty must receive the approval of the Diet under the provisions of the Constitution, and that he intended neither to negotiate a separate peace nor to conclude a final peace settlement "behind the backs of the people." The Prime Minister further stated that the introduction of foreign capital would not "colonialize Japan," as claimed by the Communists.

In the plenary session of the House of Councillors on the afternoon of 25 January, Social Democrat Hiroo Wada interpellated Prime Minister Yoshida as follows:

"The eyes of all nations are turning from Europe to Asia. As a result of recognition of Red China by several nations, and in the light of Secretary of State Acheson's statement, indications are that Japan's peace treaty cannot be expected to materialize soon. In his administrative policy address, the Prime Minister made no reference to objective conditions of the world, although he quoted from General MacArthur's New Year's Day message. Neither did the Prime Minister express any definite opinion on this country's attitude toward the peace. The nation is asking for a clear-cut policy. What does the Prime Minister have to say?"

The Prime Minister replied:

"The interpellator asked for a concrete explanation of the international situation and the peace treaty problem. Having no diplomatic organs abroad at present, it is impossible for us to know the objective situation in detail. Hence, let me express my own subjective views. It seems that the feelings of the Allied Powers toward Japan have been improving steadily since the termination of the war. It is a matter of joy to us to hear voices raised urging the reconstruction of Japan and the acceleration of a peace treaty. However, Japan's former hostile acts, which lasted for so long a time, are still remembered. All countries are directing their attention to the possible development of communism in Japan, as a result of the Red inroads in China. I believe it is important to show that Japan's stability can contribute to the maintenance of world peace. The feeling for Japan is gradually improving even in Australia. Furthermore, even in Asia there are some countries which want Japan to become a stabilizing power in the Far East."

Also interpellating in the plenary session of the House of Counsillors on 26 January, Democratic member Junichi Suzuki stated:

"The Prime Minister referred to the right of self-defense. Our security can only be maintained if the whole world is at peace. If we should give another country a military base, we might become involved in a war. Thus, our Constitution, wherein we have renounced war, will be but a mere scrap of paper, and the overall peace which we desire will be out of our reach....The Prime Minister has often said that a conservative party merger is necessary in the light of the coming peace treaty. Such a merger may, I fear, hinder the democratization of Japan. Preparations for the peace conference should be made on the basis of peaceful cooperation of the entire nation."

The Prime Minister replied:

"Although we have renounced war, I believe we still have the right of self-defense. Just as the samurai could defend himself after he was forbidden to wear a sword at his side, so the country can defend itself without arms.... We have not negotiated with any nation on the question of military bases.... I am convinced that a merger of all conservative parties is desirable. If all people with the same opinions form a large political party and thus take charge of administration....peace will materialize sooner."

Continuing the interpellations in the House of Councillors on 27 January, Hiseyoshi Ogawa (Shinsei Club) stated:

"Invoking the 'right of self-defense' will hamper national security..... I want to hear the Prime Minister's concrete views on whether diplomacy is included in his concept of the right of self-defense and whether troops will be stationed in Japan after the conclusion of a peace treaty."

The Prime Minister replied:

"I don't believe self-defence will destroy security. Security depends upon the world's confidence in Japan. In substance, the right of self-defense means taking an action designed to meet a change in conditions, and it cannot be explained concretely."

Goro Hani (Independent) criticized the Prime Minister's advocacy of a separate peace, declaring:

"In such times, when the United States and the U.S.S.R. possess atomic bombs, it is conceivable that Japan may become a battleground if its national security is achieved only by a peace treaty with one nation....Is the Prime Minister grieved or delighted over the unfriendly relations now existing between the United States and the Soviet Union?"

The Prime Minister replied:

"I cannot give a straight answer to such an ambiguous question."

In reply to Sadasuke Takakura (Farmers' Cooperative) in the plenary session of the House of Representatives on 27 January, who contended that appointment of a full-time Foreign Minister was essential at this time from the point of view of diplomacy, the Prime Minister (who is concurrently Foreign Minister) stated: "I have no intention of making such an appointment now."

Reversing its 23 January decision not to interpellate the Prime Minister, the Democratic Liberal Party on 27 January requested the Steering Committee of the House of Representatives to allocate 40 minutes of speaking time to Chairman Jiro Hoshijima of the party's Executive Board, whose "question will lay the basis for the Prime Minister's clarification of important issues." The Steering Committee granted the request, and at the same time authorized one urgent interpellation by a Communist spokesman and one by either a Social Democrat or Opposition Democrat.

Amidst thunderous applause, cheers, and jeers in the plenary session

of the House of Representatives on the afternoon of 28 January, Jiro Hoshijima, speaking for the Democratic Liberal Party, and followed by the Prime Minister, blasted the Communist Party repeatedly as they spoke to clarify the Government's stand on the questions of security and peace treaty issues.

In a 35-minute speech, a detailed exposition of the Government's ideas on the separate-versus-overall peace treaty, Japan's territorial rights, security, and preparations for peace, Hoshijima paved the way for Prime Minister Yoshida's final statement on the topic which had been the keynote of all 17 interpellations since delivery of the Government's administrative policy address on 23 January.

Following are the pertinent points of Hoshijima's address:

"Since arguments advanced by the opposition parties tend to create doubt in the minds of the people about the peace treaty problem, it is advisable to clarify the government's stand. Is a single or an overall peace treaty most desirable? The answer must be based on a strictly legal interpretation of international law, as well as on an appraisal of the objective situation, rather than on political party philosophies and desires. Naturally, not a single person would oppose an overall peace, were that possible. What is meant by a single peace? When several countries are at war and one retires and concludes a peace treaty with one of the participants while war among the others still continues, that is a single peace. An example is the case of Russia during World War I. But today, five years after the termination of all hostilities, there can be no analogy. Even the Treaty of Versailles was not a true overall peace, for China did not ratify it for two and one-half years. Overall peace is only an ideal. If Mr. Nosaka is so desirous of an overall peace, he should address his demands to Russia, not to the Prime Minister. Many countries think that the time is ripe for concluding a Japanese peace treaty. I refer to opinions expressed in the Colombo Conference early this month, to those of the Chinese Nationalists in Formosa, and to that of Canadian Foreign Minister Pearson. Only a certain country will persist in strict adherence to a rigid formula. We are fortunate to have had five years of reconstruction under General MacArthur's help. It is what the Prime Minister has aptly called 'a peace treaty concluded day by day.'

But it is high time that Japan be given a chance to reenter the international society with new hope and new pride. Instead of delaying the peace treaty too long, it is more practical to conclude a treaty with those nations who are willing. If a few of the Allied Powers were to delay the peace treaty indefinitely, our present situation as an occupied nation would continue forever; that would be intolerable to the Japanese people. Our people's hopes for a 1950 peace treaty are high, but Mr. Nosaka is trying to throw cold water on that burning desire in order to undermine the friendly feeling of the Japanese for the United States. I regret that Mr. Kitamura (anti-coalition Democrat) has voiced opinions similar to those of Mr. Nosaka.

"Will Japan be endangered if a peace treaty is concluded with some but not all nations? Our relations with such nations will be covered by the Instrument of Surrender, which would still exist even if some countries did not sign a peace treaty with Japan.

"Mr. Nosaka calls for a strict observance of the terms of the Yalta Agreement, a secret agreement known only to the United States, Great Britain and Russia at the time of the signing of the Instrument of Surrender. The Potsdam Declaration is more binding on Japan. Article 9 of the Potsdam Declaration provides for the disarming of all military forces and their return to their homes. Only the Soviet Union has failed to abide by it. Why doesn't Mr. Nosaka rebuke the Soviet Union for thus delaying repatriation and peace?

"The people of the Kurile Islands have always led a peaceful and productive life. It is the sincere and earnest desire of the Japanese people that the southern Kuriles be returned to Japan. It is our belief that this is possible under Article 8 of the Potsdam Declaration, which limits Japan's sovereignty to the four main islands and 'such minor islands' as may be determined.

"Various political parties and individuals have expressed divergent ideas on Japan's prospects for security. This will give foreign countries the idea that Japanese thinking is confused. Such an impression must be arrested. Permanent neutrality is most desirable; Article 9 of the Constitution is the spirit by which Japan shall abide. I wholeheartedly endorse Mr. Yoshida's statement that 'the only way to regain the confidence of the Allies and to be guaranteed security is to thoroughly democratize Japan and

follow the spirit of Article 9 of the Constitution.' Since all countries surrounding Japan are members of the United Nations, Japan's security would be guaranteed if she were admitted into the United Nations.

"There is nothing else for us to do but to demilitarize and democratize Japan. We must repulse all attempts by a minority group to establish a reign of terror and autocracy. Japan's ideas and efforts must be directed toward respect for human freedom. However loud the Communists may shout their brand of patriotism, the Japanese people will never believe them. The Japan Communist Party's bowing to the Cominform and to the Chinese Communists will lead to the enslavement of Japan."

Prime Minister Yoshida followed Hoshijima with the following statement:

"It is incomprehensible to me that people should argue so much about whether a single or an overall peace is preferable. Everyone must agree with me in my desire for a conclusion to the state of war at the earliest possible date. I sincerely hope Japan will be able to take her place among the civilized nations of the world. The Communist party may not hope so, but the Japanese people as a whole do. It is the Communist Party that is delaying the conclusion of a peace treaty. It is the Communists who are chauvinistic and who follow a policy of aggression. Fascism, autocracy,--that is what they advocate. I am at a loss to understand Mr. Nosaka's state of mind when, under the name of patriotism, he calls us 'traitors'.

"The Government will do its best to see that Japan will truly hold to its renunciation of war and become thoroughly democratized. I agree with Mr. Hoshijima in hoping that we will be able to establish peace, regain the world's confidence, and return to membership in the society of nations."

Prime Minister Yoshida refused to answer Shigeo Kamiyama, the Communist "urgent" interpellator on the ground that Kamiyama's remarks were inaudible. The Communist spokesman's statement had been drowned out by wild heckling from the Democratic Liberal bench.

Educators Issue Statement
Favoring Overall Peace

A statement issued by a group composed of 60 educators and men of affairs on 16 January declared that should the Japanese people be allowed to express

their wishes they would desire nothing less than an overall peace. The statement went on to assert that the Japanese people ardently hope for international assurances for the preservation of their neutrality and freedom from foreign aggression, as well as participation in the United Nations. For these reasons, the declaration said, the Japanese people are stubbornly opposed to the lease of military bases to any foreign country under any circumstances.

The statement, issued in the name of the Peace Problems Council (Heiwa Mondai Danwa-kai), of which Yoshishige Abe, president of the Gakushuin (formerly Peers' School), and including such educators as Goro Hani, member of the House of Councillors, Professor Takeo Kuwahara of Kyoto University, Professor Seido Maruyama of Tokyo University, was as follows:

"The occupation of Japan by the Allied Forces has given an important stimulant and foundation to this country. Everyone will accept this fact. It is to be pointed out that a further development of the democratization of Japan is up to the responsibility and will of the people of this country.

"In other words, to precipitate the development, it is absolutely necessary to establish the relations of free traffic and sincere cooperation with various nations of the world, through the signing of a peace treaty. Termination of the occupation and the conclusion of a peace treaty are the pressing demand of all the Japanese people.

"To realize the demanded peace in its real sense, it is necessary that the peace shall be complete in both form and contents. Otherwise, it will increase the danger of a new war. In this sense, the peace should be overall in nature.

"Inasmuch as Japan surrendered to all the Allied Powers by accepting the Potsdam Proclamation, it is only natural that it should restore peaceful relations with all the Allied Powers.

"After a series of sincere discussions, we have reached the following conclusion: Before explaining it, we wish to point out two axioms. In the first place, we wish to call attention to our sacred duty to contribute to world peace in accordance with the peaceful spirit embodied in our Constitution. The second axiom is our desire to attain economic self-sufficiency as early

as possible so that no burden is caused to foreign countries.

"Japan's economic independence presupposes wider, closer and freer trade relationships with Asiatic countries, notably China.

"It is, however, needless to say that these relationships could not be established before the materialization of a general peace.

"Such a separate peace as has been reported abroad might inevitably lead to cutting bonds between Japan, and China and other countries. It will also compel the nation's economy to depend on specific countries or make Japan a subject country to them.

"It would be a logical consequence that the loss of economic autarchy might eventually result in the forfeiture of political independence.

"The loss of economic independence will bring about a degeneration in the national life and she will finally find herself becoming a latent menace to peace in spite of her wish to the contrary.

"We choose the economic and political independence of this country rather than the immediate gains which the reported separate peace is likely promises this nation.

"Various disputes over the peace have apparently resulted from the existence of the two worlds.

"Nevertheless, the fact that incessant efforts are being made by the two worlds to adjust their general relationships and at the same time to effect a general relationships and at the same time to effect a general peace for Japan will strongly encourage our belief in their peaceful co-existence and our wish for a general peace.

"As long as we remain loyal to the peaceful spirit of our Constitution, we believe that we are asked to take a positive attitude in attempting to bring about harmony between the two worlds, rather than leaving the peace issue to the movement of the international political situation.

"In compensating for the war in the past, we have the responsibility of making a step forward to the difficult task of rapprochement or adjustment of the two worlds, through the peace conference.

"The so-called separate peace will make this country side with one of the opposing worlds. Although ties with one world will thus be tightened, the state of war with another will still continue. Such a situation might

cause unhappy enemy relations, thereby eventually world conflict.

"As regards a post-treaty guarantee, we long for an inviolable neutrality and at the same time want to participate in the United Nations organizations. The organizations, as shown in its charter, are a crystalization in this era of humanity's efforts for peace exerted since long before. Together with the peoples of the world, we rely greatly on the United Nations organizations and expect a great deal from them. We are encouraged anew when we learn that we are accorded, internationally and domestically, various rights, social and economic in particular, which are indicated in the Declaration of Human Rights which the United Nations general assembly adopted in its third session. It is clear that the inviolable neutrality and the participation in the U.N. organizations is possible only after conclusion of an overall peace treaty. We cannot approve conclusion of any military agreement with a specific power or lease of military bases to a specific country as a result of a separate peace, under whatever names they may occur.

"Such will be against the preamble and Article 9 of the Constitution and furthermore will lead Japan to destruction. A bright future will be in store for Japan only when she implements thoroughgoingly the spirit for peace and pursue her course of own independence with courage."

The following editorial in Nippon Times on 27 January reflected the views of other metropolitan papers on peace issues:

"The question of Japan's right of self-defense is proving to be one of the most controversial issues before the Diet which is now discussing the Government's administrative policies as revealed in the addresses by the Prime Minister, Finance Minister, and the Economic Stabilization Board Director-General. Debates on this question are a continuation of the heated discussions which took place at the outset of the Sixth Diet on the problem of a peace treaty for Japan.

"Such questions concerning a peace treaty and the right of self-defense are, to be sure, hypothetical and academic as yet. But they are nonetheless of utmost interest to the Japanese people and deserve to be discussed at full length by their representatives. The interest of the people itself is hardly academic, for they see themselves in the vortex of a great global conflict

between two clashing ideologies. How Japan will be able to maintain its independent status in the future will depend to a decisive degree upon the type of peace treaty -- whether with separate or all nations -- it will attain and upon whether or not it has the right to defend itself against foreign aggression.

"The anxiety of the Japanese people is heightened by the loosening of the atomic power in a world where realpolitik still governs international relations in the final showdown. Progress has been made, of course, to place the relationship between nations on a rational and peaceful basis, but that progress in its present limited scope offers little assurance to a nation which has by choice completely stripped itself of the means of self-defense.

"The signs of international banditry and the utter disregard of rules governing the courtesy and respect between nations are too close at hand for the Japanese people to remain indifferent to the problems concerning their future security. It is thus that the legislators are taking up this question of the Japanese peace treaty and of Japan's right of self-defense, although no one is in a position even to predict when a peace conference will be held.

"The question of self-defense was brought to the fore when General MacArthur, praising Japan's constitutional renunciation of war in his New Year message, declared that 'by no sophistry of reasoning can it be interpreted as complete negation of the inalienable right of self-defense against unprovoked attack...' Prime Minister Yoshida also declared in his administrative address that 'renunciation of war does not mean abandonment of the right of self-defense.'

"It would seem that the problem would merely concern the interpretation of the constitutional provision stating that 'war...is forever renounced as a means of settling disputes with other nations' and that military, naval and air forces will never be authorized while the nation's right of belligerency will not be recognized. But the issue goes beyond that. For to recognize Japan's right of self-defense will mean that the nation being itself unarmed must depend upon others to defend it in the event of aggression or to provide facilities to guard against such predatory designs. But if it is interpreted

that Japan has forfeited the right of self-defense, its protection by other friendly nations would be out of the question.

"In an ideal world of complete peace, such an issue would never be brought up. But this is hardly an ideal world. The hard reality is that the age-old dreams of world conquest are very much alive as seen from recent events in the Far East. If all were moonlight and roses, Japan would have had its peace treaty on an over-all basis with all the nations long ago, and the Japanese people would not have to feel the slightest anxiety over their future security.

"What the current debates in the Diet on the questions of the peace, security, and self-defense are proving is that there is a basic conflict between idealism and realism. Aside from the Communists, whose ulterior motives as the slaves of the Kremlin have been so clearly proved recently, the Opposition legislators are pointing out ideal conditions under which Japan might seek a peace treaty and security. But it is also necessary to look upon the realistic aspects of the world situation. Idealism, of course, has a definite place in the national thinking and must be preserved, but it should not preclude the grasping of the real and actual facts of the conditions surrounding this nation.

"A common peace treaty with all the nations which would then guarantee Japan's security would be ideal and would be universally welcomed. But its alternatives must also be considered since a part of the world is still engaged in brute international banditry. The course open to the Japanese under the present circumstances is to hold firmly to their pledge of war renunciation which combines the highest idealism with practical realism, and to have unbounded faith in those nations and those peoples who share common ideals in meeting the realities of the current international situation."

Japan Farmers Union Holds Unity Convention:
Decides Policy

The Japan Farmers Union held a two-day "unification" convention in Education Hall, Kanda, Tokyo, on 14-15 January.

The union, since its establishment in February 1946, has continuously

been torn by dissensions. In February 1947, Rikizo Hirano (who was Agriculture and Forestry Minister in the Katayama Cabinet and later purged), and his followers deserted the union to set up the rival National Farmers Union. In April 1948, the JFU was again split into two factions,--the "Independence" faction led by Masaru Nomizo (who succeeded Hirano as Agriculture and Forestry Minister in the Katayama Cabinet), and Soji Okada; and the "Unity" faction led by Hisao Kuroda, Asao Miyawaki, and Masahide Shimoseka. The former supports the Social Democratic Party and the latter the Labor-Farmer Party. Kuroda's withdrawal from the pro-Communist activities in July of last year paved the way for the unification of the union.

The JFU's convention, which was attended by 272 delegates representing farm organizations in 32 prefectures, decided on an action policy calling for "struggles against exploitation of the working masses by monopoly capital" and "struggles against reactionary forces nesting in Japan's farming communities."

The convention adopted the following four platforms designed to bring about the unification of the agrarian front:

1. Tax reductions and rationalization of various taxes to be levied on farmers.

2. The rice prices to be fixed at a level covering production costs.

3. Limitation of import of food from other countries with an eye to stabilizing the demand and supply of domestic foodstuffs.

4. Reduction of land tax and land lease rates.

By reactionary forces "nesting in Japan's farming communities," the JFU rejected "the fascist tendencies" of rightist groups and "the mechanical guidance of the Communist Party."

Hisao Kuroda of the "Unity" faction and Masaru Nomizo of the "Independence" faction were designated as Supreme Commissioners of the Japan Farmers Union at the second-day session of the bi-factional national convention on 15 January. Tadashi Yaoita of the "Independence" faction was named Secretary-General. The posts of chairman and vice-chairman were left vacant for the present.

A Central Executive Committee comprising of 16 members of the "Independence" faction and 8 members of the "Unity" faction, and Ryoichi Oka,

Social Democrat from Ishikawa Prefecture, representing the local unions, was chosen.

State Minister Kimura Resigns

State Minister Kozaburo Kimura (Director-General of the Local Autonomy Agency) resigned from the Cabinet on 20 January. The resignation of the erstwhile coalitionist Cabinet member was accepted by the Government on the following day. The immediate cause of the resignation was Kimura's transfer to the opposition faction of the Democratic Party. On 21 January, five other members of the coalitionist faction of the Democratic Party followed Kimura into the opposition faction.

Immediately following his withdrawal from the Cabinet, Kimura issued the following press statement:

"My idea has been and will continue to be to bring about stability of the political situation through reunification of the now-split Democratic Party and thus pave the way toward the conclusion of Japan's peace treaty.... I will continue to move along this line. I have been guided by the conviction that politicians should clarify their stand whenever they are faced with a new situation. So I resigned. It is natural that I should resign since the coalitionist faction of the Democratic Party of which I am a member is about to be absorbed by the Democratic Liberal Party."

Arai Named Temporary Chairman of the Public Corporation Arbitration Commission

Prime Minister Shigeru Yoshida on 10 January designated Seiichiro Arai of the Administrative Management Agency of the Prime Minister's Office as acting chairman of the Public Corporation Arbitration Commission during the absence of Chairman Itsutaro Suehiro, who was on a visit to the United States.

Tsubokawa Appointed Parliamentary Vice-Minister for Postal Services

On 27 January, the Government announced the appointment of Shinso Tsubokawa (coalitionist Democratic member of the House of Representatives)

as Parliamentary Vice-Minister for Postal Services to succeed An Yoshida, who resigned from the post to participate in the movement headed by ex-State Minister Kozaemon Kimura to reunify the Democratic Party (see this report above.)

Social Democrat Elected
Chairman of Tokyo Board of Education

Morichi Shiraishi, a Social Democrat, was elected chairman of the Tokyo Metropolitan Board of Education on 26 January.

The board's chairmanship had become vacant with the resignation of Chisato Narita, who had been charged with conduct unbecoming a public official after being publicly accused of having struck a subordinate in November of last year.

The board meeting also designated Yoichi Nanaki as vice-chairman.

Former Privy Councillor Takekoshi Dies

Yosaburo Takekoshi, former Privey Councillor (since 1910) and former member of the defunct House of Peers, died at his villa at Tamagawa on 12 January. He was 85 years old.

Nosaka Attacked by Cominform

A bolt from the blue was hurled into Japanese political circles on 10 January. On that day the Japanese metropolitan press carried a United Press dispatch from Bucharest, Roumania, reporting the details of an attack on Japanese Communist leader Sanzo Nosaka appearing first in Cominform Nations' Journal (No. 1, 1950), and which was simultaneously reprinted in the authoritative Soviet paper Pravda (7 January) in a long article signed "Observer".

Informed political observers, both in Japan and abroad, at once noted as a result that the Communist Party of Japan faced "a most serious crisis," and the cries of the possibility of a new form of "Titoism" developing in the Far East became widespread.

Abroad, the French conservative daily, LeMonde, was among the first to note that the attack on Nosaka "is very interesting" because Nosaka was considered a veteran disciple of the Chinese Communist leader Mao Tze-tung. Le Monde said that "for a long time growing dissensions" between Nosaka and Kyuichi Tokuda, both top members of the Japanese Communist Political Affairs Bureau, had been reported.

In the wake of the Cominform Nations' Journal's and Pravda's attacks on Nosaka, the Tokyo daily Mainichi (10 January) reported that the Disciplinary Committee of the Japan Communist Party had summoned Ko Nakanishi, Communist member of the House of Councillors, to appear before the committee to explain charges of alleged "anti-headquarters" and deviationist tendencies.

These two events came almost simultaneously with the announcement on 6 January that the noted Communist leader of the 1920's, Kazuo Fukumoto, who had dissociated himself from the Communist Party while in prison in 1942, had rejoined the party.

Fifty-five year old Fukumoto, a graduate of the Law Faculty of Tokyo University, joined the Communist Party in 1926 after study in England, Germany, and the United States, and soon rose as a member of the Party's Standing

Committee and Chief of the Political Affairs Committee. He visited Moscow in 1927 and was arrested upon his return to Japan for involvement in the so-called 15 March Incident of 1928 with Kyuichi Tokuda and other Communist leaders. He was released from prison in 1942 after renouncing his affiliation with the Communist Party.

In some Japanese political quarters it was maintained that the Cominform's attack on Nosaka was penned by Fukumoto and that its publication was timed to coincide with his own active re-entry into party activities. It was further claimed that through this action, Fukumoto had gained complete power over party affairs and, it was predicted, that hereafter the policy of the party would call for militant action.

For some time, other quarters also reported alleged divergencies within the Communist Party hierarchy. A split had been reported some time previously between Nosaka and Yoshio Shiga of the party's Central Committee. In the early part of 1949 reports had circulated concerning a divergency of views on labor policy between Central Committee members Ritsu Ito and Ko Nakanishi. Subsequently, Nakanishi was ousted from the Central Committee in June 1949 at the time of the Central Committee's 15th general meeting, when he was accused of deviationist tendencies. Nakanishi, it was charged, had advocated a policy of violent action and had circulated a pamphlet to support such strategy.

At a joint meeting of the Political Affairs Bureau and the Central Committee at 1300 hours on 10 January (the day following publication in the Japanese press of the Cominform's attack on Nosaka), Ko Nakanishi was ousted from the party. The announcement was publicly released later in the afternoon of the same day by Ichino Wada, a member of the Control Committee, and carried in the Japanese press on 11 January.

According to the Central Committee announcement, Nakanishi was expelled from the party on four counts. Reviewing his political case history, the statement accused him of repeated violations of party policies climaxed in recent months by "harmful factional activity." In supporting its charges, the Central Committee declared that since September of last year Nakanishi had "circulated brochures promulgating false ideas about communism" and "now he

has taken advantage of the recent foreign report [concerning Hosaka] to tie himself up with the information network of the reactionaries clearly for the purpose of destroying the party." Nakanishi had shown no remorse for this series of anti-party activities, the statement concluded, thus forcing the purge decision. (Akahata, 11 January).

(In a statement to the press on 9 January commenting on the Cominform's attack on Hosaka, Nakanishi had declared that the criticism against Hosaka was "only natural," adding that he himself had severely criticized the party's basic policies since last September only to have his suggestions rejected. Nakanishi pointed out that in view of the fact that the Communist Party had not experienced a change of leadership during the past three years, it was imperative that the party call a national convention within the next six months in order that the policies and leadership of the party be re-examined).

Defending himself against the charges, Nakanishi imputed corruption among Communist Party leaders. In a statement issued by him following his expulsion, Nakanishi declared:

"My expulsion is clear evidence of the corruption and bureaucracy among Communist Party leaders..... Control of words and actions has been a party obsession."

Nakanishi denounced such action as "improper use of party regulations along bureaucratic lines," adding that he planned to stage a countermovement "to build up a party truly dedicated to Marxist-Leninist principles."

* * *

The polemic in which Sanzo Nosaka became the central figure in January and the Cominform's charges of deviationism hurled against him had their origin in the process of formulating the party's strategy in the days immediately following the surrender. To understand the full implication of the charges in the "Nosaka incident" it is therefore to recapitulate three years' development of Communist policy in Japan.

The Communist Party of Japan was resurrected as a legal political party in October 1945, when fifteen Communist leaders including Kyuichi Tokuda, Yoshio Shiga, and Shigenori Kuroki were released from prison along with other political prisoners. In the following December, the party held its "fourth"

national congress in Tokyo, where at secret meetings a program of militant strategy was adopted, calling for (1) a democratic revolution; (2) expulsion of war criminals and oppressors of human rights; (3) abolition of the Emperor system; (4) reformation of the system of land ownership; (5) destruction of monopolistic capital; and (6) stabilization and elevation of the people's livelihood.

In January 1946, Sanzo Nosaka returned from Yenan, North China, where he had worked with the Chinese Communist Party during the war. Nosaka's return to Japan marked a definite change in party strategy.

During the conferences with Tokuda, Shiga, Kazeki and other party leaders questions of concrete policy and revision of struggle tactics were discussed. As a result of these discussions, a joint statement was issued on 14 January 1946 by the Communist Party of Japan over the signature of Sanzo Nosaka. This statement included the following points:

"1. The Communist Party should become a 'likeable' party.

"2. The question of abolishing the Emperor system should be decided by the people at large when democracy in Japan is matured.

"3. Efforts should be made to remove the general impression among the people that the communists are plotting an early revolution by force, and they should be made to believe that the communists are sincerely working for improving the people's living conditions and that they are like all others, patriotic.

"4. All democratically-minded persons should be invited to join hands with the Communists in a 'united Democratic front', embracing the masses, the small and medium industrialists and the petit bourgeoisie for 'solving the national economic crisis.'"

In February 1946, following the party's fifth national congress, the Communist Party platform included the following statement:

"The Communist Party of Japan states as its immediate goal the completion of the bourgeois-democratic revolution now in progress in a peaceful and democratic manner."

Since then, political commentators have made much of the fact that the ideas expounded by Nosaka which were adopted by his colleagues within the

party constituted a sharp criticism of the militant policy upheld by Tokuda, Shiga, Kuroki, who "due to long years of imprisonment had failed to grasp the trend of the actual political situation [in Japan]."

It was this polemical criticism that is to be found at the core of the charges of political deviationism, "bourgeois parliamentarism", and "servant of American imperialist occupiers" levelled against Nosaka by the Cominform and Pravda.

In its seathing attack on Nosaka, the Cominform Nations' Journal quoted extensively from the report submitted by Nosaka to the fifteenth meeting of the Communist Party's Central Committee held on 18-19 June 1949. In this report, Nosaka had affirmed:

"By winning a majority of seats in the Diet it is henceforth possible for proletarian parties to create their own government and assume political power by destroying the bureaucratic machinery and its forces. In other words, it has now become possible to assume power through parliamentary means by using democratic and legal methods."

The author of the article in the Cominform Nations' Journal took Nosaka to task as follows:

"In June 1949, Nosaka had again categorically affirmed in his report to a plenary session of the Japanese Communist Party's Central Committee that the creation of a popular democratic government was possible under the conditions of an occupation regime.... 'The occupation forces,' Nosaka had asserted, 'will be withdrawn from Japan as soon as such a government has been formed.' Nosaka has thus come to the point of uttering bourgeois platitudes. Even under American occupation, he said, Japan could ensure direct transition to socialism by peaceful means. Nosaka had already developed similar views previously. In the draft of the Japanese Communist Party's manifesto prepared and published by him, and in an article published in May 1946 in the newspaper Mainichi, Nosaka asserted: 'By relying on the support of the people's majority and on the efforts of the people themselves, the party intends to develop through peaceful and democratic means a better social system than capitalism,--I mean socialism.'

"Nosaka's view that American occupation forces in Japan would play a progressive part and favor a 'peaceful revolution' aiming at Japan's transition towards socialism has misled the Japanese people and helped foreign imperialists to make Japan a colonial appendage of foreign imperialism and a hotbed for a new war in the East. Nosaka's attempt at creating a new theory on what he called the 'naturalization of Marxism-Leninism' in the conditions of postwar Japan completely dominated by foreign imperialist authorities, and on Japan's peaceful transformation into a socialist country, is nothing more than a Japanese variation of the anti-Marxist and anti-socialist theory of the possibility of a peaceful transformation of reaction into democracy and of imperialism into socialism.

"This theory was unmasked long ago as being foreign to the working class. Nosaka's 'theory' consists of painting in a color favorable to the imperialists the occupation of Japan and of singing the praise of American imperialism. It is consequently a theory aiming at fooling the Japanese popular masses. It is therefore obvious that Nosaka's theory has nothing in common with Marxism-Leninism. In fact, it is an anti-democratic and anti-socialist theory by which only the imperialist occupiers of Japan and the enemies of Japanese independence may benefit. Consequently, Nosaka's theory is at the same time unpatriotic and anti-Japanese."

Communist Party of Japan Issues
First Statement Replying to Attack on Nosaka

At 1330 hours on 12 January the Communist Party issued a statement expressing regret that the Cominform had failed properly to consider the "subjective and objective conditions in Japan [which] have forced the Communist Party to choose roundabout actions and words to achieve a certain objective." Failure on the part of "comrads abroad" to give "full consideration to such conditions...obviously would do serious harm to the people and to our party."

The text of the statement, issued by Ritsu Ito, member of the party's Political Affairs Bureau, as a decision of the bureau, follows:

"The Political Affairs Bureau of the Communist Party of Japan has received the article on the 'Situation in Japan' (which was published in issue

No. 1, 1950 of the Cominform organ, 'For Permanent Peace and People's Democracy') through the Moscow radio on the night of last Saturday [7 January] and later released by the Information Service, Press Section of the Soviet Mission. [NOTE: The Soviet Mission in Tokyo on 10 January distributed Japanese translations of the text of the Pravda article attacking Nosaka].

"The article was signed by an 'observer'. Because of its serious effect upon our party, we feel it necessary to express our views thereon.

"(1) Our Political Affairs Bureau pays great respects to the glorious merits thus far accomplished by the Cominform. We are grateful that the article attested its concern over the situation in Japan. We expect the Cominform will greatly contribute in the future toward the people's revolution in the world.

"(2) As pointed out by the writer of the article, the theory of Comrade Sanzo Nosaka was imperfect, containing many defects to be corrected. These points, however, have been remedied by our party in the course of its actual enforcement. We believe the defects have now been thoroughly corrected and our party is making healthy developments.

"We admit that we have failed to make these defects clear at the Central Committee meeting or other party organs. Our failure to mention these defects clearly in documents should be regarded as a fault on the part of our party. No such fault will be repeated in the future.

"Subjective and objective conditions in Japan have forced the Communist Party to choose roundabout actions and words to achieve a certain objective. Therefore, various things sometimes must be expressed in slaves' words or circumlocutory phrases.

"If comrades abroad criticized actions and words of the Communist Party of Japan and its comrades without paying full consideration to such conditions, they obviously would do serious harm to the people and our party.

"In this sense, the article [in the Cominform journal] has failed to pay, to our great regret, full consideration to the question of how the Communist Party, the most faithful patriot for the people in Japan, should act.

"Our party has overcome every defect accruing from speeches of Comrade Nosaka and a few others and has made progress in the right direction.

"The masses have quite different views on our party from those of the article which appraised our activities for the last four years as a piling up of errors."

Commenting on the release of the Communist Party's reply to the Cominform attack on Nosaka, House of Councillors member Ko Nakanishi, who was himself expelled from the party on 10 January on charges of deviationist tendencies, characterized the statement as "fraudulent criticism" because it was a strange phenomenon that the Communist Party of Japan "should chide the Cominform for its ignorance of the actual conditions in Japan." He added that the official statement exposed "only the blunt attitude of the Tokuda group" within the party. Although he didn't believe the statement was intended as an affront to the Cominform, Nakanishi claimed the statement showed the resistant mood of the party. (Cf. Mainichi, 13 January).

Simultaneously (12 January), Nakanishi also released an appeal addressed to "Comrades of the Communist Party" in which he declared that "now is the chance to rebuild the party through correct understanding of the situation and with international assistance."

Nakanishi's "appeal" continued:

"1. The recent criticism passed on the party by the Cominform pointed out the necessity of correct understanding of international monopolistic capital.

"It also pointed out that we ought to solve various issues, such as basic strategy and tactics. For this purpose, a correct understanding of the 'double system' in postwar Japan is necessary.

"2. Leaders of the present Communist Party of Japan are trying to deceive others by making disguised self-criticism. They dared to give counter-criticism on the Cominform criticism in a statement issued by the party headquarters yesterday.

"We must fight against such disguised criticism to rebuild our party in a real sense. In making a drastic change in policy, the party is liable to fall in line with the so-called extreme leftism.

"In this connection, it is recalled that Li Li-san established an entirely new course when Chen Tu-shu was criticized in China. Steps should be taken to prevent the spontaneous emergence of extreme leftisms.

"Main errors of the party at present, I believe, are found in the rightist opportunism being followed by the leaders.

"3. The clue to such a turn in the right path lies in a far-reaching struggle against the intra-party bureaucratism and for establishment of a true democracy in the party. Without it, the turn to the right path cannot be achieved. Expulsion of myself from the party has attested to the bureaucratic tendency which the party is now following.

"4. I have no intention of splitting the party. On the contrary, those who will expel anyone trying to work out a basic policy in serious consideration of the party are leading the party to a split and Titoism. They are wrong in that they attempt to keep control over the party by checking its members' activities no matter what their theories or basic policies may be.

"5. While bureaucratism is prevalent in the party, members have become increasingly servile. District or prefectural committees may be wrong sometimes but the central leadership is always right, according to this way of thinking. This servility must be eliminated.

"The party members also have been taught by the present leadership that factions are always bad. But Stalin himself has said that factions are necessary if they seek to strengthen the party. Such a question must be studied in concrete terms and we should not be made to fear the mere word 'faction.'

"6. It is no exaggeration to say that the Communist Party of Japan at present is led by anti-revolutionists. It is a shameful situation. Capitalizing on such a situation, the enemy is also trying to turn the party in the direction of Titoism by asking whether to become a Soviet tool or to become a party of the nation."

Following release of the Communist Party's statement on 12 January, other sources speculated on the party's "current crisis" and possible reactions.

Secretary-General Mosaburo Suzuki of the Social Democratic Party commented:

"Although the Communist Party of Japan has told the people that it has no connection with the Cominform, it will nevertheless be obliged from now on to obey its dictates, criticize and attack Occupation authorities and policies, and work for revolution and violence."

Chairman Hisao Kuroda of the Labor-Farmer Party and a leader of the Japan Farmers Union commented that both the statement and the problems involved would have a serious effect on the labor movement in Japan. Kuroda warned, however, that it was "inadvisable for friendly or opposition parties to make imprudent comments without understanding the real reason for the Cominform's attack."

Editorial comment in the Tokyo metropolitan press was mixed. The Communist Party's reply to the Cominform attack was "extremely ambiguous" and "will not solve the problems within and outside the party," Nihon Keizai declared. Mainichi's editorial declared that the statement "though vague, is in effect a protest against, not submission to, that criticism."

Sekai Keizai's editorial maintained that the statement by the Communist Party's Political Affairs Bureau declaring that the "objective circumstances in Japan require roundabout tactics" and asking that the Cominform acknowledge the real character of the party "will perhaps lay the party open to another censure from the Cominform." The party, the editorial stated, is at "a vital turning point, where it must decide whether to act in conformity with the present state of affairs or whether it should follow the supreme dictates of the Cominform."

Tokyo Shimbun's editorial observed that for the time being, with Nakanishi's expulsion from the party, Nosaka's theory had triumphed over Nakanishi's idea of "a socialistic revolution through general strikes and the assistance of the international proletariat." The editorial claimed that the issue was not ended there, for official judgement by the Kremlin still remained to be delivered. If the Cominform should decide on a cleanup of the Communist Party in Japan, it was possible, the editorial opined, that Nakanishi "may succeed to a post of leadership," since his written opinion presented to party leaders reportedly coincided with the Cominform's criticism of the party.

The paper did not regard such action likely, however, since "Japanese Communist leaders are of old standing and extensive experience."

A staff writer in Kyodo (12 January) summing up the controversy contended that the Cominform's choice of Sanzo Nosaka as the target of its criticism also embarrassed the party as a whole. As a result, he opined that the current party slogan "establishment of a popular democratic regime" in Japan would be withdrawn in favor of such slogans as those calling for an early conclusion of peace, opposition to military bases and continuance of foreign troops on Japanese soil, establishment of a democratic proletarian regime, etc.

In a press interview on 14 January, former Communist Gaku Sano, now a professor at Waseda University, stated that the Cominform's attack was not merely a public censure of Nosaka, but a condemnation aimed at the entire Communist Party of Japan. Maintaining that the party was at the crossroads of whether to bow to Moscow or to go its own way, the former Communist writer opined that, unable to declare its independence as Tito of Yugoslavia did, the Japanese party would have "to choose the other way."

Gaku Sano regarded Nakanishi's expulsion not so much as a result of the party's insistence that the past strategy was right as the first step to purge undesirable elements and reorganize itself within Moscow's orbit.

Other sources commented on the relations of Nosaka with the Chinese Communist leader Mao Tse-tung to explain the Cominform's attack. According to these sources, the Nosaka incident was closely linked with Mao's current visit to Moscow on the occasion of the celebrations of Generalissimo Stalin's birthday. Mao, it was claimed, had been held in confinement for about a month in Moscow because of displeasure over his project to establish an Asian Cominform designed for active collaboration between Chinese and Japanese Communists on the foundation of the "specific reality of Asian and racial movements." Mao upheld this project against the accepted Cominform design to unify popular fronts in various countries. This divergence of objectives had brought down the Kremlin's displeasure on Mao.

As a follower of Mao, Sanzo Nosaka had expounded the tactics of establishing the Asian Cominform on the basis of "racialism" in a work entitled Various Problems of Strategy and Tactics, which was published in Tokyo by the

Nogami Book Shop in October 1949. The association of tactical strategy existing between Nao and Nosaka brought the Cominform's and Pravda's censure upon Nosaka.

Since issuing its statement on 12 January the Communist Party headquarters and the central figure in the controversy, Sanzo Nosaka, himself, maintained an obdurate silence in connection with the polemic. Two opinions from Communist sources were reported in connection with the controversy, according to information received from the Special Investigation Bureau of the Office of the Attorney General: Haruichi Shirakawa and Yojiro Konno, both members of the Central Committee of the Communist Party, were reported (by the S.I.B.) to hold the following views:

Shirakawa: "What has been published in the Cominform organ and Pravda must be viewed as released through the understanding of the Soviet Union. Accordingly, we must examine the Russian intentions. Whether the party should be reorganized voluntarily, or whether the Central Committee or Nosaka alone will assume the responsibility, we cannot leave the question alone. The question is to what extent we should admit the Cominform attack. Anyhow, we cannot put the responsibility only on the shoulders of Nosaka. We think the party should reflect deeply."

Konno: "We have been considerably at a loss to understand Nosaka's policy since the failure of last summer's labor offensive. He should assume much of the responsibility for the failure. At this juncture, the party must take a firm and definite attitude."

Party Orders Ouster of Three Cell Members For Schismatic Activities

Atsushi Nakanishi, younger brother of Ko Nakanishi, member of the House of Councillors who was ousted from the Communist Party on 10 January, within two days followed the same fate as his brother.

Reporting the expulsion of Atsushi Nakanishi on 12 January along with two other associate party cell leaders, Toshio Miyahara and Noboru Sato, a news item in the party organ Akahata (15 January) stated that the younger Nakanishi was charged with "anti-party factional activities" and that

Miyahara and Sato acted as his accomplices in "deliberately guiding the cell of the Labor Union Research Council (a party affiliated organization with offices on the 7th floor of the Mitsukoshi Department Store in Nihonbashi, Tokyo), in the wrong direction." Disbandment of the cell itself was announced separately, with an explanation that Nakanishi "received the cooperation of many of the cell members despite their knowledge of his evident anti-party activities."

At a meeting on 16 January, the Communist cell,--Labor Union Research Council,--composed of the three ousted members and some 15 other employees, decided to set up a "preparatory committee" for a nationwide anti-expulsion movement. The cell members also decided to register opposition against the expulsion from the party of Ko Nakanishi and the three cell members, and to demand the withdrawal of the Communist Party's "official" statement of 12 January in reply to the Cominform's criticism of Sanzo Nosaka.

At this meeting, Councillor Ko Nakanishi urged the cell members to resist the disbandment and purge orders of the party's Control Committee and"to pursue the responsibility" of the party's present leaders. "Eighty percent of the Communists are truly revolutionary opponents of the dictatorial attitude of the party leaders," Ko Nakanishi was reported to have declared. "Let us appeal to these elements for the organization of a real Communist Party of laborers and farmers."

Following the meeting, the members of the cell carried out a demonstration in front of the Communist Party's headquarters in Yoyogi.

Party Issues Formal Resolution of "Errors"

The extraordinary three-day meeting of the Central Committee of the Communist Party of Japan opened on 18 January,--on the same day that the organ of the Chinese Communists, the Peiping People's Daily, carried an editorial attack on the policies of the Japanese party and reiterated th charges of the Cominform and Pravda. The sessions in the Yoyogi headquarters were conducted in the utmost secrecy and under strict guard.

As the last act of the extraordinary session, the Communist Party at 1300 hours on 20 January issued Sanzo Nosaka's long-awaited "explanation"

of "errors." The statement, however, was not made by Nosaka, who was severely censured by the Cominform organ and the central figure in the ensuing polemic, but by Ritsu Ito, member of the Political Affairs Bureau of the party, at a press conference at the Yoyogi headquarters.

In the statement, Nosaka admitted that his "theory" was "fundamentally wrong," admitting, however, that it had been "influenced by conditions prevailing both at home and abroad."

Ito told the press that Nosaka had further admitted that he had committed mistakes in announcing his theory without "publicly and clearly liquidating it." Ito further stated that henceforth Nosaka "will endeavor to live up to the expectations of the international proletariat" by not repeating the same errors.

According to Ito, the "enlarged" Central Committee of the party had approved Nosaka's statement of "errors."

The resolution adopted by the Central Committee, as read to the press by Ito follows (text from Kyodo):

"The enlarged Central Committee of the Communist Party of Japan deliberated on the 'comment' of the Political Affairs Bureau concerning the recent criticism of the Cominform journal, and reached the following conclusion:

"The Central Committee unanimously agreed to the positive significance of the criticism of the Cominform journal.

"It furthermore approved the following self-criticism of Comrade Sanzo Nosaka:

"'The theory enunciated in my various articles which has been pointed out by a writer of the Cominform journal was fundamentally wrong although it was influenced by conditions prevailing both at home and abroad.

"'Subsequently, I recognized my mistakes and tried to overcome them, but committed further errors when I publicly reported my views concerning my theory piecemeal regardless of my subjective intentions without publicly and clearly liquidating it.

"'I therefore will try not to repeat such mistakes and will endeavor to live up to the expectations of the international proletariat.'"

Although the sessions of the Central Committee meeting were held "under strict guard" (Mainichi, 19 January), some information trickled in the metropolitan press. (Mainichi reported: "The Communist Party headquarters in Yoyogi was so closely guarded from early Wednesday morning, when the meeting opened, so that no reporter could possible enter.....Although the Communists make it a rule not to reveal secrets except to comrades, in this instance even the comrades seem to know nothing about the developments of the meeting.")

According to Yomiuri (20 January), it was believed that the editorial attack in the Peiping People's Daily on 18 January (see Nippon Times, 19 January), figured prominently in the Central Committee's discussions on overall party policy.

Mainichi (20 January) reported that the meeting had plotted the new party strategy around "strict execution of the Potsdam Declaration." This account went on to say that the Committee held to the line that "faithful execution of the declaration would assure Japan's independence and the withdrawal of Allied forces," and that a dual-emphasis struggle campaign would stress henceforth "emancipation of the Japanese people" and opposition to "turning Japan into a military base."

"Proletarian internationalism and further cooperation with the world peace forces" were to be the party's new slogans in the role of "vanguard of the working class," the Mainichi account further stated.

An editorial in the Communist Party's organ, Akahata (20 January), acknowledged "intra-party confusion" as result of the Cominform's criticism of Nosaka and the party's reply on 12 January, but went on to say that the Central Committee had warned party members on 18 January that reactionary forces were "taking advantage of the situation" to spread their vicious demagoguery. "Not that such agitation could have the least influence," the editorial continued, "but it does necessitate greater unity within the party and a strengthening of the tie between the party and the masses." To strengthen such tie, the party's Secretariat recommended, according to the editorial, "actively pushing" intra-party debates on the present controversies, because only through systematic discussion, "the comrades will be able to blast their way through empty theories and emerge fighting for Bolshevization of the party."

Nakanishi Resigns

Ko Nakanishi, House of Councillors member who was ousted from the Communist Party on 10 January for schismatic activities, reached a decision on 22 January to withdraw from the polemic and to cease his anti-Communist Party activities.

In a press interview on 25 January, Nakanishi declared that his actions following the Cominform attack on Sanzo Nosaka and in the ensuing polemic were "extreme" and "clearly an error on my part from the viewpoint of Marxist discipline."

On 26 January, Nakanishi resigned his seat in the House of Councillors. In a statement issued on the same day, Nakanishi explained his action saying that he could not remain a Councillor after having been expelled from his party. Nakanishi, whose term in the House would expire in May, also declared that he would not run as a candidate in the House of Councillors election in June, but would rather direct his activities toward the promotion of a "mass movement."

Nakanishi also stated that although he could not agree with the reasons given for his expulsion from the Communist Party, he would refrain from "any retaliatory attacks" on the party. In conclusion, he stated: "I firmly believe that all Communist Party members will unite and endeavor to realize the Cominform's policies with the courage of true Communists."

Communist Party At Present Not Considered
Terroristic or Anti-Occupation, Attorney-General Declares

Replying to Yoshitomi Tajima, Democratic Liberal member, who charged at a meeting of the Judicial Affairs Committee of the House of Representatives on 26 January that the Communist Party of Japan was terroristic and was working against Occupation objectives in violation of Articles 1 and 2 of Cabinet Order No. 64 ("The Organizations Control Ordinance," promulgated on 4 April 1949), Attorney General Shunkichi Ueda declared:

"At the present stage, the Communist Party of Japan is not considered as terroristic and anti-Occupation. Of course, a careful survey hereafter will be made of its activities."

The Attorney General further stated that the party could be outlawed if and when evidence developed that the party had become defiant towards Occupation objectives or in the event it resorted to violence.

Communist member Gyohei Tanaka protested against the Democratic Liberal member's "slanderous remarks which are based on the premise that the Cominform proposes violence and that the Communist Party of Japan is affiliated with it." The Attorney General admitted that although he had "no reliable data on the connection between the party and the Cominform," the subject was under continuous study.

The Wage Issue

Starting as a negotiation between the Government and its employees during November, and swelling since into a national issue as public service and private industry workers took advantage of the cue to air demands, the wage issue has threatened to become a testing ground of unrivalled importance to the Government. The respite granted to the Government by the combination of the Diet's recess (24 December to 23 January), year-end holidays, and the payment of year-end bonuses, was destined to be short lived. The Joint Diet Struggle Committee, composed of representatives of 34 labor organizations (see below), announced on 6 January that a policy of flooding the Diet with petitions for an upward revision of the wage base had been agreed upon. In addition, all labor unions under the influence of the Social Democratic Party's newly-defined labor support policy were pledged to file their petitions incessantly with the Diet, the Prime Minister, and other quarters concerned, according to the committee.

As labor prepared itself for new onslaughts against the Government to effect a revision in wage bases, the Government seemed determined to stand pat on its decision that the NPA-recommended wage increase (from ¥6,307 to ¥7,877) of 9 December was "impossible" and that any increase of real wages would be effected by means of tax and price reductions. On 10 January the Government's policy to peg its employees wage scale at the present ¥6,307 level was reaffirmed by Chief Cabinet Secretary Kameshichi Masuda in a statement to the press. And in Fukushima a week later, Masuda reiterated that the Government could not revise the wage base of government employees as recommended by the National Personnel Authority during the 1950-51 fiscal year because it would necessitate a revision of the budget to include an additional appropriation of ¥60,000,000,000 -- an expenditure which could be adjusted only by increases in transportation rates and commodity prices.

Statistics were available however, to make labor's demand reasonable. The Labor Minister had previously announced to the press that the average wage

of industrial workers in private industry had averaged ¥9,101 during October. And the Tokyo daily, Asahi, on January 5 backed up labor's demands editorially in stating: "The Government bears the responsibility to define the course of the new labor movement and it is not a question that can be settled simply by squashing the demands of the Opposition parties by force of the majority in the Diet. The whole nation, including the National Personnel Authority and the Central Arbitration Committee, are agreed that Government workers are paid far below the private business level. The recommendation of these bodies should be duly respected if the Government would set an example of democratic practice."

But the Government remained adamant in its stand. Following a regular Cabinet meeting on 17 January, Labor Minister Masabumi Suzuki announced the Cabinet's adoption of the outline of the measure revising part of the Taxation Law in accordance with the report of the Shoup Mission. Although overall reductions in income tax rates were apparent in the measure, the Labor Minister noted, however, that the Government had to devise ways and means of further reducing income tax rates so that a substantial increase in the amount of earned income on the part of labor could be effected. (The draft bills approved by the Cabinet embodied a provision for raising the basic income tax exemption point to ¥25,000 and the dependents exemption point to ¥12,000. A provision for the reappraisal of property was included also).

As the Government's desire to effectuate a compromise on the wage issue became increasingly apparent, the determination of labor to win a decision in its wage base struggle showed no signs of slacking off. The moderate labor faction had yet to test the extent to which its "legal struggle" could succeed in attaining its goal; and the ability of a political party -- the Social Democrats -- to aid in labor's battle for increased wages was yet to be proved. The Social Democratic Party left no doubt but that it intended to court the labor vote. The party's left-wing faction announced on 30 January that the party intended to concentrate its struggle in the Diet on the National Railway and Monopoly Corporation wage issues and to contest the Lower House Secretariat's report that the Government's rejection of the Public Corporation

Arbitration Commission's recommendations regarding the National Railways wage issue had been approved by the Diet.

Labor's demand for revision of the public service wage base continued to receive full support of the National Personnel Authority. On 31 January, Okiie Yamashita, one of the three top ranking officials of the NPA, reaffirmed the advice his agency had given the Government on 6 December. Before the Upper House plenary session Yamashita stood firm in his defense of the NPA's advice to raise the existing wage base of ¥6,307 to ¥7,877. Yamashita refuted the arguments of the Government that a wage increase would put a vicious wage-price spiral into effect by pointing out that "the effect upon the present price structure by the boost would be less than 2 percent at worst." In closing, Yamashita stated that, "No policy shall be enforced by the Government at the sacrifice of the living of public service workers."

The Railway Union's Struggle

The National Railway Workers Union lost no time in getting their campaign for an upward revision of their wage base off to a strong start in the new year. On 5 January the NRWU dispatched a note to the State Railway Corporation demanding that the wage base of ¥6,307 be revised to ¥9,700 from April of this year. The Union requested a formal reply from the Corporation by 9 January. The new wage increase demand was decided upon by the union's Central Struggle Committee as part of the proposals which would be taken up for discussion at the meeting of the Central Struggle Committee scheduled to be held at Kofu, Yamanashi Prefecture, from 10 January. (It is recalled that the wage arbitration committee in its recommendations submitted at the end of December provided for the "shelving" until April of the wage base revision issue).

The NRWU received its reply promptly on 9 January. The earlier stand of the State Railway Corporation had not changed; the Union's demand had been plainly rejected. But a conciliatory tone was evident in President Yuhio Kagayama's reply. He stated that it was difficult at present for the Corporation to raise the wage base, but he assured the union that the corporation would strive toward improving the management of the railway along more efficient lines so that real wages of the workers could be increased substantially in the future.

With the rejection of their demand facing them, the National Railway Workers Union saw the 17th session of its Central Struggle Committee get under way at Kofu on 10 January as scheduled. In the absence of Chairman Etsuo Kato and Vice-Chairman Kaname Hoshika, a member of the union's Central Struggle Committee acted as Chairman. (NOTE: Kato was enroute to Japan from the International Confederation of Free Trade Unions' conference in London; and Hoshika was in Colombo, Ceylon, one of six Japanese delegates attending the Asian Conference of the United Nations' International Labor Organization, which opened on 16 January. The delegation to the ILO conference included Labor Vice-Minister Mitoru Eguchi and Isamu Shioya, Chief of the Osaka Labor Standard Bureau [representing the Government] Hoshika and Hideo Yamahana, Central Committee members of the National Federation of Labor [representing labor]; Shinryu Shikauchi, executive officer of the National Federation of Economic Organizations [representing management]; and Takashi Ishita, Labor Ministry official, acting as an advisor. The delegation was accompanied by Miss G. G. Stander, Chief of the Wages and Working Conditions Branch, Labor Division, Economic and Scientific Section, GHQ, and Takaichi Okada, Agriculture Division, Natural Resources Section, GHQ).

After an opening flurry over the qualifications of certain delegates whose unions were delinquent in their dues-paying, the conference settled down to business and elected Senjiro Ueki, a Democratization League (Minpo) member, acting chairman and Hiroshi Nakamura, also a Minpo member, acting vice-chairman. In a progress report on the union's activities delivered during the first day of the session, Takeo Kikukawa, NRWU Vice-Chairman, declared that the union's struggle for year-end allowances had been a success. He added, however, that the union has yet to solve the problem of adequately coping with the so-called "Dodge line." His report was approved by a majority vote after critical opinions of it had been voiced by Renovation League (Kakudo) and Communist delegates.

During the third and final day of the conference it was decided that the strength of the NRWU should be concentrated towards the overthrow of the Yoshida Cabinet, centering its attack around the 1950-51 fiscal budget.

In its election of officers, all three prominent positions in the union

were retained by the Democratization League camp. Etsuo Kato, incumbent Chairman of the union, was re-elected for his sixth term in the post, and Vice-Chairman Takao Kikukawa and Secretary-General Kaname Hoshika were also re-elected. Prior to the election of officers, a series of resolutions pertaining to union policies in the forthcoming Upper House June election were adopted. These policies were:

1. The nomination of two union candidates from the National Constituency and the reviewing by the Central Committee of local constituency candidates nominated by local chapters of the union.
2. The platform of the union would emphasize revision of the public service wage scale and the securing of the balance recommended in the Arbitration Committee's plan.
3. The limiting of candidates to present or past union members who hold Diet seats currently.
4. The contribution of ¥10 by each union member to swell the campaign fund.
5. The issuance of an election directive containing concrete instructions as to election campaign tactics.

After a heated discussion of the fundamental struggle policies of the union, a resolution calling for the preparation of a "railway strike diagram" to be acted upon if and when the union's "legal struggle" should reach its limit was turned down by a majority vote, but the following goals toward which the union should strive were agreed upon:

1. A substantial raise in wages. (The union should obtain payment of the remaining ¥2,950,000,000 in allowances in accordance with the decision of the Arbitration Commission, and it should work towards a revision of the wage base to the ¥7,700 level already demanded).
2. New laws protecting labor. (Organization by the Government of a budget which would provide the necessary funds for the new wage base, and revision of parts of the State Railway Law and the Public Enterprise Labor Relations Law).
3. The downfall of the Yoshida Cabinet.

As the three-day conference came to an end, a program under which the union would prepare its struggle strategy was agreed upon. It included: 1) the payment of dues by all members and a readjustment and strengthening of the union's organization, and 2) the creation of a "substitute" or second-line Central Struggle Committee of 25 members in order to cope with the "worst possible circumstances" which might arise if the union's "legal struggle" failed.

Meanwhile, the fundamental struggle policy as adopted at the meeting indicated that the union would effect a joint struggle with friendly organizations and Opposition political parties in order to realize its goals and, by rallying public opinion behind the union's movement, to strive for the downfall of the Yoshida Cabinet. The strengthening of the "joint Diet struggle," utilization of various international influences (the International Confederation of Free Trade Unions, et. al.), maintenance of necessary personnel, and the implementation in full force of the Labor Standards Law, rounded out the union's campaign planning.

In line with the struggle plans laid in Kofu, the NRSU went into action on 20 January and selected 32 Democratization Leaguers, 2 Renovationists, and one neutral to compose their "reserve" Central Struggle Committee. On the same day the union appealed to the National Railway Mediation Committee to accept its proposal that the wage base of NRSU workers be increased to ¥9,700 as of 1 April.

Prior to reaching a decision, the Mediation Committee heard representatives of the State Railway Corporation and the union argue their respective stands on the issue. Finally, on 25 January, the Committee announced that it had decided to accept the petition of the union.

Monopoly Corporation Issue

The recommendation of the Public Enterprise Arbitration Commission, that employees of the Monopoly Corporation be paid, in addition to their year-end allowance, an average of ¥3,400 to each of the 38,000 workers by the end of the current fiscal year on 31 March 1950 as demanded by the corporation's employees was destined, during January, to test the powers of both the Commission and labor, and to carry with it certain definite political ramifications.

The Commission's recommendation, made on 28 December 1949, in response to the workers' demand for an increase in their wage base, had been "reluctantly" accepted, and Takeshi Hirabayashi, Chairman of the Monopoly Corporation's employees union had expressed dissatisfaction over the plan because it was only a stop-gap plan and failed to include any provision for an increase in the basic wage scale. On 6 January, during the first collective bargaining session of the year, the union chairman told newspapermen in addition that if the arbitration plan was shelved the union will resort to various dispute tactics which, he claimed, could cost the corporation ¥40,000,000 a day. In the event of an emergency, the union leader threatened a nation-wide strike of monopoly enterprise workers.

But if the union's dissatisfaction with the recommendation and its "reluctant" acceptance of the plan was thus evidenced, so, also was the Government's attitude toward the recommendation. A reiteration of the Government's well-defined stand against any revision of the public service employees wage scale was not long in forthcoming. At a meeting of Cabinet members concerned on 6 January, an agreement was reached that the ¥128,000,000 disbursement as called for by Clause 1 of the Arbitration Commission's recommendation was impossible under the terms of the Public Enterprise Labor Relations Law. Among those attending the Cabinet conference were Finance Minister Hayato Ikeda, Attorney-General Shunkichi Ueda, Labor Minister Masabumi Suzuki, Chief Cabinet Secretary Kaneshichi Masuda, the vice-ministers concerned with the measure, and President Takanosuke Akiyama of the Monopoly Public Corporation.

Minister Ikeda flatly stated following the conference that the Government could not possibly pay Monopoly Corporation workers an allowance as suggested by the end of the fiscal year -- an allowance totalling more than had already been paid them as year-end allowances -- and that the Government's policy would remain unchanged. Ikeda qualified his statement by explaining that the sum to be disbursed as stop-gap allowances should not be larger than the sum paid out as year-end allowances in December. Cabinet approval, however, of that part of the Arbitration Commission's plan (Clauses 2 and 3) which recommended the establishment of a bonus system for Monopoly Corporation workers seemed likely.

On the following day the Cabinet, in its first formal session of the new year, upheld the decision of the Ministers' conference and decided to submit the measure to the House of Representatives and to recommend to that body that it be disapproved. The Cabinet, in taking this action, noted that the putting into effect of the Arbitration Commission's recommendations was impossible under the terms of Paragraph 2, Article 16, of the Public Enterprise Labor Relations Law. (This Article stipulates that if the Government cannot fulfill an award on a public worker's wage issue for budgetary reasons, the matter should be presented to the Diet for approval of the Government's stand). It was the contention of the Cabinet that, without a source of income to cover the disbursement, it was impossible to cope with the provisions of the recommendation.

But though the Government in requesting Diet concurrence in its disapproval of the Commission's recommendations relied on its argument that the disbursements could not be made because of fiscal prospects, its arguments were not upheld in some quarters. For instance, on 29 January, President Konosuke Akiyama of the Monopoly Corporation repeated before the House of Councillors' Steering Committee his stand as previously expressed on 6 January that the Corporation was definitely in a position to pay out the "small" amount requested -- the ¥126,000,000 was but one-one thousandth of the Corporation's total profit, he pointed out. According to Akiyama, the Monopoly Corporation was "willing and anxious" to abide by the Arbitration Commission's recommendation but that approval of the Finance Ministry was necessary before budgetary readjustments could be effected that would provide a source of income to cover the allowance. He felt that there was no question but that the Corporation must abide by the recommendations of the Arbitration Commission, but because the Corporation was not permitted to transfer funds from one account to another without the Finance Minister's approval, such action was impossible. Akiyama pointed out in response to questioning by Upper House members that he was at a loss to explain why the Finance Minister had objected to his request that the Corporation be permitted to make necessary budgetary readjustments and that he believed that "it was not proper" for the Finance Minister to reject his request. He added that he felt it was not a matter of budgetary

difficulties involved in the refusal but instead only a further expression of the Democratic Liberal Party's labor policy. Akiyama hoped that the Diet would approve the award and make possible the payment by the Corporation. He stated that he believed the workers' efficiency would improve if the award was made and that, if rejected, it would inevitably have a "certain demoralising effect" on both labor and the management of the Corporation.

The statements made by the Monopoly Corporation's head before the Upper House drew a quick rejoinder from Minister of Finance Ikeda. On the following day, Ikeda stated that irrespective of the statements made by Akiyama, the Government considered it impossible to meet the Monopoly Corporation Arbitration Commission plan. And the Prime Minister gave Ikeda's statement added force when, on the next day (31 January) he pointed out that the Government would follow the Finance Minister's opinion based on budgetary and fiscal prospects.

While these discussions were taking place within the Cabinet and Diet, the Monopoly Corporation Workers' Union was not idle. On 17 January, its central strike policy committee decided to "start action" (probably "slow-down" tactics) against the Government in protest against the Cabinet's decision to request disapproval of the measure by the Diet. Advising the union's chapters throughout the country of its decision, the chapters were further instructed to abide strictly by provisions of the Labor Standards Law.

In addition to the head of the Corporation, the union found support within the Diet itself. The Social Democratic Party in its newly defined labor policy directed toward the securing of the labor vote lost no time in voicing its opposition to the Diet's deliberations on the Arbitration Commission's plan and at a meeting of their Upper House Diet Policy Committee on 31 January decided on a policy calling for the legislation of measures to protect the livelihood of public service employees and to demand a public hearings to discuss whether the arbitration plan should have been referred to the Diet. And in the Lower House, labor support was forthcoming in a move by Communists, left-wing Social Democrats, and Labor-Farmer Party members to indicate they would launch a joint offensive against the Government. Little

time was lost in putting their offensive into action. On 23 January, the Diet was the subject of an attack by left-wingers for its "unreasonable" handling of the arbitration plan for the disputing public monopoly workers. Deliberation on the proposed award by the House of Representatives was expected to begin during the first week in February with attacks on the Government by Opposition parties.

Kansai Private Railway Workers
Victorious as Strike Averted

The demand for increase in basic wages which was fast becoming a national issue during January was in no way restricted to the National Railway Workers nor to the employees of the Monopoly Public Corporation. Private industry felt the impact of labor's demands as local unions climbed aboard the bandwagon of the wage struggle. And the struggle of the local unions was in no sense less intense than that of the national public service workers.

For four days between 12 January and 16 January the Kansai Private Railway Dispute Mediation Board attempted a reconciliation between the wage increase demands of the Kansai Private Railway Workers' Union and the Management of the 17 private railway companies involved, but at the end of this time neither labor nor management seemed willing to agree and the chances of averting a strike appeared slim indeed. At midnight on 16 January, the Mediation Board submitted a conciliatory plan to the management which added the following two stipulations to the union's demands: 1) the year-end allowance already paid the workers should be included in their proposed wage raise, and 2) a revenue source should be sought and found by the management through rationalization before the raise would become effective. Management immediately conferred on the issue and an hour later accepted the Board's mediation plan. The union was notified of management's acceptance of the compromise and a standing committee meeting was held at once to discuss the new development and a decision was reached to reject the compromise on the grounds that management's acceptance of the plan, -"with strings attached," - was tantamount to a complete rejection of the original recommendations.

As a result, a strike directive was issued to the 21 affiliated unions at 3:50 on the morning of 17 January. This action on the part of the union

turned out to be the move that "called the hand" of management, for within an hour a new compromise plan had been drawn up and signed by both parties. The strike which would have affected 17 private railway companies was called off at the last moment.

Under the provisions of the final mediation plan the management will pay a lump sum to its employees equivalent to 7 percent of the June basic wage for the period from June through September. For the period following October, 7 percent of the September wage will be woven into the basic wage. Finally, upon agreement of both parties, the 7 percent increase mentioned would be reduced by one-third.

The victory of the Kansai Railway Workers added new size and force to the snow-balling wage issue and set an example which other labor groups might soon be expected to apply. And such indeed was the case, for on 23 January -- just a week after the victory of labor in Kansai -- the Central Executive Committee of the National Communications Workers' Union announced that a decision had been reached by the Committee that if the National Personnel Authority's advice to the Government on 9 December to raise the public service wage level was ignored the union would deem that its exercise of its right to strike would not be illegal. At month's end, the union was expected to seek the views of the NPA and the Attorney-General's Office on its decision.

Note on the Organization of
the Diet Joint Struggle Committee

At the general meeting of the Social Democratic Party held in April 1949 it was decided to organize a National Diet Joint Struggle Committee (Kokkai Kyodo Toso Iinkai) for the purpose of promoting and defending "labor's rights." The Committee was not formed, however, until July 1949 with the National Railway Workers Union and 34 other labor organizations as members.

The first official meeting of the Committee was held on 13 January 1950 at a session held in the House of Councillors' Hall at which time the policy of the organization was formulated. The policies decided at this meeting were:

a. Struggle for drastic amendment of the National Public Service Law, Table of Personnel Organization Law, Public Enterprise Law and Labor Arbitration Law.

b. Struggle for increase of Substantive wage base.

c. Struggle for the carrying out of the payments of wage level decided for the National Railway workers and Monopoly Enterprise employees.

d. Struggle for increase of substantive wage base.

The following struggle policies were formulated in anticipation of activities in February and March:

a. To petition the Finance Ministry concerning the tightening up of the Japanese economy along the lines of the Dodge plan, and concerning the revised wage base.

b. To confer with GHQ concerning the Dodge Plan and problems involving the National Public Service employees.

c. Opposition to lower rice price policy.

Slogans adopted were:

a. Opposition to the deflationary budget.

b. Industrial recovery.

c. Effect immediate payment of ¥9,700 wage base.

d. To seize the right to unify Government and public workers and also the right to strike.

The organizational structure of the Committee was as follows:

Diet Joint Struggle Committee (Decision Organ)

a. Committee for Negotiation of Major Problems

b. (Executive Organ) Executive Board
Standing Executive Board

1. Secretariat (consisting of 1 Chief, 2 Vice-Chiefs, and members)

Functions: Planning, Liaison, Control of organization and finance.

2. Special Experts Committee

Functions: Handles matters concerning Government and Public workers, National Congress of Industrial Unions, Unity of labor fronts.

Officials of the Diet Joint Struggle Committee as of 12 January

1950 are listed below:

		Social Democratic Party Standing	Minde
Central Struggle Committee (Chuo Toso Iinkai)			
12 Right-wing Social Democrats 6 Left-Wing Social Democrats			
Minoru Takano	Sodomei	Left-wing	x
Saburo Oka	Japan School Teachers Union	Right-wing	x
Eiichi Ochiai	New Sanbetsu	Right	
Takeo Muto	Coal Mine Workers Union	Right	
Keiji Nomma (Kadoma)	Electric Industry Workers Union	Left	x
Isamu Suzuki	All Japan Mine Workers Union	Right	x
Hitoshi Kageyama	Marine Workers Union	Right	x
Koji Nagaoka	All Japan Communications Workers Union	Left-wing sympathiser	x
Toyonari Yanagida	Tokyo Metropolitan Office Workers Union	Right	x
Kiyomi Ono	All Japan Occupation Forces Employees Union	Right	x
Go Hirabayashi	All Japan Monopoly Workers Union	Left-wing	x
Ichitaro Aratani	All Japan Express Company Workers Union	sympathiser	x
Hideo Urabe	Congress of Autonomous Agency Workers Union	Right	x
Koiichi Fujishige	Sulphur Workers Union	Right	x
Ryotaro Komura	Lumber Industry Workers Union	Left	x
Jinsuke Saito	Nisshoku	Right	x
Yukio Yokote	All Japan Government Printing Office Workers Union	Left	
Ushitaro Okamoto	City Transportation Workers Union	Right	x
Executive Organ (Kanji Kai)			
15 Right-wing Social Democrats 5 Left-wing Social Democrats			
Toshio Yamamoto	Sodomei	Right-wing	
Tadamitsu Miyahara	Japan School Teachers Union	Right	
Sakaye Tsuzuki	National Railway Workers Union	Right	
Tetsutaro Otani	New Sanbetsu	Right	
Haruo Murakami	All Japan Labor Union (Congress)	Right	
Keiji Nomma (Kadoma)	Electric Industry Workers Union	Left	x
Masayasu Sato	All Japan Mine Workers Union	Right	
Soiichi Taguchi	Private Railway Workers Union	Right	
Haruo Wada	Marine Workers Union	Right	
Yasuo Onaka	All Japan Communications Workers Union	Left	
Hachiro Suzuki	Tokyo Metropolitan Office Workers Union	Right	
Shigeo Takahashi	League of all Japan Occupation Forces Employees Union	Right	
Jiichiro Hikawa (Koikawa)	All Japan Monopoly Workers Union	Right	
Hideo Yagi	City Transportation Workers Union	Right	
Hisao Hara	Government Workers Union	Left	
Nan Narita	Japan Express Company Workers Union	Left	
Terufusa Hirashima	Congress of Autonomous Agency Workers Union	Right	
Naoji Saito	All Japan Government Printing Office Workers Union	Left	

Executive Organ (Cont'd)

		Social Democratic Party Standing	Kinjo
Teiichi Kosuge	Coal Mine Workers Union	Right	
Hiroshi Iriye	Congress of All Japan Labor Unions	Right	

Secretariat (Jimu Kyoku)

8 Right-wing Social Democrats
2 Left-wing Social Democrats

Takao Kikukawa (Chief)	Government Railway Workers Union	Right	x
Yoshio Yamamoto (Vice-Chief)	Sodomei	Right	
Keiji Homma (Kadoma) (Vice-Chief)	Electric Industry Workers Union	Left	x
Haruo Wada (Planning Chief)	Marine Workers Union	Right	
Hachiro Suzuki (Chief, Control of Organization)	Tokyo Metropolitan Office Workers Union	Left	
(Liaison Chief: vacant)			
Haruo Murakami (Finance Chief)	Congress of All Japan Labor Unions	Right	
Den Tabara	Sodomei	Right	x
Tsutomu Otsubo	All Japan School Teachers	Right	x
Shigeo Kusakura	Government Railway Workers Union	Right	x
Sadamitsu Miyahara	Japan School Teachers Union	Right	

Japanese Labor Leaders Return from London Convention

Five Japanese labor leaders who attended the international labor convention in London which launched the new, anti-Communist labor federation,--the International Confederation of Free Trade Unions,--returned to Japan on 21 January.

The convention convened on 28 November and continued through 9 December. The international sessions were supported by the American Federation of Labor, the Congress of Industrial Organizations, the British Trade Unions Congress, and other labor organizations of 49 democratic nations. The new Confederation will serve as a counterpart to the Communist-dominated World Federation of Trade Unions.

Enroute from London, the delegation stopped in the United States to confer with government and labor officials and to observe methods of operation of labor organizations and trade union activities.

The members of the delegation which represented more than 4,000,000 organized Japanese workers, were: Etsuo Kato, chairman of the National Railway Workers Union; Yukitaka Haraguchi, chairman of the All-Japan Federation of Coal

Mine Workers Unions; Shozaburo Araki, chairman of the Japan Teachers Union; Chujo Moriguchi, chairman of the All-Japan Council of Labor Unions; and Matsuhei Matsuo, secretary of the Japanese Institute of Pacific Relations. The Japanese delegation was accompanied by Mr. Robert T. Amis, Chief of Labor Division, Economic and Scientific Section, GHQ.

Mr. Amis, who had returned to Tokyo several weeks before the delegation, greeted the group as follows:

"It was a pleasure to be with you in London and I am pleased to have a part in welcoming you home. You come back, I am sure, to the appreciation of the Japanese people for a job well done. You have forged a link between the democratic unions of Japan and the free democratic labor organizations of the world. Your reports from London and America have been eagerly followed and you should feel honored that the delegates from the free nations chose several of you for important committee positions. You are the spearhead of the democratic movement among the working peoples of Asia.

"Your job has not ended with your mission to London. It has just begun. Labor here will look to you to lead in the unification of the Japanese labor unions into an organization which will carry out in your country the principles of freedom and democracy established at the London conference. Japan's labor unions need more selfless leaders who will make the labor movement their career. They need unification of policy and action. No time is more opportune than the present. Communist influence in Japanese Trade unions is at its lowest ebb. Now is the time to solidify democratic control of the labor organizations and to establish a great democratic labor front. Intelligent informed rank and file members are necessary for the establishment on a permanent basis of such a democratic organization.

"The Japanese people will expect to find you in the forefront of these major projects: (1) the unification of the labor unions into a democratic council or federation, and (2) the education of the rank and file to give this council or federation a solid base of mass support. Some of your foremost leaders and thinkers have already begun the formation of a unified labor movement. With the inspiration of the London conference behind you, and with your strength added to the movement, this project, which is so vital to the democratic development of Japan, should progress rapidly to a successful conclusion."

MISCELLANEOUS ECONOMIC AND FINANCIAL PROBLEMS

Necessity for Revision of Yen Rate Predicted

Takeo Takemura, managing director of the Japan Economic Rehabilitation Association, in an article appearing in Mainichi on 17 January entitled "This Year's Economy Viewed from the Standpoint of the International Situation," predicted that increased industrial investments by the Government, as foreseen for the latter half of the year, would bring about conditions which may make it imperative to consider revision of the existing yen exchange rate. In an overall observation of the international situation as related to Asia, Takemura anticipated that the new Far Eastern policy of the United States would find expression in (1) militarily in the strengthening of military bases in the Far East; (2) politically in the"backstopping" of further advance of communism outside the present Red-rimmed areas in Asia; and (3) economically in "full fledged" enforcement of a development program for backward nations in Asia.

Further Removal of Unnecessary Controls on Vital Commodities

In consonance with the criteria established to carry through the trend toward gradual decontrol of vital industrial commodities, the following memorandum was addressed to the Japanese Government by GHQ authorities on 17 January:

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

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INFORMAL
MEMORANDUM FOR: Mr. Takayoshi Aoki, Director General, Economic Stabilization Board;
Mr. Heitaro Imagaki, Minister of International Trade and Industry;
Mr. Kotaro Mori, Minister of Agriculture and Forestry

SUBJECT: Removal of Unnecessary Controls

1. References are:

a. Memorandum from Economic Stabilization Board to Chief, Industry Division, Economic and Scientific Section, dated 27 December, 1949,

subject: "Request for Further Removal of Unnecessary Allocation Controls."

b. Memorandum from Chief, Economic and Scientific Section, to Mr. Takayoshi Aoki, Director General, Economic Stabilization Board; Mr. Reitaro Inagaki, Minister of International Trade; and Mr. Kotaro Nore, Minister of Agriculture and Forestry, dated 7 December 1949, Subject: "Removal of Unnecessary Controls."

2. In consonance with the criteria established for decontrol action outlined in reference "b" above, the following items are recommended for allocation decontrol as of 20 January 1950:

a. Steel
(1) Steel ingots

b. Chemicals
(1) Potassium Chloride for Industrial Uses
(2) Pyridine
(3) Borax
(4) Boracic Acid

c. Hides and Skins
(1) Cow Hide and Cow Leather

d. Tannin

e. Glue and Gelatin

f. Paper
(1) Sensitized Paper for Blueprint

g. Textile Products
(1) Woolen and Worsted Yarn
(2) Woolen and Worsted Fabric
(3) Woolen and Worsted Knit Goods

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Reparations Technical Advisory Committee Dissolved

The Reparations Technical Advisory Committee was discontinued on 31 December, Brigadier General John F. Conklin, SCAP's Civil Property Custodian announced on 5 January.

The Reparations Technical Advisory Committee was established on 21 May 1947 by SCAP direction. Its role was to assist the Supreme Commander, in an advisory capacity, in the development of technical and administrative procedures to assure an orderly removal of reparations goods from Japan.

The committee also functioned in the settlement of conflicts between claimant countries arising over claims for particular reparations facilities.

It was composed of the Chairman of the Reparations and Restitution Delegation of each of the 11 nations within the Far Eastern Commission.

The SCAP announcement pointed out that dissolution of the committee "reflects SCAP success in fulfilling reparations obligations under the United States-sponsored 30 percent advance transfer reparations program." Under this program the four nations which were considered to have suffered the most as the result of Japanese aggression were the receivers of reparations consisting of 18 government-owned Japanese arsenals.

The Netherlands government has already received its full quota under the program. Final advance transfer shipments to the three remaining claimant nations,--China, the Philippines, and the United Kingdom,--will be completed soon, it was announced.

THE DIET

Diet Reconvenes

The Seventh Diet reconvened on 23 January following the year-end holidays recess period which opened on 25 December.

On the same day that the Diet reconvened, the 42 Social Democratic Party members of the House of Councillors voted to disregard the split which occurred in the party the previous week at the party's national convention, and to continue, during the current Diet session to act as one negotiating body. In accordance with this decision, no distinction would be made between "rightists" and leftists" in assignment to committees, selection of interpellators, allocation of speaking time, or determination of the party's attitude and vote on legislation.

It was the feeling of the Social Democratic members that a definite party split at this time would seriously hamper the three-year members in their campaigns for reelection and would be disadvantageous to new Social Democratic candidates.

Kosaemon Kimura, who resigned his post as State Minister on 20 January, and five other coalitionist Democrats in the House of Representatives, formally joined the ranks of the opposition Democrats on 23 January, according to an announcement by the House Secretariat.

As a result of these changes, and the three-way split in the Social Democratic Party (see this report below, under POLITICAL PARTIES: Social Democratic Party), the numerical strength of political parties and groups in the House of Representatives as of 23 January, was as follows:

Democratic Liberal Party.....	265
Social Democratic Party.....	47
(Left-wing faction --- 18	
Right-wing faction -- 16 */	
Neutrals ---------- 13)	
Democratic Party (opposition group).....	43
Communist Party.....	36

*/ Official notification of the 19 January party split had not been received by the House Secretariat on 23 January.

Democratic Party (coalitionist group)	27
New Political Council	21
Farmers' Cooperative Party	8
Labor-Farmer Party	6
Social Renovation Party	5
Kosei Club	3
Independent	1
Vacancies	4
Total seats	466

As a result of the death of a Democratic Liberal Party member, Hachiro Arai, the expulsion of a Communist Party member, Ko Nakanishi, and the election of two Democratic Liberals, Kanichiro Ishihara (Fukushima Prefecture) and Shinichi Okazaki (Hyogo Prefecture) and one Social Democrat, Hosei Yoshida (Fukuoka Prefecture), the numerical strength of political parties and groups in the House of Councillors, as of 23 January, was as follows:

Ryokufukai (Green Breeze Society)	73
Democratic Liberal Party	53
Democratic Party	42
Social Democratic Party	42
Independent Club	15
Shinsei Club	7
Communist Party	5
Independents	4
Vacancies	9
Total seats	250

House of Councillors Steering Committee
Rebukes Prime Minister for Disregarding Diet

For three consecutive days (23-25 January) the Steering Committee of the House of Councillors continued its attack upon Prime Minister Shigeru Yoshida for "arbitrarily" disregarding the decision of the House of Councillors last December on the wage arbitration plan. (See Review of Government and Politics in Japan, December 1949).

Although the House of Representatives had disapproved the Arbitration Commission's recommendation of three billion yen wage increases for public corporation workers, the House of Councillors had approved it. When the Government decided that it was not obligated to pay the increases, in line with an interpretation by the Attorney General that disagreement between the two Houses of the Diet constituted disapproval of the plan, the Steering Committee of the Upper House adopted on 24 December a resolution that the Prime Minister

accept political responsibility for thus disregarding a decision of the House of Councillors.

With the reopening of the Diet on 23 January, the Prime Minister was summoned before the Upper House Steering Committee to explain the Government's action in the matter, as well as to give reasons for absenting himself from the committee sessions when his presence had been duly requested. The Prime Minister declared:

"The Government was undecided at first on what decision to make on the arbitration plan, but finally took steps in accordance with the views of the Attorney General....As for being absent from the committee meeting on 24 December, I was surely suffering from illness at the time. I will make greater efforts in the future to attend committee meetings."

Dissatisfied with the explanation given, the Steering Committee of the House of Councillors again questioned the Prime Minister on 24 January, as follows:

Sasaki (Independent): "You have repeatedly neglected, on one pretext or another, to attend meetings of this committee to explain the Government's decision."

Prime Minister: "I didn't neglect to attend 'on one pretext or another'."

Sasaki: "Then why did you tell this committee yesterday that you would be more careful in the future about attending? And why did you tell President Sato [of the House of Councillors] on 26 December that you would take proper steps with regard to the committee's resolution?"

Prime Minister: "I stated it to show my respect for the House of Councillors."

Sasaki: "Then it was merely a diplomatic manner of speaking?"

Prime Minister: "Yes."

Kaneiwa (Communist): "In answer to the resolution adopted by the will of the majority of the House of Councillors, the Prime Minister affirms that he merely made a reply in diplomatic language. Does he not feel any responsibility to the nation's representatives in the House of Councillors?"

Prime Minister: "The Prime Minister's responsibilities are stipulated in the Constitution, as you know."

Muriyama (Social Democrat): "Do you feel any political responsibility

for the Government's decision on the wage arbitration plan?"

Prime Minister: "I feel no political responsibility."

When the committee meeting on 24 January adjourned, the Prime Minister agreed to appear again before the committee on the following day. Against the onslaught of questions on 25 January, the Prime Minister's only defense was that Attorney General Shunkichi Ueda would explain the basis for the Attorney General's interpretation, which the Government had acted upon with reference to the arbitration plan. The Councillors replied that they were not interested in hearing Attorney General Ueda's explanation, since that was not the subject of the resolution; rather, they were interested only in fixing political responsibility for the Prime Minister's actions, a matter which had not yet been settled to their satisfaction.

A motion proposed by Naondo Suzuki (Ryokufukai) to withhold a final decision of the issue of Prime Minister Yoshida's responsibility, however, was approved by the Steering Committee by a vote of 15 to 7 on 25 January. All Democratic and Shinsei Club members of the committee sided with the Democratic Liberals in voting on the motion.

At the Steering Committee meeting on 26 January, Attorney General Shunkichi Ueda apologized to the committee for his delay in submitting the Government's official interpretation relative to the arbitration plan. The Attorney General's "apology" ended the controversy between the House of Councillors Steering Committee and the Prime Minister on the issue.

House of Representatives Steering Committee
Deliberates on Improper Conduct of Members;
Requests Disciplinary Action Against Two Members

The Steering Committee of the House of Representatives on 30 January agreed that its members would take the lead in stressing in their respective political parties the necessity for maintaining order in the House chambers during plenary sessions. This decision grew out of complaints against individual members and whole parties for "improper behavior during the plenary session on 28 January, which impaired the dignity of the national legislature."

Opposition Democrat Sunao Sonoda, criticizing the behavior of those members who had heckled, jeered, shouted, and applauded interpellators and