number of officials and employees. Local finances appear headed for an enormous deficit in the current fiscal year. To cover this deficit, the increase in personnel must be halted, and in addition the appropriations already made must be heavily slashed."

A YUKAN CHUGAI columnist took Prime Minister YOSHIDA to task for spending too much time at his Hakone villa and failing to keep in close enough contact with the people. The "aged" Prime Minister probably feels the need of safeguarding his health during the hot season, the writer conceded. But he said: "We must demand that he act like a prime minister of the new era and observe the etiquette of a democratic statesman. His practice is too sharp a contrast to that of General RIDGWAY, who flies to the front day and night to conduct operations personally. We hope that Prime Minister Yoshida will come into closer contact with the people through action and speech, instead of imitating Premier STALIN who keeps himself shut up in the Kremlin."

INTERNATIONAL

Although the Communists so far have avoided a rupture in negotiations, TOKYO SHIMBUN was doubtful whether a Korean truce will materialize in the immediate future. It believed the talks will go through many more difficult stages; in fact, it said, protraction of the negotiations seems to be one of the important aims of the Communists. "There is ample basis for the opinion that the Communists are now buying time." Furthermore the Communists are building up their military strength, evidently preparing for the resumption of intense fighting if the cease-fire talks break down. In view of these tactics, the United Nations must maintain a firm united front.

The proposed US-Spanish military agreement will undoubtedly contribute substantially to West European defense, YUKAN CHUGAI said, but it pointed out the "open discontent" of the British and French. "The Franco regime being after all totalitarian and autocratic, the British and French are apparently unable to trust it. Moreover, as Spain has been demanding the return of Gibraltar it is perhaps natural that the British are unable wholeheartedly to endorse the American move."

ECONOMY

NIHON KEIZAI noted that some industries have begun to restrict output and attributed this chiefly to monetary stringency. It admitted that the export situation is not good, but said this is due to Japan's unstable prices and "we need not be too pessimistic over potential demands."

The paper believed that a tight money policy that restricts production will not bring about lower prices, but on the contrary will keep prices high. "Increased production is the most important factor in lowering production costs and rationalizing industry," it said. "In case of surplus production, it is of course necessary to adjust the output to demand. But the situation today is largely due to monetary stringency."

MAINICHI, discussing the difficulties of small businesses, spoke of the fact that Finance Minister IKEDA recently asked banks to facilitate the financing of smaller enterprises. But the paper was skeptical that big banks will do much along this line and expressed greater confidence in the proposed expansion of the Peoples Finance Bank and the Central Bank for Commerce and Industry. It also hoped the new local banks recently established will help the cause of small businesses.

MISCELLANEOUS

A YOMIURI commentator (BABA Tsunego) looked back on Japan's "10-year nightmare" that began when a minority group dragged the country into war. With the nation now approaching sovereignty he called upon the people to awaken to their responsibilities. "I wonder if the people will rouse from their easy-going state under US protection with the determination to preserve their independence at any cost," he said.

"Underlying the US policy for the peace treaty are goodwill and respect. The treaty also reflects the US intention to resist the sinister Soviet design to dominate the world. The Japanese are well aware of what the Communists are like. Therefore all the people except a minority group of leftwingers are sure to approve of cooperating with the US. The die is cast. We are going to cross the Rubicon. What I fear is whether the people are prepared for the task."

YUKAN MAINICHI felt that Government authorities are "unduly excited" over the appearance of yen notes scrawled with leftist propaganda such as "overall peace." Since this subject is discussed openly, the journal saw little harm from the propaganda attempt.

DAY LABORERS

Two Communist Dietmen Incite Labor Violence: Protesting the firing of eight day laborers classified as undesirables, about 400 day laborers demonstrated in front of the Shibuya employment office on 27 July. Two Communist Diet representatives, KONNO and KARASAWA, delivered inflammatory speeches and coaxed the mob to violence. The rioters prevented police officers from taking pictures of the demonstration. During this melee a police sergeant was severely wounded in the head and back. The mob then turned its wrath on 200 reserve policemen dispatched to quell the riot. In this engagement an employment official was dragged out of the building and mauled. The day-long riot ended with the arrest of KAMIO Ichisaku, a member of the Tokyo General Engineering and Building Workers Union, and six others. They were booked for assault and battery and resisting an officer. Investigation revealed that three of the rioters also took part in the recent disturbance at the Tachikawa job office. (Jiji Shimpo, 28 July)

31 Day Laborers Suspended for Work Neglect: The Tachikawa Day Laborers Union, learning that 31 members had been suspended by the local employment office for not doing allocated work, protested the action on 27 July by distributing handbills opposing work-site inspection by the employment office. The employment office revealed that during the work-site inspection the day before, it found that 50 day laborers had "willfully" neglected their work. The office then punished the 31 and promised to either discharge or suspend the others later. (Mainichi Shimbun, 28 July)

Day Laborers Demand Wage Hike and Employment: On 27 July, 70 day laborers in Tanashi marched up to the city office to press a five-point demand, including higher wages, full employment, and exemption from or reduction of the residence tax. Five labor representatives met with the mayor, but the results were not revealed. (Mainichi Shimbun, 28 July)

POWER RATE HIKE

Commentary: "Oppose Power Rate Hike": "The struggle against the proposed electricity rate increase has a far deeper and greater significance than the struggle waged four years ago against suspension of power to small industrial consumers and households. The blackout four years ago resulted from increased power consumption by the Occupation forces. The present struggle aims to prove that the proposed power rate hike will bring on a kind of economic cooperation between Japan and America that will benefit the imperialists while sacrificing and exploiting the Japanese. Thus this is a matter of life and death for the Japanese. The additional revenue is needed to expand present equipment 30 percent and to boost power output by 10,000,000,000 KWH so that Japanese peacetime industries can produce military goods. But Japan's economy cannot bear such a heavy burden. It would wreck Japan's industries and the people's livelihood. For this reason opposition to the move has come not only from the working class but from capitalists and the Liberal Party.

"During the six years under the Occupation, we have never experienced such a national struggle. If we succeed in holding down the power rate, the imperialists' plan will fail and our struggle will become the greatest force for racial independence...similar to the nationalization of the Anglo-Iranian Oil Co. To guarantee racial independence, it is evident that we must combine this struggle with the overall peace and Berlin resolution campaigns." (Taishu No Nakae No 101, JCP Tokyo-to Committee publication, 17 July)

MISCELLANEOUS

Communist Sentenced in Japan Steel Riot Case: Communist MATSUE Toru, former chairman of Japan Steel Joint Committee, was sentenced to 13 months in jail for taking part in the Hiroshima plant riot of June 1949. Fourteen other Japan Steel workers were also found guilty, but MASUNA Takuma, vice-chairman of the Kure Communist district committee, was acquitted. (Tokyo Shimbun, 29 July)

Communist Leader Ito Reported Seen in Chiba: The search for ITO Ritsu, one of the eight purged Red leaders, now centers on the area around Funabashi-Ichikawa-Matsudo-Kashiwa Machi in Chiba Ken. Previous reports had Ito hiding in Tokyo. Even as late as 16 July, a police investigator spotted a man resembling Ito and shadowed him to the barbershop of Matsuzakaya department store on the Ginza. But while the officer was reporting in to his office, the man disappeared. (Yukan Yomiuri, 28 July)

Supplement to
SUMMARY OF JAPANESE PRESS

Prefectural Newspapers
(Period: 15-21 July)

The peace treaty draft continued this week to dominate editorial topics in the daily issues of 135 scanned prefectural newspapers, although coverage fell off to somewhat over half of the previous scan period's total. Seventy-one writers commented on the treaty and world reaction to it. The progress of the cease-fire talks in Korea drew further attention, but this subject too failed to reach last week's mark. It occasioned 38 editorials. The third major topic for this week's editorialists was the Japanese Government's final decision on the price of rice and other staple foods (43 items).

SECOND REFLECTIONS ON THE PEACE TREATY DRAFT

During the previous scan period, prefectural editorialists had neglected the question of provisions for Japan's security as outlined in the newly released peace treaty draft. The announcement this week that negotiations for a defense pact with the US were actually under way spurred writers to fill in this blank space. They soon turned, however, to discussion of how the world at large was reacting to the treaty draft. The South Korean attitude stimulated afresh the disappointment felt last week at the territorial clauses of the treaty, but the general feeling remained one of resignation. The unexpected news of Britain's latest economic move caused much concern, and some writers began to shift from their previous opinion that reparations, if not easy, were at least necessary and desirable. Most disturbing of all was the reaction of the Philippines, which the press approached with unhappy timidity. A ready scapegoat was to be found in the Soviet Union, and newspapermen throughout Japan decided the Kremlin's "peace offensive" was to blame for stirring up arguments among the free nations over the Japanese peace settlement.

Independence versus Collective Security

A Nagasaki daily (a) welcomed the progress of negotiations on US-Japan security arrangements, pointing out that this dispelled worries resulting from the likelihood of a separate peace and also rendered irrelevant the question of rearmament. "Past ideas of what a sovereign state is precluded the continued presence of foreign troops on any nation's soil. But the international situation since World War II has taught us the folly of this independence, for our hardest efforts for rearmament would not suffice to keep us free and at peace." Britain, France and other nations grant the US bases for the sake of collective security. "Japan by now would be a second Korea, if the Communist onslaught had not been checked by the united free nations. It could not be shown more concretely that Japanese security comes only from cooperation with the other democracies of the world."

An "epoch-making step towards collective security in the Pacific" was the description given by an Asahigawa journal (b) to the recent signing by the US, Australia and New Zealand of a provisional defense pact. The writer stressed that "creation of a more comprehensive structure in the future" is clearly suggested by the treaty, and noted the preamble provided for the stationing of troops in and around Japan after the Japanese peace treaty is signed. "To oppose the request for bases here is to ignore the world situation," added a small Tokushima publication (c). "Since public opinion favors rearmament, the base proposal too should be readily consented to. Japan should be far more concerned at the increased economic burden that would result from rearmament than at the possibility of making

(a) Nagasaki Nichinichi Shimbun (circ 34,800), 17 Jul
(b) Hokkai Nichinichi Shimbun (circ 86,320), 15 Jul
(c) Tokushima Maiyu Shimbun (circ 11,850), 18 Jul

enemies of some nations by offering bases to others....Huge expenditures for arms, not being an investment, were one of the main causes we began the Pacific War."

"We cannot but admit the need of American garrisons for the time being, when we consider the Korean war or the fate of small European nations after the last war," said a Kyodo article published in Fukui (d), Hiroshima (e), Toyama (f), Maebashi (g) and Morioka (h). It continued, however, to call it "still problematical" whether "a policy of complete devotion to the US, such as the proposed arrangements for post-treaty US bases in Japan, is right under the present international situation. It is all too clear our Socialists are opposed to it....When our economy is sufficiently rehabilitated to realize true independence, Japan should naturally demand the withdrawal of foreign troops, at the same time allowing itself rearmament necessary to the extent of self-defense. This will be in conformity with our obligation to cooperate with the UN, as provided in the peace treaty, and will open the way for geographical collective security too."

Sore Spots in the Islands

Territorial settlements remained a sore spot. A Shizuoka commentator (i) called South Korea's demand for Tsushima "entirely unreasonable," insisting there was neither historical evidence nor present obligation to justify it. "Japan may have plundered Korea, but it left valuable industrial property there...From the materialistic point of view, Japan has sufficiently compensated Korea. The US, too, has more than adequately represented that country's interests, and we are grateful it too has pointed out that the Japanese on the island outnumber the Koreans ten to one." Suspecting that the demand for Tsushima had been introduced mainly as a bargaining point in the general reparations issue, the writer called for a "better friendship" between Japan and Korea, "in keeping with their 1700 years of close relations, and the fact that the first cultural influence to affect Japan from overseas came by way of Korea."

Kagoshima's largest daily (j) expressed "deep sympathy" for the people of the Amami Islands, who, it said, were "redoubling their efforts to gain the approval of world public opinion for their desire to gain Japanese nationality once more." The islanders show "a sincere desire, a natural feeling, untainted by any political intentions....While we do not absolutely oppose the idealistic system of UN trusteeship, we do believe the islanders' wishes should be respected. We feel their sorrow and desperation is our own."

Asahigawa readers, however, were told (k) that inhabitants of the Ryukyu chain, especially of Okinawa, might well prefer to be under US mandate "because of their anger at the Japanese militarists who killed many innocent people in the war of aggression and laid their peaceful islands waste....Besides deep-rooted ill will against Japan, they also may well expect more happiness from the aid of the wealthy US than from our war-impoverished country." During the period 1938-46, the writer had personally observed the "contemptuous treatment" given Okinawans on islands under Japanese mandate such as Saipan, Tinian and Truk.

Repercussions: The British Announcement

A Matsuyama pressman (l) was gloomy over world reaction to the published treaty draft. "Some nations think a US-Japan security agreement will only tighten cooperation between the USSR and Red China. British economic circles fear renewed unfair international competition by Japan. Australia fears our rearmament. The Philippines stick to their demand for impossible reparations. India says to exclude Peiping from the treaty is unthinkable." He was confident, however, that the US would change the draft little if at all, warning:

(d) Fukui Shimbun (circ 67,490), 15 Jul
(e) Chugoku Shimbun (circ 227,789), 15 Jul
(f) Kita Nippon Shimbun (circ 103,953), 16 Jul
(g) Jomo Shimbun (circ 63,928), 18 Jul
(h) Iwate Shimpo (circ 41,023), 19 Jul
(i) Shizuoka Shimbun (circ 90,434), 21 Jul
(j) Minami Nippon Shimbun (circ 135,973), 17 Jul
(k) Hokkai Nichinichi Shimbun (circ 86,320), 16 Jul
(l) Ehime Shimbun (circ 116,610), 21 Jul

pating in the September conference. "Contrary to general expectations that the USSR would support a lengthy resistance by the Communist forces in Korea, Mr MALIK proposed a peaceful settlement of the war. This seems to have slowed down a little the arms expansion programs of America and Europe. If this was the aim of the Malik suggestion, it cannot be definitely said the USSR will not apply the same tactics to the Japanese peace treaty issue. Presence of a Soviet representative at San Francisco would certainly cause embarrassment and confusion in the democracies."

CEASE-FIRE NEGOTIATIONS: CHANCES OF SUCCESS

As the scan period opened, the Korean cease-fire negotiations were resumed when the Communists accepted General RIDGWAY's demands that the talks be held on an equal basis. Prefectural editors offered little comment on the issue which had been brought to the fore by the Communists' refusal to admit a UN convoy including press personnel. They doubted the Reds would break off the talks over this issue. They were as much concerned that British correspondents had objected to Japanese newsmen's wearing the UN patch while covering the Kaesong talks. The majority of the editors continued to weigh the chances of successfully concluding the Kaesong conference, delving again into Soviet motives.

"Not as a Political Maneuver"

In the Communists' reluctance to admit newsmen to the Kaesong conference, a Nara journalist (ac) was reminded of the fundamental difference between the role of the press in the Communist and in the free world. "In the Soviet Union, all newspapers must be subservient to the Communist Party. Reporters are not permitted to take the initiative to find 'hot news,' for the news organs merely reflect the opinions of the Kremlin. The chief editors are selected by the Communist Party and given orders by the party committee....In the free nations, public opinion is formed in an entirely different manner. There, the voices of the people are respected, while in the Communist nations the opinion of the dictator becomes the people's opinion. Should the Communist leaders listen to public opinion, they would undermine their dictatorial powers. To protect their own interests they must control the press." The writer thus believed that the Communists had attempted to keep out the newsmen "not as a political maneuver but as a step to cover up their irrational system. The Communist delegation will probably make up their own stories to be printed in their papers. When we realize that all newspapers are controlled in the Soviet Union, we can well understand the nature of the dictatorship found in the so-called workers' paradise."

A Kyodo-syndicated article appearing in Nagasaki (ad), Maebashi (ae), Kofu (af) and Morioka (ag) expressed joy that the Communist leaders had "shared" their reasoning that "since the Communists admit the right of the UN for press representation, the difference of opinion can be ironed out somehow. It is also unthinkable that the progress of the important cease-fire talks should be obstructed by such a side issue. In taking any action at this time, more importance should be attached to the fate of the Korean race than to that of a handful of press reporters....In any case, we are glad that the Chinese and North Korean Communists do not hysterically accuse press reporters of being the cat's-paws of 'bourgeois newspapers' as do the Communist labor unionists in Japan."

Insular Shortcomings and Sensitivity

The protest of the British Commonwealth correspondents covering the Kaesong conference against the Japanese reporters' use of UN patch strongly reminded an Imabari editor (ah) that "we Japanese tend to forget that we are a defeated nation." However, he was also impressed by the Koreans' treatment

(ac) Nara Nichinichi Shimbun (circ 11,000), 15 Jul
(ad) Yukan Nagasaki Nichinichi (circ 15,200), 17 Jul
(ae) Yukan Jomo Shimbun (circ 33,275), 16 Jul
(af) Yamanashi Jiji Shimbun (circ 29,289), 16 Jul
(ag) Yukan Iwate (circ 10,000), 17 Jul
(ah) Iyo Shimbun (circ 37,798), 15 Jul

of the Japanese correspondents. "Reports from the Korean front say that the Koreans are very eager to know the current conditions of our country. In particular, a correspondent was asked about our new educational system and our National Police Reserve. The questioner reportedly seemed to doubt that Japan was faithfully carrying out the Occupation directives and feared the reconstruction of the Japanese army....Lastly, he referred to the question of Japanese-Korean cooperation and thought that mutual respect should be established between Japan and Korea. At any rate, Japan should never again dominate Korea, nor do the Koreans wish to be put under Japanese rule....It appears that we Japanese had begun to forget the crimes we committed in the last war."

Most critical of the British correspondents' protest was a Nagano evening journal (ai). It could not understand their action and declared that "Englishmen of good sense would cry." "If it were the Communist correspondents, it would be understandable. Again, if the British government or the Commonwealth governments had said so, perhaps we would not be so surprised. However, coming from newsmen who are free men and cosmopolitans, we cannot help crying 'how narrow-minded!' Japan will be admitted into the UN following the peace treaty to be concluded in 50 days. We are practically engaged, and there is no law against engaged persons walking together."

Nagoya's leading evening publication (aj) took this opportunity to criticize the "insular attitude" of both Japan and Britain, which seems to indicate "a decline in power." It recalled that Governor DEWEY of New York, after his recent visit here, had commented that Japanese statesmen had lost their insight into international matters perhaps because of Japan's isolation from the world after World War II. "The downfall of our empire has brought our politicians down to the low level of those of the Tokugawa era....Great Britain sees its holdings being liquidated in spite of its victory in the war. The eyes of its journalists are now being bothered by the small patches of their colleagues... We hope that the two insular countries of the East and of the West will once again become farsighted."

Still Doubts over Soviet Aims

Other writers continued to be more concerned about Soviet intentions. A Kobe editorialist (ak) felt both sides were merely trying to see each other's hands. "The US, the UN, the Soviet Union and Communist China are all eager to learn the true intentions of the other party, and nothing else. It cannot be said that the cease-fire talks will necessary come to an agreement." More hopeful was a Takamatsu observer (al), who saw a change in the "uncompromising Soviet attitude of six months ago," but concluded that "after all, Red China alone holds the key to the success or failure of the truce."

A popular claim was expressed by a Shizuoka pressman (am), who held that the Soviets' ultimate aim was to "disrupt and delay the US arms expansion program. In this sense, we cannot be optimistic about what will follow the military truce." A Kyodo editorial in Gifu (an) and an Akita newspaper (ao), supported this view: "The present object of Soviet diplomacy is to check the rearmament of the US and other Western nations. The Soviet Union expects that if the Korean conflict ends, the West will cool in its enthusiasm to rearm, and that Red China will be able to demand a voice in the Japanese peace settlement. As for Korea, the Russians will seek to win over the republic to the Communist camp by political means. Most Americans seem to believe this is the scheme plotted by the Soviet Union. If this is so, another hitch may be caused in the armistice negotiations even if a cease-fire is realized."

THE RISING PRICE OF RICE

The perennial issue of setting the rice price come up earlier than usual this year as the Government decided on the staple food prices promptly even

(ai) Yukan Shimmai (circ 43,185), 19 Jul
(aj) Yukan Chubu Nippon Shimbun (circ 337,913), 21 Jul
(ak) Yukan Kobe (circ 35,549), 16 Jul
(al) Shikoku Shimbun (circ 54,500), 18 Jul
(am) Shizuoka Shimbun (circ 90,434), 19 Jul
(an) Gifu Times (circ 98,530), 16 Jul
(ao) Akita Sakigake Shimpo (circ 112,886), 16 Jul

before crop deliveries started. On 18 July it approved a plan to increase the prices of rice and other cereals by an average of 18.5 percent to be effective 1 August. To offset the effects of the price hike on consumers, it also planned to give priority to tax cuts and civil service pay boosts in compiling the 1951 supplementary budget. It moreover pledged financial aid to farmers, whose bonuses were cut down to five percent from the proposed 15 percent. Prefectural editors seemed to accept the price change as "inevitable," but hoped that the Government would take supplementary measures to prevent a general price increase to protect the consumer as well as the farmer. They believed that the farmers needed special consideration in view of the rising costs of fertilizer and farm implements. The writers also suggested that the Government be more consistent in its price policies to avoid confusion and uncertainties.

Sound Finance with Remedial Measures

A Kyodo-syndicated editorial reprinted in Miyazaki (ap), Maebashi (aq), Utsunomiya (ar) and Wakayama (as) typically found the price revisions "inevitable": "The original intention of the Government was to transfer 40,-000,000,000 yen from the general into the food control account to cover the boost in the producer price, but this amount was decreased to 9,800,000,000 yen when it was decided not to follow the dual price system. The increase in the producer price will be met by increasing the consumer price. Both producer and consumer may be dissatisfied with this plan, but they must remember that enforcement of sound finance is essential today." Yet it hoped that the Government would adopt "overall measures" to stabilize prices and avoid repeating the "mad price scramble" of a year ago upon the outbreak of the Korean conflict.

A Takaoka analyst (at) appreciated the efforts of the Government to "avoid public unrest" with the peace treaty in sight by setting the staple food prices early and promising remedial measures. "That the new rice and barley prices have been decided in July is unprecedented in the past few years. It can be said that this fulfilled the demands of various circles including farmers throughout the country....The advanced enforcement of the new consumer prices seeks to reduce the amount to be transferred from the general to the food control accounts. But, at the same time, the Government apparently sought to avoid raising the rice price in conjunction with the proposed increase in electric power and other charges, in consideration of the psychological effect upon the people with the peace treaty near at hand. Its attitude of trying to ease the effects of the price hike upon living costs by increasing the civil service pay and reducing taxes is as it should be. However, we wonder whether everything will go as planned by the Government, for setting the rice price is only the beginning of the problem."

At the Expense of the Consumer

Kobe's leading journal (au) supported the increase in the producer price "since farmers are confronted with an unexpected increase in general prices," but saw a large problem in that the increase is shifted to the consumer "with a view to maintaining sound state finance....The Government estimates that the effect of the 18.5 percent increase will be only 3.7 percent on the household economy. However, this means that it must take adequate measures to prevent other commodity prices from following the increase in the price of rice." The Government, fearful of inflation, "apparently aims to follow the Dodge line, with the basic idea of promoting sound state finance without payment of subsidies, expecting the people to meet the increase in the price of rice by rationalizing their enterprises as well as their livelihood."

More critical was the Kyodo writer of an editorial published in Miyazaki (av),

(ap) Hyuga Nichinichi Shimbun (circ 45,283), 18 Jul
(aq) Jomo Shimbun (circ 63,928), 20 Jul
(ar) Shimotsuke Shimbun (circ 45,020), 19 Jul
(as) Wakayama Shimbun (circ 29,143), 21 Jul
(at) Toyama Shimbun (circ 60,864), 19 Jul
(au) Kobe Shimbun (circ 218,455), 18 Jul
(av) Hyuga Nichinichi Shimbun (circ 45,283), 20 Jul

Gifu (aw), Fukushima (ax), Takaoka (ay), Kofu (az), and Utsunomiya (ba) who accused the Government of "making fools" of the people. "The Government's haste in accumulating capital is exerting pressure on the people's livelihood. Capital accumulation should be carried out gradually over an extended period. If it is pushed too vigorously, sacrificing the people's living to inflation, no good will come of it for the nation's future....The effects of a general price increase can never be offset by a slight reduction in taxes. Moreover, the increase in nominal wages from the pay raise may even increase the tax burden. The Government should launch serious measures to stabilize prices instead of continuing to make fools of the people. It is the heartfelt desire of all that their standard of living be at least maintained if it cannot be improved as promised so frequently by the authorities."

A Social Problem; A Constant Policy

A Muroran journalist (bb) feared "a serious social problem" would result if the Government did not take "proper measures" especially to help employees of smaller industries. "Since the Government stubbornly sticks to theory and seeks to curb inflation through a monetary policy alone, smaller industries, operating on a small scale and with little capital, and their employees must pay the sacrifice. We do not maintain that inflation should be sought. However, the Government should revise its past monetary policy, easing up especially on loans to smaller industries so as to make it possible for them to raise wages in proportion to the civil service wage increases. If the Government cannot even do this much, the present inequality will be further accentuated to create eventually a serious social problem."

In a similar vein, a Hiroshima pressman (bc) pointed out that industries in general will be hard put to pay more wages. "The need to strengthen and readjust enterprises to compete in the international market after the peace settlement will not allow enterprises to pay wages sufficient to meet the increase in commodity prices. It is inevitable that the people's livelihood will face a severe predicament. The Government's incompetent price policy is to be strongly criticized."

Many other voices were heard blaming the Government for not maintaining a more definite price policy. "We do not say that the Government has hitherto had no price policy, but it is not too much to say that the Government has always resorted to temporary expedients," typically criticized a Kyoto newspaper (bd). "What we desire is that the Government fix its fundamental price policy on which to base all price decisions. The Government reportedly plans to cut taxes and raise the pay base to offset the increase in the rice price. This is only natural, but stabilization of our national life cannot be hoped for so long as the present wide fluctuations of prices are allowed to continue." Hokkaido's four-city daily (be) concurred: "The Government, which has neglected to establish a lasting formula in the past, is strongly urged to work out an invariable policy for deciding the rice price each year."

Supplementary Measures for the Farmer

Nagoya's influential daily (bf) found the new staple food prices "not favorable for either producer or consumer" and questioned whether they were proper "though they may be necessary under the Dodge policy." It suggested following the dual price system, arguing: "The rigid policy of balanced finance leads to a rise in prices in the end, and does much more harm than good ....Prices will soar rather than be stabilized if the Government places too much emphasis upon balancing the national books, making it impossible to control inflation."

(aw) Gifu Times (circ 98,530), 20 Jul
(ax) Fukushima Minyu (circ 40,000), 22 Jul
(ay) Toyama Shimbun (circ 60,864), 21 Jul
(az) Yamanashi Nichinichi Shimbun (circ 40,850), 21 Jul
(ba) Shimotsuke Shimbun (circ 45,020), 21 Jul
(bb) Muroran Mimpo (circ 21,704), 20 Jul
(bc) Chugoku Shimbun (circ 227,789), 20 Jul
(bd) Kyoto Shimbun (circ 195,200), 19 Jul
(be) Hokkaido Shimbun (circ 629,753), 20 Jul
(bf) Chubu Nippon Shimbun (circ 968,711), 19 Jul

"We must keep international criticism in mind and act wisely in the critical period before September, especially avoiding words and deeds betraying world trust in territorial, rearmament and economic problems."

A Mainichi-syndicated editorial printed in Fukushima (m) and Nagoya (n) regretted that Britain had promptly announced it would not automatically extend the most-favored-nation treatment to Japan, asserting this would make post-treaty trade with the sterling areas difficult if other Commonwealth nations fell in with it. "Of course it is due to the black prospects for the British economy, which must make its profits from non-armament exports, such as textiles, and Britain naturally fears our competition....Moreover, conservative trends are growing strong again in Japan. The British know this may mean lower labor standards, and that Japanese capitalists may be better able to export low-cost goods in great quantities." Consequently, Britain is watching closely how Japan will revise the Potsdam ordinances and labor laws and whether depurgees will regain their prewar influence. "We should try to dispel British suspicion, and only then can we expect Britain to act in accordance with the spirit of a 'peace of reconciliation.'"

"Britain's decision threatens our vital export trade with Commonwealth countries," worried a Nagano paper (o). "On this trade depends our import of food and raw materials for production, without which we cannot support our far too numerous people. It goes without saying that emigration is no fundamental solution to the overpopulation problem, although it might be eased a bit by emigration. For what countries can we count on to open their gates to Japanese, except a few in South America? Our only hope is that the UN will help."

The Perils of Reparations

"The true sufferings of our defeat in the war are yet to begin," ominously wrote an Oita analyst (p), predicting a "rocky road" for the post-treaty Japanese economy. "We cannot forget the fate of Germany after World War I." He feared the "remarkably fast reconstruction of consumer industries" had given false impressions abroad of Japan's economic potential, giving rise to British suspicion and the Philippines' insistence on reparations "that would be a disastrous blow."

"If we are to express our national feeling frankly, we are dissatisfied that we must relinquish overseas assets and pay reparations," flatly stated Osaka's largest local daily (q). "Even the modified form of reparations by technical services is a great burden to our economy." Further, the treaty draft does not mention details as to actual amount and period of fulfilment. "Since these are to be decided by separate agreements, we must anticipate that long and troublesome negotiations will have to be kept up for some time....We hope that these burdens will be lightened as much as possible in accordance with the principle that Japan is incapable of paying great reparations."

Osaka's largest business journal (r) similarly felt even modified reparations were "dangerous during the time of rehabilitation....The Government must take into account beforehand how they might affect the inflationary trend." Despite the "admittedly great lenience" of reparations in service, "it is necessary for Japan to seek more sympathy from the Allies in this matter."

Repercussions: The Dissatisfaction of the Philippines

To discuss the effect of reparations was to bring to mind at the same time, for most writers, the demands of the Philippines. "The US is well aware of our weak economic capacity, and wealthy enough so it does not need to ask for repayment for all damages. We cannot be grateful enough for this," said a Kumamoto daily (s). "But some nations cannot be otherwise satisfied. The Philippines are among the nations that suffered most from the war, whose feelings towards Japan are extremely bad, and Japan is entirely responsible for this. And Japan is to be punished fully for starting the war. But those who

(m) Fukushima Mimpo (circ 91,202), 20 Jul
(n) Tokai Mainichi Shimbun (circ 56,963), 21 Jul
(o) Shinano Mainichi Shimbun (circ 145,728), 20 Jul
(p) Oita Godo Shimbun (circ 80,688), 18 Jul
(q) Osaka Shimbun (circ 679,390), 15 Jul
(r) Sangyo Keizai Shimbun (circ 572,814), 15 Jul
(s) Kumamoto Nichinichi Shimbun (circ 119,600), 20 Jul

hope for the peace and stability of Asia in the future keenly feel a necessity for having both these countries become friends and cooperate with each other. America's good offices are necessary, and Japan and the Philippines must be rational enough to sympathize with each other's stand." Manila's demand for eight billion dollars in reparations is "quite impossible for our economy to fulfil. It has been no easy task merely to get on our own feet, even with American aid....The rise of Hitlerism in Germany was as much due to the Germans' heavy economic burdens as to anything else. We want to avoid such a crisis."

A Kyodo article published in Hiroshima (t) said: "We understand that we ourselves are responsible for Filipino ill will towards us. Nevertheless, as the Philippines are closely related to the US, in economic and military affairs, their opposition to the treaty drafted by the US is seemingly incomprehensible." Briefly mentioning the "impossibility of making great reparations," the writer also commented on the "absurd fear" that there was danger of future Japanese aggression. "We should try to express our sincere repentance to the Philippines, and clarify that we are determined to compensate for what we did by whatever is within the limits of our economic power. We cannot do the impossible, but it would be deplorable if our peoples cannot be friendly."

An Okayama observer (u) was exercised over the Philippines proposal that a special UN organization supervise Japan's educational system and its fulfilment of treaty obligations for 20 years. "The problem here is rather in the attitude that requires supervision than in how to operate the supervisory organ. Can a nation under UN supervision join the world organization on an equal footing with other independent countries?" asked the writer. "That would make the peace treaty self-contradictory." The Philippines' distrust of Japan is natural and understandable. "But by signing the treaty we vow faithful adherence to the UN Charter, and declare to the world that we will participate in various international agreements with strict observance of law and custom. Even if we tried to break our promises, we could not do so with our severely restricted territory and resources. There will be enough limitation on our activities without any interference and supervision. We should rather hope to be encouraged by trust and friendly generosity."

Repercussions: The Result of Moscow's Meddling

The objections of Britain, the Philippines and other nations to the treaty draft were seen by Kobe's largest daily (v) as "successful results of the recent Soviet peace offensive." The writer asserted: "Establishment of an anti-Communist front in Asia now has primary importance for the US. It is expediting the Japanese peace treaty for this reason, and its arrangements with Australia, New Zealand and the Philippines were similarly made. But the US cannot tolerate such discords within its defense bloc, and must take steps to counter the continued success of the Soviet peace offensive."

"Since the principle of the treaty draft is to make Japan one more link in the anti-Communist chain, the USSR can hardly be expected to sign it," observed a Kochi publication (w). "The Reds aim to split the unity of the democracies, both in Europe and Asia. Their maneuverings in such countries as India, Pakistan, Burma and Indonesia deserve special attention, for these governments have already recognized the Peiping regime as the legitimate order in China." This poses a danger to the ratification if not to the signing of the treaty. "We cannot relax our alertness till the treaty is actually in effect."

"It is unthinkable that the Soviets will stand idly by until September without trying to interfere in some way," declared a Yamaguchi paper (x), and a Kyodo-article appearing in Miyazaki (y), Kofu (z), Wakayama (aa) and Fukushima (ab) predicted this interference might take the form of Moscow's partici-

(t) Chugoku Shimbun (circ 227,789), 21 Jul
(u) Sanyo Shimbun (circ 219,200), 21 Jul
(v) Kobe Shimbun (circ 218,455), 19 Jul
(w) Kochi Shimbun (circ 108,242), 17 Jul
(x) Bocho Shimbun (circ 17,656), 18 Jul
(y) Hyuga Nichinichi Shimbun (circ 45,283), 16 Jul
(z) Yamanashi Nichinichi Shimbun (circ 40,850), 17 Jul
(aa) Wakayama Shimbun (circ 29,143), 20 Jul
(ab) Fukushima Minyu (circ 40,000), 21 Jul

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1875 DATE: 28 Jul 51

Today's Tokyo Newspapers

-NEWS-

Major domestic stories today pivoted on the coming peace conference. In the evening press the heaviest emphasis fell on Prime Minister Yoshida's decision to head the delegation to San Francisco. It outplayed the top foreign news--the Kaesong cease-fire talks--in nearly all evening papers. But in the morning press domestic news began to slip. Of the Big Three only MAINICHI kept the spotlight on the home front; its main story was tied to the Yoshida-Ridgway conference. ASAHI and YOMIURI subordinated Japan treaty developments to the 11th Kaesong meeting. Though never edging into the leadoff spot, farm policy also drew good coverage. The Big Three gave extensive space to the Government move to draft a new farmland bill. Agriculture-Forestry Minister Nemoto's statement on possible rice decontrol next spring made the front page in several evening papers.

PEACE TREATY

Prime Minister YOSHIDA informed Gen RIDGWAY yesterday of his decision to head the Japanese delegation to the San Francisco peace conference. According to government sources, the Prime Minister also thanked GHQ for helping to bring the treaty within reach and promised to speed up the selection of peace delegates. (a) Yoshida intends to submit a roster of delegates to the Diplomatic Section about 6 August. Besides studying the delegation makeup, he has started working on a 15- to 20-minute speech for the peace conference. (b)

Earlier in the day the Prime Minister told the Cabinet about his conference plans." He said he decided to go to San Francisco "as an expression of courtesy to the US Government." He hoped that a representative from each of the major parties would accompany him. (c) "I want the Peoples Democrats, the Socialists, and the Ryokufukai to take part in the delegation," he said. "I would like all cabinet ministers to make individual efforts to win the cooperation of these parties." (d)

"If our nonpartisan approach to the peace delegation fails," said Chief Cabinet Secretary OKAZAKI, "we will consider an alternative plan. Even if we cannot win over the Peoples Democrats, we will not cancel our invitation to the Ryokufukai and the minor factions." (d) Liberal Chief Secretary MASUDA, acting on Yoshida's instructions, met Peoples Democratic and Socialist leaders and renewed the Government's appeal for national unity on the peace treaty. (e) He asked Socialist Secretary General ASANUMA to reconsider his party's decision to boycott the peace delegation. Asanuma consented to review the question at an executive meeting today and make a formal reply after the return to Japan of Chairman SUZUKI. (a)

Chief Secretary MIKI of the Peoples Democratic Party saw no immediate need for playing along with the Government. "Despite Masuda's new request, our basic policy remains unchanged," he said. Miki explained that the PDP would consider taking part in the delegation only if the Government puts up a convincing argument at an extraordinary Diet before the peace conference. (e) PDP leaders reportedly told the Diplomatic Section that they will hold out until Prime Minister Yoshida can prove his "sincerity." (c)

Finance Minister IKEDA, meanwhile, estimated that expenses for the delegation will set the treasury back 120,000 dollars. (b)

FARM POLICY

Agriculture-Forestry Minister NEMOTO disclosed yesterday that he will try to decontrol rice next spring. "We are already negotiating with Finance Minister IKEDA to put rice on free sale with the start of fiscal 1952," he said. (f)

The Agriculture-Forestry Ministry announced that it will consolidate the three farmland laws without tampering with their reform principles. (a)

(a) Mainichi Shimbun (c) Yukan Yomiuri (e) Yomiuri Shimbun
(b) Jiji Shimpo (d) Tokyo Shimbun (f) Yukan Mainichi Shimbun

NEWS BRIEFS

PUC Refuses to Change Power Rate Plan: The Public Utilities Commission yesterday stood by its plan to boost power rates an average 31 percent despite GHQ disapproval. The PUC received a phone call from ESS opposing the inclusion of employee bonuses in the rate-hike plan. But PUC Chairman MATSUMOTO has allegedly resolved to go through with the proposed increase unless an official opposing memorandum comes from GHQ. (a)

Government May Buy Up Stockpiled Goods: A Trade-Industry Ministry official revealed yesterday that the Government is planning to buy up part of the goods stockpiled for lack of letters of credit. Promotion Bureau Chief INOUE, who made the disclosure before the Osaka Chamber of Commerce and Industry, estimated that the export stockpile will total 20,000,000,000 yen this quarter. (b)

5 Private Rail Disputes Still Unsettled: Five private railway unions, still fighting for increased pay, have scheduled another round of 24-hour strikes. Workers on the Tobu and Ibaragi lines will walk out on Sunday; those on the Hokuriku, Kobe, and Wakayama lines, on Monday. Central Labor Committee efforts to avert the Tobu strike failed when the union refused to compromise on a 14.5 percent increase. (c)

Kure Naval Arsenal Sold to US Company: The Government has sold the former Kure naval arsenal to the National Bulk Carrier Co for 850,000 dollars. Under the contract signed yesterday the Government reserved the right to buy it back in 10 years. For the purchase price the US company got these major facilities: three docks and the shipbuilding and engine-assembly yards with their equipment. (b)

Nihon Cola Sued for "Unfair Practice": The Nihon Beverage Manufacturing Co faces a court battle for bottling and selling a Coca Cola-like drink. In a suit filed yesterday with the Tokyo District Court, the Coca Cola company charged that despite repeated warnings the makers of Nihon Cola kept on copying the Coca Cola formula and hauling their product around in trucks resembling those of Coca Cola. (d)

(a) Yukan Asahi Shimbun
(b) Tokyo Shimbun
(c) Yukan Chugai
(d) Asahi Shimbun

-EDITORIALS-

The progress of Korean truce conferences held the spotlight today. Economic topics included the agreement reached in the Anglo-Japanese payment negotiations and the hike in consumer rice price to take place on 1 August. Political controversy over composition of the Japanese peace delegation, status of the depurge, and public dissatisfaction with Government efforts on the repatriation problem completed the editorial coverage.

KOREAN TRUCE

YOMIURI was gratified at the progress made in the Korean truce talks, feeling that agreement on an agenda has made prospects of an armistice fairly bright. The withdrawal of foreign troops is such a serious problem, it said, that it has been rightfully delegated to higher authority. "Evidently the Communists are trying to get the United Nations pledge for withdrawal as a preliminary step toward taking possession of all Korea by political activities in the future absence of foreign troops. The UN knew this and took a very firm attitude." Hence the agreement that recommendations on this point be made to the governments of the countries concerned.

Despite the progress made, it is still too early to feel optimism over the situation as a whole, the paper cautioned. Many knotty problems remain, including the boundaries of the demilitarized zone and supervision over the execution of the armistice terms. But since a way was found to deal with the troop withdrawal issue, it was believed the other problems would not be insurmountable.

MAINICHI similarly stressed the many issues awaiting solution. If the truce negotiations finally result in agreement, then UN approval will be necessary, which in turn will create other problems--such as whether approval should come from the Security Council or the General Assembly. In this light, agreement on the agenda is merely one step forward, the editorial said. The prevailing optimistic reaction, it thought, is due to the Reds' gradual abandonment of their intention to take up political issues at the conference and their unfavorable position as far as the war is concerned.

In the opinion of YUKAN CHUGAI, future conferences will hinge on the problems of a demilitarized zone and a supervising organization. At present, it pointed out, the UN and the Communists disagree on the extent and location of the zone.

A YOMIURI columnist commented that since all the parties concerned want to end the war, "there are no reasons why the negotiations should fail." But he added, "Nevertheless the free nations are liable to try to find hidden meaning in their opponent's words because the opponent is the Soviet Union. This is a disadvantage to the Communists."

ECONOMY

ASAHI noted that the Rice Price Deliberative Council will meet on 30 July, only two days before the increased rice price will take effect on 1 August. "This is too short a period to deliberate on this important problem," it declared. It also thought the Council meeting should be open to the public rather than behind closed doors. It complained that the Government has "ignored the will of the people" in deciding the consumer rice price, citing the fact that public hearings were held on electricity rates but none on the rice price issue. The paper believed that the date of the price increase should be postponed to allow more discussion of the matter.

The daily minimized the Government's plan to counterbalance the rice price boost by reducing taxes, saying that the tax reduction will have little favorable effect on those with comparatively low incomes.

NIHON KEIZAI considered it encouraging that agreement has been reached in British-Japanese payment negotiations. "Since various difficult economic problems are anticipated between Japan and Britain in connection with the peace treaty, the fact that the two nations have reached a compromise shows the possibility of solving any problem provided both nations discuss the issue in the spirit of friendship and mutual help," it said. "Japan and Britain are in the same position. Both are dependent on exports and both are suffering from a dollar shortage. They are doomed to compete with each other economically. They must, willing or unwilling, find the way to prosperity in the competitive struggle. We must make the settlement in the current negotiations a pattern for the solution of problems that will arise in the future."

PEACE MISSION

TOKYO SHIMBUN deplored the opposition shown by other parties to the Government party's invitation to participate in the peace conference. "As usual, irrelevant arguments based on party interests and feelings are advanced," it commented. "It is indeed regrettable that on the eve of Japan's recovery of sovereignty our political parties--the Communists excepted--cannot agree on an important national issue."

"We must be open-minded and ready to recognize the good offices of General MacARTHUR and Special Envoy DULLES and the pains Prime Minister YOSHIDA took in negotiating peace with them," the paper continued. "The nation expects both the Peoples Democrats and the Socialists to place their representatives on the delegation without showing themselves too scrupulous about trifles in the treaty terms. The Socialists may not join, but as for the Democrats, their complaint that the Liberals ignored their earlier proposal for nonpartisan diplomacy cannot be accepted as a reason for refusing a seat on the delegation."

MISCELLANEOUS

Discussing the progress of the depurge, JIJI SHIMPO noted that of the 116,000 cases still to be reviewed, career soldiers account for about 71,000, including more than 1,000 generals. It said their rescreening should be especially strict. "Those who were a part of the former military clique must be subjected to screening of the most rigorous nature. This is absolutely necessary for the extermination of militarism. But it would be too harsh to treat all ex-servicemen as militarists, and we hope that the rescreening will be fair and just."

A MAINICHI columnist spoke of the public's "unrest" over the status of repatriation and the fact that the peace treaty makes no provision on it. At a meeting of the Lower House Repatriation Committee, the chairman promised to take the matter up with the Prime Minister this month, but this left the people still unsatisfied. The writer felt that the Government should make more effort to explain to the people that Japan "has no power over the peace treaty."

Supplement to

SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

JCP FINANCE

Sugar Blackmarket Believed Linked with JCP: The blackmarket proceeds of 300 tons of sugar are believed to have ended up in the coffers of the Communist Party, Tokyo police, investigating an illegal sugar flow from the Oriental Exporters Co, report that several Communist sympathizers operating as brokers are mixed up in the case. One of these "brokers," they discovered, was a former employee of Communist leader NOZAKA Sanzo.

Broker K set himself up in business after Nozaka went underground. He blackmarketed 300 tons of sugar purchased from the Oriental Exporters Co, clearing 10,000,000 on the deal. But he made no bank deposits; his living showed no improvement--he lives like a poor man; and he was, as usual, hardpressed for business funds. Police are of the opinion that he turned the whole sum over to the Communist Party. And they have an idea that there are several other self-styled brokers doing the same thing. A warrant for K's arrest is under preparation. (Mainichi Shimbun, 28 July)

SECRET SAILINGS

Fisher Confesses Carrying "Communists" to China: Ex-Communist courier MINOBE Keizo (previously identified as MINO Keizo) recently told police of transporting Communist VIPs to China. He said he chartered a small boat at Kagoshima for the crossing.

On 22 July Kagoshima rural police hauled five crew members of the suspect fishing boat, Daiei Maru, in for questioning. The chief engineer TAKEMOTO Yoshiharu confessed that he made a secret voyage to Shanghai on 2 June, carrying four passengers whom he "took to be" Communists. He said: "Passenger MIZUTANI, a man about 60...left the boat at Shanghai. The others...came back with me to Kagoshima." (Yukan Asahi Shimbun, 28 July)

Japanese Off Soviet Boat Discovered in Temple: A Soviet vessel put into Hakodate at dawn on 21 July and disgorged self-styled Yamagatan SATO Shigeharu. The man hid in a Buddhist temple at Kamiso Machi until the next evening, when he was smoked out by police as a suspected smuggler. After questioning him for three days, police felt they had "gotton nowhere" and arranged with the "authorities concerned" to trace the subsequent movements of the boat.

Sato declared that he moved to Sakhalin in 1927, and was held there as a prisoner after the surrender. He said on 17 July, this summer, he and 10 others were loaded on a boat and set to fishing off Maoka, Sakhalin. "We seized the vessel and escaped...At dawn on 21 July we reached Hakodate where I got off." From Hakodate, he said, the boat was "supposed to go to Hachinoe port and let off two or three passengers, then on to Niigata." He refused to divulge the names of his shipmates. (Mainichi Shimbun, Aomori edition, 27 July)

Youth in Stolen Boat Caught near MacArthur Line: At 0200 hours on 26 July fisherman KAGAWA Chohachi of Nemuro Machi reported that his boat had disappeared. Muroran police, on the hunch that the boat was headed for foreign waters, dispatched a search ship. The searcher overtook it three hours later just this side of the MacArthur line, near Cape Nosappu. The boat thief identified himself as YAMADA Mitsuo, a student from Aomori. Beyond admitting that he came to Nemuro for the purpose of buying passage into "a foreign country," he refused to talk. (Mainichi Shimbun, Hokkaido edition, 27 July)

MISCELLANEOUS

Eight Koreans Picked Up for Illegal Entry: Eight Koreans were arrested in Aomoro Shi on 26 July on charges of illegal entry, the curtain raiser in a citywide drive against unregistered aliens. Police recently got a tipoff that a number of smuggled Koreans are hiding out in the Aomori area. (Mainichi Shimbun, Aomori edition, 27 July)

Woman Distributed "Peace" Bills to Police: A woman made the rounds of several Kawasaki Shi police stations on 21 July, distributing "peace" bills as she went. The bills pointed out that "the way to get peace is to slow down on your work." Police picked up the woman on 26 July. She proved to be a Geological Survey Bureau worker named TEZUKA Sumi. "Scores" of similar-type handbills were removed from her home. (Asahi Shimbun, 27 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1874 DATE: 27 Jul 51

Today's Tokyo Newspapers

-NEWS-

Evening papers divided their emphasis between Korean truce talk speculation and reports on the coming special Diet session and the makeup of Japan's peace delegation. In late morning editions the news of an agreement on agenda placed the Kaesong talks at the top although probable composition of the Japanese peace mission continued to ride high. YOMIURI, in a late edition, gave the lead to a US News and World Report commentary speculating that the Korean conflict may end in a "draw" and intimating that the US is still following a Europe-first policy.

PEACE TREATY

After talking to Prime Minister YOSHIDA at Hakone yesterday morning, Liberal Chief Secretary MASUDA stated that the Japanese peace mission will comprise 15 persons, including administrative officials and observers. The delegates are expected to number four--the Prime Minister and one representative each from the Liberal and Peoples Democratic parties and the Ryokufukai. (a) Reportedly confident that the Democrats would agree to participate, Yoshida commissioned Masuda to confer with them again. (b) Yoshida was apparently assured of representation at least from the Upper House Democrats, since they voted yesterday to cooperate with the Government. (a)

At the same time, Democratic Chief Adviser ASHIDA, who is on a trip to Shikoku, continued to voice his suspicion of Liberal "maneuvers." Although he thought the Liberal proposal for nonpartisan diplomacy was the result of suggestions from Special Envoy DULLES, he declared the Democrats would not accept such a "high-handed attitude." "We will not be persuaded to accompany them to the peace conference merely to sign the treaty blindly." Trying to force a merger of the Liberals and Democratics, he said, is similar to the Democrats and the Republicans in the US combining into a single party. (c)

Masuda also intended yesterday to renew talks with the Socialists. (d) But in the afternoon Socialist Secretary-general ASANUMA and two other top-ranking party officers called on Masuda and formally rejected the invitation to send a member to the conference. (a) Members of minor parties and chairmen of the foreign affairs committees of both Diet houses will go as "reserve" delegates or observers. (a) Of the minor parties, the Farmer Cooperatives expect to send a member (d), but the Worker-Farmer Party has refused. (e)

With the exception of Chief NISHIMURA of the Foreign Office Treaty Bureau, ministers or vice-ministers reportedly will not participate. (a) Under this plan, Foreign Vice Minister IGUCHI would not attend. However, Iguchi--who also conferred with the Prime Minister yesterday--gave reporters a somewhat different version. He intimated that he expected to go--although this was not "definite"--and that Finance Minister IKEDA and Supreme Court Chief Justice TANAKA would be included in the delegation. (d) Attorney General OHASHI--another of the Prime Minister's visitors yesterday--said his office is putting in a bid to have one or two officials named to the delegation. (f)

Observers believed that the Liberal Party will name Chief Secretary Masuda or UEHARA Etsujiro, chairman of the world relations research committee, as its delegate, that Chairman TOMABECHI or Chief Secretary MIKI would represent the Democrats, and TOKUGAWA Munetaka, the Ryokufukai. (d)

Masuda announced that the Diet will be convened on 4 August for a session of "one or two days." (d) The Socialists complained that a two-day session is much too short and is designed to mislead the public by "mere formalities." (g) They also served notice that they will interpellate the Government on the content of the peace treaty. Socialists take exception particularly to provisions on territories and on reparations through furnishing "technical skills and services." (e)

(a) Yukan Asahi Shimbun
(b) Jiji Shimpo
(c) Yomiuri Shimbun
(d) Tokyo Shimbun
(e) Sangyo Keizai Shimbun
(f) Yukan Mainichi Shimbun
(g) Asahi Shimbun

POWER RATES

The Government, at an economic ministers' conference on power charges, formulated a plan (1) to strike off the 2,600,000,000 yen worker's bonus in the Public Utilities Commission plan, (2) to increase coal consumption from 3,600,000 to 4,650,000 tons and (3) to retain the present area differentials. The Government sent Economic Stabilization Board Director SUDO to sound out ESS Chief MARQUAT on the plan yesterday. Sudo then called on the PUC to lower its projected 31 percent increase, but Chairman MATSUMOTO rejected the proposal. Matsumoto said: "The arrow has already left the bow. We cannot accept the Government plan. The PUC waited until Monday to hear from the Government, but as no proposal arrived we went ahead on our own. We will approve the rate hike today so that it will go into effect on 7 August." (a)

The Government hopes to settle the issue at today's cabinet meeting. It is possible that Prime Minister YOSHIDA will step in and settle the problem. (b)

NEWS BRIEFS

UK, Japan Agree on Trade Payment Issues: Basic differences in the current British-Japanese conference on general payment negotiations were settled at the 12th session yesterday. A committee will start drafting detailed provisions of the agreement. (c)

Administration Reform Plan Due 9 August: The final draft on administration reform will be presented to the Government on 9 August, according to the Ordinance Review Committee which met yesterday with committee member ISHIBASHI Tanzan for the first time. (d)

Council Backs Small Electoral Districts: The Election Law Revision Council will recommend changing the present medium electoral district system for Lower House members into small electoral districts and revising the declaration of candidacy and campaign regulations. (e)

Liberal Party executives yesterday opposed revision of the electoral districts but supported revision of the electioneering provisions. (e)

(a) Tokyo Shimbun
(b) Nihon Keizai Shimbun
(c) Jiji Shimpo
(d) Yomiuri Shimbun
(e) Asahi Shimbun

-EDITORIALS-

The Government white paper on repatriation continued to draw comment in today's editorials. In addition, administrative issues--administrative reform, corruption of politicians and bureaucrats, and the proposed public security ministry--were discussed in three papers. Two writers criticized the Public Utilities Commission's plan for a 31-percent power rate hike. International topics included the US defense program, the Korean truce talks, and Britain's attitude toward Japan.

REPATRIATION

JIJI SHIMPO was "astounded" to learn from the Government white paper on repatriation that 234,000 detainees in Soviet areas have already died. "But more pressing problems are why the living 77,000 war prisoners have not been returned home and what has become of the 28,800 who are unaccounted for." The daily pointed out that the Japanese Government figures are based on actual data. "Still the Soviet Union refuses to explain the reason for a 300,000 discrepancy. We cannot blame the people for imagining the worst of the Soviet Union."

The daily continued: "Under the present world situation, it seems an impossibility to force the Communist nations to return the detainees. But it is not necessarily completely hopeless. The Soviet Union is expected to start on a peace offensive. Therefore, the most workable and practical action Japanese diplomats can take is to ask free nations to request the speedy repatriation of the Japanese detainees together with reliable information about them as evidence of the Soviet Union's inclination for peace."

An Asahi columnist felt that the Soviet Union should give an explanation for the big difference in the repatriation figures. "It is the biggest riddle of the 20th century that the life or death of such a large number of men is unknown. The UN and the peace treaty will surely not dare to bypass this big question of humanity."

A YOMIURI columnist urged the Government to be more "enthusiastic" about the repatriation problem. "It should exert efforts to give a more concrete and scientific account of the difference in Soviet and Japanese figures. With the conclusion

of a peace treaty near at hand, we doubt whether Japan, which is unable to finish such an important political and diplomatic matter, is qualified to become an independent country."

GOVERNMENT

YOMIURI observed that the ordinance review committee's draft plan for administrative reform considers a drastic cut in the administrative business of both the central and local governments a prerequisite to the personnel slash. "Theoretically this is a very good idea. But practically, it is difficult to decide what is necessary and what is unnecessary in the tremendous amount of administrative business. To achieve this difficult task, the functions of both the central and local governments and how they are being carried out must be grasped...We hope that the Government will make a fundamental investigation on one hand and on the other, work out without fail a separate administrative reform program for presentation to the forthcoming extraordinary Diet."

MAINICHI attributed corruption of politicians and bureaucrats to the destruction of moral standards as a result of the defeat in war and to the misunderstanding and abuse of democracy. "If this situation is left to take its own course, Japan may become a nursery for communism or militarism." Observing that politicians and government officials ignore the vital issues now facing Japan, the journal said the basic principles of political, economic, and cultural policies must correct the defects of democracy and foster its merits. "The people must have a high level of knowledge and fair judgment to develop democracy. To attain this end, it is essential to popularize education and social training."

TOKYO SHIMBUN criticized the ordinance review committee's plan to create a public security ministry that would control the autonomous police. The paper conceded that the centralized system will allow a constant and coordinated control over police forces but felt that the Government should try other methods first. "We cannot understand why the committee favors a centralized police system that might at any time cause a relapse into the police state of the past." The journal felt that the plan might nullify to some extent the nation's efforts for democratization.

ECONOMY

Pointing out that the Public Utilities Commission's proposed 31-percent power rate hike is not officially fixed, YUKAN CHUGAI said consumers need not resign themselves to the plan. "They should go ahead with their current struggles for lower rates." The paper said if Japan enforces price hikes in electricity, rice, water, gas and other items, the prices in Japan will become the world's highest, putting a halt to export trade. Japanese industry is basically dependent upon exports, not upon the prosperity of power companies. If foreign trade declines, of what use is abundant electric power?"

A TOKYO SHIMBUN columnist criticized the PUC for stating that it will push through its plan for a 31-percent power rate boost since GHQ approves the plan. The writer said: "The PUC should collect and arrange all opinions within the country first. Refusing to hear other opinions merely because GHQ approval has been won is a spirit contradictory to public benefit."

INTERNATIONAL

Commenting on President TRUMAN's economic message to Congress, NIHON KEIZAI said: "If the use of Japan's industry is contemplated instead of an increase in American production, then US-Japan economic cooperation will assume more significance. Instead of being afraid that special procurement demands will decrease and that the projected economic cooperation will be dropped as a result of the Korean armistice, we should consider that US-Japan cooperation is about to come to the fore in a new form."

A YUKAN CHUGAI columnist pointed out that Britain's refusal to give Japan the most-favored nation treatment will place Japan in an "extremely disadvantageous position." "The reason for Britain's attitude stems from Japan's past unfair competition. We have but ourselves to blame. But Japanese traders say that British industry is behind the times, using old-fashioned equipment. It is unreasonable to fear being overtaken by others, while being content with century-old equipment. Of course, the Japanese should not even dream of unfair competition in the future. But is it not proper for Britain to admit willingly that a 12-year old child grows?"

ASAHI noted that two of the three Red truce conditions have already been withdrawn by the Communists, and believed they will accede to the stand of the UN, whether they like it or not.

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

PROPAGANDA

Problem of the Rubber-Stamped 10-Yen Note: There is no law in Japan against defacing currency, and, likewise, no law banning defaced currency as legal tender. As it dawned on Tokyo police yesterday, all the millions of yen notes floating in the nation are "freely available and highly potent" propaganda carriers, if anyone wants to make them so.

Yesterday a Tokyo bathhouse operator turned in a 10-yen note with a "peace" message stamped on the back. What should he do if any more showed up, he wanted to know. So did the police. They rang the Finance Ministry to find out whether rubber-stamped bills were legally allowed to circulate. The ministry declared there was no law against passing marked bills; that the only way to control them was for official investigators to confiscate them as they turned up.

The "peace" message on the 10-yen note followed the Communist line--"We demand withdrawal of all Occupation troops immediately after the conclusion of an overall peace." Meanwhile it is known that Communist handbills, quickly scooped up by police, have lost effectiveness. Tying the two facts together, the police are convinced that they are up against one of the Communist Party's "new, improved peace tactics."

They summed up the case as follows: If the stamped bills are allowed to circulate unchecked, the Communist Party will have "free wheeling among the masses." If the stamped bills are judged illegal currency, then the people who turn them in "will be entitled to no refunds and those who use them innocently will be liable for arrest as agitators." (Mainichi Shimbun, 27 July)

RED ZONE CAPTIVES

Japanese Said Serving in North Korean Army: In the latest batch of repatriates from Korea is a woman who says she encountered Japanese soldiers in the North Korean army. Returnee TOMAHIRO Naoko (39), formerly of Sakai Shi, arrived in Maizuru on Wednesday, one of 70 women and children in the repatriation group. "Last summer when the Communist army invaded Seoul," she said, "I overheard four green-trousered Communist officers speaking in Japanese...Getting into conversation with them I learned that they were all ex-members of the Kwantung army. They said they were held in Siberia after the war. After indoctrination there they were assigned as officers in the Communist army." "There are many former Japanese soldiers in the Communist army," they told her. (Asahi Shimbun, 27 July)

MISCELLANEOUS

Anti-Arrest Demonstrators Mob Police Station: In Tokyo about 50 people--with a member of the Suginami chapter of the Worker-Farmer Relief Assn in the lead--stormed the Suginami police station on 25 July. They demanded "good reason" for the arrest of two antiwar bill distributors on 19 July, then insisted on coming in "to bring them food." While deputy-chief TAKAYAMA was thinking it over, several of them forced their way into the station and attacked the guards. Three were eventually arrested, one of whom was identified as a former teacher at the Momoi Second Primary School. This was the fourth or fifth day in succession that the mob had shown up, Takayama declared. But not knowing yet who the two prisoners are, he is barring out all visitors. (Asahi Shimbun, 26 July)

Korean Picture Paper Seized; Printed Booked: The Seiwa Printing Company in Chuo ward, Tokyo, on 25 July was stripped of 12,000 copies of the CHOSEN GAHO, a picture magazine said to contain some inflammatory descriptions. Raiding police arrested plant manager AKIMOTO Suekichi for giving "libelous captions" to photographs of the Korean war. (Asahi Shimbun, 26 July)

Policeman Killed While Tracking Communists: Policeman MATSUNAGA Hiroshi of Rokuei Mura, Kumamoto Ken, was sent on 24 July to the village of Ushinomizu to shadow a certain Communist Party cell captain suspected of being linked with the eight missing party leaders. At 0330 hours the next morning Matsunaga was found dead in a field on the outskirts of the village, his head bashed in. (Yukan Yomiuri, 25 July)

Communists, Koreans Clash with Otsu Police: The Shiga Prefectural Communist Committee scheduled a "peace" lecture on the evening of 23 July at the Seiran hall in Otsu Shi. DAN Tokusaburo was billed as the lecturer. Police banned the meeting, but on the slated evening the street in front of Seiran hall was filled with Communists and Koreans. It took police more than an hour to rout them. Former prefectural Communist leader OKADA Kiyoshi and three others were booked for resisting officers. (Chubu Nippon Shimbun, 24 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1873 DATE: 26 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Government white paper on repatriation dominated the early coverage today. Of the major evening papers only JIJI SHIMPO led with something else. Its leadoff topic--peace treaty preparations--generally won secondary domestic play. The Acheson estimate of Soviet military might and the Marshall conditions for withdrawal of foreign troops from Korea also ran high on the evening front pages, but foreign news did not come into its own until the late morning editions. YOMIURI, MAINICHI, and ASAHI wound up the day with the Kaesong cease-fire conference in the number one spot.

REPATRIATION

The Government released a white paper yesterday confirming reports that 234,151 unrepatriated Japanese nationals have died since the end of the Pacific war in Russia and Communist China. The official release included two letters from Prime Minister YOSHIDA to the United Nations seeking international help in repatriating the 77,637 Japanese still living in Communist territory. The first letter, dated 14 May 1951, invited the UN to send a special committee to Japan to audit the Foreign Ministry figures on repatriation. The second letter, dated 19 June 1951, urged UN Chairman ENTEZAM to request an accounting from Soviet, Chinese Communist, and North Korean authorities. Noting that the Soviet figure on the unrepatriated differs greatly from the Japanese count of 340,585, it demanded that the Communist countries 1) announce the names of Japanese prisoners--both living and dead, 2) immediately send back the living and the remains of the dead, and 3) treat Japanese detainees in accordance with international treaties. "We have learned of many instances," it said, "in which Soviet authorities treated Japanese war criminals inhumanely. (a)

The Foreign Ministry announced that a special UN repatriation committee will arrive in Japan some time in August. The committee will gather first-hand data for a report to the UN General Assembly opening in Paris on 6 November. (b)

Ministry officials, meanwhile, explained the derivation of the 340,585 figure for the unrepatriated. They said they got it by "joint investigation"--a method of interrogating large groups of repatriates from the same internment camps and crosschecking the results with reports from the detainees' families, letters from Communist territory, and national census figures. (b)

A Soviet mission spokesman questioned the accuracy of the method. "The figure announced in Pravda on 9 June 1950 is the only reliable one on the number of Japanese detained in the Soviet Union," he said. "The only Japanese prisoners we have are 1,487 war criminals. Of these, nine are sick and 971 have been sent to Communist China for war crime trials." (a)

The waiting families of war prisoners wound up their repatriation speedup rally yesterday with a resolution to appeal for inclusion of a prisoner-of-war clause in the peace treaty. (c)

A similar petition came from the National Federation of Repatriates Organization. Chairman HOJO Hideichi called for a treaty preamble that would make repatriation the joint responsibility of the Allied powers. (c)

NATIONAL UNITY

Liberal executives gave formal approval yesterday to a plan to cement national unity by convening an extraordinary Diet before the peace conference. But they stipulated that the session limit its action to approving peace delegates. (b) The Liberals intend to keep the session short. It will probably open on 5 August and last for two days. (d)

The Socialists turned down the Liberal overture for a nonpartisan approach to the peace treaty. They flatly refused to take part in the peace delegation. (e)

(a) Asahi Shimbun
(b) Yukan Yomiuri
(c) Yukan Asahi Shimbun
(d) Mainichi Shimbun
(e) Tokyo Shimbun

AGRICULTURE

Agriculture-Forestry Minister NEMOTO, in a trainboard interview in Akita Shi yesterday, outlined his agricultural program for the first time since assuming office. He stated that (1) food imports--expected to run to about 500,000,000 dollars annually after the peace treaty--must be reduced through increased production, especially through land reclamation and control of plant diseases and insects; (2) the Special Agriculture-Forestry-Fishery Account in the supplementary budget will be upped from the present 6,000,000,000 yen to 16,000,000,000 yen; and (3) the ministry hopes to put into the special silk price stabilization account the 3,000,000,000 yen accumulated during controlled economy, to ease loans from the Landed Farmers Creation and Maintenance Funds, and to underwrite a 17,800,000,000-yen bond issue for fisheries. (a)

Reporting on 32 of the 46 prefectures that elected agricultural committees on 20 July, the Agriculture-Forestry Ministry disclosed that 98 percent of the successful candidates were independents. The voting rate averaged 88 percent with Oita Ken registering the highest, 94.9 percent, and Tokyo the lowest, 72.2 percent. (a)

NEWS BRIEFS

MITI Hopes for Early Trade with Red China: Trade-Industry Minister TAKAHASHI, interviewed before he left for Kansai yesterday, hoped for early trade with Communist China. As to trade financing, he planned to discuss the matter with Kansai financial leaders and take appropriate steps as early as possible. The preferred foreign currency system, he said, will be enforced shortly under a new formula. (b)

Depurgees Asked to Join Democratic Party: The Peoples Democrats, at a policy meeting yesterday, invited 22 depurgees, including former Minseito member NAKAJIMA Yadanji, to join the party before the coming special convention. (c)

Kashima Sangu RR Workers Settle Strike: The Kashima Sangu RR Workers Union, which had planned to follow up its walkout Monday with a second round of strikes today and tomorrow, scaled down its wage-hike demand from 20 to 18 percent yesterday and came to terms with management. (d)

(a) Asahi Shimbun
(b) Tokyo Shimbun
(c) Yomiuri Shimbun
(d) Jiji Shimpo

-EDITORIALS-

Editorial coverage today focused on the Government white paper on repatriation. Three editorials and one column urged the Government to exert more effort to have war prisoners repatriated. The Liberal Party's move for national unity drew comment from two dailies. The rest of the coverage dealt with the development of power sources, food policy, Korean cease-fire, and Marshal Petain.

REPATRIATION

Reviewing the Government white paper on repatriation, YOMIURI regretted that the status of Japanese war prisoners in Russian areas remains so uncertain. "The Soviet Union insists that the repatriation of Japanese is finished except for war criminals and that the figure of more than 340,000 compiled by the Japanese Government is absurd...The Soviet Union, unilaterally standing by its assertion, offers no supporting data and rejects the United Nations proposal for a fair examination. The only solution is to reach an agreement through a fair joint investigation."

Since it is apparent that the Japanese peace treaty will not include provisions regarding the repatriation problem, the paper said, "we keenly feel the need for exerting greater efforts to solve the problem. From the viewpoint of humanity and world peace, we eagerly hope for a solution."

ASAHI was "surprised" to learn from the white paper that out of more than 300,000 Japanese war prisoners detained in the Soviet area, 234,000 have already died. Pointing out that the figures are based on documents attached to Foreign Minister YOSHIDA's letter of 19 June addressed to the UN, the paper said, "we fail to understand why the Government did not inform the May Diet session, even in outline, of such an important matter and why the Government kept it secret from the people for as long as one month after it was reported to the UN."

The daily hoped that the Government will publish the names and the number of the dead classified by prefecture, city, town, and village, as well as the process through which the Government confirmed the deaths. "Only when supported by reliable data can the people become enthusiastic about promoting repatriation."

NIHON KEIZAI felt that the Soviet Union owes Japan an explanation for the large difference in repatriation figures. "So far the Soviet Union has only made three brief announcements. We get the impression that the Soviet Union will not give serious consideration to the hopes of the families of those still unrepatriated and the people in general." The daily feared that this will become a serious obstable in establishing friendly relations between Russia and Japan. Although the UN special repatriation committee is coming to Japan shortly to conduct an on-the-spot investigation, the journal said, no definite result will be obtained unless the investigation also covers the Soviet Union.

"We know that the repatriation problem is one of vexations since we must deal with another party," a TOKYO SHIMBUN columnist said. "But the Government should make every effort to solve the issue. We can say that peace has come only when the prisoners of war have returned home."

NATIONAL UNITY

YUKAN CHUGAI criticized Prime Minister YOSHIDA and the Liberal Party for seeking opposition help in choosing delegates to the peace conference, while ignoring Socialist and Peoples Democratic demands for an extraordinary Diet. "If the Liberals want national unity, they should bring the treaty draft before the Diet prior to its signing and appoint the peace delegation with Diet approval. Since the final treaty draft is expected to be made public by 13 August, political parties should present requests and questions on the draft up to that time." The paper said the Government and its party are reluctant to convene the Diet because they want to avoid political strife before the peace conference. "But if the situation remains as it is, unexpected trouble may occur after the peace conference. The Government and its party will have to bear the responsibility for such troubles."

TOKYO SHIMBUN was "baffled" at the Government's proposal for national unity, when in the past, it spurned proposals for nonpartisan cooperation. "If the Government has belatedly realized its past error, it should explain why it changed its mind...If it wants to organize a nonpartisan peace delegation, it should convene the Diet immediately."

ECONOMY

"Unless power sources are developed on a large scale through large capital investment, economic independence and cooperation will end as empty words," MAINICHI stressed. "The US is probably interested in power source development in Japan for this reason." It noted that the Overseas Consultants Inc of New York has already submitted its recommendations to the US Government and financial agencies. It said the OCI plan calls for funds totalling 270,000,000,000 yen and is beyond the capacity of Japan's economy. "Therefore, we need foreign capital to develop power sources."

JIJI SHIMPO saw the need for a drastic change in the food policy since the large-scale hikes in rice and wheat prices will mean that more consumers will turn down rationed food. "The new rice control system should be based on free sales and stabilization of the rice price. We do not suggest that controls be abolished. The Government may have to handle market operations to keep the rice price on a level, determined beforehand. The food control system should cast off the slough of the days of food shortage."

MISCELLANEOUS

YUKAN ASAHI pointed out that peace is what the Korean people hope for more than anything else. But it said that the people fear that a truce on the 38th parallel will only mean temporary peace and that the withdrawal of UN forces from Korea will leave them exposed to Communist aggression. "Undoubtedly the UN delegates at the cease-fire conference strongly respect the hopes of the Korean people. To allay the people's fears, the road to peace must be strengthened with the thickest concrete."

Commenting on Marshal PETAIN, who died last Monday, a YOMIURI columnist said the French people privately expressed sympathy for him when he was arrested for treachery to France. "A movement for his release was started by members of the French Academy and famous soldiers and politicians. But this movement was banned by the Government in the face of strong opposition from those who took part in the resistance movement against the Nazis. We feel that a strength different from humanism is flowing at the bottom of that country--the indomitable spirit of resistance against Nazism. In this respect, the Japanese people are still too sentimental. We have much to learn from this in deciding our sentiment toward the depurgees. We must not be so prompted by pity that we lose sight of the aims of politics."

INTERNMENT INCIDENT

Nurse "Forced" into Chinese Red Army Service: A former Japanese army nurse interned in China underscored the Japanese Government's official allegations of prisoner "manhandling" in Red zones. Nurse YAMADA Shio (an alias) now living in Fukuoka Ken, revealed to the Repatriate Relief Bureau that as a prisoner in China she was given the choice of "volunteering for service in the Chinese Communist army...or refusing and seeing wounded patients starve to death." She was attached to a hospital in Tiehling (Translit) at the time, December 1946. A delegation of Chinese Communist army officers informed her that they would see that "ample food" arrived at the hospital provided eight of the nurses joined the army, "but not a grain... otherwise. We served."

Miss Yamada was taken to a "sanitary technical depot" in Tohoku (Translit). In mid-December she and the other Japanese "workers" were pulled off their jobs and sent to their rooms. One by one they were summoned before the depot chief and politburo on charge of planning a riot. "From our room we heard the sounds of somebody being whipped, and then groans." When her turn came Miss Yamada, unable to satisfy the questioners, was stripped of her outer garments and thrown into an unheated warehouse. (Yukan Yomiuri, 25 July)

SMUGGLING

Wakayama Farm Boy Booked as Suspected Smuggler: A "suspicious looking" young man with a kit of provisions was noticed meandering along the coast near Habomai Mura, Nemuro peninsula, last Sunday. He seemed to be on the point of sailing when police interrupted. They booked him for suspected smuggling. His provisions contained a week's supply of food, a flashlight, and a bottle of poison. He identified himself as farm boy OGURA Masao of Wakayama. (Mainichi Shimbun, Hokkaido edition, 25 July)

Dynamite Discovered on Seized Smuggling Ship: Twenty-four sticks of dynamite and 60 detonation caps were hauled off the Nagasaki fishing boat, Aivi Maru, on 18 July, police revealed. The boat belonged to confessed smuggler SEGAWA Toyota, chairman of the Fishermens League of Minami Takagi Gun, Nagasaki. Segawa and his two arrested associates maintain that the explosives were for use in fishing and "emergencies." Police suspect that the three were working for some bigtime Communist racketeers. (Yukan Nagasaki Nichinichi, 20 July)

MISCELLANEOUS

Korean Booked for Passing Anti-American Bills: There was an outcropping of anti-American and antiwar leaflets in Suginami Ku, Tokyo, last Sunday. Police yesterday picked up the distributor--day worker PAK Kim-su. Pak, charged with violating Government Ordinance No 325, revealed that the bills were issued by the Korean Fatherland Defense Committee. (Yukan Yomiuri, 25 July)

Double Round of Agitation Speeches in Beppu: The Beppu Communist District Committee mobilized a speech meeting on the Malik cease-fire proposal on 19 July. The meeting was held at the main gate of the Kita primary school. It broke off after a half hour, when police arrived with dispersal orders. But shortly afterward an unidentified agitator, outfitted with a microphone and a bicycle, began haranguing in front of the railroad station. Police seized his equipment. The man retaliated by striking the police chief. This landed him in jail. Still there, he refuses to talk. (Oita Godo Shimbun, 21 July)

Communist Candidates Take 5% of Farm Comm Seats: Communist candidates emerged from the Gifu Ken farm committee elections with five percent of the seats. (Gifu Times, 23 July)

Soviet-Japan Society Stages "Successful" Concert: Prior to 17 June it had been thought "impossible" in present-day Japan to hold "peace meetings" under declared Soviet-Japanese auspices. But an outdoor concert, staged with "great success" by a Soviet-Japanese cultural action team on that date, ended the bogie. Sponsored "openly," it was held in three places in Tokyo at once--in an alley near Akabane station, in a park near the Dojunkai settlement, and in a state railway dormitory. (Soviet News No 34, 1 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1872 DATE: 25 Jul 51

Today's Tokyo Newspapers

-NEWS-

Domestic news continued to get good play. YOMIURI and MAINICHI leading respectively with the supplementary budget and the Foreign Ministry's latest figures on unrepatriated Japanese, carried little foreign news above-fold. In the other papers treaty-linked developments generally made the best domestic showing. With top headlines in ASAHI and two evening papers, the scheduled reopening of the Kaesong cease-fire talks today highlighted the foreign coverage. The Harriman plan for settling the Iranian oil dispute also broke high, especially in the evening press.

PEACE TREATY

Prime Minister YOSHIDA may call an extraordinary Diet before the peace conference to build up national unity. This grew more likely yesterday as the opposition parties stepped up their demand that the Government take some positive action to back up its professed desire for cooperation. (a) The Prime Minister seems to have decided on an extraordinary Diet after hearing reports Monday on the initial reaction of the opposition to his bid for a nonpartisan approach to the peace treaty. It is understood that the special Diet will convene in early August and last for only a day or two. The Government intends to limit the session to voting on peace delegates. In deference to the Allied powers it wants to avoid a full-scale debate on the treaty itself. (b)

The Peoples Democratic Party will take up the national unity bid at its supreme committee meeting today. But it is unlikely that PDP leaders will rush a decision. Leaving the next move up to the Government, they await the Prime Minister's reaction to their price for cooperation. One of their main conditions--outlined to Liberal Chief Secretary MASUDA Monday--is that the Government report fully on the peace negotiations at a preconference Diet session. (a)

The Yoshida bid will come up for a decision at the Socialist central executive committee meeting today. All signs point to a flat rejection. Most Socialist leaders feel that deep-rooted treaty differences between their party and the Government precludes any chances of cooperation. (c)

The Ryokufukai--with a seat in the Yoshida Cabinet--tentatively went along with the unity proposal. It is expected to pick its delegate to the peace conference in a few days. (a)

The plan for an all-party peace delegation has virtually obligated Yoshida to go as chief delegate. During his expected absence, State Minister MASUTANI and Chief Cabinet Secretary OKAZAKI will probably act as Deputy Prime Minister and Foreign Minister respectively. (d)

REPATRIATION

The Foreign Ministry disclosed yesterday that only 77,637 of the 340,585 unrepatriated Japanese are still alive. A Ministry official told a delegation of waiting relatives that 234,151 prisoners of war have died abroad and that the fate of another 28,797 is unknown. (d)

The delegation went to the Foreign Ministry from a rally to speed up repatriation. The families of the unrepatriated, converging on Tokyo from all over the country, set up a 200-man propaganda corps to mobilize support for their cause. (e)

A 20-man group descended on the Prime Minister's official residence to ask why the treaty draft does not include a clause on war prisoners. Another group called at the Diplomatic Section to press for a treaty embracing war prisoners. (d)

In the Lower House a repatriation committeeman proposed that the Government issue "stamps of love" to protect the livelihood of the waiting families. (c)

(a) Tokyo Shimbun
(b) Jiji Shimpo
(c) Yukan Yomiuri
(d) Mainichi Shimbun
(e) Yomiuri Shimbun

LABOR

The Big Three coal unions--Mitsui, Seika, and Furukawa--called off their strike yesterday after winning their quarter-end allowance demands in last-minute negotiations with management. The settlement came at midnight Monday--on the eve of the threatened 72-hour walkout. (a)

In the private rail industry several unions still kept up their drive to settle the prolonged pay dispute on their own terms. They have scheduled a second round of strikes for 29 and 30 July. (b)

The 12-day-old harbor strike has crippled shipping in Tokyo bay. Involving 532 allowance-seeking longshoremen, it has already cost the transport companies an estimated 70,000,000 yen. (c)

NEWS BRIEFS

- 1,866 Persons to Stay on Purge List: The rescreening committee decided yesterday to withhold clearance from 1,866 of the 8,409 purgees whose cases came under its scrutiny. The committee, completing its investigation of civilian purgees, recommended the depurge of 6,543 wartime leaders, including MAEDA Yonezo and OASA Tadao. (c)

37,000,000,000-yen Tax Slash Planned: The Finance Ministry has worked out a supplementary budget plan that would reduce taxes by 37,000,000,000 yen. The projected Income Tax Law revision--especially favorable to the low-income group--will come up for Diet approval at the next extraordinary session. (e)

PUC Submits Power Rate Plan to GHQ: The Public Utilities Commission sought GHQ approval yesterday for the rate hikes proposed by power companies. The PUC reported that while GHQ officials endorse the revision plan, they are awaiting clearance from Washington before granting formal authority to put the new rates into effect. (e)

(a) Yukan Yomiuri
(b) Yukan Asahi Shimbun
(c) Yukan Chugai
(d) Tokyo Shimbun
(e) Yomiuri Shimbun

-EDITORIALS-

Three writers today commented on Prime Minister Yoshida's bid for national unity on the peace treaty. Reparations and the power-rate hikes drew two comments apiece. Single editorials dealt with local administration, repatriation, and relief for war victims.

PEACE CONFERENCE

YOMIURI noted that Prime Minister YOSHIDA wants to show national unity at the peace conference by sending a delegation that includes representatives from every major political party except the Communists. "The public is watching with keen interest how the Peoples Democrats will respond to the Government move...Nothing has darkened politics so much as the past Liberal attitude toward the Democrats. The efforts to consolidate Diet control by winning over opposition members only serve to distort democratic government. Such action is not becoming of Prime Minister Yoshida, who has vowed to establish a democratic government. The Government and its party are duty-bound to take steps to wipe out the suspicions of the Democrats and the people on this score." The paper advised Yoshida to go personally to the various parties and express his views frankly."

YUKAN MAINICHI did not blame the opposition for "pouting" over the action of the Liberal Party, which continuously rejected proposals for nonpartisan diplomacy and then suddenly changed its attitude to advocate national unity. "There is something unreasonable in the Liberal Party move...Democratic and Republican members are included in the US delegation to the peace conference because the US adheres to nonpartisan diplomacy. However, there seems to be some difference of opinions on nonpartisan diplomacy among the Republicans." Special Envoy DULLES states that the practice of nonpartisan diplomacy is difficult, but that US diplomacy, to lead the free world today in its fight against communism, must be established on a nonpartisan foundation. He stressed that to bring about bipartisan diplomacy, the opposition should get a chance to participate in establishing diplomatic policies from the start."

An ASAHI columnist believed the Government did right in rejecting the proposal for a lantern procession celebrating the peace treaty signing. "But the Government should be reminded that the people have received the impression that the peace

'treasure box' Prime Minister Yoshida negotiated contains something worth celebrating. There is a similarity in the Prime Minister's recent proposal for the opposition to participate in the peace conference. He has not permitted anyone to peep into the 'treasure box' and has ignored the call by SHIDEHARA and the Democrats for nonpartisan diplomacy...Since the peace treaty draft has been made public, there is nothing secret about it. Yoshida might as well manifest his sincerity at the pre-conference special Diet session and appeal to the people to meet the treaty squarely."

REPARATIONS

JIJI SHIMPO said the Japanese are "disheartened" by the Philippines opposition to the treaty draft and their continued demand for 8,000,000,000 dollars in reparations. But the journal considered it "too early" to conclude that the Philippines will refuse to sign the peace treaty. "Although a US report last October criticized the corruption in the Philippines and the incompetency of government administration, we are fully cognizant that a great part of Philippines hardships stems directly from Japan's aggression. It is because of the Philippines demands that the US revised the draft and imposed on Japan the task of supplying skill and industrial technique to compensate for Allied losses...We are ready to respond sincerely to Philippines wishes. We hope that the Philippines will sign the treaty and deepen their understanding of Japan."

A YUKAN CHUGAI columnist noted that the people are "discontented" with the clause in the treaty draft calling for the payment of reparations in the form of technical skills. "The people say that it will impose a heavy burden on Japan's economy." However, the writer wondered whether the living conditions of the Japanese appear to be so austere in the eyes of foreign nations. "Politicians, bureaucrats, and financiers attend lavish parties. The salaried men are just as extravagant. Considering the monthly incomes of drinking houses and the gay quarters, it is clear that the Japanese are living beyond their means. If this comes to the attention of foreigners, we will not be able to make the excuse stick that 'Japan is not capable of paying reparations.'"

POWER INDUSTRY

Noting that the Public Utilities Commission decided to raise the electric power rates by about 31 percent, NIHON KEIZAI regretted that the PUC, "in siding too closely with the company proposal, gave the public the impression of being a company mouthpiece. It may mean greater trouble for the PUC in future activities. The same can be said for the power companies. The fact that the reorganized power companies, at the outset, clashed head-on with the consumers, gives rise to the fear that the people will view the reorganization with suspicion. Even if the new rate is proper, we cannot give our wholehearted endorsement because of this reason." The daily pointed out that if slashing capital expenses can bring down the rate to 31 percent, a further cut must be possible through rationalization.

TOKYO SHIMBU said the public won a victory over the PUC when the rate hike was set at about 31 percent. "We must not overlook the fact that the people have reacted against the industrialists easygoing method of seeking solution to all management difficulties by increased charges. Management should strive to get the best results out of given conditions. If a rate that covers all imaginable costs and expenses were granted, what is the use of having veteran operators and influential financiers as leaders of the electric industry?"

MISCELLANEOUS

ASAHI considered it "noteworthy" that the tax system conference has worked out a plan for the thoroughgoing adjustment and simplification of the local tax system. But the daily said there is still room for examination of the plan, which was worked out chiefly from a viewpoint of local government finance. It felt that such problems as education expenditures and the unequal tax burden between large enterprises and smaller businesses should be restudied.

MAINICHI regretted that the Government measures in response to the National Repatriation Acceleration Council movement have "not only been unsatisfactory to the unfortunate families but have produced hardly any results fully acceptable to the people...Therefore, we want the Soviet Union and Communist China to make acceptable data available. It is our sincere desire that the US, Britain, and other nations extend support to encourage positive activities on the part of the UN repatriation committee. Although addition of a prisoner of war clause to the peace treaty may be futile, the idea should be given a second thought."

YUKAN CHUGAI urged the Government and the Diet to take necessary steps to give relief to war victims.

Supplement to

SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

JAPAN INVASION

JCPers in China Preparing for Japan Invasion: After the outbreak of the Korean war the Chinese Communist Government reportedly stepped up moves to bolshevize Japan. Various reports indicate that Chinese Communists started training Japan Communist Party leaders in February and established a JCP-China Liaison Office at Peiping. Later, the Peiping Government organized a Japanese Affairs Department under the direct guidance of LIU Shao-chi to collect information about Japan and study methods of smuggling men into Japan. It is reported that Liu began organizing the JAD after returning from his secret January trip to Moscow. He made himself chief and appointed as his aides JCP member YAMAGUCHI and Foreign Department Vice-chief LI Ko-nung. The China Liaison Office in Peiping, headed by NOMURA Kawanosuke, allegedly a graduate of Moscow's Eastern University, employs over 10 Japanese, including female JCP member KAWAKAMI Setsue.

On the outskirts of Peiping about 700 ex-Kwantung Army officers have taken training at a military administration school. It is said the first graduates are now on duty in Manchuria. Another group of about 300 Japanese arrived in Peiping from Manchuria in February and went through some sort of secret training for three months.

At present the Chinese Communists, preparing for the future invasion of Japan, are studying four different routes for smuggling underground workers into Japan: (1) From Kobei Island to Hokkaido, (2) from Kunajiri Island in the Kurile chains to Hokkaido, (3) from Habomai Island to Nemuro, Hokkaido, (4) from Hongkong or Calcutta to Honshu, Shikoku, or Kyushu. (Special Taipei dispatch from Correspondent HASEGAWA, Sangyo Keizai Shimbun, 25 July)

SMUGGLING

Red Literature and Weapon Smuggling Increasing: The biggest postwar crime--smuggling--has substituted finesse for the violence of its earlier methods. With the establishment of private air lines smuggling will become increasingly complex. According to investigations, foreign vessels from Hongkong and Takao, which arrive at Kobe on an average of five a month, bring in large quantities of Communist literature. Chinese and Korean Communists disguised as buyers reportedly smuggle in thousands of copies of such newspapers as the HONGKONG DAILY REPORT, PRAVDA, and RED STAR and about 60 kinds of pamphlets with titles like "Theory of Marxist Movements," and "Construction Data during the Period of the Russian Revolution." It is believed that the antiwar and anti-US handbills distributed in the Kobe area recently came through this route. Smugglers have also brought firearms into Japan since the end of last year. Firearm shipments from Communist China, presumably through the Wonsan-Maizuru or the Kushiro-Hakodate routes, will probably continue to increase. (Shinko Shimbun, 22 July)

Two JCP Members Caught for Smuggling: Communist shipowner SEGAWA Toyota and two fishermen--Communist OKUBO Haruyoshi and TERADA Teruhisa--were arrested in Nagasaki Shi on 14 July and booked for violating the Customs Duty Law. They confessed to taking lumber to Okinawa in late June, smuggling out six tons of brass, and selling it to Koreans in Nagasaki on 13 July. Segawa, who has composed a poem entitled "Okinawa Smuggling," refused to elaborate on matters other than the present case. (Nagasaki Nichinichi Shimbun, 18 July)

DAY LABORERS

Day Laborers Force Bon Bunus Demands: Day laborers in Mito Shi, Ibaragi Ken, have been negotiating with officials for immediate pay boosts and other demands. Dissatisfied with the progress of negotiations, about 200 day laborers besieged the job office on 20 July and drove administration chief SHIINO Takeo out of the office and subjected him to a two-hour kangaroo court in the scorching sun. They forced him to promise a 300-yen bon bonus to each worker if approved by the prefectural city planning section. The following day, to press their demands, 50 men and women day laborers stormed the city planning section and demanded approval of the bon bonus. But after two hours the negotiations ended in a stalemate and the laborers dispersed. (Mainichi Shimbun, Ibaragi edition, 22 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1871 **DATE:** 24 Jul 51

Today's Tokyo Newspapers

-NEWS-

The best overall coverage today went to a domestic development--the Masuda-Miki meeting on national unity. Other treaty-linked stories also did well; MAINICHI, for example, led with a report saying that Prime Minister Yoshida has informally named Finance Minister Ikeda a member of the peace delegation. Another domestic event--today's windup meeting of the rescreening committee--also came in for steady frontpage play. In the evening press wire stories took about half the bannerlines. These developments appeared prominently: the completion of the Ridgway-Joy talks, the Warsaw meeting of Communist leaders, and the death of Admiral Sherman. The late-breaking Truman budget message missed the earlier papers but rode high in the late morning editions.

PEACE TREATY

Liberal Chief Secretary MASUDA went to the Peoples Democratic Party yesterday with a formal proposal for a united front on the peace treaty. Conferring with PDP Chief Secretary MIKI, he explained Prime Minister YOSHIDA's desire for national unity and invited the PDP to send a delegate to the peace conference. (a)

Masuda said later that Miki had promised to reply after taking up the proposal with the PDP supreme committee. He pointed out that the invitation applies to Socialists as well as Peoples Democrats. "The Prime Minister," he said, "hopes that all the leading parties will take part in the peace delegation." In his post-conference session with the press, Miki said, "I took up the proposal for consideration, but did not commit myself...I told Masuda specifically that the problem should be discussed through official channels, and he agreed. If this proposal is merely a Liberal trick to win over the PDP, we will naturally reject it." (b)

PDP leaders suspect that the Liberals have made the proposal in the hope of luring the Upper House PDP councillors away from the main body of the party. They feel, moreover, that Prime Minister Yoshida is trying to get the endorsement of the opposition parties for a treaty in which they had no part. They note that while the treaty talks were in progress, the Prime Minister consistently turned down PDP bids for nonpartisan diplomacy. The Upper House Ryokufukai, however, seems more receptive. Sixty percent pro-Government, it will probably accept the Liberal proposal today. (c)

The Socialists will study the united front proposal at a central executive committee meeting tomorrow. They are expected to turn it down. (d)

While negotiating with the opposition, the Government has quietly gone ahead with its selection of peace delegates. The Prime Minister was reported to have informally picked Finance Minister IKEDA to represent the Cabinet. (b)

PURGE CLEARANCE

The rescreening committee will wind up its work today with decisions on some 20 top-bracket purgees. Its final recommendation, covering all remaining purgees except war criminals and army and navy careerists, will go to Prime Minister YOSHIDA Thursday. (b) Yoshida will announce the new list of depurgees after clearing it with GHQ. The announcement--expected in about a week--will reinstate some 33,000 of the 34,000 purgees rescreened by the committee. (e)

At today's meeting the committee will formally approve the depurge of MAEDA Yonezo and OASA Tadao--two political enemies of HATOYAMA Ichiro, former Liberal president whose clearance also impends. Maeda belonged to the anti-Hatoyama wing of the old Seiyukai, while onetime Minseito leader Oasa often clashed with Hatoyama, his Seiyukai counterpart. Both men currently stand high with the Prime Minister. In fact many observers believe that Yoshida and his lieutenants deliberately held up Hatoyama's depurge until they could counterbalance his political influence with that of Maeda and Oasa. (a)

(a) Asahi Shimbun
(b) Mainichi Shimbun
(c) Tokyo Shimbun
(d) Sangyo Keizai Shimbun
(e) Yomiuri Shimbun

LABOR

The Japan Federation of Private Railway Workers Unions ordered its members yesterday to stand by for further strikes. Of the eight unions still fighting for pay raises, two have scheduled 24-hour walkouts for tomorrow and another two for Thursday. (a) The Tobu rail strike--one of the three in eastern Japan yesterday--stranded about 1,000,000 persons and cost the company an estimated 10,000,000 yen. (b)

The Big Three coal unions--Mitsui, Seika, and Furukawa--will start a 72-hour strike today to back up their demands for an "end-of-quarter allowance." They ordered the walkout when management balked at their 7,000- to 8,000-yen demands. (c)

At its national convention in Matsue the Japan Electric Power Workers Union got ready to fight dismissals. The delegates made it clear that the power companies would invite trouble if they used industrial rationalization as a pretext to trim personnel. (d)

LIVING COSTS

Public Utilities Commission Chairman MATSUMOTO yesterday conferred with Col AYERS at GHQ on raising electricity rates according to types of business. The Government is expected to authorize the power companies to apply for the rate boosts tomorrow, announce the raise on 26 July, and enforce them from 5 August. (e) The Tokyo Electric Power Co, meanwhile, submitted a tentative draft to the PUC proposing an average 25-percent increase. (f)

In Gifu Transportation Minister YAMAZAKI asserted that the only way the state railways can get out of the red is to hike freight rates. He disclosed that an implementing plan will go to the next Diet. (a)

NEWS BRIEFS

FEO Wants Efficient Use of Import Fund: The Federation of Economic Organizations will approve "the automatic approval system for import" today to solve the problem of import funds and stockpiling of unexportable goods. FEO will also urge more efficient handling of depleted import funds. (g)

Families of Unrepatriated Hold Rally: About 2,500 representatives of families of the unrepatriated gathered in Tokyo yesterday to draft an appeal to the three-man UN repatriation committee for speedy return of their relatives. They will also petition for inclusion of the repatriation problem in the peace treaty. (h)

(a) Sangyo Keizai Shimbun
(b) Yukan Chugai
(c) Yomiuri Shimbun
(d) Tokyo Shimbun
(e) Yukan Yomiuri
(f) Asahi Shimbun
(g) Mainichi Shimbun
(h) Yukan Asahi Shimbun

-EDITORIALS-

The peace treaty continued as the focus of editorial interest today. Economic questions--nature of the first post-treaty budget and steps to control inflation--provided a secondary topic. Additional subjects were the slow progress of Korean truce talks, underground activities of the Japan Communist Party, and the danger of letting school children "run wild" during summer vacation.

PEACE TREATY

The Peoples Democrats and Socialists are justified, ASAHI said, in demanding an extraordinary Diet session to discuss the peace treaty. Since the treaty will affect the people in all aspects of their national life, the most important duty now facing the Government is to give them a detailed explanation of the treaty draft before the signing takes place. "Prime Minister YOSHIDA and other Liberal leaders have steadily maintained that no vanquished nation can properly discuss the terms of peace. We have argued many times that this stand is basically wrong. As the Japanese nation will have to cope with the stern international situation after the peace treaty, we must thoroughly understand the contents of the treaty."

The Government, after trying to avoid convoking the Diet, now suddenly feels the need for including a Democratic Party leader in the peace delegation, the editorial continued. It has therefore changed its attitude to favor a "brief session in which no deliberation will be conducted." "Observing the circumstances of

the change, we cannot see in the Government any trace whatever of an earnest intention to explain the treaty draft to the entire nation."

A MAINICHI columnist also rebuked the Liberals for their sudden shift. "The Liberals heretofore have maintained that diplomatic negotiations should be conducted in secret and rejected the opposition's demand for a national diplomacy. But after seeing the two-party diplomacy manifested in the composition of the US peace delegation, they suddenly begin to refer to a united front for receiving the treaty. This is asking too much."

NIHON KEIZAI, agreeing to the need for informing the people, scored the Government for its hesitancy to convene the Diet for fear of exposing disunity in public opinion. "The Government will get the support of a greater number of people if it will take the matter to them for approval, even if it should fail to get the complete support of the nation," it said. In failing to convene a special session, it declared, the Government is either shirking its duty or lacks confidence in the treaty. The journal contrasted this attitude with the confidence of Special Envoy DULLES, "who succeeded in getting the understanding of a majority of the Allied nations despite their different views and interests."

TOKYO SHIMBUN regretted that the treaty includes nothing about repatriation. It was inclined to believe, however, that when Japan regains sovereignty it may be in a better position to press for the solution of this problem. "No matter how Russia and Red China may harp on peace, as long as the fate of these missing persons remainsunclarified, the Japanese nation will not be able to believe them," the paper added.

ECONOMY

The Finance Ministry, MAINICHI said, is contemplating a budget for the next fiscal year in which it hopes to lay the groundwork for Japan's economic independence, stabilize the people's livelihood, prepare the nation for the post-treaty situation, and achieve the rationalization of local government finance. There can be no objection to this policy, the paper said, but it thought the main problem was the extent to which the budget will ease the people's tax burden. It concurred in many provisions of the projected budget--such as increasing the pay of government workers, aiding the Housing Loan Bank, strengthening the National Police Reserve, and helping war victims--but thought it would be very difficult to keep the budget below the current year's budget, as pledged by the Finance Minister.

JIJI SHIMPO thought it unnecessary for the Government to take strong anti-inflation measures "in view of the present atmosphere of a rapidly disappearing inflation." Instead, the Government should prevent advancement of the deflationary trend, or at least take a wait-and-see stand.

"The Government may perhaps excuse itself by saying that despite its knowledge of the situation it cannot act as it desires because it must operate under Occupation control. But since the main targets of Occupation policy are stability and development of the Japanese economy, it should be possible to get Occupation authorities to understand better the conditions needed in the interest of the national economy."

MISCELLANEOUS

YUKAN CHUGAI warned against relaxing vigilance against the Japan Communist Party even though it is "outwardly quiet" at the moment. According to the paper, the present goal of JCP underground activities is obstructing the peace treaty. Although the party has lost its popularity, as shown in recent elections, and although it is small in size, "the will of the members is strong." The journal believed, however, that most people have learned to understand the true nature of the JCP.

A YUKAN CHUGAI columnist, noting the "winding course" of the Korean truce talks, commented that any negotiations with the Communists require perseverance and steadiness. "But it is beyond our understanding," he said, "why it should take scores of hours to decide on topics to be placed on the agenda." Speaking of the situation of the Korean people in general, he said it serves as a lesson for Japan today, "for it teaches us that we shall be unable to keep our country safe unless we are resolutely constant in our international relationships."

"The Japanese people are irresponsible breeders of children. They also are irresponsible in that they let their children run wild," YOMIURI declared. It urged parents to give closer supervision to their children's activities during the summer vacation period.

MISSING COMMUNISTS

"Arrest Missing Red Leaders Week" Opens: On Sunday--more than a year after Japan's top Communist disappeared--the National Rural Police headquarters flagged open "Arrest Former Top Reds Week." The goal was set at "one fugitive, at least, under arrest" by next Saturday night. Orders went out to police across the nation to raid all Red hangouts, check cars, and put key traffic and communication centers under strict guard. The "Moppuru," a secret Communist aid society, was reportedly marked for "special attention." (Yukan Mainichi Shimbun, 24 July)

FARM ELECTIONS

JCPers Outdistance Socialists in Nagano: Communist candidates outdistanced Socialists in the recent Nagano Ken farm elections. Of the 5,738 winners, 5,565 were Independents, 88 were Communists, and 58 were Socialists. The Liberals and Democrats wound up in bottom place, scoring only 23 victories between them. (Mainichi Shimbun, Nagano edition, 22 July)

Reds Make "Noticeable Gain" in Yamagata: Fourteen Communist Party candidates captured farm committee seats in Yamagata Ken. This was a "noticeable gain" for the Reds over last year. (Asahi Shimbun, Yamagata edition, 22 July)

"Making Heavy Play" for Yamanashi Posts: The Communist Party, thoroughly beaten in the local elections, is making a heavy play for farm committee seats in Yamanashi. Eighty-nine Communists are running, 43 of them as official Communist Party candidates. The other 46 are self-styled Communist Party bolters and party sympathizers. Of the total, 60 are already "as good as in" and 15 others are said to have a "50-50" chance for victory. Declared Communists or not, it is believed "likely" that all these candidates once in office will concentrate on expanding the "anti-delivery quota" campaigns into a pro-Communist Party movement. (Yomiuri Shimbun, Yamanashi edition, 21 July)

MISCELLANEOUS

Red Sympathizer Said Mixed Up in Weapons Case: Newest report on the weapons-buying case exposed in Chiba is that a Communist sympathizer is involved. Information came in during April that an underworld ring was making "large-scale purchases of ammunition and weapons near the firing range at Toyoumi Machi." As the case stood last Saturday, police had arrested 19 suspected ring members and had confiscated an automatic rifle, anti-aircraft ammunition, and over 3,000 lbs of cartridges. Toyoumi Machi gambler IMAI Tsuneyoshi, alleged ringleader, is believed to have used girls as bait to obtain the arms. (Yukan Mainichi Shimbun, 24 July)

Anti-American Handbills Scattered from Train: "Scores" of anti-American handbills were flung from a window of the southbound Tokaido line express "Ginga" as it passed through Kannan station on 21 July. The bills were signed in the name of the "Tokyo Committee of Koreans for Defense of the Fatherland." (Yomiuri Shimbun, 23 July)

Ex-Communist Courier Applies for Police Help: A self-styled ex-Communist courier applied for police protection on 21 July. Communist MINO Keizo, a former employee of the Wakamoto Pharmical Co, revealed to Osaka police that he began serving in the Communist underground in April. In early June he said he carried out an assignment to transport "an important figure" over to Communist China. He received his next order on 10 July: to take the night express from Osaka station to Kagoshima. But Mino missed the train, an act he felt "would be construed as a betrayal." His punishment, he believed, would be "the third degree treatment." So he "wandered about" for a few days, until he "at last made up his mind to ask police protection."

Mino told police that the underground had no set route to China. "The ship was chartered anew each time, and the destination was not fixed." (Yomiuri Shimbun, Shizuoka edition, 22 July)

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SUMMARY OF JAPANESE PRESS

NO: 1870 DATE: 23 Jul 51

Today's Tokyo Newspapers

-NEWS-

Wire news predominated in the evening press. Along with other stories linked to the Korean truce, a Washington dispatch conjecturing that the Communists may propose taking up the withdrawal of troops after a cease-fire agreement won most consistent coverage. YUKAN MAINICHI headlined the tense Middle East situation resulting from assassination of King Abdullah of Jordan, and YUKAN YOMIURI, a Washington report that the US will support Japan if it asks for UN membership. TOKYO SHIMBUN was the sole paper to deviate from the foreign news pattern. It gave top place to the possibility that Prime Minister Yoshida may make a statement on Japan's peaceful intentions at the treaty signing ceremony. In the morning papers the emphasis was domestic, focusing on speculation regarding the Japanese peace delegation and the chances for a united front of political parties. Included in the wire stories was one from Washington saying that the US is studying a plan to use Japanese industry for the rearmament of West Europe.

PEACE TREATY

Prime Minister YOSHIDA reportedly is considering a statement, to be made at the peace conference in San Francisco, that would emphasize to the world Japan's peaceful intentions. Treaty negotiations have made it clear that many nations still distrust Japan, fearing a revival of militarism and a resumption of unfair trade practices. The Government feels the need for dispelling such doubts by an expression of Japan's democratic aspirations and determination to cooperate for world peace. Since the Government has had no opportunity to announce its attitude officially, it regards the conference as an appropriate place. At a meeting preparatory to the treaty signing ceremony, it is believed that the Japanese delegation will request permission to make such a statement. (a)

Liberal Chief Secretary MASUDA expected to discuss selection of the Japanese delegates with the Prime Minister yesterday, and thought the matter would be decided by the end of the week. (b)

UNITY

Masuda will meet Peoples Democratic Chief Secretary MIKI today in a further effort to persuade the Democrats to join in a united front for the peace treaty signing. (c) The Liberals hope for Democratic cooperation in the Cabinet and participation in the peace delegation. If this fails, they would like at least to obtain Cabinet representation by the Upper House Democrats. (d)

In a statement to the press after talking with the Prime Minister yesterday, Masuda re-emphasized the Government party's desire for national unity. He also explained what prompted the Liberal bid to the opposition. "The fact that the US Democratic and Republican parties are sending delegates to the peace conference indicates that both the Government and opposition parties of the US are united on the Japanese peace treaty," he said. "We believe that we should respond to this good will of the US by approaching the peace settlement with a united national front established through the cooperation of the Democratic and Socialist parties." (c)

Masuda did not believe that convening of the Diet to discuss the draft treaty would be "proper in view of the position in which Japan is placed." But he said he would discuss the question with the Democrats today in the hope of reaching some understanding. (c)

Chairman UEHARA of the Liberal world relations research committee thought that a number of Diet members should attend the peace conference "in view of the list of US delegates." He predicted that all political parties except the Communists will support the treaty when the time comes for ratification. (e)

(a) Tokyo Shimbun
(b) Asahi Shimbun
(c) Mainichi Shimbun
(d) Yukan Mainichi Shimbun
(e) Sangyo Keizai Shimbun

RAILWAY STRIKE

Private railway unions in western Japan started their 24-hour strike yesterday morning on schedule, but by afternoon several unions, including the Kinki and Kankai companies, had won their wage demands. Of the five Osaka private railways, this left only the Hanshin company strikebound. In the entire Kansai area seven companies are affected. The unions are asking a wage boost of 20 percent. (a)

Meanwhile management and unions in the Kanto district and eastern Japan continued negotiations in an effort to ward off a strike today. In Tokyo, Keio-Teito railway workers compromised on a 17.6 wage increase and prospects were good for settlement with the Keihin and Keisei unions. Negotiations with the Tobu line as of last evening were making little headway and a strike on that line seemed likely. It would affect some 640,000 persons. (b)

NEWS BRIEFS

Decision on Budget Expected This Week: The Finance Ministry expects to get Cabinet approval of next year's budget policies by the end of the week. The Ministry hopes to keep the budget between 670,000,000,000 and 680,000,000,000 yen (this year's revised budget will reach about 700,000,000,000 yen). The budget will provide for new expenditures to be borne by Japan after the peace treaty and for relief of families of war dead and wounded. (c)

Finish Biggest Postwar Power Generator: The largest postwar power generation project has been completed after three years of work and will begin operating on 1 August. The generator--on the Shinano River--was built by the State Railways. (c)

Police Investigate Sugar Blackmarket: Metropolitan police investigators are tracking down sugar blackmarket operations believed to involve billions of yen. Latest clues point to irregularities in some sections of the Trade-Industry Ministry. (a)

Salvagers Want to Try For Truk Ships: Five or six Japanese companies are seeking permission to investigate 88 ships sunk in the Truk area with a view to making salvage bids. (d)

(a) Yomiuri Shimbun
(b) Mainichi Shimbun
(c) Asahi Shimbun
(d) Tokyo Shimbun

-EDITORIALS-

The Japanese peace treaty was the only topic rating more than one comment today. Writers discussed the peace conference, the Liberal Party's proposed policy to meet the peace treaty with a united national structure, and Japan's peace delegation. Single editorials dealt with the Soviet peace offensive, the proposed public security ministry, and the power rate hike.

PEACE TREATY

Since the Japanese Government has received a formal invitation to send Japan's delegation for signing the peace treaty at San Francisco on 4 September, JIJI SHIMPO said "the long-awaited day has now come true." It pointed out that six years ago Japan surrendered and prepared to submit to any peace terms, however harsh. "Though the Japanese prayed and hoped for peace every year, it was delayed. However we have not waited these long years in vain. While it is customary for victor nations to impose severe peace terms on a vanquished country, these are conciliatory in line with basic US policy. However, this peace treaty--the most lenient in history--could not have materialized merely as a result of the letting up of the hatred and antipathy of the victors. It is the result of the magnanimity and humanitarian spirit of the US as the leader among the victor nations."

The journal praised American statesmen for making possible the agreement among the Allied Powers. "An overall peace is desired by everybody, but we must not forget that the treaty signing is made possible by the determination of the US to provide a security system apart from Soviet participation. Apart from the Communists and Socialists, all Japanese are grateful to the US for the peace treaty that will be signed."

A TOKYO SHIMBUN columnist stressed that Prime Minister YOSHIDA should head the Japanese peace delegation to San Francisco. "It does not matter who the other delegates are since the victor nations will carry on the discussions and Japan need only remain silent and sign the document. It is best for the Prime Minister to go since he alone carried on negotiations with Special Envoy DULLES. It would be absurd for a defeated nation that cannot even pay reparations to send a group similar to a Daimyo procession. Rather, let it be lonely and humble. They talk about the

restoration of national sovereignty, but let us remember that the big problem in the past was to protest that sovereignty."

MAINICHI noted that the Liberal Party suddenly decided on a basic policy of "meeting the peace treaty with a united national structure." The paper saw the need for unity in matters of such national importance. "But why does the Liberal Party, which has so far been indifferent toward this way of thinking, try to change its course?" It believed that the Liberal Party became "flurried" when the list of US delegates to the peace conference included both Democratic and Republican representatives. "Moreover, some people believe that the liberal party will take this opportunity to conduct maneuvers for a coalition with the Democrats."

The Constitution stipulates that the Cabinet concludes treaties, but must obtain Diet approval before they are concluded. "We think it appropriate that when the treaty draft is known prior to the peace conference, as in the present case, it should be studied by the Diet before it is signed. While the Liberal Party seems to be planning a deliberative council of various parties to replace a Diet session on the ground of lack of time, it is feasible to convene an extraordinary Diet session. The Liberal Party must explain why it has abruptly adopted a policy of a united national structure now and what it is seeking by that policy. Whether the various parties participate in the peace delegation, the Government gains its authority only with Diet approval. Needless to say, the peace conference is the biggest issue confronting Japan today. There is need for parties, from the viewpoint of a far-sighted national policy, to seriously reflect on their own policies once again. If an extraordinary Diet session is convened, it may provide an opportunity for parties to effect possible settlement of differences among themselves. If the Liberal Party actually feels the need of a united national structure, it must resort to every means possible now in good faith. However, if the Liberal Party's slogan of a national united structure is a brazen political strategem aimed at the Democrats or the Upper House Democrats, the party must be severely censured for deceiving the people."

SOVIET PEACE OFFENSIVE

TOKYO SHIMBUN doubted the sincerity of Soviet UN delegate MALIK's statement that "the Americans and the Soviets can be friends" and that "communism and capitalism can coexist." "Secretary of State ACHESON said that this is part of the Soviet peace offensive and that it is foolish to think that propaganda of this sort will lead democracies to weaken their defensive power." The daily agreed with Acheson's warning. It felt that the West European bloc will be affected since it is "obsessed with the fear that once a war breaks out, it will instantly destroy Europe. The aim of the Russian peace offensive, it seems, is to make skilful use of this psychology. Russia is probably trying to cause the US to give up or retract its anti-Soviet defense policy. In America's view, Russia is trying to mitigate the Pacific pact, the Japanese peace treaty, the North Atlantic Pact, and the US-Spanish defense agreement."

MISCELLANEOUS

YOMIURI supported the plan to create a public security ministry. "If we are to realize complete independence, with the peace conference approaching, Japan must maintain public peace and order. However, as long as government agencies charged with keeping public peace are so powerless and disorganized it will be impossible to attain that end."

However, the daily opposed the abolition of the local autonomous police forces. "Even though the present local police is powerless and inefficient, we are unable to understand why the autonomous police must be absorbed into the proposed public security ministry. A plan to unify the police, which has direct influence upon the people's rights and duties, into the proposed ministry will be difficult to implement...Since Japan has adopted the self-government police system it should foster the development of that system. We cannot thoughtlessly consent to its abolition."

ASAHI termed the Public Utilities Commission's decision to boost power rates by 31 percent "wise and reasonable." "It undoubtedly hurts the pocketbooks of consumers to have the power rates go up at this time when a 20 percent hike of the consumer price of rice has been decided. But from a broader viewpoint, a boost of around 30 percent should be admitted from the standpoint of the finances of the power companies since power charges are excessively low compared to commodity prices."

SHIINO'S SELF-CRITICISM

JCP Said Backtracking To Escape Moscow Blast: The self-criticism issued by Japan Communist Party leader SHIINO Etsuro was proof to most observers that the party is engaged in an allout campaign to bootlick its way into Soviet favor. After its defeat in the April elections, the JCP is said to have drawn "some form of criticism" from the Soviet Mission. The consensus of opinion is that the Japan party saw itself once more the target of a Cominform blast unless it knelt at once to the top command. The Cominform blast of January 1950 raked the JCP for veering off the "international" track. The JCP apologized, then proceeded to wander into private-line "experimentalism." The result was an intraparty split, with the two feuding factions too busy scrambling for boss position locally to spend time on "world" campaigns.

In May the JCP began to backtrack. In the 28 May issue of the intraparty circular TO KATSUDO SHISHIN, the editorial bureaus of the central faction magazines ZENEI and ATARASHII SEKAI issued a joint self-criticism for failing to boost the "world peace campaign." Self-criticisms have appeared frequently ever since. A particularly sharp one, leveled at the party's "adventuristic stands on military problems," came out in a recent issue of the party organ NAIGAI JOHO. The authors are believed to be missing JCP leaders TOKUDA Kyuichi and ITO Ritsu. The Shiino self-criticism is likewise believed to be the opinion of the missing leaders.

The internationalist group published an "urgent directive" on 16 July in the name of the Tokyo Metropolitan Unity Conference rejoicing over the "golden opportunity for cooperation" offered by Shiino. "The self-criticism is a marked step forward for Shiino himself," it said, "and shows progress in the development of united struggle." (Yukan Chugai, 21 July)

LITERARY LEADER'S SELF-CRITICISM

Literary Society Leader Issues Self-Criticism: Author TOKUNAGA Sunao of the New Japan Literary Society recently issued a self-criticism for helping to draft the blistering attack on JCP headquarters "opportunists" published by the NJLS in August 1950. It was on his conscience that "during the war crisis, party unification was obstructed and the interests of the people abused" by an "unfair attack" in which he had taken part. Looking back he could see that the "Cominform criticism was a criticism of party writers as well as party leaders" and that he, as one of the directors of the NJLS, should have "advised the party...not to disrupt it."

Today, said Tokunaga, "party discipline must be even stricter than it was previously to forestall the enemy. Not even the slightest touch of bourgeois liberalism can be tolerated."

One of the biggest factors in Tokunaga's decision to give up "separationism" was a book by Chinese Communist chief MAO Tse-tung called "Direction of Chinese Literature." The book stressed the need for "self-reconstruction toward the end of thinking as one, feeling as one with the masses." "This pointed the way for me," said Tokunaga. "As a writer my duty is to create literature for the masses centering around the workers, and to make it possible for all intelligent writers to advance." (Taishu No Nakae, JCP Tokyo-to Committee publication, 3 July)

TAIRA RIOT CASE

Taira Riot Case Defendants Still Split: The gap between the central faction and internationalist faction defendants in the Taira riot case is as wide as ever, it is reported. Representatives of the two factions attempted to iron out their differences shortly after the first session of the trial. They allegedly came to blows.

The internationalist defendants were the ones who used "heckling tactics" at the trial opening. The central faction defendants charge that these "unsystematic and ineffective disturbances" are what decided 30 of the defendants to demand a separate trial." (Mainichi Shimbun, Fukushima edition, 19 July)

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Today's Tokyo Newspapers

-NEWS-

Selection of US selegates to the Japan peace treaty conference was the standout wire story in the evening press, followed by Ambassador Sebald's note to Prime Minister Yoshida and the US invitation to 50 nations to join in signing the treaty. The only domestic development to get consistent notice--usually belowfold--was the Liberal Party's call to other parties for a united front. In the morning press, early editions continued to lead with selection of the US peace conference delegation, but in later editions domestic news pushed it to about midpage. Attention focused on the ordinance review committee's recommendation to establish a public security ministry. The Liberal bid for unity and a conference of the nine power companies were the next best stories.

PEACE TREATY

The Government on Friday night received from Ambassador SEBALD the formal US invitation to the peace conference in San Francisco on 4 September. Since the US requested a list of the Japanese delegates as soon as possible, Foreign Vice Minister IGUCHI conferred with Prime Minister YOSHIDA yesterday afternoon. (a) A decision on personnel is expected by the end of next week "at the latest." The delegation will be kept small in accordance with the Prime Minister's desire to keep down expenses. The group will probably comprise three or four plenipotentiaries and six to nine administrative officials. (b)

Chief Cabinet Secretary OKAZAKI expressed the nation's gratitude for the "great generosity of the countries concerned and especially for the constant efforts of US Government authorities" in bringing the treaty to the signing stage. (c) He added that while the Government wants to keep the peace delegation small, he believed representation by opposition parties is desirable "in the light of national unity." (d)

UNITY

The Liberal Party yesterday invited the opposition--excluding the Communists--to unite with them in concluding the peace treaty. Immediately after the executive board made the decision, Liberal officers called in person upon representatives of the other parties. (c) "The peace treaty--a treaty of faith and friendship--is the fruit of years of effort by the US," Chief Secretary MASUDA explained. "It has deep significance for the future of our country, and it is most desirable for the nation to accept it with as much unity as possible." Parties in both houses of the Diet will discuss the proposal next week. (b)

Peoples Democratic Chairman TOMABECHI received the invitation with skepticism. "When we called for a nonpartisan foreign policy, the Government party continued its secret diplomacy," he said. "When it suddenly makes a proposal for unity at this late date, we cannot help but regard it as an insincere bid made in the interest of party strategy. The problem of the peace settlement should be carefully studied together with the people. I repeat our demand for an extraordinary Diet session before 10 August." (e)

The Socialists said they would make no reply until Chairman SUZUKI returns from Europe. Meanwhile Socialist Secretary-general ASANUMA, on a trip to western Japan, opposed the idea on the ground that opposition members sent as peace conference observers would have to share responsibility for the treaty. (e)

ADMINISTRATIVE REFORM

The ordinance review committee decided yesterday to recommend establishment of a public security ministry. It would combine the National Rural Police, local autonomous police and the Special Investigation Bureau of the Attorney General's Office. The committee left the National Police Reserve, the Maritime Safety Board, and the Immigration Control Board for future study. The committee also concluded that the telephone service should be transferred from public to private management. (e)

(a) Yomiuri Shimbun
(b) Jiji Shimpo
(c) Yukan Yomiuri
(d) Yukan Chugai
(e) Mainichi Shimbun

LABOR

Workers of four private railway lines in Tokyo seem certain to strike tomorrow since management is holding to an 11 percent wage increase instead of the 20 percent demanded. A subway strike was averted when the union accepted a hike of about 14 percent. Private railway workers in western Japan will walk out for 24 hours today and strikes elsewhere are scheduled for tomorrow. Meanwhile some unions have accepted management offers. Of the 14 Kanto district unions, two have come to terms. (a) In Hokkaido, six of seven companies reached agreement with workers. (b)

By early next year the Labor Ministry expects to set up a minimum wage scale on an industry-by-industry basis. For the present, the Ministry's central wage council has decided to use a minimum wage system only for smaller enterprises where wages are below average. (a)

NEWS BRIEFS

Power Companies Prepare For Rate Hike: The nine electric power companies yesterday set 5 August as the effective date for the new average 31 percent increase in power rates decided by the Public Utilities Commission. (c)

To Screen Former Army, Navy Officers: On 27 or 31 July the rescreening committee will consider the cases of about 70,000 former regular army and navy officers of rank below major and lieutenant commander. Following a GHQ-approved policy, the committee is expected to make a large-scale clearance. (d)

Conservatives Win on Farm Committees: Nearly final results of the nationwide agricultural committee elections show an overwhelming victory by conservative independents, followed by Liberals, Socialists, Communists and Peoples Democrats, in that order. The average voting rate was 86.5 percent. (a)

Two New Overseas Agency Heads Named: The Foreign Ministry has selected chiefs for overseas agencies to be opened in West Germany and Switzerland, and is looking for men to head offices in Sao Paulo and in Egypt. (d)

(a) Yomiuri Shimbun
(b) Sangyo Keizai Shimbun
(c) Asahi Shimbun
(d) Mainichi Shimbun

-EDITORIALS-

The peace treaty held the attention of editorialists today. Three columnists opposed the proposal to hold a lantern procession commemorating the treaty signing. The Philippines decision to reject the treaty draft and the inclusion of a repatriation provision in the draft also drew comment. International issues--the Korean armistice talks and the use of military bases in Spain--were discussed in two editorials. Other topics dealt with the rice price, the general price policy, and administrative reform.

PEACE TREATY

YUKAN CHUGAI was "surprised" at the unexpectedly strong reaction of the Allied nations toward the Japanese peace treaty. "The Philippines have decided to reject the treaty draft because of dissatisfaction over the reparations issue. The Philippines also state that they will not attend the peace treaty signing. We did not think they would reject the treaty draft. The decision of the Philippine Government was probably influenced partly by its failure to mollify public opinion at home. Although we are fully aware of the seriousness of the reparations issue, we think the Philippines are going a bit too far to oppose the peace settlement itself and refuse to sign the treaty because of the reparations issue alone. Even if the peace treaty is not satisfactory, we believe there will be room for negotiations after the treaty signing and before its ratification. At any rate, we hope that the Filipinos will realize that the Japanese treaty aims to safeguard the Pacific from communism and will sign the peace treaty for a new Japan."

Noting that the treaty draft does not touch on the problem of repatriation, ASAHI feared that in the event Russia does not participate in the treaty, it will become impossible to repatriate the remaining prisoners. It said the National Council for the Promotion of Repatriation asked Special Envoy DULLES that the provision in the Potsdam Declaration pertaining to prisoners of war be included in the peace treaty. "Dulles replied that a moral rather than a legal verdict would be a more effective goal to work for. Although the council places hope in the UN, it feels that in view of the different stands taken by the various nations, it is too much to rely on the moral verdict and sanctions of the UN alone." The daily saw the need for writing into the treaty the obligation of a country that has not returned

prisoners. "The voice of public opinion must be raised in the demand that the Government take more positive measures toward that end."

A YUKAN CHUGAI columnist lauded the Government for turning down the Tokyo Metropolitan authorities petition to hold a lantern procession to commemorate the peace treaty signing. "We are totally opposed to making a festival of the peace treaty signing for we must warn against taking a rosy view of the forthcoming peace...Japan's obligations and responsibilities to the world will become still heavier with the conclusion of the treaty. Therefore, we can be none too sanguine in making a new start after the peace settlement...A cup of tea or a piece of cake will be enough for us to celebrate the treaty signing."

A MAINICHI columnist agreed that Japan is in no position to hold a lantern procession and a YOMIURI writer said: "We do not favor an empty fiesta-like celebration. It seems that we have developed the habit of arbitrarily considering, under the Occupation, that the American way of thinking is universally accepted. It's about time that we began to get rid of such an attitude. The fact that among signatory nations, there are some who do not care to recognize Japan as a full-fledged nation weighs heavily upon the minds of us who want to welcome the peace treaty. So long as Japan is going to sign a majority peace, there will still remain some nations who will be in a state of war with Japan. Therefore, the moment Japan signs the treaty, it will face a more critical situation. We think there is only one way to celebrate the treaty signing--all the Japanese people must direct their efforts toward making Japan into a first-class power that will gain the respect of the world."

INTERNATIONAL

MAINICHI said the Communist delegation proposed the recess of the Korean armistice talks until 25 July presumably to make time for obtaining instructions from top leaders on the problem of withdrawal of troops. "The current armistice talks were at first started on the condition that purely military questions would be discussed without taking up political issues. We believe the UN looks upon the Communist proposal as a political question because they have not forgotten the past ways of the Communist camp." The daily pointed out that the North Koreans began to invade South Korea soon after the US forces withdrew in 1949. "Neither the US nor the UN will ever think of foolishly repeating this experience today. Even if the Communist army will not resort to armed aggression, we fear that they will start communizing South Korea through a forceful political offensive. We believe the present plight of South Korea offers a golden opportunity for the Communists. From this viewpoint, it is natural to construe that the withdrawal of troops called for by the Communists has many political angles."

JIJI SHIMPO said the US decided to use naval and air bases in Spain because: 1) "the severance of diplomatic ties has proved a failure in trying to force Spain to reform its undesirable political institutions, 2) it has become clear that Spain is strategically vital for the US military defense program, and 3) the US wants to make use of anything to win the cold war."

The journal noted that during world war II Spain was friendly to the Axis, but after the war it adopted an elastic policy to reestablish friendly relations with Western nations. "Although Spain today is authorized to join the UN organization on health and food problems, its economy seems to be very stringent due to international isolation. If the military agreement with the US promotes the return of Spain to international society, its economic condition will improve, and its role in strengthening the common defense against the Soviet Union will increase greatly."

MISCELLANEOUS

A YOMIURI commentator pointed out that the rice price involves many problems left unsolved when considered in relation to the nation's economy, and particularly from the viewpoint of distribution of national income."

NIHON KEIZAI noted that the fundamental defect of the present price policy lies in the fact that individual prices are confounded with the general price situation. "So long as financial and banking policies are adopted with a view to lowering prices, they must aim to bring down the price level as a whole." It emphasized that price problems cannot be solved by tightening credit. "The low price policy should be applied according to special circumstances in recognition of the difference between individual prices and the general price situation."

TOKYO SHIMBUN supported the Government decision to carry out administrative reform. It hoped that state ministers will push the reform to a successful conclusion by eliminating pressure from bureaucrats under them. It did not think that the reform should be carried out too hastily. "We fear that hurrying the reform would only produce temporary results."

PIRACY

Scrap Metal Pirates Ply Inland Sea: A band of scrap metal pirates started operating last January in the Inland Sea. Between February and mid-June they reportedly hijacked 60 Yawata Steel Works boats and an unknown number of others. The raids commonly took place in the straits off Yamaguchi Ken, between Murotsu Mura and Kamiseki. The steel works complained to the Wakamatsu district coast guard; the coast guard "took no action." Finally, in mid-June, the Kumage district police began receiving appeals to investigate. The police shortly discovered that they were holding six members of the pirate ring, arrested in a blackmailing case. It came out that the ring was a 30-man organization formed in January by some shippers of Murotsu Mura under the leadership of Murotsu village assemblyman FUJITA Katsuichi. Several farmers of the nearby village of Shirahama joined, and the organization, known as the "Shirhama Gumi," soon developed into a"neighborhood cooperative."

The investigators figure that the pirates cleared about 500,000 yen on sales from the metal seizures traced so far. Their total profit is believed to be "several times as much." But the case is proving hard to crack. It appears that there were several instances of collusion between the pirates and the captains of victim boats, and, further, between the pirates and certain coast guard officers.

Murotsu Mura, an important Inland Sea harbor, is known as a "Red village." And neighboring Shirahama, a poor farming hamlet, is said to be "composed 100 percent of Red sympathizers." (Tokyo Nichinichi Shimbun, 19 July)

"SELF-SMUGGLING" CASE

"Fled North Korea" Story Said Fake: Disheveled self-styled TSUKAMOTO Choichi, whose sob story at Tokyo station last Wednesday made headlines, is now wanted as a "swindler." Far from being a "self-smuggler from North Korea," as he told Tokyo station officials, "Tsukamoto is in reality an ex-convict...named SAKURABA Naruo from Shizuoka," declared Tokyoite TAMURA Fumiko. Miss Tamura said he was released from Shizuoka penitentiary on 22 May after winding up an eight-month term for embezzlement. Two weeks later, she said, "the man came around, and, claiming that he knew my father, swindled me out of 23,000 yen." (Asahi Shimbun, 21 July)

MISCELLANEOUS

Mr. Rizzo wants checked and be informed

Two Communist Prisoners Go On Fast: Two Rumoe Communist District Committeemen arrested in April on charge of distributing the banned JIMMIN SHIMBUN, launched a hunger strike in protest to detention. Committeemen OSHIMA Hitoshi and MURAKAMI Kunji, confined at Asahikawa prison, announced on 10 July that they would fast until they were bailed out. Oshima's strike was short-lived, but Murakami was still holding out yesterday. The Asahikawa District Communist Committee demanded Friday through the civil liberties section of the district legal bureau that bail for the pair be set. The prosecution, on grounds that they might destroy evidence if freed, refused. (Sangyo Keizai Shimbun, 22 July)

Korean Mob Storms Police Station: Korean PAK Sang-hen (alias KIMURA Toshihisa), a scrap-iron dealer of Sagaminara Machi, Kanagawa Ken, was booked on ~~20 July~~ on charges of posting anti-American handbills. At news of his arrest, 10 members of the defunct Korean League came to the police station to seek his release. They were soon backed up by 150 more Koreans, set to spring him by force. A free-for-all ensued. (Asahi Shimbun, 21 July)

"Fight for Five-Power Peace Pact": The Tokyo Metropolitan Communist Committee on 20 June xhorted "all patriots" to fight for the defense of peace. "On 15 August 1945...we firmly resolved never to wage war again...Let us keep that determination. We, the peace defenders...must destroy the warmongers' plot and fight with all our might for peace..."

"The capitalists rejoiced at the outbreak of the Korean war because of the higher commodity prices and the orders for arms. Soon electricity rates will be raised to transmit power cheaply to arms factories and military bases. Our own Japanese rice is right now being sent to Korea while we eat foreign bread and rice...And who are the warmongers? A certain foreign nation and the Liberal Party. We must not let them fool us. We must organize peace defense groups to back the five-power peace pact in every town, village, and factory by 15 August." (Taishu No Nakae, No 97, JCP Tokyo Metropolitan Committee publication, 22 June)

"We were prepared to renounce Formosa and Korea, but hoped that the Bonins and Ryukyus would be returned to us some day," mourned a Toyama pressman (i). "These islands were not the spoils of aggression, and their inhabitants are as eager as we for their return to Japan. Why have the Allied powers not given more careful consideration to their sentiments? We can only hope it is not too late for them to sympathize with us on the territorial issue."

A Matsuyama publication (j) likewise lamented the "unfavorable" territorial provisions, but confidently predicted: "That the four islands to which Japan is to be confined are inadequate from the viewpoint of population, industry and other political and economic conditions, will gradually come to be admitted by individual countries in the future," and dismissed the issue at that.

Some More Defects in "Apparent Generosity"

There were other "harsh international realities." It was an "unhappy surprise" to a Fukui editorialist (k) that the US, Australia and New Zealand had informally signed a three-power pact for guaranteeing the security of the Pacific. "Though we are unarmed and do not recognize the right of belligerency, and are about to be welcomed back into international society, yet these three nations feel such a pact is necessary. They still do not trust us, though it is certain we cannot again be easily militarized....It is just another example of the ordeals we must go through before Japan is accepted willingly by the free nations as a contributor to peace and security in the Pacific."

A Chinese-owned paper in Osaka (l) objected violently to the omission of a Chinese signatory, although the first draft, in April, had included all FEC members. "It is true that Article XXVI gives Japan the right and duty to conclude a separate peace with China, but there is no reason to exclude China from the September conference. The Chinese fought against Japan from the first, and made the greatest sacrifices of any nation in the war. In 1947 the US tried to push a Japanese peace settlement omitting the USSR, but China refused to join in this." Circumstances have altered since then, "but if the US has genuine friendship toward the Chinese people," it will not exclude China from the treaty. "A treaty omitting China will only touch off further international dispute. Without Chinese participation, peace in the Far East in impossible."

Kobe's largest daily (m) noted that many of the treaty provisions leave details to be negotiated between Japan and other nations after the treaty goes into effect. "The decisions on such details will therefore depend on the prevailing international situation. The prospects for development of US-Soviet relations are that there will be no relaxation of the cold war for years to come; unless the USSR makes major concessions, the rivalry will rather be aggravated. If negotiations on treaty details are made against such a background, Japan will meet with little trouble, because of its value as an anti-Communist breakwater. But if the reverse should be the case, the general atmosphere would certainly put Japan at a disadvantage....Broadly speaking, the treaty provides for almost no disciplinary measures against Japan; it is apparently very generous. But it is not entirely unthinkable that it may eventually prove not so favorable after all."

Reparations: A Moral Responsibility

One of these "treaty details" was the matter of reparations, whose "framework for settlement" was examined by Nagoya's most widely-circulated daily (n). "The suggested forms of reparations payments are not impossible for us, because American good will sets restrictions on them. But the effect of these compensations will certainly impose a heavy burden on Japan's industry and economy, and may even for long time keep down the people's living standards." There are also advantages, however: "It will help reconstruction in the Philippines and other countries, promote friendship with

(i) Hokuriku Yukan (circ 46,433), 12 Jul
(j) Ehime Shimbun (circ 116,830), 11 Jul
(k) Fukui Shimbun (circ 67,490), 14 Jul
(l) Kokusai Shimbun (circ 133,005), 13 Jul
(m) Kobe Shimbun (circ 218,455), 11 Jul
(n) Chubu Nippon Shimbun (circ 957,446), 13 Jul

Japan and develop markets for Japanese goods....Nevertheless, we must depend on lasting assistance from the US for our Government to secure the understanding of nations concerned, to avoid the possibility of adverse economic effects."

Urawa readers were told (o) the treaty draft showed "unexpected generosity" in the reparations issue. "Indeed, it is an open question whether it is good for us to be excused from this economic burden. There is no denying Japan inflicted unspeakable suffering on the Philippines during the war, and it is moral responsibility to compensate them within our capacity." It is "not impossible" to pay the "huge amount" demanded, if done by the method of yearly installments. "We must consider the national feelings of the Philippines and other injured nations. Would it benefit us to aggravate them by escaping our burden? We must be grateful for US good will, but we cannot profit from it in this case. In fact, Japan should voluntarily offer to pay reparations. National feeling often overcomes reason, especially in combination with economic matters. We must not be penny-wise and pound-foolish."

An exponent of a similar but wider view was a Kofu analyst (p) who said: "Much is expected of Japan, in view of its standing as a senior cultural and economic nation in Asia. It owes a duty to the international society of which it is a member....We should try to indemnify the countries that were severely damaged by our aggression. Japan is under the obligation to develop and reconstruct war-torn lands by sending them its own capital, equipment and techniques, at the same time not faltering in Japanese reconstruction, on however austere a basis. It is contrary to our hopes for a peaceful future to pretend we are excused from this duty because it is not expressly stated in the text of the peace treaty." It will be difficult and may force a lower living standard on the Japanese people, "but such efforts should be continued till effective recovery is realized by Southeast Asian countries....If Japan successfully carries this through, we shall have completed our atonement, and and can at last consider ourselves responsible members of the world community."

Domestic Preparations for the Treaty

After discussing the draft itself, the press was spurred into calling for Japanese preparations for the actual event in San Francisco. Osaka's largest local daily (q) attacked the alleged plan of Prime Minister YOSHIDA to send as delegates a representative of the Democratic Party, Finance Minister IKEDA, and Speakers HAYASHI and SATO of the Lower and Upper Houses. "It is reported that President TRUMAN himself will attend the ceremony. Even if he does not, Mr YOSHIDA should be there, merely out of courtesy towards other national representatives, or he will lose both domestic and foreign credit." This view was endorsed without exception by all editorials concerning the delegation. The following day, the same paper (r) called for an extraordinary Diet session. "Since the Constitution calls for approval by the Diet in concluding treaties, whether subsequent or prior, the Government should ascertain the legislature's views on the matter, and seek its cooperation."

Another Osaka publication (s), a large business journal, noted that Opposition parties in particular were demanding advance Diet approval of the treaty. "The treaty problem has reached its final stage and must be faced squarely by both the people and the political parties. Undoubtedly the Government fears open Diet discussion may result in unhappy repercussions abroad. Nevertheless, it should not arbitrarily try to unify public opinion, as was done by the militarists, but fearlessly allow parties to make independent decisions according to their conscience. It is the only democratic course to convene an extraordinary Diet at once for ample discussion on the matter, and meet the peace conference with the understanding and approval of the people."

"The reorientation of internal structure," as an Okayama writer (t) called it, was seen to be the most important problem. He called particularly

(o) Saitama Shimbun (circ 53,506), 11 Jul
(p) Yamanashi Jiji Shimbun (circ 28,289), 11 Jul
(q) Osaka Shimbun (circ 678,638), 11 Jul
(r) Osaka Shimbun (circ 678,638), 12 Jul
(s) Sangyo Keizai Shimbun (circ 570,414), 13 Jul
(t) Sanyo Shimbun (circ 220,510), 9 Jul

for the Ordinance Review Committee "to revise laws to meet the post-treaty situation," and for a hastened depurge schedule. A Hakodate editor (u) likewise demanded a hurry-up in depurging, "so that those who may hold power some day can participate now in validation of the treaty." Not content with an extraordinary Diet session, he urged dissolution of the Diet, to make way for new elections. "It is true the Yoshida Cabinet was elected by the will of the people, but in the two years since then the world has gone through changes like those of a 20-year period, and the Government should once more sound out the people's will. It would be a disaster for the world as well as Japan, if the great issue of the peace settlement should be entrusted to the hands of one political party."

The Biggest Question: Communist Obstruction

"The biggest question is: What will Russia and Red China do about the treaty draft?" said Hokkaido's four-city daily (v). "The Communists have only two alternatives: to fall in with the US formula, or to reject it completely. Because of the nature of the formula, the treaty draft naturally does not touch the latter alternative, but we fear that if things go on as they are now, unfavorable relationships will inevitably develop between the USSR and Japan." There was small probability the Kremlin would send representatives to the San Francisco conference, agreed an Okayama journal (w), which was apprehensive over "the instability of a majority peace as opposed to an overall peace," noting that the former necessitated a US-Japan defense agreement and a Pacific alliance. "Japan's admission to the UN, for example, which is promised in the treaty, cannot be realized unless the USSR joins in, even if all the signatory nations support it....But our resolution to make a new start as a peace-loving nation is too strong to be affected by outside circumstances or defects in the treaty," the writer concluded. "We must face the world situation with courage."

"Even if the USSR attends the San Francisco conference, we cannot necessarily expect a satisfactory overall peace," gloomily predicted an Osaka paper (x), and a Nagano publication (y) said flatly: "It is quite obvious the Reds are primarily interested in obstructing the treaty....The view is strong that this intention is what underlies Mr MALIK's proposal for a cease-fire in Korea, and the current acceptance of negotiations by North Korea and Red China," he went on, thus tying in his theme with the second major editorial topic of the week. "The Japanese have hoped for a peace settlement that would serve to eliminate unrest in the Far East. Now it is feared the solution of this problem may make difficult the fundamental settlement of the war in Korea."

KOREAN ARMISTICE: RISING BUT CAUTIOUS HOPES

Although prefectural editorialists continued to suspect Soviet motives in proposing a cease-fire in Korea, especially as it might affect the Japanese peace settlement, they tended to be optimistic about ending the fighting, though not the world-wide East-West confrontation. This much, they believed, was part of the Soviet policy to meet the present situation. They were relieved by the announcement that the Japanese treaty would be signed in San Francisco in September, but they stressed at the same time the new importance given to Japan's peace settlement in the world situation. They were also concerned over the effects of a Korean armistice on Japan's economy, and urged renewed trade with Red China and other "appropriate" steps.

Mixing Oil and Water

As far as a military truce in Korea was concerned, the press was generally optimistic about the success of the historic Kaesong conference. "Some declare that seeking a conciliation is like mixing oil and water, but we are not necessarily so pessimistic; in fact, we cannot but pray for its

(u) Hakodate Shimbun (circ 44,498), 13 Jul
(v) Hokkaido Shimbun (circ 632,896), 12 Jul
(w) Sanyo Shimbun (circ 220,510), 11 Jul
(x) Sangyo Keizai Shimbun (circ 570,414), 8 Jul
(y) Shinano Mainichi Shimbun (circ 145,249), 9 Jul

success," typically commented a writer for a Kyodo editorial reprinted in Kofu (z), Wakayama (aa) and Muroran (ab). General RIDGWAY's proposal to the Communists was a "reflection of world opinion. In other words, the cease-fire talks have the support of the peoples of the world whose overwhelming pressure the Communists cannot escape or overlook." Moreover, the editorialist could not detect any signs of insincerity in the subsequent developments. "Because we feel that the Communists are sincere, we expect good results from the truce talks. Even in the discussion of purely military topics, technical difficulties are bound to arise, but these can be settled if both sides are sincere....It is hoped that the door to world peace will be opened at Kaesong."

A Kanazawa observer (ac) agreed with the confidence expressed by Admiral JOY but also found "reasonable" the cautious attitude of Gen RIDGWAY. "Adm JOY stated upon his departure for the conference that he is determined to do his best to bring about an honorable truce with conditions satisfactory to the UN." His statement indicates that he is confident of the success of his mission. "On the other hand, Gen RIDGWAY warned against too much optimism, saying that the result is not yet certain since the Communists' sincerity will be determined only in the course of the negotiations....It is clear that the UN commander is very skeptical about the possibility of a cease-fire....Although we agree with Adm JOY's optimistic view, it is still desirable that much caution be taken in dealing with the Communists, as is advocated by Gen RIDGWAY. Both the Soviet Union and Red China resort to irregular diplomatic tactics and commonly break their promises to other nations. Inasmuch as their ultimate aim to unify Korea under the North Korean flag remains unchanged, it is dangerous for the free world to accept their truce proposal with too much trust."

The Role of Peacemaker

A Kobe commentator (ad) also thought the Soviets might be attempting to create a false sense of security "as is their usual way," but noted indications that Red China has begun to be troubled. "Judging from the fact that it refused aid to the Indo-Chinese Communists, it may well have no more strength to spare for Korea, which may be why it grasped this opportunity for an armistice." Yet a Kyodo article in a Nagasaki journal (ae) declared that China had suffered, but not the Chinese Communists. "Most of the troops sent by the Communists into the Korean fighting were formerly part of the Nationalist Army. The Chinese casualties are estimated at 1,300,000 in all, but this sacrifice has been borne by the former Nationalist troops, who tended to be a problem. Should the Nationalist forces in Formosa return to the mainland, there is always the danger that these surrendered troops would change their colors. Some step had to be taken to dispose of them." Too, the Chinese send back neither the ashes nor the bodies of their dead. "Accordingly, even if millions of Chinese are killed in Korea, the Chinese people will continue to expect victory. The former Nationalist troops, who had surrendered only to be sent into fighting again, are surely the greatest victims of the year-long conflict."

A four-city evening journal in Hokkaido (af) believed it was part of the Soviet plan to return Korea to its status of a year ago "to appear as a benefactor while making no sacrifice....The Soviet Union is following the formula it practised at the time of the Berlin blockade: to restore the former state and gain the gratitude of others." Kanazawa readers too were reminded (ag) of the contrast between US and Soviet diplomacy, with the Soviet Union "trying to create the impression of being a peacemaker, acting as a mediator between the UN forces on one side and the North Korean and Chinese Communist forces on the other....The Voice of America broadcast that the Communists delayed replying to Gen RIDGWAY so as to claim that they set the time and place

(z) Yamanashi Nichinichi Shimbun (circ 40,911), 10 Jul
(aa) Wakayama Shimbun (circ 29,143), 11 Jul
(ab) Muroran Mimpo (circ 21,884), 13 Jul
(ac) Hokkoku Shimbun (circ 169,107), 11 Jul
(ad) Kobe Shimbun (circ 218,455), 9 Jul
(ae) Yukan Nagasaki Nichinichi (circ 15,000), 9 Jul
(af) Yukan Hokkaido Shimbun (circ 295,275), 9 Jul
(ag) Hokkoku Shimbun (circ 169,107), 9 Jul

of the negotiations. This gave them the opportunity to propagandize that they generously accepted the cease-fire proposal from a defeated enemy. The UN nations no doubt fully expected such tactics, but in the interest of attaining world peace they made the gambit. Herein lies the frankness of US diplomacy, showing the contrast in method between the two camps."

No Optimism Warranted After Cease-Fire

Most editors thus felt that the prospects were "bright" for an armistice, but as to the situation following it, a Shizuoka pressman (ah) typically found no prediction "possible" and no optimism "warranted." "Still we cannot but hope for the earliest end of the shooting war, which has exacted such a great toll." He doubted that the war aims had been attained--"Neither has South Korea been 'liberated' nor has a democratic Korea been established"--but he found one "historic significance" in the fighting: "the resolute US action against Communist aggression brought into reality the idea of collective security of the democratic camp. When the cold war was at its height, the UN Security Council was looked on with doubts, but inspired by the firm determination of the US, the UN came out with military measures against the aggressor to save its honor. In this sense, the democracies may not have achieved their goal entirely in the Korean fighting, but they have to a certain extent....In Western Europe the North Atlantic Treaty Organization has been formed, and a unified force including the US is being formed. This program too was definitely expedited by the Korean conflict. It is true the Western alliance is not yet complete and the Far East is vulnerable to attacks, but the fact shown in Korea that unlawful 'racial liberation' by force will always invite the intervention and military counteraction of the UN and the US should convince the Communist camp that it cannot launch another aggression in any part of the world without fully preparing for an eventual global war...The epochal and historic significance of the Korean war lies in the demonstrated strength of the democratic front."

Nonetheless, an Imabari analyst(ai) emphasized that there was "no fundamental change" in the objective of the Communists, wondering what steps Russia would take next. "According to Washington reports, the Soviet Union may resort to a diplomatic move and consent to the opening of the Big Four Foreign Ministers Conference, in which case it will attempt to work on the weak points of West European unity, to slow up Western rearmament and to promote its propaganda. If on the contrary the Kremlin should choose force, meaning that the cease-fire talks are but a smokescreen to rebuild the Chinese Communist forces, Iran would be the first to be invaded in view of its strategic position, oil resources and internal weakness. Moreover, depending on the Soviet plan, Germany, Yugoslavia or Southeast Asia may be next on the danger list."

Eventual Effect on Japanese Peace Treaty

A Chiba commentator (aj) was concerned most about Communist China's objectives in Korea, which were seen as twofold: "The first seems trifling, but it is matter of saving face. Since their entry into the Korean conflict, they have lost more than they have gained; in sum, they were defeated. But if they withdraw now, their precious 'face' would be lost. That is why they are trying to create the impression that they have not been beaten." The second aim is to protect their hold on Manchuria. "A democratic foothold in neighboring Korea jeopardizes their plan to communize Manchuria and China. Furthermore, the Communist camp as well as the Chinese Communists must make Korea their own if they are to bolshevize the Far East including Japan. If their aim is viewed in this light, we see it may be most difficult to attain true peace even if the Korean conflict is suspended."

That the Communists had not necessarily changed their global designs despite their apparent change in military policy was also feared by many writers to endanger the Japanese peace settlement. A Kyodo-syndicated editorial reprinted in Fukushima (ak) and Akita (al) set the general tone, declaring that the Korean armistice would finally end World War II, but fearing repercussions in other fields. "It is obvious that Russia will resort to diplomatic,

(ah) Shizuoka Shimbun (circ 90,272), 12 Jul
(ai) Iyo Shimbun (circ 37,798), 10 Jul
(aj) Chiba Shimbun (circ 35,044), 8 Jul
(ak) Fukushima Minyu (circ 40,000), 8 Jul
(al) Akita Sakigake Shimpo (circ 114,650), 9 Jul

political and ideological tactics to achieve the goal it failed to attain militarily. To the Russian authorities, the choice of military means or diplomatic means depends entirely upon the prevailing situation. Therefore, their fundamental policy of communizing the world will not change in the least because of a truce now....Any conjectures on what effects the truce will have upon the Japanese peace settlement must be based on this knowledge."

Timely Announcement Brings Relief

The 7 July announcement by Mayor ROBINSON of San Francisco that the Japanese peace pact would be signed in that city in early September, however, dispelled the fear that the cease-fire would delay Japan's peace treaty. A Takaoka editor (am) commented: "It has been clearly indicated that the negotiations following a truce in Korea will not have adverse effects on the time of our peace settlement....We are satisfied that our peace is being hastened regardless of the Korean cease-fire; but, at the same time, we pray that a truce and peace will be realized in Korea too."

Hokkaido's four-city newspaper (an) doubted it was "mere coincidence" that the time and place of the treaty-signing were announced just before the Kaesong conference. "This is an indirect warning to the Communists that it would be a mistake to utilize the cease-fire negotiations for the political purpose of checking the Dulles peace plan....Yet the final object of the negotiations will be to settle the whole Far Eastern problem including the Korean issue, which means an eventual tie-in with Japan's peace. The question is at what stage." For example, there is the matter of Red China's participation in the Japanese peace settlement, but this would have to be taken up after an armistice is established and both sides agree on true peace. "The US announcement was presumably an attempt to draw a clear line between the two issues of cease-fire and our peace treaty."

Another fear widely expressed previously was that the Western nations might change their attitude toward the Japanese peace conditions after a Korean armistice. Though the scheduling of the San Francisco conference implied that most of the 51 nations were ready to sign the peace document, a Kobe analyst (ao) observed: "It must not be overlooked that the Korean cease-fire negotiations have resulted in relaxing the tension and made the Western nations more severe in their attitudes toward Japan's peace treaty. This is exactly what the Soviet Union aimed at in proposing the Korean cease-fire. It means added pressure upon the US, which will be forced to take a stronger attitude in the negotiations and accelerate its military preparations to cope with the Soviet peace offensive." A Kyodo article reprinted in Wakayama (ap) and Morioka (aq) expressed the more general fear that "if the political negotiations do not proceed smoothly after the cease-fire, the Japanese peace treaty will have to be signed in defiance of the Soviet Union's opposition. In such a case, the Japanese treaty issue will become a factor leading to greater antagonism between the Anglo-American and Soviet camps."

(am) Toyama Shimbun (circ 60,864), 10 Jul
(an) Hokkaido Shimbun (circ 632,896), 8 Jul
(ao) Kobe Shimbun (circ 218,455), 14 Jul
(ap) Wakayama Shimbun (circ 29,143), 8 Jul
(aq) Yukan Iwate (circ 10,000), 11 Jul

GENERAL HEADQUARTERS
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MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1868 DATE: 21 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Big Three morning papers--ASAHI, MAINICHI, and YOMIURI--spotlighted Korean dispatches on the cease-fire talks. Their dominant theme--the crucial importance of the 8th Kaesong conference today--got less play in the earlier papers. Some evening papers touched on the theme by bannering the Acheson rejection of the Communist demand for quick withdrawal of foreign troops from Korea, but the others assigned their leadoff spot to either the sending out of formal invitations to the Japanese peace conference or the GHQ transfer of dollar control to the Japanese Government. The dollar-fund transfer story also did well in the morning press, taking top play in NIHON KEIZAI. News of strict domestic origin fared about the same as yesterday: unless shored up by speculation and analysis, homegrown reports generally huddled near the bottom of the front page.

PEACE TREATY

Prime Minister YOSHIDA disclosed yesterday that the Japanese delegates to the San Francisco peace conference will be picked before the end of this month. (a) He told the Cabinet that he will start making up the delegation as soon as Japan gets an official invitation from the US. "We should get ours soon," he said, "and it will not be too late then to decide who will attend the conference...I want to keep the delegation as modest and small as possible." (b) Sources close to the Prime Minister say that he will head the delegation himself. They predict that at most he will take five men, including Foreign Vice-minister IGUCHI. (c)

The Government, meanwhile, took a dim view of a proposal to celebrate the treaty-signing with a lantern procession. Replying to a query from Tokyo city officials, the Government said: "Undoubtedly the treaty-signing is an occasion for joy, for it marks the first step toward the end of the Occupation and the rebirth of an independent Japan. But the Government cannot bring itself to make a pageant of it." (d)

FOREIGN EXCHANGE

The Government thanked GHQ yesterday for handing over control of US dollar funds. It promised that upon getting clear title on 16 August, it will "make effective and proper use of the transferred funds with the cooperation of the people and by respecting the spirit with which GHQ has hitherto controlled the funds." The Government expected a similar step for sterling funds on conclusion of the British-Japan payment agreement. (e) The transfer documents were signed yesterday by GHQ and Foreign Exchange Control Commission officials. (b)

The Government wants to abolish the convertible yen and shops catering exclusively to foreigners. But before taking this step, it intends to authorize limited foreign currency deposits for foreign companies in four lines--banking, insurance, aviation, and transportation. (c)

IMMIGRATION CONTROL

The Government has drafted a program to strengthen controls over illegal immigration. Aimed primarily at Korean trouble-makers, the measure would not only make it tougher for illegal entrants to get in but easier to throw them out. It would also authorize the Government to deport any foreigner who disturbs the peace, regardless of whether he entered legally. (a)

The Foreign Ministry received word this week that rumors of a Brazilian bid for Japanese immigrants were unfounded. The chief of the Japanese Overseas Agency in Rio de Janeiro sent in a formal denial from the Brazilian foreign minister. (d)

(a) Yomiuri Shimbun (c) Nihon Keizai Shimbun (e) Sangyo Keizai Shimbun
(b) Yukan Asahi Shimbun (d) Asahi Shimbun

LABOR

The State Railway Workers Union ended its summer allowance dispute Thursday night--on management's terms. Shelving its demand for 8,400 yen, the union settled for an average 1,000-yen allowance in early August and a promise of semimonthly wage payments. SRWU leaders promptly withdrew their "resort to force" directive. (a)

Private rail unions, unable to win pay hikes by bargaining, have scheduled walkouts for tomorrow and Monday. The first wave, covering Hokuriku, Kansai, Chugoku, Shikoku, and Kyushu, will hit 41 companies. Monday's strike will affect 20 companies in Chubu, Kanto, Tohoku, and Hokkaido. (a)

The Japan Electric Power Workers Union opened a four-day convention at Matsue yesterday--its first since the reorganization of the power industry. With the election of convention officers out of the way, the delegates are ready to start work on major policies. Today's discussion will center on whether to junk the four peace principles. (b)

NEWS BRIEFS

PDP to Bid for Minseito Depurgees: The Peoples Democratic Party will invite 42 depurgees--all former members of the defunct Minseito--to a unity meeting on 25 July. Chairman TOKABECHI and Chief Secretary MIKI will explain the party's effort to unify the nation's "progressive elements." (c)

Election Held for Farm Committees: The first election for city, town, and village farm committees took place yesterday. According to the Agriculture-Forestry Ministry, 48 percent of the committees required no voting since not enough candidates signed up to run. The candidates who had to fight for their seats will know this morning how they came out. (a)

(a) Asahi Shimbun (b) Tokyo Shimbun (c) Mainichi Shimbun

-EDITORIALS-

Transfer to the Japanese Government of control over dollar funds drew attention again to domestic economic questions, but international affairs--UN relief for Korea, proposed US bases in Spain, and current world Communist propaganda--shared the spotlight. Secondary emphasis went to the Japan peace treaty. Patrol work of the Maritime Safety Board, aid for Japan's war veterans, and the best way for school children to use their summer vacation were additional topics.

ECONOMY

The agreement just concluded for transferring control of the dollar fund--amounting to 350,000,000 dollars--from GHQ to the Japanese Government is very significant, YOMIURI said. It means that Japan's responsibility for economic administration has been partly established even before the peace treaty. "It is our hope that the measure will serve to normalize Japan's overseas financial transactions and promote close business relations between Japanese and foreign banks," the paper said. "At the same time we hope that more appropriate steps will be taken to adjust the operation of foreign funds and the domestic monetary situation in the light of the actual condition of the Japanese economy."

Transfer of authority over dollar funds prior to signing of the peace treaty is due to SCAP's policy of "respecting the independent spirit of Japan," according to NIHON KEIZAI. "It is born of SCAP's kind attitude of enabling Japan to switch over to independence as smoothly as possible."

"It is entirely at the discretion of Japan how it spends the dollar funds, but the result would be dreadful if it uses them at random," the paper continued. "The funds must become the foundation for Japan's future international trade, for winning foreign credits, and for joining the International Monetary Fund in the future."

YUKAN CHUGAI was concerned about the large stockpiles that have accumulated due to uncertain market conditions and cancellation of contracts. The only recourse for traders during the summer and fall is to get loans, but the Finance Ministry and the Bank of Japan "are cold to the idea and have made clear that they have no intention of authorizing such financing." Traders however, should not receive the entire blame, the paper argued, since the situation "was brought about by the accelerated import policy encouraged by the Government itself from last fall to this spring." Since the goods are not luxuries but all essential materials, they should serve as strong security for loans. Consequently the paper thought the Government would be unwise to refuse help to these enterprises.

INTERNATIONAL

NIHON KEIZAI, in a second editorial, commended the agreement by more than 40 United Nations members to provide 250,000,000 dollars for Korean rehabilitation. Of this sum, 160,000,000 dollars will come from the US, it noted. "We think this plan was born of the sublime spirit with which the UN defended South Korea against North Korean aggression," the paper commented. It added: "Japanese business men are interested in the plan because they expect that large orders for Korean relief will be placed with Japan. Hitherto they have rejoiced at the special procurement boom growing out of the conflict. However, this attitude must be replaced by one of collaborating with the UN and thereby promoting friendly relations with Korea."

Discussing the reported US-Spanish agreement on use of military bases in Spain, ASAHI said that the US approach is drawing vehement opposition from Britain and France. From a military standpoint, however, the paper considered it "natural for the US, which is hastening to strengthen West European defenses against Russia, to try to make Spain a link in the defense line."

"The fact that the US, which has the greatest sense of responsibility for Western defense, concluded an agreement with Spain in spite of opposition from the democracies indicates that the US considers defense more important than anything else. No changes are seen in the American conviction that the only way to prevent war is to deter the Soviet Union from aggression by bolstering Western defense to the same plane with Soviet military strength. In view of the opposition, however, the US will probably place the military agreement with Spain outside the framework of the North Atlantic Pact."

YUKAN MAINICHI was skeptical about the statement made by Soviet UN delegate MALIK, when proposing cease-fire talks in Korea, that "Communism and capitalism can coexist." Since this is contrary to Communist views in the past, the paper regarded it as part of the Soviet worldwide propaganda campaign.

PEACE TREATY

"While the generosity of the peace treaty is without precedent in history," an ASAHI columnist observed that as far as territory is concerned it strictly follows the Potsdam Declaration. He lamented the loss of the Ryukyu and Kurile islands, "which were not obtained by Japanese aggression, but have been a part of Japan from olden times." Pointing out that Japan is now confined to four islands--lacking in natural resources and with an overflowing population--he said: "Nothing is more mistaken than to think Japan's future will suddenly turn bright at the conclusion of the peace treaty. It is far from a jolly occasion to be feted by lantern processions."

Since the Socialist Party's three principles--overall peace, no military bases, and maintenance of neutrality--have no chance in the peace settlement, JIJI SHIMPO wondered what course the party would take. The rightists and moderates, realizing the actualities, oppose the three principles, but because they want to avoid a split in the party they allow themselves to be "dragged around" by the leftists. If the leftists refuse to change their views, the paper admonished the rightists to take "resolute action."

MISCELLANEOUS

MAINICHI welcomed the news that the Finance Ministry plans to increase appropriations for relief of war veterans and bereaved families. It regretted that the present law does not permit payment of pensions to war victims. "Fortunately," it said, "a law for relief of war victims was enacted in West Germany at the end of last year. If the will of the people is united and expressed, we can expect that a law will be passed in the next Diet session."

A YUKAN CHUGAI columnist felt that the Maritime Safety Board is inadequate to cope with its task of patrolling the coasts. Although additional personnel have been authorized, he said: "Even if the staff is sufficient, the ships are insufficient. It is senseless to patrol a coastline of 1,000 miles with only 70 ships."

TOKYO SHIMBUN wanted school children to use their summer vacation as a period for rest and relaxation. It said that schools have a tendency to force children to "overstudy" to make up for their inadequacy in basic subjects and moral development. "Families also have shown a preference for heavy home work and have planned the summer vacation as a period for home training."

CEASE-FIRE

Malik Truce Proposal Catches JCP Off Guard: Russian UN delegate Malik's cease-fire proposal of 23 June threw the Japan Communist Party into confusion. Two days after the announcement, top JCP executives met in an emergency meeting to discuss possible effects of the proposal on the party. It was reported that after heated debate they agreed on a temporary wait-and-see policy. This policy, according to a certain government official, "shows that the JCP is in the dark on the real intentions of the Soviet Union, the future moves of the United States, and impact of the cease-fire proposal on future world developments. It now has to abandon its antiwar guerrilla tactics and withdraw some of its slogans such as 'No UN Intervention in Korean Affairs.' JCP leaders, at a loss as to what new tactics to adopt, are more confused now than at any time in the postwar period."

Actually the Malik statement only stepped up an existing confusion. The trouble began in March when the Soviet Union reportedly criticized JCP leaders with a severity reminiscent of the January 1950 Cominform blast. The March criticism said: "Recent JCP strategy is grounded on leftist opportunism stemming from a mistaken analysis of the world situation--a belief in the inevitability of World War III. As a result of underestimating the might of the people's democratic forces headed by the Soviet Union and Red China, which are out to defend peace from war-provoking American imperialists, the JCP put little faith in peace protection moves. Instead it overestimated the importance of illegal antiwar guerrilla struggles and deviated from mass movements. This is clearly revealed by its neglect of the five-power peace pact appeal passed by the World Peace Council in Berlin this February." As stunned JCP leaders did not recast their strategy, the World Peace Council advised the party's Japan Peace Defense Committee on 7 April to combine the overall peace and antirearmament signature campaign already in progress with the five-power peace appeal movement.

The shift to the five-power peace appeal appears to have been a slow process, for the various Communist organs published th ir self-criticisms belatedly. The HEIWA TO DOKURITSU, the JCP's foremost secret publication, started showing signs of policy change in 1 May and published the editor's self-criticism on 9 May. Since then it has given prominence to the five-power peace appeal and softened its radical tone. The only lawful JCP magazine ZENEI ran the appeal in mid-May, while TAMPA, the secret doctrinal magazine, came out with an allego self-criticism by NOZAKA on 31 May.

These changes came before Malik broadcast his statement. Since then, nothing has turned up to show the JCP reaction except hasty emergency meetings and handbills summarizing the cease-fire proposal. It appears the JCP leaders are waiting for instruction from Moscow before switching over to a global peace offensive. (Shizuoka Shimbun, 15 July)

MISCELLANEOUS

Communist Newspaper Closed Down: The SANIN TIMES, an AKAHATA-type newspaper in Tottori Shi, Tottori Ken, was closed down by the Attorney General's Office on 20 July. Raiding officers seized numerous copies of the paper and sealed the printing machines. (Yukan Asahi Shimbun, 21 July)

Editorial: "Fight Separate Peace Moves": "The unseemly rush on the Japanese peace treaty stems apparently from a desire to help the cease-fire negotiations in Korea. And in tune with such a movement some groups are openly trying to revive facism by stressing the inevitability of a separate peace. We should not permit moves for separate peace as it would lead Japan into a third great war. The advocates of separate or majority peace are impractical and no better than traitors. The only way to peace is to put the Potsdam Declaration and international agreements faithfully into practice. This should be agreeable to those who do not intend to make Japan their colony, to employ the Japanese as slaves, and to utilize Japan as a war graveyard. Fortunately, since the Soviet Union and China persistently advocate this principle, the possibility of overall peace is bright. Laborers should take popular action and form a united peace front. They should turn their struggles into moves against separate peace and expand their peace committee during these struggles. They should also make an all-out effort to bring cease-fire to Korea." (Kinzoku Rodosha, 17 July)

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ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1867 DATE: 20 Jul 51

Today's Tokyo Newspapers

-NEWS-

National news took a drubbing on most front pages today. Only one domestic story--an analysis of the supplementary budget plan in ASAHI--managed to break into the leadoff spot. Elsewhere domestic news, if it made the first page at all, generally kept low. The state railway proposal to boost rates and the Socialist split over the peace treaty drew fairly consistent, though unemphatic coverage. While foreign news took up nearly all the frontpage space, no one story stood out. In the evening press, bannerlines were tied to such diversified developments as the US-Spanish agreement on use of naval and air bases, the Moscow broadcast denouncing "US refusal to withdraw foreign troops from Korea," and the reported Korean discontent with the trend of the cease-fire negotiations. With the late morning editions the coverage came to a sharper focus: cease-fire developments topped YOMIURI and MAINICHI and rode high in ASAHI.

PEACE TREATY

Liberal Chief Secretary MASUDA urged Prime Minister YOSHIDA yesterday to head the Japanese peace delegation to San Francisco. "I told him that the Upper House Liberals unanimously want him to go as chief delegate," Masuda told newsmen later. He reported that the Prime Minister "is still giving serious study" to the makeup of the delegation. Masuda saw no reason for disqualifying Diet members. "I feel that Dietmen from both the government and opposition parties can go along as observers," he said. "The Prime Minister himself has stated that even Socialists are welcome if they want to go." (a)

The Socialist leftists renewed their effort to draw the rest of the party to their treaty views. They proposed a meeting with the right-wing and neutral factions to iron out party differences over the treaty draft. (a)

But the Socialist right-wingers and neutrals have no intention of falling in with the leftist on the peace issue. They intend to fight the leftist plan for a special party convention in August and to put the party squarely behind a majority peace. Their swing away from the leftists has stemmed partly from the expectation that right-wing purgees KAWAKAMI Jotaro and KONO Mitsu will soon return to the party. (b) Six Socialist executives called at GHQ yesterday to convey the party's desires on the peace treaty. (c)

Elsewhere on the opposition front, Peoples Democratic councillors volunteered to cooperate with the Government on treaty problems. (d)

PURGE CLEARANCE

The rescreening committee, individually weighing the clearance qualifications of big-time purgees since 21 June, will wind up its work after two more meetings. At tomorrow's session it will finish rescreening category C purgees and officers of organizations outlawed by the Attorney General's Office. The remaining borderline cases will come up for a final decision at the 24 July session. The committee will then make its recommendation to Prime Minister YOSHIDA, who will use it as a basis for the Government's second depurge announcement. (b)

BUDGET POLICY

The Liberal Party will rough out its budget policy this week. It is expected to call for an "elastic" budget with emphasis on rehabilitation rather than on a strict balance of income and spending. (e)

The Finance Ministry, meanwhile, adopted a go-slow approach on its budget policy. It will not submit a draft to today's cabinet meeting as scheduled. (e)

(a) Asahi Shimbun (c) Yukan Chugai (e) Nihon Keizai Shimbun
(b) Tokyo Shimbun (d) Yomiuri Shimbun

LIVING COST

The Telecommunications Ministry decided yesterday to boost telegram and telephone charges. Ministry officials will send their plan to the Diet after clearing it with the Economic Stabilization Board. They hope to put it into effect on 1 October. The plan would add 5,000,000,000 yen a year to the ministry income and partly offset the current operating deficit of 8,000,000,000 yen. The ministry intends to make up the rest of the deficit by charging 30,000 yen for telephone installation. (a)

The State Railway Corp also prepared to hike its rates. To cover a 50,000,000,000-yen deficit it will ask the Diet to authorize a 35-percent increase in passenger fares and freight charges, effective 1 October. (b)

NEWS BRIEFS

Rice Crop Expected to Drop below Normal: A nationwide survey yesterday showed that the rice output this year will be slightly less than in a normal year. Because of floods and planting difficulties, the area under cultivation turned out to be 77,768 chobu less than originally estimated. (a)

5,656 Farm Committees to Be Elected Today: The first election for agricultural committees will come off today in cities, towns, and villages throughout the nation. Of the 11,110 committees to be set up, only 5,656 will be actually elected. The others--generally with more seats than candidates--will start functioning without ballot formality. (a)

Government Plans to Scrap Convertible Yen: Government officials have come out in favor of abolishing the convertible yen. The informal decision to do away with the special currency was taken Wednesday by representatives of the Finance Ministry, Trade-Industry Ministry, and the Foreign Exchange Control Commission. But since the problem involves treatment of foreigners, the heads of these three agencies will review the decision before sending it to GHQ as a formal government recommendation. (c)

(a) Yomiuri Shimbun (b) Yukan Yomiuri (c) Tokyo Shimbun

-EDITORIALS-

The Government decision to boost rice prices drew comment in six editorials and columns today. The writers generally agreed that the hike will have grave effects upon the people's livelihood. The rest of the coverage dealt with next year's budget, administrative reform, elections for agricultural committees, summer vacation, and the nationality of Okinawans.

RICE PRICE

YOMIURI conceded that the Government confronted great difficulties in fixing the price of rice, wheat, and barley by political means. But observing the discontent stirred up by the Government decision, it said: "These criticisms are not necessarily unfounded. Even though rice alone remains under control and all other commodities have been decontrolled, we do not think that the control on rice and other staple foods can be removed immediately. So long as the staple food price is politically fixed, we must cope with the results by political steps. The Government says that it will try to offset the effect of the rise of consumer prices by increasing the wage standard of public service personnel and reducing the earned income tax. But this won't help the small income earners who will suffer the most from the price rise." The paper added that the price revision plan is also disadvantageous of the farmers. "Thus, we conclude that the question lies not so much in whether the proposed price is appropriate, but in what steps will be taken to cope with the effects that the price revision will have on both the producer and consumer."

TOKYO SHIMBUN also understood the Government's difficulties in deciding the rice price. "But we must assert that the Government price policy is still shaky." It pointed out that no effort has been made to improve the supply-demand relations or to readjust discrepancy between the prices of different commodities. "Neither have steps been taken to mitigate the sudden rise in commodity prices nor to counter the recent sudden decline...We do not doubt that utmost efforts were made to study the propriety of the new price. But we regret that the Government lacks a definite principle in its price policy. We advise the Government to draft a solid and principled price program to serve as a foundation for Japan's economic stability."

JIJI SHIMPO called the parity system a "vestige of controlled economy." In a free economy, the daily pointed out, the rise in price of industrial goods does not

necessarily bring about the rise in the price of farm products. It said the Government is following the line of controlled economy with its decision to raise the price of rice and barley and the wages of public officials. "Not only that, as matters now stand, the large hike in electricity rates is likely to set off a race by railways, postal service, gas, and others to hike prices. Is this right? We have considerable doubts when we reflect that actually our present economy is based on the principles of a free economy."

A YOMIURI columnist asked: "Does the Government price policy have enough consistency to meet the real condition of the people's livelihood and to protect the happy existence of the people? Do the ministers think it justified to increase family suicides through enforcing a desk policy on commodity prices to save their faces?"

A TOKYO SHIMBUN writer said the present rate hikes would not matter if the real incomes increase by over 30 percent. He pointed out that the wages of government workers will be raised but that private industries lack the funds to hike wages. But the writer added, "however high our wages may be, as long as the present tax system is in effect, they will all be taken as taxes."

The rice price hike will affect the average citizen the most, a YUKAN CHUGAI columnist observed. "Top government officials say the effects of the increase will be offset by raising the wage base and by reducing taxes. This betrays a bureaucratic way of thinking. If all the people were government officials, the wage hike would serve the purpose. But to the small businessmen and shopkeepers a wage base means nothing at all. Moreover, the salaried people who earn less than 10,000 yen per month will not benefit from a tax reduction. For them the increase in the rice price is totally red ink in their household economy."

BUDGET

YUKAN CHUGAI commented on the Government plan to maintain a balanced budget through administrative reform and tax reductions and to compile a 700,000,000-yen budget that will include the increase in expenses after the peace treaty. Reviewing the plan, the paper said the Government is viewing the stern realities following the peace through "rose-colored glasses." "Although it may be all right to expect US aid even after the peace, anxiety of the people in the post-treaty period is focused on whether they will be able to maintain their standard of living." In compiling the budget, the journal urged the Government to give priority to stabilizing the national livelihood and developing foreign trade. "Without relying on outside help, both the Government and the Liberal Party should formulate a budget embodying the spirit of social solidarity."

MISCELLANEOUS

Noting that the Government's proposed administrative reform is gradually taking shape, ASAHI favored the Tanaka plan over the Kimura plan. It pointed out that the Kimura plan, which Prime Minister YOSHIDA favors, aims at consolidating and abolishing ministries. "But merely consolidating or abolishing ministries and bureaus would not simplify the administrative problems that grew up since the war. If the aim of the proposed reform is to tailor the administrative structure to an independent, post-treaty economy, there must be an overall reexamination of both central and local administrative structures."

Therefore, the paper continued, the Tanaka plan, on which the ordinance review committee bases its discussions for reform, adopts a far more rational method. It aims at rationalizing administration through adjusting central and local government functions."

NIHON KEIZAI urged the farmers to take more interest in today's election for agricultural committees. With nearly 50 percent of the committees already decided without voting, the daily said, "if farmers take so little interest that these committees are decided without voting, they cannot escape the charge of feudalistic leanings." "The farmers' interest in the committees must not be confined to matters of immediate interests such as allocation of delivery quotas. The election should be conducted from a broader viewpoint, free from regional interests."

MAINICHI suggested that children take advantage of summer vacation "to think out their own free life and practice it. But to attain this, they must have the understanding and cooperation of the family members."

A MAINICHI columnist expected the question of the nationality of the inhabitants of the Ryukyu and Bonin islands to attract widespread discussion. "With the coming peace treaty, the Japanese people are greatly concerned about the fate of Ryukyu natives who are racially Japanese."

SMUGGLING

Former Soviet Detainee Sneaks into Japan: A self-repatriated Japanese turned up at Tokyo station on Wednesday. Conspicuously dirty and shabby, TSUKAMOTO Choichi (21) drew the attention of railroad officials. Under questioning he revealed that he was formerly an employee of the Soviet railroad police in South Sakhalin. He said he sneaked into Japan from North Korea.

"When the Korean war broke out," said Tsukamoto, "there was a noticeable stir in the Soviet command in Sakhalin. As near as I could make out, Soviet soldiers and Koreans were being shipped from Maoka to Nahodka and from there overland to North Korea...At the news that cease-fire talks were scheduled in Kaesong...Col IZUMAIROFU (Translit), commanding general of the South Sakhalin district, and... four helpers were ordered to North Korea. I was told to join them...We reached the Tomanko river on 3 July. I saw splendid military roads...in remote districts... which did not show on maps, and also military telephone lines even in small villages. We arrived at Pyongyang on 4 July."

Two days later Tsukamoto decided to make a break for Japan. He said: "A Korean told me that a smuggling boat left from the outskirts of Pyongyang for Japan every three days." He and "about 30 others" boarded the boat on 7 July. "The fare, ordinarily 50,000 yen...was specially reduced for me to 1,000 rubles." The boat "required no steering," he said. "The ocean current moved it to Japan. We anchored near Sasebo." "Some smugglers don't ship their goods," Tsukamoto learned. "They just drop their cargos, tightly packed, into the sea and let them drift across to Japan."

After hearing the story, Tokyo railroad officials sold Tsukamoto a ticket to Hokkaido on his promise that on arrival he would give himself up as an illegal entrant. (Yukan Mainichi Shimbun, 20 July)

MISCELLANEOUS

Tokyo Flooded with North Korean Handbills: An estimated 600 copies of a North Korean propaganda leaflet were scattered yesterday afternoon from the Mitsukoshi and Takashimaya department stores in Tokyo. Later, between 1900 and 1930 hours, 500 or 600 more of the bills were thrown from a train between Kameido and Kinshicho stations, about 200 from the Kyobunkan in Chuo Ku, and 500 from a train at Ryogoku station. Meanwhile 300 or 400 were distributed in the Asagaya theater in Suginami and at the market in front of Kanda station. The bills demanded "withdrawal of all foreign military troops from Korea." They were signed by the "Tokyo Korean Resident Committee for the Defense of All Korea." (Yomiuri Shimbun, 20 July)

Self-Smuggler Gives Opinion on Missing Reds: Confessed self-smuggler TSUKAMOTO Choichi reported that former Japanese Communist actress OKADA Yoshiko, who escaped to Russia 20 years ago, arrived in South Sakhalin in April. Tsukamoto said she denied "any truth" to the rumor that TOKUDA Kyuichi and the other missing Red leaders are in Russia. "Tokuda and his henchmen are nothing but power grabbers," she said. "They don't preach real communism...to the Japanese people." (Yukan Mainichi Shimbun, 20 July)

JCP Diet Group Underwrites Shiino Opinion: The Japan Communist Party Diet yesterday issued a resolution supporting the Shiino "self-criticism." Shiino, the party guidance section chairman, denounced his own "empiricist" ways. Then he lit into the internationalist faction leaders for evangelizing "formalistic dogmatism." He also retracted various points in his published argument last year against the Nozaka policy. "The Nozaka theory was defective," he said, "but my own was inconsistent with true internationalism."

The Shiino opinion is felt to be largely the result of a recent protest by the World Committee of Supporters of Peace against the "slackness" of peace campaigns in Japan. The committee implied that the trouble traced to irresponsible JCP leadership. Meanwhile, inside the JCP the leadership has been under fire for "failing to unifying the election front" and for "underrating the importance of lawful activities." (Yomiuri Shimbun, 20 July)

"Expand the Youth and Student Peace Fight": "Whereas the peace front should "center around the laboring class," the Peace Festival preparatory committee "consists mainly of youths of the National Federation of Government Employees Union and students...Only a handful of laborers is represented. Moreover the committee embraces only a small number of key industries." "We must spread the peace struggle into every key industry in the land." "A peace committee in every workshop!" "A peace center in every district!" (Editorial: Taishu No Nakae, 29 June)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1866 DATE: 19 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Japanese peace treaty outplayed the Korean cease-fire talks in today's evening papers. The news center shifted from Kaesong to Washington, the point of origin of the two leading foreign stories--the reported US decision to keep secret the details of the coming security pact with Japan and the disclosure that the treaty draft has stirred up "virtually no adverse reaction." Domestic angles on the peace treaty also rode high in several evening papers. In the late editions of the morning press, domestic news moved into the leadoff spot. The biggest story --topping YOMIURI and running directly behind a bannered commentary on European conditions in MAINICHI--was the Government decision on staple food prices. The runnerup domestic story also impinged on cost of living--the PUC plan to hold the power-rate increase to an average 32 percent. ASAHI however, set its own pattern; its 9th edition bannered a Seoul dispatch saying that the UN command may compromise on the cease-fire agenda.

LIVING COST

The Government announced yesterday that the consumer prices of staple foods will go up an average of 18.5 percent starting 1 August. To soften the impact of the new prices on living cost, it promised to "give priority" to tax cuts and civil service pay boosts in compiling the 1951 supplementary budget. It also pledged financial aid to farmers, whose special additional payments were cut down to 5 percent from the proposed 15 percent. (a)

The Public Utilities Commission, meanwhile, prepared to announce its decision on the power-rate issue. In the announcement expected for tomorrow, the PUC will limit the power companies to an average 32 percent increase. But PUC Chairman MATSUMOTO doubted whether the new rates would go into effect on 1 August as planned. He foresaw delay arising out of differences over what the average increase should be. (b)

Two Liberal leaders--Chief Secretary MASUDA and Political Research Chairman YOSHITAKE--went to the PUC yesterday with the party's ideas on a fair rate increase. They urged the PUC to hold the increase to an average 15 percent. (b)

PEACE TREATY

Prime Minister YOSHIDA has informally picked three Foreign Ministry officials to take part in the treaty-signing at San Francisco. They are Vice-minister IGUCHI, Treaty Bureau Chief NISHIMURA, and Secretariat Chief KOBATAKE. The Prime Minister is still looking for someone to head the Japanese delegation. Since no suitable candidate has turned up so far, it seems likely that Yoshida will lead the delegation himself. (c)

A sampling of public opinion showed that Yoshida is the overwhelming choice for chief delegate. Of 849 persons polled in Tokyo, 42 percent consider him the best fitted for the job. SATO Naotake and HATOYAMA Ichiro--each with 1.9 percent of the votes--tied for second place. (c)

Upper House Speaker Sato received a petition from opposition councillors for the opening of an extraordinary Diet before 10 August to study the treaty draft. (d)

The Peoples Democratic Party pointed to what it considered shortcomings in the treaty draft. "We assert our right to the Kuriles," it said. "We further believe that while the international situation demands a UN trusteeship over Amami Oshima, the Ryukyus, and the Bonins, the Allied powers will see fit to set a time limit on the trusteeship and restore these islands to Japan as soon as possible." (c)

In Hokkaido, advocates of Japan-rule for the Kuriles and Habomai issued a statement emphasizing that these islands belong "historically and traditionally" to Japan. (a)

(a) Yomiuri Shimbun
(b) Yukan Chugai
(c) Tokyo Shimbun
(d) Asahi Shimbun

In the Socialist Party the approach of the peace conference sharpened the conflict between the leftist and nonleftist factions. On Tuesday night about 15 left-wingers decided to bring the treaty dispute to a head by demanding that the party reaffirm its opposition to the proposed troop-stationing agreement. They called for a special convention before the treaty-signing to put the party unequivocally against rearmament and the post-treaty garrisoning of US troops in Japan. (a)

Secretary General ASANUMA, speaking for the nonleftist segment of the party, attacked the proposal. He rebuked the leftists for their lack of realism. With other center and right-of-center leaders he set up a counterdrive to ween the party away from a purist interpretation of the three peace principles. Instead of unreservedly opposing the US-Japan defense pact, the center-right group proposed conditional support.. It suggested that the party suspend its fight against the pact itself and work for early withdrawal of US troops. (b)

NEWS BRIEFS

Dodge May Revisit Japan in September: The Finance Ministry has received word that Detroit banker Joseph DODGE, architect of the economic stabilization program, may revisit Japan to help work out the fiscal 1952 budget. Ministry officials, who who reportedly got wind of another Dodge visit during the recent rice-price talks with GHQ, expect him to arrive about 20 September. The ministry will submit its 1952 budget policy to the cabinet in the next few days. It intends to combine this year's supplementary budget with next year's general budget. (c)

Social Security Ministry Suggested: The Social Security System Deliberative Council decided yesterday to press the Government for a social security ministry. It also urged help for nardup health insurance companies and for families of those killed or wounded in the war. (a)

Depurgees Form New Organization: Depurgees who formerly belonged to the defunct Minseito Party--NAKAJIMA Yadanji, MIYAZAWA Taneo, and 20 others--banded together yesterday into the Democratic Old Friends Society. (d)

(a) Asahi Shimbun
(b) Yukan Yomiuri
(c) Jiji Shimpo
(d) Mainichi Shimbun

-EDITORIALS-

The newly-fixed rice price and other economic questions drew the major share of editorial space. On the peace treaty, papers discussed the attitudes of Britain and the Philippines and the best way to celebrate the attaining of independence. Single editorials dealt with the political activities of depurgees, the local autonomy law, and the importance of preserving cultural treasures.

ECONOMY

ASAHI surmised that the Government's decision on the rice price substantially reflects GHQ opinion. GHQ, it said, stressed the need for restricting the consumer price to maintain the commodity price structure, and to this end sought the abolition of the special additional payment and re-examination of the parity system.

The paper commented, however, that a 450 yen cut per koku means a reduction of 13,500,000,000 yen in anticipated farm income this year. "If the Government claims that its original plan was absolutely necessary for the maintenance of rice production and the farmers' livelihood, how will it explain this reduction in farm income?" In regard to the consumer price hike of about 18.5 percent, the paper said this is acceptable if the nation's income increases as a whole. "The problem lies in the unequal changes in people's household economy."

MAINICHI felt that reduction of the special addition from 15 percent last year to five percent this year should prompt "another measure to improve the lot of farmers, who are suffering from the low rice price policy adopted with the idea of checking inflation." It acknowledged, however, that is is "hardly possible to reach a decision satisfactory both to producers and consumers." Speaking of the consumer price increase, the editorial said: "So far as staple food alone is concerned, people may be able to meet the increase. But indications are that electricity and gas rates, railway fares, and communication rates will, one after another, be raised. The rise of such basic costs together with the price of staple food will inevitably upset household economy."

YUKAN CHUGAI attributed US stock market fluctuations to uncertainty over development of the arms expansion program in view of Korean peace prospects. The

journal felt that the US will not alter its policy of "containing communism," but since it is a "country controlled by public opinion," it may be difficult to proceed with the full-scale arms program if the Korean conflict is settled. As for Japan, the chief problem is how to lower production costs to compete in the world market.

PEACE TREATY

NIHON KEIZAI was gloomy over reports that Britain will refuse Japan most-favored-nation treatment after the peace treaty and that the Philippines insist on reparations. "We must of course refrain from unfair practices and be resigned to the situation if we lose in fair competition," the editorial said in regard to the British stand. "However, we should consider it most regrettable if we are treated discriminately because of past misdeeds at this time when the US and a majority of the Allied powers are reportedly agreed on a treaty of reconciliation."

Even if the Philippines would permit reparations payments to extend over 20 or 25 years, the paper felt it would be "unbearable to be branded as an ex-convict for such a long time." "It is repeatedly said that the living standard of Japan is higher than nations that suffered from Japanese aggression. If the reparations problem is taken up from this viewpoint, we should reconsider the idea of calling it a treaty of reconciliation."

"We do not deny that we are in principle obligated to pay reparations," the journal added. "But we do not like to leave matters unsettled that will cause international disputes in the future, as in the case of Germany after the first world war."

According to an ASAHI columnist, some people have begun to discuss the most fitting way to celebrate conclusion of the peace treaty. Some advocate festivities to end what might be considered a "period of mourning," but others regard merrymaking as out of place and believe the event should be observed in a more solemn manner.

POWER RATES

JIJI SHIMPO called upon the Public Utilities Commission to recognize its responsibility to the public. The paper criticized the fact that a principal reason for the hike in electricity rates is that funds are needed to restore rundown power installations. "This means that the people must now bear the burden of negligence during the 10 years of state control." The state should not be allowed to "get away" with its responsibility for this negligence, and the PUC should "figure out some way to make the state compensate for this."

A YOMIURI columnist suggested that the PUC could take a tip from TVA, which "gave top priority to the public interest." "TVA drastically cut charges by abandoning the rate method that had been generally used. This caused an increase in power consumption and income for electricity distributors."

MISCELLANEOUS

Since retrenchment in local government is one of the most urgent needs of the moment, YOMIURI recommended an overhauling of the Local Autonomy Law. While this law has done much to democratize local government, it also has caused inconveniences and incongruities, the journal stated. "For example, a small community of less than 100 is run by the same law as Tokyo with its population of 6,400,000. Consequently the administration of small villages has become very complicated and is very inefficiently carried on." The editorial also criticized the autonomous status of Tokyo wards in relation to the city and the governing of such a large area as Hokkaido as a single administrative unit.

Anticipating the comeback of many "big figures" with the second-round depurge, YUKAN CHUGAI was concerned about their possible influence on politics. It recalled that "some of those depurged in the first list have talked and acted indiscreetly, taking advantage of the generosity of the public." It warned depurgees against returning to the political arena as though they were triumphant generals, and said it would be a "sad thing" if former political parties should be revived.

TOKYO SHIMBUN regretted that inadequate funds and other factors are hindering the reclassification of national cultural treasures under the Cultural Object Protection Law.

SHIINO SELF-CRITICISM

Shiino Self-blast Held Bid for In-party Reunion: The self-criticism reportedly presented by Japan Communist Party chairman SHIINO Etsuro in early July was, in the opinion of reviewers, "very likely" drawn up by the purged party leaders. Emphasizing the need for "international cooperation," it was "clear confirmation" of the Cominform blast of January 1950 which scored the JCP for introversion. The Cominform criticism marked the beginning of the JCP internal split; the Shiino criticism is believed to "point the way to reunion."

Shiino allegedly denounced the JCP's "lack of responsiveness" to international appeals such as the Berlin peace appeal and the five-power peace proposal."These issues certainly merit as much attention as we are showing the overall peace signature drive." He also cracked down on his own and the JCP's "low theoretical level." He saw himself as a "strike man" focused on action for action's sake rather than on action for the sake of principle. "There has been too much bickering over superficialities," he said. "We have underestimated the importance of a sound theoretical foundation." (Asahi Shimbun, 18 July)

MISCELLANEOUS

Tram Conductor Says He Spotted Missing Red: A conductor on a Tokyo interurban reported that a man of the description of missing Communist leader KONNO Yajiro rode his train on 17 July. Ikegami line conductor KONO Saburo said the man and a komono-clad woman got off together at Hatanodai station. Kono drew them to the attention of a policeman riding on the same coach. The policeman relayed the information to the Higashi-Chofu police station. No further traces of the pair have been reported. (Tokyo Shimbun, 19 July)

Banned "People's Papers" Unite for Struggle: Several of the outlawed "people's papers" linked up recently to fight for "truthful reporting." On 18 July the Antisuppression Countermeasure Committee, representing the RODOSHA, the HEIWA FUJIN SHIMBUN, and other papers banned in May, met with defendants in the HEIWA NO KOT and JIMMIN SHIMBUN cases to form a united struggle front. They agreed on a resolution to "lift the reactionary pressure off the peace front and the existing labor press." (Kinzoku Rodosha No 43, All Japan Metal Industry Workers Union organ, 17 July)

Taira "Out-of-Court" Fight Believed Started: The projected "out-of-court" struggle against the Taira riot trial is believed underway. Officials suspected a recent day workers bargaining session in Yumoto Machi, Fukushima, of "out-of-court" colorings. The representatives confined themselves to employment demands but they were known to be supporters of the struggle. (Mainichi Shimbun, Fukushima edition, 15 July)

"What Japan-US Cooperation Actually Means": In the name of "Japanese-Manchurian cooperation" Japan's militarists "stripped Manchuria...to the bone... meanwhile 'recognizing' Manchuria's independence...The Japan-America economic cooperation today is the same story."

The plan is to "drive Japan to accept a peace that excludes China and the Soviet Union, and to imbed the idea that no economic crisis will arise as long as the cooperation continues." But the undercover idea is to "convert the whole of Japanese industry into a munitions industry." And the working conditions? "The 'special procurement' factories are...disaster-ridden sweat shops." But the counterstruggle has begun. The youth and women's departments of these factories are cracking back at the "terrible conditions" in the one way they can--"sabotage." (Fujin Sensen No 6, 3 July)

Soviet Photos Make "Good Impression": Over 10,000 workers viewed the photographs of the Moscow subway exhibited during the May Day celebration in Minato Ku, Tokyo. During the school festival season in May and June, photographs of "actual conditions" in the Soviet Union were displayed by the Japan-Soviet Friendship Society and the Russian Research Institute. At one such exhibit at Tokyo University, 30,000 people showed "keen interest" in pictures of the latest Soviet five-year reconstruction plan. (Soviet News No 34, 1 July)

Russian Motion Picture Proves Popular: The film, "Story of Siberia," played in June in Sagamihara on the outskirts of Tokyo. It drew capacity crowds at all showings. During intermissions the audience was noted humming the picture's themesong--"confirmation of the point that songs, like pictures, are great propaganda weapons." (Soviet News, 1 July)

GENERAL HEADQUARTERS
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MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1865 DATE: 18 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Kaesong talks continued to draw the heaviest coverage. Late morning papers top-played the report that Lt Gen Van Fleet may head the UN delegation in the final phase of the cease-fire talks. Earlier papers generally spotlighted the progress made on agenda. A few, however, preferred a Washington report that Secretary of State Acheson will head the US delegation to the Japanese peace conference. The best domestic stories were tied to the work of the ordinance review committee. The peace treaty and depurge also inspired stories that broke consistently on the front page.

ADMINISTRATIVE REFORM

The ordinance review committee yesterday recommended a thorough administrative shakeup. To bring the government structure in line with dwindling duties, it advised that the National Personnel Authority be sharply retrenched or scrapped. It also urged the scrapping of all administrative committees not concerned with mediating labor disputes--a move that would abolish such bodies as the National Public Safety Commission and the Securities Transaction Committee. (a)

In drawing up its plan the ordinance review committee followed a policy of eliminating, merging, or reducing agencies whose functions it considered extraneous after the peace treaty. (b) The proposal to add a public security ministry--strongly supported at one time--has run into opposition. The committee apparently intends to limit itself now to reshaping the existing structure. (c)

PEACE TREATY

The Government expects a peace conference invitation from the US this week. (d) In preparations the Foreign Ministry is working out its final treaty stand and lining up peace delegates. Vice-minister IGUCHI will confer with Prime Minister YOSHIDA at Hakone Saturday in what may be a decisive meeting to select the delegation. (c)

The committee for return of Amami Oshima to Japan opened a nationwide campaign against the treaty terms that would separate Amami Oshima, Okinawa, and the Bonins from Japan. Working with similar committees representing Okinawa, the Bonins, and the Kuriles, it intends to collect signatures from all over the country to back its petition to the Government and the Allied powers. (e)

The non-Communist opposition decided to press for the opening of an extraordinary Diet on 10 August. The opposition demand, taken immediately to Lower House Speaker HAYASHI, pointed out that the Government is obligated to report on the treaty before the peace conference. (c)

The Peoples Democrats will call a party caucus in a few days to define their attitude on the treaty draft. While generally satisfied with the main points of the draft, party leaders have expressed discontent with certain individual clauses, particularly those related to the disposal of the Kurile, Ryukyu, and Bonin islands. (f)

PURGE CLEARANCE

The rescreening committee made it clear yesterday that wartime leaders MAEDA Yonezo and OASA Tadao would be depurged. It revealed that the informal decision to clear them was taken at its 13 July meeting. At yesterday's meeting the committee continued rescreening borderline cases in the hope of winding up its work by 20 July. If it fails, it will probably hold up the Government's second depurge announcement until August. (b)

Ten newspapermen fired in the Red purge lost their fight for reinstatement. The Central Labor Commission upheld their former employer--Kyodo News Agency. (a)

(a) Mainichi Shimbun
(b) Jiji Shimpo
(c) Tokyo Shimbun
(d) Yukan Mainichi Shimbun
(e) Yomiuri Shimbun
(f) Sangyo Keizai Shimbun

POWER RATE

The Public Utilities Commission will announce its power-rate decision on 21 July. The power companies applied for an average 64-percent increase, but the PUC is expected to whittle this down to about 34 percent. (a)

At an Upper House committee meeting yesterday Acting PUC Chairman MATSUNAGA revised his stand on the rate-hike issue. Apparently yielding to public criticism, he tacitly admitted that the power companies were asking too much. He switched his support from an abrupt to a gradual increase and promised to work more closely with price stabilization officials. (a)

FINANCE

Finance Minister IKEDA talked over the 1952 budget with GHQ yesterday. Guided by this discussion, he will shape his basic budget policy this week. It seems likely that he will pair up the 1952 budget with the 1951 supplementary budget and make it cover 18 months, starting this October. (b) So the tax cuts and wage hikes stipulated in the supplementary budget will probably take effect in October, instead of next month as originally planned. But the Government is set to increase the consumer rice price in August. (c)

The Local Finance Committee opposed a drastic revision of local taxes. It termed "premature" the amendment plan now being studied by the Taxation System Deliberative Council. (b)

At yesterday's cabinet meeting Construction Minister NODA asked for 3,392,000,000 yen to rehabilitate areas hit by natural disasters. (d)

NEWS BRIEFS

Bolivia Seeks Japanese Colonists: The Agriculture-Ministry revealed yesterday that Bolivia has made a bid for Japanese immigrants. It cited a recent message from a Japanese resident in Bolivia saying that the Bolivian Government stands ready to offer each Japanese immigrant 50 cho of free land. (e)

SRWU Issues No-overtime Orders: Stymied in its drive for summer allowances, the State Railway Workers Union yesterday ordered its nonoperative members to turn down overtime and holiday work. (a)

(a) Yomiuri Shimbun
(b) Asahi Shimbun
(c) Mainichi Shimbun
(d) Jiji Shimpo
(e) Yukan Chugai

-EDITORIALS-

The emphasis was on economic questions, three editorials discussing trade possibilities with Red China, control of inflation, and the fixing of staple food prices, respectively. The peace treaty and the search for missing Japanese Communist leaders provided secondary topics. A single editorial cautioned communities against hasty abolition of local police forces.

ECONOMY

TOKYO SHIMBUN, surveying economic prospects if the Korean war is halted, did not share the optimism of those who count on large procurement demands for Korean rehabilitation and who therefore believe the economic lull is temporary. The paper pointed out that due to high costs export trade is at a standstill at the time of year when it is usually most active. "The situation is more serious than a temporary phenomenon," it said. "There are signs of market stagnancy and a tight money situation, with panic even predicted by some circles."

Under the circumstances, Japanese business men are turning their thoughts to Red China, and indications are that China also desires to resume trade connections. Admitting the desirability of this trade, the journal at the same time voiced a warning. "While the Japanese might feel that ideology is ideology and trade is trade and discriminate between the two, Red China seems to regard trade as one form of struggle toward a certain end. It would be a grave mistake to think that trade relations with China would be simple and easy."

JIJI SHIMPO doubted the necessity of strict Government financial controls to curb inflation. It believed that Japan's prices will adjust to the world market without Government intervention, and that with the downward trend beginning in March, most commodities are already approaching the international level.

"From the start of the Korean war through May this year, Japanese wholesale commodity prices increased 52 percent as against 17 percent in the US and 22 percent in Britain," the editorial said. "This is usually cited as evidence of the inflationary trend in Japan's economy. But it should not be overlooked that prices in the US and Britain were on the upward trend as early as the beginning of last year, while those in Japan, then in the depths of business depression, were much lower than the international standard. Another factor in our price situation is that freight charges on raw material imports doubled and even tripled during this period."

NIHON KEIZAI urged an early Government decision on the price of wheat, barley and rye. It noted, however, that GHQ considers the Government's proposed producers' price undesirable because it will make Japan wheat seven dollars per ton higher than the average price under the international wheat agreement. The paper agreed that "prices of commodities cannot be decided by production cost alone, and that in deciding future food prices we must take international prices into account."

PEACE TREATY

Most people feel that Prime Minister YOSHIDA should sign the peace treaty, according to MAINICHI, but he has remained "stubbornly noncommittal." "This indecisive attitude is certainly not like him and can only be described as unexpected," the daily observed. "He is rated No. 1 among the prime ministers since the surrender. This is because he has not been led by self-interest, but has shown unshaken conviction in and passionate devotion to Japan's reconstruction. It may also be said that he has handled the peace problem on a 'one man' basis."

Although health and governmental responsibilities have been mentioned as possible reasons for the Prime Minister's hesitancy, the paper brushed these aside as invalid. And if he should consider it damaging to his personal prestige to sign a treaty on behalf of a vanquished nation, the paper thought he "would only become the object of contempt." "America has gone to great pains to work out a peace of reconciliation and confidence," it concluded. "For this reason we feel it is a fitting and proper act of civility for the Prime Minister to sign the treaty in person."

YUKAN CHUGAI denounced the plan to sign the treaty before it has received Diet approval. "The Government should consult the nation through the Diet and then attend the signing ceremonies with the consent of the people. But it seems to take the view that a treaty becomes effective only with ratification, and that pending ratification the treaty can be revised after it is signed. We say this is sheer sophistry."

COMMUNIST LEADERS

Discussing the failure of the yearlong search for eight missing leaders of the Japan Communist Party, YOMIURI attributed it largely to the public's lack of cooperation with the police. It maintained that people have fallen prey to the "subtle terror tactics" of the Communists and are afraid to report information. For instance, there are rumors of a secret unit, composed of Koreans and repatriates from Chinese and Soviet territories, that is to carry out guerrilla warfare in Japan.

"The JCP has adopted the tactics of wearing out the authorities by spreading false rumors and of making the party appear to have diminished in strength through large numbers pretending to bolt the party. It has also tried to give the impression that capture of the missing leaders will solve the whole problem. To be sure, capturing the leaders is important. But it is more important to get the true picture of the so-called guerrilla unit that is said to be growing freely under the smokescreen of confusion."

A TOKYO SHIMBUN columnist, on the other hand, blamed police inadequacy for failure to find the missing Communists. He cited reports that the JCP plans disturbances when the peace treaty is signed and ratified, and urged the police to make preparations accordingly.

LOCAL POLICE

ASAHI called attention to the fact that, under the revised Police Law, a local autonomous police force can be abolished by plebiscite and its responsibilities transferred to the National Rural Police. The paper conceded that the local police system has certain shortcomings and that financial difficulties have led to abolishing the local police in some places. But it urged communities to take the step only after careful consideration, lest the "spirit of a democratic police force fade away and the spirit of the police state of the old days take its place."

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

SWINDLES

Red Threat against Underage Builder: Twenty-year-old EGAWA Hideo erected a four-story apartment house in Bunkyo Ku, Tokyo, last September. Since he was under legal age his uncle, Communist EGAWA Sumikichi, took charge of the building and installed one ITO as manager. Over the next nine months Ito extorted 250,000 yen in "key money" from the tenants. When the young Egawa discovered this, on 20 June, he tried to fire him. Ito, bolstered by three other Reds, stood his ground. "I have about 200 Communists under me, he said. "Don't you know the Communist Party is to be feared?"

The police hauled in Ito yesterday on charges of extortion and intimidation. The man now repudiated any Communist Party tieup. He admitted formerly heading the Hongo District Communist cell but said he broke with the party in April. (Yukan Asahi Shimbun, 18 July)

JCP Leader's Brother Swindles Market: A trustful market manager recently dropped 225,000 yen of his shopkeepers' money to a gang of swindlers. Five men approached manager SUZUKI Kinsaku of the Musashino Welfare Cooperative Assn market in Shibuya, Tokyo, for a remittance at a time when the shopkeepers had just obtained a People's Finance Bank loan. The leader, ANEHA Niro, explained that he and his companions had negotiated for the shopkeepers at the bank. It had required 225,000 yen to finesse the loan, they declared. Suzuki simply handed the amount they mentioned over to them.

Police yesterday arrested the five on embezzlement charges. Aneha, an auditor at the Labor Economy Co of Setagaya, turned out to be the older brother of ANEHA Saburo, former chief editor of the banned ZENEI magazine. Reportedly the victimized market at one time had the name of "Red Market" because of the number of Communist sympathizers located there. Police are checking reports that Aneha arranged meetings at the market between his editor brother and top underground Communists. (Yukan Yomiuri, 17 July)

LABOR

JCP Plans to Reorganize Union Cells: The Shizuoka Prefectural Communist Committee decided recently what was to be done about the prefectural labor unions' "post-purge state of vacuum." "Cells shall be built up again...in all the key unions of Shizuoka Ken," they declared. It was agreed to focus temporarily on the Numazu locomotive shed, the Shizuoka locomotive shed, the Hamamatsu railway workshop, and the Nihon Koikinzoku and Nihon Kokan in Shimizu Shi. "Once these unions are Communist-dominated, nearby plants will be greatly influenced." (Asahi Shimbun, Shizuoka edition, 17 July)

Builders Union To Set Up Peace Units: All chapters of the leftist Tokyo General Engineering and Building Workers Union sent representatives to a recent union policy meeting. As an immediate step the union set up peace committees in all its workshops. It backed the "peace principles" of the State Railway Workers Union and the "peace declaration" of the National Metal Workers Union, and further decided to launch an all-shop drive for a five-power peace. The union also voted to send a day worker representative to the Berlin peace festival. (Taishu No Nakae No 98, JCP Tokyo-To Committee publication, 29 June)

MISCELLANEOUS

Mail from Communist China Picks Up: The mail from Japanese detained in Manchuria and China has picked up "remarkably" in the last few weeks, government investigators report. It is felt that this upsurge evidences the existence of a Communist action corps of "considerable strength" in Japan. One Mukden-stationed Japanese wrote his parents recently: "Japan's reconstruction is steadily getting underway thanks to some kindred spirits of ours. I think we will see a new Japan emerge very shortly." (Asahi Shimbun, Shizuoka edition, 17 July)

Peace Committee Formed in Setagaya: About 60 people got together at the Shinsei club in Setagaya, Tokyo, on 27 June and formed the "Setagaya peace committee." The committee will be guided by representatives of the Toho Workers Union, the Ganyu Gokin Co, the Labor Scientific Research Institute, Korean groups, and cultural associations. (Taishu No Nakae, 3 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1864 DATE: 17 Jul 51

Today's Tokyo Newspapers

-NEWS-

Truce talks at Kaesong remained in the lead. Evening papers headlined the "neutralizing" of the conference site and the slow work of drawing up the agenda, while the morning press switched to the UN delegation's report that some progress had been made. Four major morning papers carried a brief New Delhi dispatch, based on Tokyo reports, saying that if cease-fire talks go well Japan may ask GHQ permission to reopen trade with Red China. While other wire news was generally played down, Iran's oil crisis appeared fairly consistently. The best domestic story was the Foreign Ministry comparison of Japan's peace treaty draft with the Italian pact; this usually ran midfold or better.

PEACE TREATY

The Foreign Ministry has made a detailed study of the Italian peace treaty of 1947 and compared it with the Japanese treaty draft. It concluded that the underlying principle of the Italian treaty is punitive--the traditional basis of a pact between victor and vanquished--while the Japanese treaty is one of reconciliation and trust. The Japanese treaty, consisting of a preamble, 27 articles and two declarations, is much simpler than the Italian document, comprising 90 articles and 17 annexes. (a)

Listing some of the principal differences, the Ministry pointed out that Italy is specifically obligated to provide basic human rights and to prevent the revival of Fascist organizations. The Japanese treaty merely states Japan's desire to attain the human rights objectives of the United Nations Charter. Detailed restrictions are imposed on the Italian army, navy and air force, but no military restrictions are placed on Japan. Italy must pay 360,000,000 dollars, chiefly in industrial products and services, to the Soviet Union and other countries, but with Japan the problem is left to negotiations with individual nations. On the other hand, Italian assets in neutral countries were not confiscated. Japanese assets, however, will go to the International Red Cross and not to any Allied Power. (b)

The Foreign Ministry is expected to issue a formal statement of its views on the peace treaty sometime between 20 July and the end of the month. (b)

Ex-prime minister ASHIDA criticized the Government for its plan to sign the treaty without convening a special Diet session. The Government's failure to hear the opposition or to inform the public on treaty provisions "strays far from the spirit of democracy," he declared. (b) Peoples Democratic Diet members will discuss the treaty today. The party is expected to urge reconsideration of several provisions and to demand an extraordinary Diet before the treaty is signed. (c)

DEPURGE

The rescreening committee on Friday will wind up its first examination of cases in all categories except B (career soldiers). After deciding on certain procedural questions, it will report to Prime Minister YOSHIDA. "Even if procedural adjustments should be somewhat delayed, we will reach a final conclusion by 24 July," Chairman UEDA stated. If the Government obtains GHQ approval of the depurge plan, it hopes to make an announcement by the end of the month. (d)

RICE PRICE

The Government is expected to approve a final plan for revising staple food prices at today's Cabinet meeting and to begin negotiations with GHQ immediately afterward. The revised plan calls for an average consumer price increase of 18.5 percent, beginning 1 August. At the same time the price of sugar will go up 20 percent. The resulting rise in the cost of living is estimated at 3.7 percent. (e)

(a) Yukan Yomiuri
(b) Mainichi Shimbun
(c) Yukan Chugai
(d) Tokyo Shimbun
(e) Yomiuri Shimbun

LABOR

Mediation in the Kansai Steamship Co seamen's strike failed for the second time yesterday, and the Kinki District Labor Committee began work on a third mediation plan. The Osaka chapter of the All Japan Seamen's Union has threatened an overall strike on 22 July if a compromise is not reached before the time limit set for the present walkout. (a)

Yokohama municipal office workers yesterday called off the strike they began Sunday on a demand for a bon allowance of 3,600 yen. They accepted a 3,300-yen offer from municipal authorities. Final negotiations will be completed today. (b)

Chief Cabinet Secretary OKAZAKI stated at the Upper House Personnel Affairs Committee meeting yesterday that summer allownaces for government workers are not provided in the present budget and new sources of revenue for a supplementary budget will be difficult to obtain. (c)

NEWS BRIEFS

First Ship Leaves on New York Run: The Wakashima Maru of the Kokusai Shipping line--the first postwar ship placed on the Japan-New York run--left Yokohama yesterday with about 2,000 tons of sundry goods. The NYK line's Heian Maru will start this run on 20 July with 4,000 tons of steel and sundries. (b)

Brazil Seeking 100,000 Japanese: The Brazilian foreign minister reportedly stated that his government, anticipating resumption of diplomatic relations with Japan this year, has unofficially decided to invite 100,000 Japanese to settle in Brazil. This information was contained in a letter received yesterday by the Japan-Brazil Association in Tokyo. The association is all set to dispatch a Japan-Brazil friendship mission around 25 July to promote this immigration plan. (d)

Industrial Group to India Planned: The Trade-Industry Ministry plans to send an industrial mission to India this fall. Composed of 10 government and private representatives of electrical, machine, and fertilizer industries, the mission will tour India for about three months investigating requirements for Japan's technical cooperation with India and promoting machine exports. (e)

(a) Sangyo Keizai Shimbun
(b) Yukan Asahi Shimbun
(c) Yukan Chugai
(d) Nihon Keizai Shimbun
(e) Asahi Shimbun

-EDITORIALS-

Economic issues--the slump in export trade, cancellation of overseas contracts for cotton textiles, and the economic white paper--held the attention of three editorialists today. In addition, two papers urged Prime Minister Yoshida to head the delegation to the peace conference. Single editorials dealt with reparations, national defense, and home education for children during vacation.

ECONOMY

YOMIURI noted that present international situation has seriously influenced Japan's export trade. With the Korean cease-fire talks, the paper said, the decline in exports will continue for the time being. "While special procurement demands will inevitably end, we do not doubt that our exports will be further curbed in the future if the cessation of the Korean conflict results in slackening of the war boom. Therefore as the first step for tiding over economic difficulties in the transition period, we must make every effort to increase exports instead of promoting imports as beofre. But to increase our exports it is fundamentally necessary that the universal price decline come to an end and all nations stop limiting their purchases. We must also consider Japan's higher prices and the extreme instability of our trade market."

YUKAN CHUGAI commented on the increasing number of cancellations of overseas contracts for cotton textiles. "Although the Government should take proper steps through Occupation authorities to cope with breaches of contract, domestic measures are also necessary. While the buyers who cancel contracts may be in the wrong, Japanese exporters are not altogether free from responsibility. We blame the cancellations on Japanese exporters who sell their goods at slashed prices in view of the slump in foreign markets. We cannot blame foreign buyers for cancelling their orders when they see Japanese goods being offered for much cheaper prices even before their contracts are met."

The paper urged that such "imprudent policy" be changed. "This is no time for the Government to sit idly by. Traders must also reconsider their actions. If things are left as they are, we fear that trouble will also arise in the export of metalware."

Referring to the economic white paper, NIHON KEIZAI observed that there has been a considerable increase in production since the outbreak of the Korean war. It added that the Korean war has also increased jobs and decreased the number of unemployed. "But there were also bad economic influences from the Korean war. For example, the prices of some commodities were boosted above the international level and there has been a downward trend in the living standard." The Korean war has caused businessmen to consider rationalization, the paper said. "From this viewpoint, the object of utilizing the special procurement demand boom for the promotion of enterprise rationalization was achieved successfully to some extent. When a halt in the special demand boom comes with settlement of the Korean, businessmen should give more attention to promoting enterprise rationalization."

PEACE DELEGATE

JIJI SHIMPO urged Prime Minister YOSHIDA to be the chief delegate to the peace treaty conference. "Since he alone has taken charge of the peace talks, he is duty-bound to hold himself responsible for merits and demerits alike. It is evident that the person who undertook the peace talks should also add the finishing touches by accepting the responsibility of signing the treaty." The daily pointed out that the peace treaty will be an unprecedented example of magnanimous treatment of a defeated nation. "Therefore, it is incumbent upon Japan to show the same courtesy. For that purpose, Prime Minister Yoshida is best suited for the job."

An ASAHI columnist agreed that Yoshida should head the peace delegation since he assumed full responsibility in the peace negotiations. "It is only proper that he see the task through to the end." Although Yoshida suggests that Upper House Speaker SATO head the delegates, the writer added, "it does not stand to reason that the Speaker of the House should sign the protocol before it is ratified by the Diet. Yoshida should not force this unpleasant task, which is properly his own, upon others."

REPARATIONS

Although the peace treaty recognizes the inability of Japan to pay reparations, MAINICHI said, it does not signify an unconditional exemption from reparations. It pointed out that Japan must make available its industrial and technical skills to those countries that suffered from Japanese occupation. "We interpret this to mean that a heavy burden will not be imposed upon our economy...The peace treaty has extended ample sympathy to Japan regarding problems pertaining to the maintenace of its future economic power." But the journal added that the Philippines reportedly has decided to secure reparations by all means. "The Japanese economy is still too weak to meet these demands. If 10 percent of all individual and corporate assets of Japan are dispossessed by way of redemption, the result will be economic ruin--and that within three months. We appreciate the Philippine Government's plan to spread the reparations over a 25-30-year period. But reparations 10 or 20 years from now will impose a future heavy tax burden on our youth, who had nothing to do with the war."

MISCELLANEOUS

TOKYO SHIMBUN said both the US-Japan security agreement and the Pacific security pact presuppose that Japan be eventually rearmed. "Thus the real task of the Japanese today is no longer the approval or disapproval of self-defense measures but of how Japan should be rearmed." The journal pointed out that the problem of expense will be the biggest drawback. It said: "Ten years ago the cost of maintaining 10 divisions amounted to 60 billion yen for equipment and 10 billion yen for upkeep. But a division of the present day needs far heavier equipment. Therefore, maintaining 10 divisions now would come to 600 million yen for equipment and 100 million yen for upkeep. Such an enormous disbursement seems almost impossible. But rearmament should be carried out in view of the tense international situation. Steps should be taken to meet these requirements somehow."

With summer vacation coming up shortly, ASAHI said, "This is an important period to make children realize, practice, and think by themselves in their own homes about what they learned in school. Merely being conscious of their daily chores as part of a family is insufficient; they must learn about the economic life of society."

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

JCP PLANS

JCP Said Mapping Surface Activities: The Communist Party is expected to start a round of open activities soon in order to renew ties with the masses. It apparently plans to use existing leftist labor publications as party propaganda organs.

In Shizuoka Ken the JIYU NO HATA, the Shizuoka Shi day workers union paper, and the TSURUHASHI, the Shimizu day workers union paper, are believed right now operating under Communist direction. As elsewhere during the party's 12 months of submerging, in Shizuoka its former surface organizations have given way to underground agencies. The Tokai Regional Communist Committee and the city and county committees have been replaced by a prefectural committee and five district committees. These committees are bearing down on court struggles and antipolice activities. The "specially active" Communist eastern district committee is currently running an explosive propaganda campaign in defense of the Japan Screen and Theater Workers Union of Mishima Shi which is being sued for illegally occupying a shutdown theater. (Commentary: Asahi Shimbun, Shizuoka edition, 15 July)

UNITED FRONT MOVEMENT

Nishitama Cells Pledge To Unite Masses: The Nishitama Communist District Committee reports that cells under its jurisdiction have decided to knuckle down to the job of "unifying the masses." The Komiyamura cell, mulling over the resolutions of the enlarged metropolitan committee meeting in June, decided that "only a united fight for peace can check imperialist aggression. In Japan that means a united fight for an overall peace...and ultimately for racial independence, the goal of revolution...The masses must be made to see that this peace-antirearmament fight is ideological and class war...and to accept the working class as their war leader."

The Nihon Cement Co cell recently exposed itself as a "defeated influence" because it "failed to develop class consciousness among the workers...and underrated the significance of the united peace front." The Mizuho cell blamed itself for "failing to recognize the peace movement as a class war...and for not giving theoretical support to the prevailing antiwar emotion." "Few of our members read the decisions of the upper organ," the cell admitted, "and hardly any could make sense out of them if they did read them." But the cell promised to have its members "read the decisions over and over...until they finally penetrate them, to attach highest importance to these decisions, and to go door-to-door with overall peace ballots." (Taishu No Nakae, Tokyo-To Communist Committee publication, 3 July)

Editorial: "A United Front for Victory": "Unification of the front is a basic strategy in a colony or half-colony...And we have to admit that we have slighted this...one means to victory." Why? "Because we have the imbedded weakness of shying away from tasks that are difficult unless the results of such tasks are immediate...Our district leaders habitually lose sight of the long-range revolutionary goals. They sidestep the difficult business of uniting and driving the masses toward revolution...They are guilty of self-complacent subjectivism...

"The peace struggle, for their imformation, should be the pivot of all struggles and the center of a vast united front. Other struggles are significant only when they are tied to the peace struggle...Before peace, before independence, must come victory for the united front." (Taishu No Nakae, 22 June)

STUDENT STRUGGLES

Waseda Students Chart "Peace" Program: Russian literature department students at Waseda University have agreed to translate the novel "South Winds," a Stalin-prize winner, into Japanese as their contribution to the planned student Peace Festival. French, Russian, and Chinese research groups have decided to publish an anthology of "peace" poems.

During "Peace Defense Week," 19 to 26 June, Waseda agitators collected 502 on-campus votes for the Berlin Appeal. (Mokuyo Gakko, 28 June)

Peace Defense Meeting at Kyoiku Daigaku: Two hundred peace-minded students arrived at Education University (Kyoiku Daigaku) on 16 June for a general peace defense meeting. The Soviet Union Research Institute and the China Research Institute put on a "cultural exhibit." The participants voted unanimously to gather five-power peace votes. (Mokuyo Gakko, 28 June)

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SUMMARY OF JAPANESE PRESS

NO: 1862 DATE: 15 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Korean cease-fire talks kept in the spotlight. The late morning papers top-played the Communist acceptance of the 13 July Ridgway proposal. Most of the papers that went to press too early to catch the Pyongyang broadcast filled their leadoff spot either with speculation on the probable reply or with the Acheson statement backing up the Ridgway stand. The British correspondents' "distress" at seeing Japanese newsmen in Korea wearing UN patches generally got above-fold coverage. Only one paper--JIJI SHIMPO--led with domestic news. It built its major story around the possibility that Prime Minister Yoshida will lead the Japanese peace delegation to San Francisco. In the other papers national news seldom rode higher than midpage.

PEACE TREATY

The Government looks forward to an invitation to the San Francisco peace conference by the end of this month. To acquaint the people with the treaty before then, the Foreign Ministry will publish a white paper explaining each clause. Ministry officials intend to emphasize the treaty's tone of reconciliation and mutual trust. (a)

At the Foreign Minister's official residence yesterday, Prime Minister YOSHIDA conferred for an hour with advisers MATSUMOTO Shigeharu and KOJIMA Kazuo, presumably on the lineup of the peace delegation. (b) Kojima was reported to have advised the Prime Minister to head the delegation himself. It now seems likely that Yoshida will go, leaving Minister MASUTANI in charge of the Government during his estimated two-week absence. (c)

Despite opposition pressure the Government still stood firm on its refusal to open an extraordinary Diet before the peace conference. But immediately after the conference it will convene a special peace Diet to be the first of the signatories to ratify the treaty. (b)

The Peoples Democratic Party lined up the opposition for a concerted drive to open the extraordinary Diet in August. Opposition leaders--except those from the Communist Party--will meet at PDP headquarters Tuesday to work up a formal petition. (b)

Ten thousand persons representing the government and public of Amami Oshima took part in a mass rally yesterday to oppose the projected US trusteeship. (a)

ADMINISTRATION

The Government is preparing to extend its jurisdiction over dollar exchange. It seems to have received GHQ assurance that foreign currency control will revert to the Japanese on 15 August. But the proposed transfer will exempt the pound sterling, since the "dollar clause" issue in the British-Japanese trade agreement still remains unsettled. (d)

The Education Ministry will carry out a top-level personnel shakeup to strengthen university administration. The reorganization will probably get underway tomorrow when Education Minister AMANO returns from his survey tour of Tohoku. (a)

NATIONAL DEFENSE

Government sources report that Japanese and US negotiators will decide at a preliminary peace conference in late August whether to include a ratification clause in the troop-stationing agreement. They think that the clause will be included if the bilateral pact is signed in September concurrent with the peace treaty. But if the pact is only initialed at that time--as seems likely--the consensus is that it will not require ratification. While anticipating some delay, government officials foresee no procedural complications that would leave Japan defenseless. (b)

(a) Asahi Shimbun
(b) Tokyo Shimbun
(c) Jiji Shimbun
(d) Yomiuri Shimbun

LABOR

The Federation of Tokyo Metropolitan Office Workers Unions settled its summer-allowance dispute last night. Promptly suspending slowdown tactics, it ordered its members to go back on their regular work schedules and restore bus and trolley service to normal today. (a) At the height of the slowdown yesterday trolley runs were down 40 percent and bus runs 22 percent. Before negotiations resumed through the good offices of the metropolitan assembly chairman, some union members even besieged the city hall with their summer-allowance demands. (b)

A walkout by workers of the Kansai Steamship Co tied up 20 ships at Osaka, Sakaide, Kochi, and Niihama harbors yesterday. The union called the no-time-limit strike when pay-hike negotiations fell through. (b)

NEWS BRIEFS

Resource Study Team Includes Japanese: Three Japanese experts accompanied a mission that left Tokyo yesterday to survey natural resources in Southeast Asia. The Bangkok-bound mission--headed by ESS Special Adviser MORROW--is scheduled to return to Japan in late August. (c)

Interest Lags in Farm Committee Elections: The Agriculture-Forestry Ministry yesterday reported low interest in the coming farm committee elections. It disclosed that not enough candidates have signed up in 45.5 percent of the electoral districts to warrant an election. (c)

Matsunaga Foresees Rate-hike Compromise: Acting Chairman MATSUNAGA of the Public Utilities Commission predicted yesterday that the power companies will have to scale down their rate-hike proposals. "It is unthinkable that their applications will pass unamended," he said. "But on the other hand consumers and government officials must realize that they cannot limit the increase to 20 or 30 percent." Matsunaga implied that the inevitable compromise would peg the increase between 40 and 50 percent. (d)

(a) Yomiuri Shimbun
(b) Yukan Asahi Shimbun
(c) Asahi Shimbun
(d) Mainichi Shimbun

-EDITORIALS-

The Pacific security pact and the fifth economic white paper highlighted today's editorial coverage--each rating three comments. Other topics--the peace treaty draft, Japan's chief plenipotentiary to the coming peace conference, and unemployment statistics--came up only once.

NATIONAL DEFENSE

NIHON KEIZAI said the tripartite Pacific security pact was inspired directly by Australia and New Zealand's fear of Japanese military revival. "But apart from this direct motive, it is undeniable that the primary objective of the signatories is defense against Communist aggression. If the agreement aimed only at preventing Japanese aggression, it would not affect us much, since we have absolutely no aggressive ambitions. But if its main emphasis falls on curbing Communist aggression, the pact takes on deeper significance, for eventually it can be expanded and strengthened to include Japan."

Pointing out that the fear of a Japanese military resurgence has been one of the "big stumbling blocks" to US efforts to push the Japanese peace treaty, JIJI SHIMPO said the tripartite security pact grew out of a US diplomatic maneuver to remove this stumbling block. "Accordingly, the 'potential aggressor' mentioned in the treaty preamble should be interpreted as meaning not only the Communist nations but also post-treaty Japan. This is not necessarily a pleasant thing for us Japanese. But since we repent our past aggressive behavior and recognize the strenuous US efforts on our behalf, we must welcome the tripartite security agreement."

The daily noted, however, that Australia and New Zealand still harbor suspicions about Japan despite the pact. "We pray that Australia and New Zealand will get rid of excessive suspicions. We hope that the Pacific security pact will aim only at guaranteeing security against Communist aggression, since this should be the main purpose of such an agreement." If the pact is built into a more comprehensive system similar to the North Atlantic Pact, the journal added, Japan and the two Pacific nations are fated to become allies in common defense against

the Communist offensive. "Therefore, mutual confidence is an indispensable condition for strengthening the collective defense of the three nations. This is the reason why Australia and New Zealand must naturally discard their watchful attitude toward Japan."

"It now has become clear that the peace in the Pacific area will be guaranteed by the Japanese peace treaty supplemented by the US-Japan security pact and the tripartite Pacific pact," YUKAN CHUGAI said. It noted, however, that discussions on Japanese rearmament are cropping up again. "Special Envoy DULLES announced that he wanted to see the US-Japan security pact concluded simultaneously with the Japanese peace treaty. He also stated that Japan's rearmament program would not conflict, for the time being, with its Constitution prohibiting rearmament. We interpret these statements to mean that Japan must settle the rearmament issue before the peace treaty goes into effect. Thus, circumstances now seem to be considerably different from those at the time when Prime Minister YOSHIDA announced 'Japan will not rearm' or 'if Japan rearms, it will be several years after the conclusion of the peace treaty.'" The paper urged the Japanese Government to clarify its views on these points. "Also the Japanese people must determine their attitude toward the rearmament issue. They must be cautious and rational and must avoid denouncing the opponents of rearmament as unpatriotic. The opponents of rearmament must also clarify their plans on how to preserve peace and security without armament."

ECONOMIC WHITE PAPER

ASAHI said the fifth economic white paper shows that the Japanese economy has improved since the start of the Korean war. "But since the relative prosperity in the past year resulted from the Korean war, it is inevitable that the end of the war will greatly affect the basic condition of Japan's economy. We think that the white paper should have sounded a stronger warning on this point and that it should have elaborated the Government's view on US-Japan economic cooperation...The Japanese economy must now make a new start in the international arena on momentum of resources and energies accumulated during the Korean war."

MAINICHI said the economic white paper points out where major economic gaps exist in the Japanese economy. It listed these gaps as 1) the lowered standard of living from rising prices since the start of the Korean war, 2) fantastic price rises due to manipulation by merchants, and 3) the abnormality of Japan's financial and monetary policy. The journal continued: "Now we see new holes gaping under our eyes as production and foreign trade increase. These economic holes stem from the shortage of transportation. Without settling this issue, it is difficult for us, even if faring well otherwise, to insure further production."

"In analyzing our past-year economy, we doubt whether the economic prosperity we enjoyed during the period will continue," TOKYO SHIMBUN observed. "We must admit we managed to maintain our economy through inflation, price hikes, interrupted production, and compulsory lowering of the living standard. Through the economic white paper, we must now study how to improve our economy in the future."

PEACE TREATY

A YOMIURI commentatory stressed that the treaty draft deserves the name of "peace by reconciliation" and sets a precedent for kind treatment to a defeated nation. "Unfortunately, however, the international society that Japan will enter is split. Japan must in time stand on its own feet. A true test for Japan's strength will begin then."

MISCELLANEOUS

A YOMIURI columnist urged Prime Minister YOSHIDA to become Japan's chief plenipotentiary to the coming peace talks. "Even if there is opposition, you should go to San Francisco to assume your responsibility." The writer also considered the eligibility of Upper House Speaker SATO. "If the law forbids him to become a delegate while a Diet speaker, we advise him to resign. We can best show our sincerity to the world by naming Yoshida and Sato as plenipotentiaries."

Observing that the Government is "sloppy" in compiling the number of unemployed, a YUKAN CHUGAI columnist said: "Effort toward statistical accuracy is naturally important, but is must not be forgotten that it takes the insight of a statesman to settle unemployment problems."

Supplement to

SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

MISSING COMMUNISTS

Man Resembling Ito Sighted in Tokyo: A man resembling ITO Ritsu, one of the purged Communist leaders, was sighted by a policeman in Tokyo yesterday. The unidentified person, when questioned by the policeman about his occupation, merely said he was going to the Jiyu Gakuen in Zoshigaya and continued on. Police headquarters became suspicious and immediately assigned an agent to tail him. (Yomiuri Shimbun, 15 July)

One Year since JCP Leaders Went Underground: Mid-July marks exactly a year since arrest warrants were issued for the nine purged JCP staff members. But with the exception of KASUGA Shoichi none has been arrested nor has there been any definite clue as to their whereabouts. Despite more than 200 fruitless raids, police believe that the eight missing leaders are still in Japan. (Yomiuri Shimbun, 14 July)

13 Chiba JCP and Korean Leaders Missing: Since February, 16 Communist and former League of Korean Democratic Youth Societies leaders in Chiba Ken have gone underground. The burrowing started with the HEIWA NO KOE raids in February when eight local Communist executives disappeared (three were arrested later). Later, in early June, one Communist and seven LKDYS leaders suspected in either the Tokyo Shibaura's Yokohama Plant case or the Tsudanuma case, dropped from sight. JCP headquarters, according to some authorities, is directing an interchange of prefectural leaders. So probably the missing Chiba Communist leaders are now working in some other prefecture. (Mainichi Shimbun, Chiba edition, 28 June)

SEPARATIONISTS

Unification of Two JCP Factions Said Likely: The JCP separation problem has come to the fore with the reported return of SHIGA Yoshio to the central faction. If this is true, efforts for the unification of the international and central factions will naturally take place with Shiga as mediator. But before such a major move can be made, the split in the international faction must first be mended. This faction harbors three subfactions: The main faction centering around MIYAMOTO Kenji, the ultraleftist Nakanishi faction, and the middle-of-the-road Kamiyama faction. Each subfaction professes to be of the orthodox school of Marxism, Leninism, and Stalinism. The Miyamoto faction is the most influential as it controls the National Federation of Student Self-government Associations, the New Japanese Literature Society, a portion of the National Federation of Metal Industry Workers Unions, and the Womens Democratic Club. It also has IDE Takashi within its fold.

It appears that the central faction's attitude toward its opponent has softened. Since February it has discontinued the word "separationists" and it recently criticized itself for boycotting MIYAMOTO Yuriko's memorial services. Furthermore, Moscow and Peiping seem to favor the international faction. Thus moves for unification of the two factions can be expected. (Tokyo Times, 27 June)

MISCELLANEOUS

Purse Snatcher is a Graduate of Red School: In a search of purse snatcher ISHIGE Hiroo's room in Funabashi Shi, Chiba Ken, on 7 July, police found a diploma for a Communist school made out to him with the seal of NOZAKA Sanzo, the school director, affixed to it. The document certified that Ishige was a member of the fifth graduating class of the primary course of the Communist Central Party School in 1947. (Asahi Shimbun, Chiba edition, 14 July)

Red Distributes Subversive Bills to Police: Communist MAEDA Takeshi, a district committeeman of Tsuruoka Shi, Yamagata Ken, allegedly distributed copies of a subversive pamphlet entitled "To Police Officers" to the Tsuruoka district and municipal police on 5 March. As he failed to answer several summons from the district attorney's office, he was arrested on 11 July at the home of a Tsuruoka day labor union official. He was booked for violating the National Public Service Law. This was his third arrest since February, and when arrested he was out on bail. (Yomiuri Shimbun, Yamagata edition, 13 July)

Reds Hold Unauthorized Meeting: When the JCP Oita Prefecture Western District Committee met illegally in Hidi Shi on 7 July, police went to close it. But the Reds had already dispersed when police came. (Oita Godo Shimbun, 9 July)

Supplement to
SUMMARY OF JAPANESE PRESS

Prefectural Newspapers
(Period: 1-7 July)

As during the previous scan period, editorial attention this week in the daily issues of 135 prefectural newspapers was above all devoted to events that promised to lead up to an armistice in Korea. The messages exchanged between the United Nations and Communist commanders occasioned 131 articles. The only other concrete news event, the long-awaited shake-up of the Yoshida Cabinet, ran far behind this, with only 28 writers commenting on it. Other editorial discussion was widely scattered, the bulk of it on economic affairs, which was mostly a carry-over from the last two scan periods.

KOREAN ARMISTICE IN SIGHT AT LAST

The prefectural press was definitely assured this week by the rapid developments toward a Korean armistice. As the scan period opened, editorialists were impressed by the "resolute step" taken by Gen Matthew B RIDGWAY, testing the sincerity of the Communists. Most were optimistic in their hopes that the Communists would respond, but nonetheless they were relieved at the first communist reply. Yet it was recognized that the relief was temporary and the road to peace was not necessarily clear. As in the previous week, writers were wary of the effect on Japan's peace settlement, fearing that the Communists had an ulterior motive and had not necessarily acknowledged defeat. Moreover, serious effects on the Japanese economy were also predicted.

A Welcome Stride toward Peace

General RIDGWAY's proposal of an armistice meeting was "truly a godsend for Japan, which has been most deeply affected by the Korean disturbance," typically commented a Kochi editorialist (a). "It appears that the Soviet offer is recognized as having been made in good faith, since it did not touch on political conditions as before," the writer continued, and "only hoped" that these conditions would not later "rupture the conference .... Mutual concessions will be the only way to attain any results. After a truce is set, knotty problems such as the establishment of a buffer zone can be taken up in the UN for concrete discussion ....At any rate, the best thing that could be done is to stop the hostilities at the earliest date. Even if this does not mean that global peace will truly be attained, it would put an end to the greatest postwar calamity. That in itself would be a blessing."

An Osaka daily (b), as most others, noted the "historic importance" of SCAP's "formal proposal" to the Communists, and predicted success. "It is observed that although many difficulties may arise in the future in discussing the details, the Communists seem to have agreed on establishing a truce. On the other hand, the US and other free nations have no objections to the Malik bid if it is limited to the military field. In view of this, it is natural for us to expect that General RIDGWAY's offer will be successful." A Gifu writer (c) felt that "prospects for peace in Asia brightened the moment General RIDGWAY offered cease-fire negotiations over the radio ....That the first great step has been taken to ease the pressure exerted by the two camps centering on the 38th parallel is not only a joy to the Koreans but also a relief to the peoples of the world."

Osaka's largest evening paper (d) admired the sincerity revealed by the democracies "in the pursuit of peace" and described the move as "a forceful initial step that has truly left a historic impression." It too was sure of success, "because the objective circumstances have matured" since Gen MacARTHUR made a similar bid. "Moreover, Gen MacARTHUR had not attained the full understanding and backing of the US Government and the UN when he made

(a) Kochi Shimbun (circ 107,642), 1 Jul
(b) Sangyo Keizai Shimbun (circ 570,414), 1 Jul
(c) Tokai Yukan (circ 42,068), 1 Jul
(d) Osaka Shimbun (circ 678,638), 1 Jul

his offer, and as a result he achieved adverse effects. Gen RIDGWAY's proposal at this time not only is favored by the circumstances but has the full support of the US and other interested nations." A favorable circumstance, in particular, was the "inclination" revealed by the Communist camp "toward a peaceful settlement."

Still a Few Clouds on the Horizon

Several writers, however, were not so certain of the peace prospects. Most critical was a Shizuoka journal (e), which asserted that the proper procedure for a cease-fire was "for the representatives of the UN and the leaders of North Korea and Communist China to negotiate directly and then instruct the commanders at the front. A parley of only the front-line commanders would have little binding power and would not indicate where the responsibility lies. Too, the Soviet Union declares that the representative of Red China should be the commander of the Chinese Communist 'volunteers.' What is the use of a cease-fire based upon such deception? It would only check the attacks of the UN forces and weaken their morale, and give time to the Chinese Communist troops to regain strength after their two big setbacks....A UP dispatch from Washington reports that the UN sees some hope for the possibility of success in the cease-fire conference and that the US, though cautious in its attitude, recognizes a sincere desire on the part of the Soviet Union to end the conflict. Isn't this rather wishful thinking?

"Of course we welcome a truce in Korea," continued a Hakodate pressman (f) in a similar vein, "but we should not assume that the Soviets have become a peaceful influence. Their calling a halt to aggression must be attributed to the establishment of the defense setup by the free world. They have realized that their military power is not sufficient to attain their objectives." "Even successful realization of a truce in Korea will not fundamentally solve the conflict between the two camps," warned a Fukushima observer (g), who exhorted the Japanese nation not to lose its resolve to strive for world peace "to protect itself from the horrors of war." A Kyodo editorial appearing in Kofu (h), Maebashi (i), Fukui (j) and Miyazaki (k) said that "if negotiations concerning political questions, which are expected to be taken up following the cease-fire negotiations, fail to be concluded, the Korean dispute cannot be settled in a true sense....and the possibility is strong that world peace will be jeopardized more than before. We hope not, however, for the sake of the welfare of mankind."

Waiting for the North Korean Reply

As the press and the world waited for the Communist reply to the UN commander, editorials tried to bolster the hopes of the people. Kagoshima's largest paper (l) reminded its readers that "this is the best opportunity to attain world peace. If it is lost, there is no knowing when we can get such a chance again....The road to peace is long and many problems will have to be settled, but the light of peace cannot be seen through the smoke of war. The various nations all have different standpoints, but if they seek peace they must at least make it possible to talk things over....We eagerly hope the US and the Soviet Union will not let this opportunity slip by."

A Toyama analyst (m) stressed that the truce was proposed by the Soviets. "Although the Soviet Union itself is not fighting in Korea, it has been supplying munitions in great quantity to the Chinese Communist and North Korean forces. Its purpose, of course, is to clear the Korean peninsula of all American influence and drive the UN forces into the sea. The Soviet Union must reconsider, however, if the war situation becomes unfavorable, for it would destroy the balance of power between the two worlds if two Communist

(e) Shizuoka Shimbun (circ 90,372), 1 Jul
(f) Hakodate Shimbun (circ 44,498), 1 Jul
(g) Fukushima Mimpo (circ 91,202), 1 Jul
(h) Yamanashi Jiji Shimbun (circ 28,289), 1 Jul
(i) Jomo Shimbun (circ 62,458), 1 Jul
(j) Fukui Shimbun (circ 67,490), 1 Jul
(k) Hyuga Nichinichi Shimbun (circ 45,751), 2 Jul
(l) Minami Nippon Shimbun (circ 135,128), 2 Jul
(m) Kita Nipoon Shimbun (circ 104,903), 2 Jul

nations, China and North Korea, are weakened by a protracted war. Considering this danger, the Soviet Union must have been planning to end the hostilities in Korea by some means or other. We think, however, it was the self-restraint shown by the UN forces in pushing northward and the removal of Gen MacARTHUR that induced Mr MALIK to start his peace move....The Soviet Union has always been suspicious of any move by the capitalist countries. Now, however, it seems to be realizing the serious intent of the free world."

With a Grain of Salt; Temporary Relief

When the Communists replied on 1 July accepting Gen RIDGWAY's offer of armistice talks but counterproposing that the meeting take place at Kaesong, "everyone was relieved," observed a Maebashi writer (n), but he continued: The big question now is how will the talks go?....To be frank, we hate to see the free world made a catspaw of Communist opportunism aimed at enhancing the Soviet Union's standing in the world as a goddess of peace and helping the reconstruction of Communist China....It is also imaginable that the Communists are farsighted enough to prolong or obstruct the truce talks deliberately and thereby split the UN nations, so they can pull Red China into the world organization and eventually secure it a voice in the Japanese peace settlement....It is our sincere hope that the proposed Kaesong conference will dissolve all these anxieties of ours and prove it was not deliberately planned to fulfill some ulterior Communist objectives. We pray for the conclusion of the Korean war from the bottom of our hearts, but it is a pity that we still have to take rumors of the coming talk with a grain of salt."

A Hiroshima editor (o) raised the popular question of why the Communists redesignated the meeting point and sought Kaesong, but concluded: "The reason was probably simply to save face and for no other ulterior reason." The 10 days' postponement of the UN-proposed date of the conference "is also believed to be necessary for conferences or liaison work within the Communist camp, even though the truce conditions may be purely military." As for the military conditions of a cease-fire, the writer saw the danger of the Chinese Communists infiltrating back into Korea "disguised as civilians," should there be a simultaneous withdrawal of forces by both sides. "Strict watch by a UN committee would probably be necessary....In any case, the time has come to sheathe the sword in the year-long conflict."

A Kyodo-syndicated editorial reprinted in Fukui (p) and Kofu (q) also thought the Communists were not hedging about the time. "If the Reds really wanted to gain time, they would not have responded to SCAP's message so promptly. We therefore think the reply from KIM Il Sung and PENG Teh-huai can be safely accepted at its face value." On the other hand, "it cannot be overlooked that if the truce talks proceed according to the Communists' timetable, they may overlap with the foreign ministers' conference scheduled for 23 July. If Mr MALIK proposed the truce at this time with this in mind, we cannot be too optimistic about the talks."

Stooping to Conquer; a Pacifist Victory

Attaching "no special significance" to Kaesong as a conference site, a Nagano journalist (r) expected Gen RIDGWAY to accede and declared: "Ten days after Soviet UN Delegate MALIK made his proposal, the Korean cease-fire finally seems on the track." He described the cease-fire as "undoubtedly a milestone of victory for pacifism....The fact that the Korean issue has reached this stage means in itself a temporary easing of the world tension. And if the truce negotiations are successful, though the entire Korean problem may not be settled and the world-wide confrontation may still exist, the peace-loving peoples of the world will indeed be encouraged."

Though most editors thought the Communists were trying to save face if possible, a Matsumoto pressman (s) pointed out that the US was choosing "facts over face....As far as saving face goes, the UN has fallen down. It is absurd that it should start peace negotiations according to the whim of

(n) Jomo Shimbun (circ 62,458), 3 Jul
(o) Chugoku Shimbun (circ 227,687), 3 Jul
(p) Fukui Shimbun (circ 67,490), 3 Jul
(q) Yamanashi Nichinichi Shimbun (circ 40,911), 3 Jul
(r) Shinano Mainichi Shimbun (circ 145,249), 3 Jul
(s) Shinyo Shimbun (circ 30,308), 4 Jul

the Soviet delegate after having been given a run-around for a year. But by overriding this natural feeling and by refusing to quibble over small matters for the sake of achieving the larger goal, we note the wisdom of the US. In this, we have much to learn.....With US might, it is possible to destroy the North Korean and Red Chinese forces if time is taken. But whether the lives and materials expended would be worth it is another question. We have only to look at Germany and Japan as well as Nationalist China to see the results of long warfare. We not only respect the sagacity of the US in foregoing foolish pride and stooping to conquer, as the saying goes, but wish to reflect on the blindness of the Japanese, who cannot see the larger picture."

A Fukushima editorialist (t) agreed that the UN forces had conquered. "The fact that the Soviet Union has proposed peace, giving up all its past demands now that the Chinese Communist and the North Korean troops are in a plight, testifies that it has succumbed to the collective security formula of the UN centered around the US and Great Britain. It seems that the Communist camp cannot afford to dally with the cease-fire proposal. In view of its past actions and propaganda denouncing the US as its arch enemy, its overture now is ample proof of its defeat at the hands of the UN." In the immediate future, Communist activities will be "less vigorous" as the limitations of Soviet assistance have been revealed.

With an Eye on the Japanese Peace Treaty

Hokkaido's four-city daily (u), however, pointed out that the Soviet Union had "scored" in taking the initiative, though its offer was essentially the same as that of the free world. But the writer was more concerned, as many others were, that Soviet diplomacy was aimed against the Japanese peace settlement. "A cease-fire in Korea will have great bearing on Japan's peace treaty. Especially the attitude of the Soviet Union and Communist China is to be watched. Should the truce talks develop toward the settlement of the Far East situation, our peace treaty will be given new significance."

A Kyodo writer for a Morioka journal (v) saw the beginning of a new Soviet peace offensive to obstruct the US peace plan. "First, Russia will move to take an active part in the peace settlement....At any rate, it will participate in the peace negotiations to oppose US retention of military bases in Japan and the rearmament of this country....In particular, Russia will insist upon Red China's participation in the Japanese peace settlement, in which it can well expect support from Britain and India, once the Korean armistice materializes. If this objective is realized, then it will become only a matter of time before Red China obtains permission to join the UN. Thus, in the final analysis, it is evident that by its new peace offensive Russia intends to achieve the same goal as envisaged in its former militaristic policy." But this does not necessarily mean an overall peace. "Though Russia may be ready to make concessions while showing a stubborn attitude, the US and other nations will not permit it to run the show. The diplomatic battle centering around our peace treaty will now go into full swing."

Transition to a Peacetime Economy

At the same time, the press was concerned over the effects of the truce on Japan's economy. An Osaka daily (w) best expressed the general sentiment, declaring: "Some consider the Korean truce unfavorable for our economy, but we must reconstruct our economy on the basis of peace and not war," and stressed Japan's role in rehabilitating war-torn Korea and developing Asia. Similarly, a Nagoya newspaper (x), in a Mainichi-distributed editorial, noted both pessimistic and optimistic reactions to the truce talks and urged taking "a sound course of development, ceasing to rely on temporary booms....The cease-fire in Korea will have both favorable and unfavorable effects on various industries. We should not, however, be absorbed in immediate gains or losses. We should keep in mind the big role Japan will play in Asia's development."

"The Government should establish a definite program to cope with the new difficulties arising from the Korean armistice," declared Hokkaido's four-city

(t) Fukushima Minyu (circ 40,000), 3 Jul
(u) Hokkaido Shimbun (circ 632,896), 1 Jul
(v) Shin Iwate Nippo (circ 74,148), 5 Jul
(w) Kokusai Shimbun (circ 133,005), 3 Jul
(x) Tokai Mainichi Shimbun (circ 55,448), 6 Jul

newspaper (y). "The future of Japan's export trade will become very gloomy indeed unless strong steps are taken to rationalize and develop our export industries." It pointed out that procurement for rehabilitating Korea "will not equal in size" the special war procurements. Moreover, "the US program for the development of Southeast Asia will be on a commercial basis, making it necessary for Japan to lower its prices to the international level."

The need to increase foreign trade particularly with Southeast Asian countries was recognized subsequently in the trade report of the Ministry of International Trade and Industry, but several writers wished for a "more fundamental solution," as a widely-read Nagoya publication (z) declared, realizing that the Government's latest white paper had not been written in anticipation of peace in Korea. "Most traders wish to resume trade with Communist China at least up to the level of last December. As a political measure, the Government should listen to this wish purely from an economic point of view." A Kofu commentator (aa) had no objections to the white paper in principle, "though there are some points to be revised," but emphasized that "our trade system must be rationalized first of all."

ANOTHER NEW YOSHIDA CABINET

On 4 July, Prime Minister YOSHIDA formally announced the changes in his Cabinet that had been pending for a month, and the new ministers took office at an imperial attestation ceremony. The last cabinet shake-up had occurred just after the start of the Korean war last year, and the current reorganization was expected to prepare the Government better for circumstances surrounding the acceptance of the Japanese peace treaty. It mainly affected posts concerned with the national economy, and the Prime Minister was said to have decided all new appointments by himself, without benefit of counsel. Although prefectural newspapers had long been calling for some such "peace settlement preparations," they gave the reshuffle rather a cold reception, with more than a few editors expressing complete dissatisfaction. The Government's unsuccessful efforts for inclusion of Upper House Democrats in the Cabinet aroused considerable suspicion that the reorganization was a matter of party and not national politics. The Prime Minister was criticized, as in the past, for his "dictatorial attitude," and the ability of the new economic ministers seemed dubious to the press.

"Political Blackmarketing" in a "Personal Affair"

Typical objections were offered by Fukuoka's largest daily (ab), which called it "impossible" to accept the reorganization as dedicated to Japan's preparation for the peace settlement and post-treaty political and economic independence. "It was a personal affair, as seen by the Prime Minister's invitation to join his Cabinet issued through Liberal Party Chief Secretary MASUDA to HAYASHIYA Kamejiro, Upper House Democrat," the writer declared. "If Mr YOSHIDA seeks intra-Cabinet cooperation from the Democrats for realignment of domestic conditions, he should negotiate openly with the party as a whole." To solicit the services of an individual member of an Opposition party, "even as an act of courtesy in return for past services," is a great mistake. The Liberals' "persistent maneuvering in the Upper House is "the shadiest kind of political blackmarketing." He further asserted that the new Cabinet's line-up, with the exception of Trade Industry Minister TAKAHASHI, is "unworthy" of the change. "This shows a shortage of capable men within the Liberal Party, and surely results from the prejudiced way Mr YOSHIDA selects new ministers. If the scope of choice is narrowed by his personal preferences, Cabinet changes will be of no use, no matter how often they take place. It is most unfortunate for the people if this sort of thing has prevented men of ability and knowledge from coming to the fore. We often suspect the Prime Minister offers portfolios as rewards for party loyalty only."

A Chinese-owned paper in Osaka (ac) described the reshuffle as "biased by party interests and tactics made is closely connected with the selection of

(y) Hokkaido Shimbun (circ 693,890), 4 Jul
(z) Chubu Nippon Shimbun (circ 957,446), 6 Jul
(aa) Yamanashi Jiji Shimbun (circ 28,289), 6 Jul
(ab) Nishi Nippon Shimbun (circ 572,197), 5 Jul
(ac) Kokusai Shimbun (circ 133,005), 6 Jul

three top-ranking Liberal Party officials, and this shows clearly how the Cabinet is nothing but another party organ." This writer similarly accused the Prime Minister of "finagling with individual Democrats," and concluded: "Reorganization should be affected neither by private interests, money, nor partisan office-seeking. The right man must always be put in the right place, or democratic government will retrogress every time a new Cabinet is set up."

Kobe's leading daily (ad) likewise believed the cabinet reform "failed to attain its objective" of preparing for the peace treaty, and questioned the propriety of leaving three posts vacant. "Affairs of state will increase in complexity as the treaty approaches; Mr YOSHIDA's confidence takes small account of this. While the primary task of the Government was negotiating with GHQ, one man could handle it. Not so, from now on. Yet the thing stressed in cabinet reform was quantitative expansion of influence, which is disappointing. Only when we have ministers of better quality can the people put faith in the Government."

Aimed at Stabilization of Country or of Party?

"The Prime Minister allegedly aimed, in reshuffling the Cabinet and reappointing Liberal Party officials, at strengthening and stabilizing national politics in anticipation of the peace treaty, which must be met with firm political power," continued an Okayama journal (ae). "The people's interest and expectations were focused on this desirable goal. But the action unfortunately gives the impression its objective was to strengthen and stabilize only the Liberal Party itself." It also reveals the Liberals' "lack of capable politicians," and "Mr YOSHIDA's personal inclinations." Moreover, "as we have repeatedly pointed out in these columns, a major political party must act with magnanimity and moderation. Even if a conservative merger or cooperation is desirable, and even if it is a deep-rooted wish of the Prime Minister, the Liberal Party, as a major public organization, should pursue it within legitimate bounds. If effected through clandestine transactions, it certainly cannot contribute to stabilizing the political situation....Nor can true political stability be achieved merely by rearrangement of party men; the only true unity is unity of policy....The peace treaty is not a private affair that concerns the Prime Minister and his party only," the writer ended. "It is a national affair, and political stability for it must be realized on a national scale. Let us hope the next projected Cabinet reform, also expected before the treaty, will be the result of deeper political insight."

"There is little difference from the previous Cabinet; it strongly smells of bureaucracy seasoned to the Prime Minister's taste," said a Mainichi-distributed editorial printed in Nagoya (af). "Mr YOSHIDA kept this insignificant reorganization pending for more than a month, delayed the entry of former party officials into the Cabinet, and also had Agriculture-Forestry Minister HIROKAWA simultaneously hold the post of General Affairs committee chairman, thus confusing Government with party affairs. Political waters seem to be permanently muddied."

Kyoto's largest daily (ag), however, claimed that past reorganizations of the Yoshida Cabinet has been successful, "precisely because the affair was each time settled as an intra-party problem, backed by the Liberals' absolute majority in the Lower House; although political common sense holds cabinet reorganization to be so difficult that it is fatal to the Cabinet concerned." Nevertheless, whether the current action will strengthen the Cabinet is "uncertain," and whether it will satisfy the people is "much more doubtful." The controversial gesture towards Upper House Democrats "has made the reshuffle meaningless, for it has soiled the Liberals' motives, and they must now openly confess that their main purpose was to extend their power in the Upper House ....The Cabinet is further absorbed in power struggles over post-depurge leadership at a time when Japan's very independence is insecure. The responsibilities of the new economic ministers are especially serious."

(ad) Kobe Shimbun (circ 218,455), 5 Jul
(ae) Sanyo Shimbun (circ 220,510), 5 Jul
(af) Tokai Mainichi Shimbun (circ 55,448), 5 Jul
(ag) Kyoto Shimbun (circ 195,757), 4 Jul

A Provisional, Second-Best Solution

A Matsue publication (ah) said the reform "fell short of our expectations that the Cabinet would be made equal to facing the great job ahead....Due to a few Democrats' failure to cooperate with Mr YOSHIDA, which was the most necessary condition, his great ideal was frustrated, and he was compelled to make shift to the extent of dealing only with the change of the three major party officers. It is evident this made the reorganization only a provisional one, although the method was a clever one, and that as long as the Prime Minister continues to entertain his hopes of a conservative merger, he is sure to make further future moves for amalgamation of Upper House Democrats in later cabinet reshuffles."

Hakodate readers were told (ai) the reorganization was "an appropriate measure in itself, as some ministers are weary from heavy duties, and others are not quite fit for their jobs," but that cabinet members were "unjustified in submitting their resignations so casually en masse....We cannot approve of the action, unless specific reasons are given the people, such as political blundering, illness or opposition to cabinet policy. Democracy is based on the people's understanding, and they have the right to demand explanations from the Government." Presumably, however, reinforcement of the Government to prepare for the peace treaty is an acceptable explanation. "The line-up to be changed today is certainly not adequate. To cite an instance, the recently announced 'new economic policy,' as pointed out by most of the nation's newspapers, is so extremely vague and crude that the Occupation has requested the Government's reconsideration."

It seemed, however, to the writer of a Kyodo-syndicated article published in Fukui (aj), Wakayama (ak) and Muroran (al), that the Government had at least attained "a second best solution," and the possibility still remained of some Upper House Democrats joining the Cabinet before the peace settlement was made. Unlike other writers, he felt that the overtures made to HAYASHIYA had "heightened the friendly feeling of Upper House Democrats toward the Liberal Party," even though it incensed the Democrats as a party. "At any rate, the reshuffle solved the problem that arose a month ago over the three key officials of the Liberal Party, and it is certainly not a backward step."

New Economic Powers: A Big Zero

As far as most editorialists were concerned, the new economic ministers were of prime importance. A widely-circulated Osaka business journal (am) said: "All political and diplomatic problems today must find economic solutions." Although the writer had heard the Prime Minister was placing greatest emphasis on economic portfolios, he thought "his purpose does not seem to be accomplished by the reorganization now announced....The Cabinet reshuffle should, among other things, increase the people's confidence in party government. We doubt very much that the present administration can solve the problems of satisfying special procurement demand, keeping down inflation, and establishing a self-supporting economy."

Hokkaido's four-city daily (an) acknowledged that new Welfare Minister HASHIMOTO and new Agriculture-Forestry Minister NEMOTO were "hard workers," but added quickly "--only within the narrow bounds of the Liberal Party's poor policies." The analyst "felt uneasy over how thoroughly Minister TAKAHASHI, the director of a large company, has grasped the importance of smaller enterprises, which decisively characterize the industrial structure of Japan." Most papers, however, thought TAKAHASHI the most competent of the new ministers. The Hokkaido writer concluded: "To have Mr HASHIMOTO hold the post of chief of the Administrative Management Agency in addition and take charge of local administrative reform means that the new Cabinet is characterized more than ever before by Mr YOSHIDA's dictatorship....The reorganization seems thought out entirely from the standpoint of balancing factions within the Liberal Party and strengthening the Prime Minister's control over them. Such reforms can never

(ah) Shimane Shimbun (circ 58,616), 5 Jul
(ai) Hakodate Shimbun (circ 44,498), 4 Jul
(aj) Fukui Shimbun (circ 67,490), 4 Jul
(ak) Wakayama Shimbun (circ 29,143), 5 Jul
(al) Muroran Mimpo (circ 21,884), 7 Jul
(am) Sangyo Keizai Shimbun (circ 570,414), 4 Jul
(an) Hokkaido Shimbun (circ 632,896), 5 Jul

enhance political capacity, and we fear they will promote popular indifference to politics."

EDITORIAL BRIEFS

Administrative Reform: An Immediate Necessity--Osaka's largest local daily (ao) urged the Government to hasten its"informal and vague plans" for streamlining the "complex and mammoth bureaucracies in both central and local administration" that have arisen as the result of "launching too many undertakings." "Bureaucrats expand the scope of Government business to enlarge their authority, while political parties create new projects for the sake of popularity," it noted. "If this goes on, personnel reduction can never be effectively enforced, and the agonizing tax burdens cannot be lightened." "The very attempt to economize may be only a vote-getting measure," added a Kyoto paper (ap). "Is it good to deprive men of their jobs by a paper plan? Many officials do not necessarily increase efficiency, and public finance cannot waste money. But when we think of those to be discharged, and the families who depend on their salaries, we demand that the Government first work out measures for unemployment relief."

The International Position of Japan's Labor--Reflecting on the imminent revision of postwar labor laws, a Matsuyama editor (aq) insisted on "preservation of the spirit of the laws that protects the workers' rights granted by the Constitution," but went on: "We must realize that the social contradictions of today are a dilemma of the nation as a whole, and its burden should not be shouldered by management alone. The labor law revision should be carried out in a way requiring concessions from both labor and management, until the social security system is firmly established." A Nagoya business journal (ar), welcoming Japan's return to the International Labor Organization, suspected that the Japan Management Association and enterprises affiliated with it were "conniving" at lowering present labor standards "in direct contradiction to the ILO nations' agreements, resolutions and recommendations." The writer argued: "International distrust of Japan is precisely why the ILO rejected us after the China Incident....In a word, our participation in this body depends on world confidence in us."

Progress among the Socialists--The Socialist Party's SUZUKI and WADA, respective chairmen of the Executive and Foreign Affairs committees, were lauded by a Suwa pressman (as) for attending the Frankfurt meeting of COMISCO, although they abstained from voting on the resolution calling for arming of the free world in defense against Communist aggression. "SUZUKI has emphasized cooperation with Socialists in every country," he said. "Now the left-wingers may recognize that the only way to unite their party is to overhaul the 'peace principles.' Otherwise, they now must perceive, they will be totally isolated internationally as well as domestically." Nagoya's leading daily (at) emphasized the Socialist gains in power in postwar years, in Britain, West Germany, France and Italy, and urged Japanese Socialists to clear up misunderstandings about Japan in these countries. "British Laborites had no previous diplomatic experience, but they have played influential roles in international politics since coming to power, and the British Labor Party is characterized by a peaceful and sound foreign policy. This is a result of experience among international Socialists. We earnestly hope our Socialists will model themselves after such men as BEVIN and MORRISON."

(ao) Osaka Shimbun (circ 678,638), 6 Jul
(ap) Miyako Shimbun (circ 82,175), 6 Jul
(aq) Ehime Shimbun (circ 116,830), 3 Jul
(ar) Chubu Keizai Shimbun (circ 73,896), 5 Jul
(as) Nanshin Nichinichi Shimbun (circ 26,655), 5 Jul
(at) Chubu Nippon Shimbun (circ 957,446), 3 Jul

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1863

DATE: 16 Jul 51

Today's Tokyo Newspapers

-NEWS-

Renewal of cease-fire talks at Kaesong and the US rejection of the Soviet proposal for a Big Four conference on the Japanese peace treaty ran one-two in nearly all Tokyo papers today. The Japanese treaty figured in another consistently frontpaged story--the 10-point Philippine plan for getting reparations from Japan. Most of the remaining frontpage space went to special foreign reports. TOKYO SHIMBUN, for example, featured a dispatch from its cease-fire correspondent on BCOF commander Robertson's interview with Japanese newsmen. The flood of big foreign stories contrasted sharply with the news dearth at home. Most domestic reports, if they made the front page at all, stayed far below the fold. The major exception was an offbeat story in an off-beat paper: NIPPON YUKAN led with a report saying that Prime Minister YOSHIDA may name a wartime information chief as his deputy.

REPATRIATION

The Government, preparing for the arrival of a UN repatriation mission this fall, may raise its count on the number of unrepatriated Japanese. It has come to suspect, after checking recent messages from Japanese nations in China, that the 329,973 figure announced by the Foreign Ministry last year is too low. Officials now feel that 340,000 would be a more accurate estimate. Looking behind the "iron" as well as the "bamboo" curtain, they have also pieced together new evidence to disprove the Soviet claim that the only Japanese now in Russia are 2,467 war criminals. By questioning the last two groups repatriated from Russia, they have pinned down the location of some 40,000 Russian-held Japanese. (a)

Chairman TSUBUKU of the National Repatriation Acceleration League regretted, meanwhile, that the treaty draft "has no provisions concerning war prisoners." "Some of our government officials," he said, "seem to have given up their effort to bring back Communist-held prisoners on the belief that this would prevent the spread of communism. But no matter what the Government does, we are going to keep up our fight." (a)

LIVING COST

Lower House Speaker HAYASHI predicted Saturday that the power companies will eventually have to scale down their proposed rate hikes from an average 64 percent to somewhere between 30 and 40 percent. Visiting his hometown for the first time since his appointment as speaker, he told reporters at Kochi that the power industry needs a rate hike to pave the way for foreign investments. But he emphasized that its present approach was too ambitious. "We recommend that the increase be kept at the lowest possible level," he said. "The power companies can offset part of their operating expenses by cutting personnel and rationalizing management. When the final decision is made--probably about mid-August--I think the increase will come to about 30 to 40 percent. (b)

Ration turnbacks have sent the blackmarket price of wheat and pressed barley below the official price. Food officials feel that unless something is done, the rationing system may collapse. (b)

PEACE SPECULATIONS

Authoritative sources foresee a continued state of war between Japan and Russia even after the San Francisco peace conference. But while certain that Russia will sidestep the September treaty-signing, they feel that it will not take the trouble to send Occupation troops to Japan. The bilateral troop-stationing pact between the US and Japan, they say, would discourage that. (c)

(a) Sangyo Keizai Shimbun (b) Yukan Chugai (c) Yomiuri Shimbun

FLOOD

Heavy rains continued unabated yesterday in Chugoku, Shikoku, and northern Kyushu, bringing the death toll to 42. Flood damage mounted to several billion yen. In one prefecture alone--Kumamoto Ken--the damage to farmland and civil engineering projects was estimated at 1,100,000,000 yen. In Fukuoka Ken flood waters swept over 2,500 acres. In the Chugoku district Yamaguchi Ken, with 24 deaths, took the brunt of the disaster. The National Rural Police, surveying flood losses up to last night, reported 690 bridges washed out or damaged and about 7,000 houses wrecked or inundated above floor level. (a)

The Liberal Party set up a 15-man committee to investigate flood losses and work out relief measures. The head of the committee, ONOGI Hidejiro, left promptly for the disaster area. (b)

NEWS BRIEFS

US Ambassador Pauley Arrives in Tokyo: US Ambassador William PAULEY, on the final leg of his Far Eastern survey trip, arrived in Tokyo yesterday from Formosa. "The object of my visit to Japan," he said, "is to restudy US foreign policy toward Asia. I will stay in Tokyo until Thursday, then return directly to Washington." (c)

Tokushima Town Votes on Police Scrapping: Tsubaki Machi, a town of 6,500 in Tokushima Ken, took a vote yesterday on whether to go along with the assembly decision to scrap the local police. The referendum--the first of its kind--brought out 90 percent of the registered voters. Out of the first 300 votes counted, 289 endorsed the assembly action, setting a pattern that would probably hold good for the final result. (d)

(a) Jiji Shimpo
(b) Nippon Yukan
(c) Nihon Keizai Shimbun
(d) Yomiuri Shimbun

-EDITORIALS-

No topic came sharply into focus in today's editorial coverage. One paper discussed the secrecy of the Communist camp, while another commented on Britain's plan to refuse most-favored-nation treatment to post-treaty Japan. The rest of the coverage dealt with the rice coupon system, investment trust, revision of labor laws, the Pacific security pact, and the US track team.

COMMUNIST SECRECY

JIJI SHIMPO observed that the recent suspension of the Korean cease-fire talks brings out the contrast between the openness of the free nations and the secrecy of the Communists. "The Iron Curtain symbolizes the secrecy of the Communists. Armed with this undercover policy, they plan direct and indirect foreign aggression and contrive to maintain despotism in satellite countries." Comparing this with the approach of the free nations, the paper said, "The MacArthur controversy furnishes an example of the extent to which the free nations believe in an open policy. This openness is sometimes regarded as a weak point of the free nations since it endangers military security. But instead it is the foundation of democratic strength. We can always tell a Communist nation by its secrecy."

The daily continued: "If the Communist camp wants to cooperate with the free nations, it should abolish its policy of extreme secrecy...The realization of a truce or even peace depends entirely on how much the Communists modify their secret policy."

BRITISH ATTITUDE

ASAHI regretted that Britain plans to refuse most-favored-nation treatment to post-treaty Japan. "This attitude makes us distrust the 'fair practices' promised in the preamble of the peace treaty draft. The International Customs and Trade Agreement, which is successfully lowering and abolishing tariff restrictions, makes the most-favored-nation clause its foundation. Britain apparently wants to exclude Japan alone from this world trend."

The paper said Japan must accept the fact that its export practices in the past invited world suspicion. "But we are now going to correct this and start out with a clean slate. Can't Britain accept this? So far as the cotton industry is concerned, we have certainly shown our will to cooperate in the Anglo-Japanese cotton talks. We hope that Britain will take a generous attitude toward Japan."

RICE COUPON SYSTEM

TOKYO SHIMBUN suggested that a rice coupon system be enforced to eliminate the

blackmarket dealings in rice. It said the rice coupon system will 1) enable consumers to receive rice rations whenever they want, 2) reduce the number of dishonest rice-shops since consumers can buy rice from any rice-shop, 3) enable consumers to use rice coupons more frequently at restaurants, and 4) simplify the business of rice dealers.

Of course, the coupon system cannot be easily enforced, the daily added. "The job of controlling forged coupons and of reserving rice will become harder. Moreover, the rice ration setup must be simplified as a precondition to enforcement of the coupon system. Despite the difficulties, we want a rice coupon system at the earliest possible date."

INVESTMENT TRUST

ASAHI's second editorial said the investment trust system is becoming popular among investors because beneficial securities need not be signed and subscribers can cash them or ask dealers to buy them. But it noted that some dealers have converted their holding securities into beneficial securities in collusion with industrial companies and that there have been considerable investments by corporations. "This seems to be the main problem of the investment trust. The primary objective of the investment trust system is to convert idle capital and hoarded funds into long-term industrial funds. So nothing will be gained by changing the form of existing securities. On the other hand, we doubt whether it is right for investors to simply think of investment trust as a good way to conceal their assets. Sometimes, small investors may even find it more appropriate to register their securities... To make the investment trust system work, investors and bond dealers should not use it for speculative purposes."

LABOR LAWS

YOMIURI discussed the ordinance review committee's "written opinion concerning abolition and revision of labor laws." "Some observers say that the ORC has been listening to the demands of management, while disregarding the desires of labor. We doubt whether such criticism can be wholly justified. While most of the management demands concern the Labor Standards Law, the gist of the written opinion deals with other issues, such as adjustment of various labor regulations, an overall bill to ban general strikes, and means to strengthen the labor committee. But since each of these issues affects union activities, we cannot blame the unions for not sitting with folded arms."

The paper felt that the committee should listen more carefully to the demands of both sides. "All parties concerned must bear in mind that any revision must respect the fundamental spirit behind the labor laws. Revisions that would delay Japan's reentry into the family of nations should not be made."

PACIFIC PACT

An ASAHI columnist felt that New Zealand and Australia need not fear the revival of Japanese militarism. "Japan has nothing--no oil, iron, rubber, cotton, or wool. No nation can wage a war without oil and iron. War is out of the question when a nation doesn't even have enough to clothe the people. Perhaps the two countries fear that Japan's industrial power may be strategically linked with the rich natural resources of China. If Japan falls under the Communist shadow, it would spell a great threat not only to the Orient but to all Pacific countries...Japan stands between the Soviet Union and the US and is the only industrial country in the Far East. This probably accounts for the attention it is now attracting from the two worlds. In such a delicate position, the Japanese should be cautious."

US TRACK TEAM

"We have something to learn from the US track team now in Japan," MAINICHI said. Noting that members of the US track team practice other sports after the season is over, the paper believed that the training of Japanese athletes is "too specialized." It also regretted that Japanese athletes, in contrast to those in the US, have little interest in coaching. "In Japan coaching as a profession has been neglected." it said.

JCP ACTIVITIES

Communist Step Up Activities in Shizuoka: The Japan Communist Party, intensifying its underground campaign, has ordered an armed struggle. It is guiding its members progressively "from resistance to self-defense" and "from self-defense to arming." In Shizuoka Ken the prefectural committee, dutifully following orders, set forth its struggle policy in an article entitled "Future Direction of Our Fight." The article, appearing in the illegal publication AKATSUKI, issue No 3, cited "establishing strongholds in industries" as the primary objective of committee activities. From these strongholds the committee proposed to expand operations to surrounding areas, build up other strongholds, unify the labor front, and wage all-out political war. Centering its activities on Shimizu, Numazu, and Hamamatsu districts, the committee will try to mobilize day laborers, communications workers state railway workers, and private enterprise workers.

In the meantime, the JCP is campaigning to win over farmers and fishermen. It also intends to use forestry and river workers in the Oi and Abe river basins to strengthen the Japan Electric Power Workers Union's political guidance activities along the Oi River. It is concurrently trying to organize forestry workers in the hinterlands of Abe and Haibara counties to expand its influence to the upper Oi River. The party plans to organize peddling teams to further this campaign. It will try to coordinate this with the intensified munitions production boycott in Shimizu Shi, the woodworkers' struggle in Shizuoka Shi, and the fishermen's struggle in Ito Shi. (Mainichi Shimbun, Shizuoka edition, 12 July)

DAY LABORERS

Tachikawa Labor Union Dispute Flares Up: The smouldering feud between the leftist Tachikawa Day laborers Union and the rightist Construction Industry Workers Union, both under jurisdiction of the Tachikawa employment office, finally exploded on 11 July. The day laborers put CIWU secretary MIMURA Kozo through a kangaroo court just outside of Tachikawa Shi and then distributed agitation handbills attacking Mimura. Countering this, the CIWU distributed bills entitled "The True Character of the Vicious Day Laborers Union," which charged day labor union officials with being Communist tools. The fued started on the first anniversary of the Korean war when day laborers tore down posters entitled "Destruction of the Communists" put up by the CIWU at all work places. The recent stone-throwing case helped bring the dispute to a head. (Yomiuri Shimbun, Santama edition, 12 July)

Day Laborers Demand Full Employment: Over 20 day laborers, including Communist TAKAHASHI Toshio and two other Communists, stormed the Wakkanai municipal office on 10 July when it suspended work due to lack of funds. The laborers demanded immediate payment of back wages and full employment. They finally dispersed when officials assured them that the deputy mayor was negotiating for unemployment funds and that pending the outcome of the negotiations 10 laborers would be hired daily. (Yomiuri Shimbun, Hokkaido edition, 12 July)

MISCELLANEOUS

Korean Nabbed after Anti-American Slide Show: Korean conducting an anti-US slide show were raided on 6 July in Kyoto at the former Nishijin primary school for Koreans. Police arrested LEE Sun-yong and booked him for violating Government Ordinance No 324. (Yomiuri Shimbun, Kyoto and Shiga edition, 8 July)

Red City Official Cleaning Up Administration: Following his election to the Mito city assembly, Communist YUGE and 19 new members of the 36-man assembly started a clean up campaign of city administration. He has become a "thorn in the side" to city bosses and through his efforts city-sponsored banquets have been abolished. The city employees union and the day laborers union are grateful to him for his help in obtaining recent workshop demands. Children's associations have been organized in 10 places in the city and the members sell the KOWA SHIMBUN. Many copies of this paper go to the State Railway Workers Union and the All Japan Communication Workers Union. (Heiwa Nippon, 29 June)

Peace Committees Being Formed in Workshops: Peace committees have been formed at the Taisei Fire Insurance Co and the Iwanami Bookstore in Chiyoda Ku, Tokyo. They have started a peace signature collection campaign and a fund drive to expand the KOWA SHIMBUN and HEIWA SAI NEWS. (Taishu No Nakae, 3 July)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1861 DATE: 14 Jul 51

Today's Tokyo Newspapers

-NEWS-

Foreign news continued to get top play in the Tokyo press. In the late morning papers the main emphasis fell on the deadlocked cease-fire talks at Kaesong. ASAHI led with the Ridgway attempt to break the deadlock; YOMIURI and MAINICHI, with the Communist radio reply to the UN demand that Allied newspapermen be permitted to go to the conference site. Earlier papers generally bannered the Washington announcement that the US, Australia, and New Zealand have initialed a mutual security accord. The reported British opposition to most-favored-nation treatment for Japan topped an evening paper and ran high on the front page elsewhere. In the subordinate domestic coverage, the administrative reform study and the economic white paper generally drew the best play.

ADMINISTRATIVE REFORM

The ordinance review committee has passed the halfway mark in its study of administrative reform. At its 17 July meeting it will enter the final phase of its survey. When completed its recommendation will probably underline the need for sharp cutbacks in the National Personnel Authority, transfer of more duties from the national to the local government, and creation of a local government ministry to consolidate national government offices dealing with local affairs. (a)

The Government has started drafting a construction program to step up administrative efficiency. By the end of 1952 it hopes to centralize its offices around the Diet building. (b)

DEPURGE

The rescreening committee yesterday reviewed its clearance standard for category C purgees. Delving for the second time into the backgrounds of ultranationalistic organizations and their top leaders, the committee came up with a depurge policy for the defunct Yamato Hokoku Kai. It decided tentatively to clear all leading officers of the organization except SHIMAMOTO Shoichi, former chief director and lieutenant general. This decision would reinstate MATSUMOTO Jiichiro, a top-ranking Socialist purgee. (a)

The review of category C cases may hold up the second depurge announcement. The Government had originally scheduled it for about 20 July but it will now probably have to wait until August. (c)

POWER INDUSTRY

Former Finance Minister ISHIBASHI declared yesterday in his first public speech after his depurge that economic recovery hinges on developing power resources. Discounting the possibility of immediate foreign investments, he urged the Government to help build up the power industry. He suggested that development funds be raised by revamping the tax system and floating national bonds. (b)

The power dearth was cited as a weak link in Japan's economy in a white paper released yesterday by the Economic Stabilization Board. (d)

PEACE TREATY

A Foreign Ministry official yesterday interpreted Article 23 of the peace draft to mean that the treaty will take effect when ratified by a majority of the signatory nations. But he added that it could possibly mean a majority of the 14 Far Eastern Commission nations. (e)

Socialist leaders, meanwhile, asserted that Japan cannot become fully independent unless Russia takes part in the peace conference. (b)

(a) Mainichi Shimbun
(b) Yomiuri Shimbun
(c) Jiji Shimpo
(d) Yukan Yomiuri
(e) Sangyo Keizai Shimbun

LABOR

Tokyo city employees cut down bus and trolley service by about 20 percent yesterday to point up their demand for a summer allowance. But despite threats of further slowdowns the metropolitan government stood firm on its refusal to meet the union demand. Estimating that the proposed allowance would cost the city 1,400,000,000 yen, Vice-governor OKAYASU said, "We cannot pay such a huge sum without shelving such urgent projects as construction of roads and schools." The Federation of Tokyo Metropolitan Office Workers Unions, which had turned down a 3,000-yen compromise offer, blamed the "insincerity of city officials" for the collapse of negotiations. "We realize that on some points our actions run counter to the Local Public Service Law," the chairman of the dispute committee said. "But we are ready to make some sacrifices to bring city officials to their senses." (a)

The State Railway Workers Union, fighting for an average summer allowance of 8,400 yen, ordered its members to turn down overtime and holiday work for a five-day period beginning 28 July. (b) Private rail workers were poised for walkouts on 22 and 23 July. If the two successive 24-hour walkouts fail to win them pay hikes ranging from 14 to 20 percent, they will follow up with another round of strikes on 29 and 30 July. (c)

The Cabinet yesterday took up the ordinance review committee proposal to ban general strikes. It decided to handle the problem with caution, primarily to avoid unfavorable repercussions abroad. (d)

NEWS BRIEFS

Convertible Yen May Be Abolished: Preparing for the peace treaty, the Finance Ministry yesterday submitted to GHQ a program to abolish convertible yen and specialty shops trading in this currency. The ministry reasoned that (1) with two kinds of yen in circulation, international confidence in the yen may deteriorate and (2) convertible yen encourages blackmarketing. (e)

Rains Cause 4 Billion Yen Damage: Construction Minister NODA reported yesterday that torrential rains since last Saturday have caused 4,119,000,000 yen damage to public works in 22 Kansai and Kyushu prefectures. Yamaguchi Ken tops the damage list with 1,100,000,000 yen. (b)

Dysentery Averages 63 Cases Daily: Dysentery cases hit 77 Thursday--a new daily high for this year--bringing this month's daily average to 63 cases. Of the other infectious diseases only diphtheria increased over last year. Japanese sleeping sickness has not yet broken out this year. (c)

(a) Yukan Mainichi Shimbun
(b) Asahi Shimbun
(c) Yukan Chugai
(d) Jiji Shimpo
(e) Mainichi Shimbun

-EDITORIALS-

Three editorials today dealt with national defense--two papers discussing the Pacific security pact, the other commenting on the stationing of US troops in Japan. Economic issues--the Government's white paper and the slump in trade--drew comment from two dailies. Three columnists criticized the Communists for not permitting newspapermen to attend the Korean cease-fire talks. The peace treaty draft and official corruption rounded out the editorial coverage.

NATIONAL DEFENSE

MAINICHI considered the provisional signing of a Pacific pact by the US, New Zealand, and Australia "a step forward toward the conclusion of the Japanese peace treaty." Pointing out that the pact is premised on the possibility of Japanese aggression rather than Communist aggression, the daily said: "In this sense, it is not very welcome to Japan. But it is unwise for Japan to frown upon the agreement for this reason. If the tripartite pact is necessary for Japan to gain unlimited peace in which its sovereignty and activities will not be restricted, the pact should be recognized."

ASAHI noted that the tripartite pact is designed to protect member nations from menace against peace in general and to guard against Communist influence--not just to dispel Australia and New Zealand's fear of Japanese aggression. "The fact that the security agreement is similar to the North Atlantic Pact means that the global peace structure has been strengthened. But this pact has no positive meaning for world peace unless it serves as a force to induce the opposing camp to reflect on peace. If it should only serve to intensify the existing friction, the result will defeat its purpose. We hope that conscious efforts will be made by our rival nations to avoid a war at any cost."

YOMIURI said Japan's anxiety about post-treaty safety has been dispelled by the proposed US-Japan troop stationing agreement. "It is impossible from the concept of State to reconcile the stationing of a foreign army permanently in an independent State. A US-Japan agreement may give rise to opposition inspired by malicious motives and by well-meant discontent. But when we grasp the international situation after World War II, the folly of sticking to such an outdated concept becomes evident. Facts have proved that a State cannot hope to attain independence and peace by merely hoping for it or by pouring all of its energy into armament to attain that desire by its own power. If Japan wants to survive, there is only one course open even after the treaty signing--to cooperate with the free world."

PEACE TREATY

"The peace treaty draft cannot fully satisfy us," NIHON KEIZAI declared. "Apart from the issues of an overall peace, nonarmament, and neutrality--all impossible in view of the current international situation--part of our hopes regarding territories and reparations have gone unrecognized. However, we must consider our status as the vanquished nation as well as the present-day international state of affairs. Judgment should be made from the viewpoint of an early peace settlement. We should appreciate the purport of the peace treaty even though it may not be a source of 100 percent satisfaction."

ECONOMY

YUKAN CHUGAI termed the Government's economic white paper "outdated" since it reviews the economic conditions in Japan before the start of the Korean cease-fire talks. The journal felt that in making out a white paper the Government should take a world view. "Since the people want to know the economic measures for the future, the Government should make clear its new economic policy at the coming extraordinary Diet. The Government should drastically revise the so-called 'new economic policy.'"

JIJI SHIMPO urged businessmen not to be "pessimistic" over the recent slump in trade. "It does not stand to reason that a slump will last forever. In the natural course of economy, normal conditions are certain to be restored after the lapse of a certain readjustment period." The journal observed that manufacturing and trade companies have greatly improved their business since the Korean war. "As a result, they have probably increased their power to counteract a slump. If they are given some financial aid to alleviate the lack of funds from which they are suffering most today, they will probably be able to tide over the current crisis and meet the forthcoming period of development."

REPORTERS IN KOREA

A YOMIURI columnist considered it "significant" that the UN has allowed Japanese to report the cease-fire talks. But he could not understand why the Communists barred newspapermen from the conference site. "Do they want to keep the negotiations closed to the world by an Iron Curtain? Or do they feel that only official announcements should filter through to the press? Journalists, particularly those of free nations may be annoying to them. But we would like to point out that they are annoyed not so much by journalists but by the people of free nations who have the right and desire to know the truth."

A JIJI SHIMPO columnist also criticized the Communists for not allowing newsmen to enter Kaesong. "No freedom exists in a dictatorial country. All news is controlled by the Government, and each report is made according to political expediency."

A TOKYO SHIMBUN writer said the Kaesong issue clearly reveals the differences in the way of thinking between the UN and Communist China. "It is the custom of Communist nations to keep the truth from the people. Real public opinion is based on knowing the actual facts. Public opinion, which is based on controls and concealment, disintegrates the moment it learns the truth. Prime Minister YOSHIDA should remember this point well."

CORRUPTION

TOKYO SHIMBUN attacked government and public officials for corrupt practices. "Though they are exposed to temptations by bad businessmen who want to take advantage of their poor living conditions, this is no excuse for their acts. That lower bracket officials are guilty of such crimes may have the effect of reducing the people's confidence in the Government. Such corrupt officials must be eliminated."

OVERALL PEACE

Communist Party Chief Submits "Self-Criticism": Communist Party leader SHIINO Etsuro reportedly presented a "self-criticism" at an extraordinary session of the guidance section on 6 July. Shouldering the responsibility for the party's "belated start" with the overall peace struggle, Shiino judged himself "poor in theoretical knowledge." This report is said to "clinch" the evidence of a turn in the JCP peace strategy. (Yamanashi Nichinichi Shimbun, 12 July)

Kansai Students Said Plugging Overall Peace: Seventy thousand overall peace votes and 3,000 signatures for a five-party peace pact have been collected at Kyoto University. Meanwhile the literature department is sponsoring a plan to publish the recollections of people who experienced atom bombing. At Osaka University the head of the engineering department signed up for overall peace and sent a pledge to the World Peace Defense Committee to collect votes for the five-power pact. (Heiwa News No 9, a Meguro Peace Committee publication)

Tokyo Roundtable Launches 5-Power Peace Drive: A Tokyo Metropolitan Peace Roundtable was held on 20 June at the Lower House hall. It was decided to set a 1,000,000-vote goal for a five-power peace campaign in Tokyo, and to form peace groups in every district, workshop, and school in the area. (Taishu No Nakae, 29 June)

MISCELLANEOUS

Deadringer for Missing Red Spotted in Ueno: A man closely resembling missing Communist Party leader HASEGAWA Hiroshi passed directly in front of a policeman in Tokyo's Ueno district on Thursday. Noting the likeness the policeman stopped him. But before he could question him the man darted off. (Yomiuri Shimbun, 13 July)

Noted Author's Grandson Branded Red Teacher: A schoolteacher grandson of the Meiji-Taisho era writer, MORI Ogui, is being ousted from his job for Communist activities. The grandson, YAMADA Toru, a science teacher at Nakahara junior high in Kawasaki, has been under fire from parents for about a year for holding Red-line children's meetings. He received a dismissal notice on 2 July but ignored it. Four days later overall peace ballots and antidismissal bills were strewn throughout the school. Interviewed by the press Yamada refused to discuss the bills. "But as for the Communist Party," he said, "I think it is the ideal political party and am determined to uphold its policies." (Miyako Shimbun, 8 July)

JCP Congratulates Chinese Communist Party: The Japan Communist Party wired greetings to the Chinese Communist Party marking the latter's 30th anniversary on 30 June. The message expressed the "deep gratitude of the JCP and the people of Japan to your party for its unstinted efforts in the struggle for world peace and against the rearmament of Japan...Long live our great comrade, MAO Tse-tung!" (Taishu No Nakae, JCP Tokyo-to Committee publication, 3 July)

"Workers" Said Winning Control of Villages: "Workers" are having considerable influence in some of the villages of Kanagawa Ken lately. Owing to the influence of one Communist on eht village assembly, the Red Cross donation drive in Takasaki Mura, Aiko Gun, collapsed. Later this same Communist fired up a village-wide anti-tax struggle. This struggle developed into a movement to "put the village assembly in the hands of the people." A similar movement is growing in neighboring Nakatsu Mura. In Shimosoga Mura, Ashigarashimo Gun, the Japan Farmers Union, the Communist cell, and the young peoples association formed a joint antitax front during the village elections. They recently organized united livelihood and clutural society. (Heiwa Nippon, 29 June)

Film Bill Termed "Reactionary Power Grab": The "boss class" plans to push through the motion picture cultural bill at the August Diet session, a bill designed to "throw the whole Japanese film market into the lap of US capitalists." The bill provides that a motion picture cultural committee, appointed by the Education Minister, shall subsidize the production of "grade A" films. The committee would also have the power to underwrite part of the screening charges to public bodies desirous of showing these films.

The bill would give the reactionaries "absolute control over motion pictures... one of the most powerful of all ideological weapons." Further most of these subsidized "grade A" pictures being US productions, the bill would "finish off" the already tottering Japanese film industry. "We must expose it as a plot of US film capitalists to dominate Japan." (Editorial: Taishu No Nakae, 22 June)

GENERAL HEADQUARTERS
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MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1860 DATE: 13 Jul 51

Today's Tokyo Newspapers

-NEWS-

The cease-fire bottleneck created by the Communist refusal to let UN reporters cover the truce talks headed the evening press today. The major evening papers also featured the first Korean reports from their special cease-fire correspondents. Later the emphasis shifted. Most of the late morning papers led with the Dulles statement on the Japanese peace treaty and turned over the better part of their remaining frontpage space to Korean reports. Domestic news--most of it tied to the peace treaty--generally stayed below-fold in both the evening and morning press. The two national stories with the firmist foothold on the front page were Lower House Speaker Hayashi's trainboard interview and the Socialist central executive meeting.

PEACE TREATY

Lower House Speaker HAYASHI has turned down a chance for a trip to San Francisco. He ruled himself out as a possible peace delegate in a trainboard interview yesterday, while bound for Kansai on a political survey tour. "I think it improper," he said, "for a Lower House speaker to become an ambassador plenipotentiary or a member of the delegation to the peace-signing ceremony. A person who has to vote on the ratification of the treaty should not take part in the signing." To strengthen nonpartisan diplomacy he favored the appointment of some opposition representatives to the peace delegation. But he hoped that they would go only as "observers." Hayashi dismissed the opposition demand for a preconference Diet. "There is no need for it," he declared. He also saw no need for Diet dissolution. "If the Diet is dissolved at this time, we would run the risk of undermining the absolute majority of the Liberal Party--the major reason for the present atability in Japanese politics. But later, after the treaty is ratified, we can dissolve the Diet--possibly next summer or fall--to find out what the public thinks." (a) Hayashi said that after Diet dissolution Prime Minister YOSHIDA will "naturally" step down in favor of HATOYAMA Ichiro, former Liberal president now awaiting depurge. (b)

The Socialists, meanwhile, pressed for an early Diet session. The party's demand for a preconference Diet debate on the peace treaty was transmitted to the Government by a five-man delegation headed by Secretary General ASANUMA. (c) Asanuma and other Socialist leaders drafted their early-convocation demand at a central executive committee meeting yesterday. But they postponed their stand on the revised treaty draft. (d) The Socialist foreign affairs committee is now studying the new draft in detail. (e)

Some Government officials also feel that an extraordinary Diet should be convened before the peace conference. This feeling sharpened Wednesday when Finance Ministry leaders heard an explanation of the treaty draft. Interpreting Article 15 to mean that Japan must return Allied property before the peace conference, they have come to the conclusion that a Diet session must be opened in August to pass the necessary bills. (d)

The Government will soon revise ordinances pertaining to control over civilian assets earmarked for reparations. (c)

NATIONAL DEFENSE

The Government has already laid the groundwork for rearmament. Working in utmost secrecy to prevent needless suspicion abroad, it has blueprinted a post-treaty defense program in conferences with such wartime leaders as former War Minister SHIMOMURA Sadami and former Admiral NOMURA Kichisaburo. But the main planner is reported to be HATTORI Tokushiro, former colonel now with the Demobilization Bureau. Other well-known military names linked with the project are OKAMURA Neiji, IWAHATA Hideo, and KAWABE Shozo--all former general officers now working on their respective specialties: policy toward Nationalist China, economy and production, and defense against communism. (e)

(a) Yukan Mainichi Shimbun
(b) Tokyo Shimbun
(c) Yomiuri Shimbun
(d) Nihon Keizai Shimbun
(e) Nippon Yukan

LABOR

Tokyo city employees stepped up their drive for a 12,000-yen summer allowance yesterday. The 75,000 members of the Federation of Tokyo Metropolitan Office Workers Unions, dissatisfied with the city's 1,500-yen offer, quit early and mapped out further slowdown tactics. Half the workers will leave their jobs at noon today and another half will take vacations on Saturday and Sunday. These tactics are expected to cut down bus and trolley service by 20 to 30 percent today and by 40 to 50 percent over the weekend. (a)

In the wool industry, labor kept up its offensive for high pay. But the wool workers appeared headed for trouble. At the last meeting of the Japan Wool Industry Association--a management outfit representing 14 spinning companies--a proposal to form a united front against labor gathered strong support. The plan now under consideration would set up a 300,000,000-yen fund to break the summer labor offensive. Any company that independently comes to terms with its union would forfeit its contribution to the labor-curbing fund. (b)

NEWS BRIEFS

Power Rate Plan Draws Fire in Hokkaido: The proposal to hike power rates by 70 percent came under heavy fire yesterday at a hearing conducted in Sapporo by the Public Utilities Commission. But most of the consumer representatives seemed willing to accept a raise of 20 to 30 percent. (c)

Regular Runs to New York Begin Monday: The 9,562-ton Wakashima Maru, the first Japanese liner to be put regularly on the Yokohama-New York run, will leave for the US Monday. (d)

Birth Trend Changes; Hits Postwar Low: The Welfare Ministry reported yesterday that births in April totaled 176,700--28,000 less than in March and 130,000 less than in the corresponding period last year. This represented a new postwar low and suggested that the birth rate this year may be the lowest since the Government started collecting vital statistics. (e)

(a) Yukan Mainichi Shimbun
(b) Yukan Chugai
(c) Mainichi Shimbun
(d) Yomiuri Shimbun
(e) Nihon Keizai Shimbun

-EDITORIALS-

The peace treaty continued in the limelight today but shared major space with problems of education. Editorials on education discussed the difficulties of the 6-3 system and the election system for education board members, but upheld both. Other topics were revision of the general election regulations, the projected increased in electric power rates, and termination of a state of war with Germany.

PEACE TREATY

At a press conference Special Envoy DULLES clarified several points on the Japanese peace treaty draft, MAINICHI said. It was chiefly interested in the regaining of Japan's sovereignty, and noted that this is "stated clearly" in the preamble although not included in a separate clause. The paper then reminded people that recovery of sovereign rights will be accompanied by obligations. "We are apt to think too much of our international rights under the treaty, but we must not forget that all these rights accompany duties."

For instance, Japan must observe the principles of the United Nations Charter. Since it may be asked why Japan should follow UN principles when it is not a member, the paper explained that Japan will be given equal rights with other nations and required to perform certain duties in anticipation of its later acceptance into the organization. Japan will be permitted to participate in the guarantee of collective security, but this may also involve the duty of rearming to some extent to carry its share of the security burden. "This cannot fail to be a serious problem to the Japan of tomorrow." In addition, Japan must abide by various international agreements, especially those covering trade and fair practices in maritime transportation and fishing.

A MAINICHI columnist warned of possible complications ahead, citing a report that France will not accept the present draft as the final one. In addition, the opposition parties in Japan have expressed disappointment in the draft, particularly on the question of territories. In the matter of reparations, the writer also forecast difficulties when actual negotiations begin with the individual countries

concerned. "Perhaps it cannot be said that Japan lacks the capacity to pay reparations if the formula of industrial services is adopted. But it is still difficult to decide the extent to which it can pay."

YUKAN CHUGAI also emphasized the number of problems Japan faces in connection with the treaty--reparations, participation in various international pacts, and deciding between Nationalist and Communist China. Even if the facts are clear, there may be questions over interpretation of wording. An extraordinary session of the Diet must be called, the paper said, to explain all points to the nation before the treaty is signed.

EDUCATION

YOMIURI came to the defense of the 6-3 education system, which is "facing a crisis due to shortage of funds and the increased burden on teachers and parents." Many problems require solution, the paper acknowledged, but since "immediate improvement in government finance for education is hopeless," the 6-3 system must rely heavily on moral support from teachers and parents.

Discussing difficulties facing the system, the paper said: "The Constitution prescribes that compulsory education shall be free, to give all pupils equal opportunity. But actually the 6-3 system puts a heavy burden on the parents that many households have become unable to bear. The Education Ministry is now supplying free textbooks to first-year children and plans to extend the supply of free books. The heaviest burden to parents, however, is not textbooks, but expenses for other school supplies, PTA membership fees, school lunches, school libraries, school excursions and honorariums for teachers. Expenses for these are 10 times greater than for textbooks."

Furthermore, in conspiracy with school supply dealers, teachers make children buy more supplies than they need, the paper charged. It is "common knowledge" that teachers get commissions from the dealers. In the present state of government finance parents must expect to carry their heavy load for school expenses. But they should not have to tolerate such irregularities in school supplies, even though the situation may be brought on by the "poor treatment" of teachers.

ASAHI turned to the education board problem, questioning the propriety of Education Minister AMANO's recent statement that he favored appointment rather than election of board members. While many phases of the board setup need rescrutiny, it was the paper's view that so long as the boards are retained the election system should also be retained.

"It is true that the education boards are targets for much public discussion," the editorial said. "Reasons set forth against the election of members are 1) that large election expenditures are required, 2) that the boards are impotent because they lack financial power, 3) that capable men do not become candidates because of election costs, because the post lacks authority, and because of the treatment accorded members, and 4) that the people show little interest in the boards. This is all true, but is it not jumping at conclusions to reject for these reasons alone the public election system which is the only way the people can more widely participate in educational affairs?"

MISCELLANEOUS

Commenting on the current power rate hearings, NIHON KEIZAI conceded that an increase is inevitable although it should be much smaller than the one proposed. The power companies have lowered their original 70 percent hike proposal to 64 percent. But the paper declared that by slashes in expenditures for coal, repairs, excess personnel and other items, the rate could be reduced by half. The editorial especially criticized company demands for maximum depreciation allowance, even though it was admitted that this will help create a situation favorable to induction of foreign capital.

TOKYO SHIMBUN agreed with a recommendation of the Election System Research Committee that the minor electoral district system be adopted in place of the six electoral districts. Under the minor district system, the journal felt that a candidate's personality and political views become better known to voters, and that this factor outweighs the shortcomings of the system.

Ending of the state of war with Germany and speeding of the Japanese peace treaty indicate that the free nations "want to strengthen their camp by including Germany and Japan on their side," according to JIJI SHIMPO. It commended the West for going ahead without being swayed by Soviet propaganda.

PUBLISHING BAN

"Influential" Red News Service Banned: The leftist press service RENGO TSUSHIN was killed yesterday as an Akahata-successor. Government investigators raided the Tokyo headquarters and eight side offices and over 20 branches in other parts of Japan in the first simultaneous nationwide crackdown so far attempted.

The RENGO TSUSHIN issued both foreign and domestic reporte. Publishing on a two-edition-a-day schedule, it was considered an "influential" Red news organ. (Yukan Asahi Shimbun, 13 July)

ANTIPOLICE DRIVES

JCP Stepping Up Antipolice Activities: Jolted by the discovery that a former "model" Tokyo policeman was a Communist agent, Government authorities resurveyed Communist Party antipolice activities and found them "increasingly intense." At present the party seems to be concentrating hardest on fighting down the proposed revision of the Police law and on building unrest in the National Police Reserve.

Recently a report came in that the Communist Party has ordered its various prefectural fractions to find out the exact nature and location of NPR munitions, the degree of discipline in the corps, and the trainees' chief complaints as background for softening-up campaigns. For the time being the party has given up trying to recruit within the corps and has shifted instead to trying to slip in as many Communist trainees as possible from the outside. Meanwhile those already inside are lying low. (Mainichi Shimbun, 12 July)

MISCELLANEOUS

JCP Said To Have 3 Underground Bureaus: Newspaper investigators report that the Japan Communist Party has today three underground guidance sections in addition to the headquarters at Yoyogi: a Central Organization Corps, a Regional Organization Corps, and a Central Intelligence Section. Some of the biggest posts in these underground sections are allegedly held, not by Communists, but by left-wing Socialists.

It is known that the ROC is headed by political theorist FUKUMOTO Kazuo and the CIS by a "well-known controversialist" whose initials are TT. CIS subsections are reportedly operating in the textile, coal, and communication industries. They are staffed by factory Red purgees. SHIINO Etsuro, IWATA Eiichi, and other high-ranking JCP members are seated on the COC, but they are believed to hold only secondary command. The top directors are said to be the eight missing Communist leaders. (Commentary: Sangyo Keizai Shimbun, 12 July)

"Women and Youths Cooperate for Peace": Although the movement for a five-power peace treaty is growing stronger daily, the war agitation campaign is likewise gaining. Young girls are disappearing from the rural villages "to sacrifice their youth and health in factories." They have to "because there is no money in the rural villages anymore." The villages have been "stripped by excessive delivery quotas, taxes, and usurpation of fields for airbases and other military purposes."

But the young people have begun to fight. Racial independence action corps and fatherland defense corps are springing up "right and left" in Nagano Ken and other agricultural prefectures. Meanwhile university students and housewives are becoming "actively peaceminded." At Kyoto University the students held an exhibition featuring the devastating effects of the atom bomb. Local housewives organized a peace council to publicize the show. And the Democratic Womens Council is working with various youth groups to map out a joint program for Peace Month.

"Mothers, daughters, and sons are the chief losers in any war. Get behind each other's struggles and push!" (Fujin Sensen No 7, 10 July)

Youth Council Invites New Joiners: The National Council of Japan Youth Associations held its inaugural meeting on 24 May in Shizuoka Shi. Only 24 groups sent representatives, far short of what is needed to make the council into an effective youth mouthpiece. Kinki district organizations are specially urged to enter. It was resolved to form such a council six months ago at a Japan Youth Association convention in Saga Shi. The council was organized by the JYA in Nagoya Shi in May. (Heiwa Nippon No 2, 29 June)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1859 DATE: 12 Jul 51

Today's Tokyo Newspapers

-NEWS-

The Communist truce proposals and related wire news topped the evening press. Washington dispatches on the Japan peace treaty ran second--midfold or better--followed by President Truman's proposed sending of Averell Harriman to Iran. Domestic news, chiefly reaction to the peace draft, appeared far down on front pages. Morning papers continued to lead with the truce talks, headlining Rear Admiral Burke's statement that withdrawal of foreign troops will not be discussed. The peace treaty stayed in second place, with ASAHI, YOMIURI and MAINICHI featuring commentaries on the draft. The best domestic items--Bank of Japan Governor Ichimada's statement on Government loans and Finance Minister Ikeda's conference with GHQ--were pushed inside.

PEACE TREATY

Foreign Office observers commented that, despite modifications to meet British and French demands, the revised peace treaty draft differs little from the original. (a) Liberal Chief Secretary MASUDA agreed that the draft was "pretty much what we expected." "Although our wishes were not accepted on some points," he said, "the draft is substantially the product of the talks between Special Envoy DULLES and Prime Minister YOSHIDA. I want to express my gratitude for the fact that defeated Japan has been treated as an equal in problems of politics and economy, security guarantees and reparations." (b)

Peoples Democratic Chief Secretary MIKI was disappointed because the treaty does not provide for return of the Kurile, Bonin and Ryukyu islands. He blamed this on the Government's "negligence in failing to impress the Allied powers with the desires of the Japanese people." Socialist Foreign Affairs Chairman KATSUMATA pointed out the treaty's failure to clarify the Chinese issue. On the question of security, he observed that "it is by no means an honor to have foreign troops stationed in an independent Japan." (b)

Chief Secretary TAKANO of the General Council of Trade Unions took a similar view, declaring the draft was unsatisfactory for these reasons: 1) Japan must abandon all former territories, 2) the security formula contravenes the Constitution by involving a military agreement with a specific country and will lead to rearming Japan, 3) reparations provisions will create international complications, and 4) exclusion of China will greatly weaken the force of the treaty and become an obstacle to Japan's economic independence. (c)

Economic provisions drew a favorable reaction from FUKUSHIMA Masao, chief secretary of the Federation of Economic Organizations. "The revised draft is far more generous than we expected," he said. "The fact that the treaty places no formal economic restrictions on Japan gives us high hopes for future development." He noted that the treaty recognizes Japan's inability to pay reparations in money or materials.

At the same time, speaking of the most-favored-nation basis for economic relations, he commented, "In the future, foreign concerns will enjoy the same benefits as Japanese. If foreign firms import large amounts of cheap and excellent goods, Japanese firms may be hard pressed. They will have to compete by also producing cheap and excellent goods." (d)

Other economic spokesmen were similarly pleased at the absence of economic restrictions, and that no more equipment will be removed for reparations, but that a "system of reparations by processing will be adopted instead." Assuming that the government will pay the processing costs, they wondered, however, how much this would add to the tax burden, and whether it would be covered by an overall tax increase or by a special reparations tax. (e)

Some economic observers were concerned because many problems will be left for settlement with individual countries after the treaty goes into effect, saying that the demands of these countries are "utterly unpredictable." They felt that much will depend on US mediation in separate negotiations to come. (a)

(a) Tokyo Shimbun (c) Jiji Shimpo (e) Sangyo Keizai Shimbun
(b) Nippon Yukan (d) Yukan Mainichi Shimbun

FINANCE

Bank of Japan Governor ICHIMADA warned private business against relying too heavily on Government loans. Enterprises are not making enough effort to become independent, he asserted. "Dependence on government funds runs counter to the principle of laissez faire economy. With the peace treaty close at hand, we must develop international confidence. Leaning on the Government for loans to accept delivery of imports or to stockpile exports will cause loss of confidence and will unfavorably affect foreign trade." (a)

"Our commodity prices are approaching the international level," Ichimada said further. "If the Korean war is settled, the international price level is expected to go lower, at least temporarily. Therefore I have no intention of taking steps to stabilize domestic prices from the credit angle." (a)

Finance Minister IKEDA conferred with ESS Chief MARQUAT yesterday on measures to control prices and possible revision of taxes to promote the accumulation of capital. (b)

NEWS BRIEFS

HCLC Ends Control over Zaibatsu Firms: With dissolution of the Holding Company Liquidation Commission on 10 July, its function of restricting the activities of former members of Mitsui and Mitsubishi firms was transferred to the Finance Ministry. It is predicted that limitations may be eased on the number who may be employed by one company. The limit may be raised from two officers and 100 staff members to 10 officers and 500 staff members. (c)

410 More Educators Released from Purge: The Education Ministry's rescreening committee examined about 450 cases yesterday, including persons purged for militarism and membership in the Imperial Rule Assistance Association, and pronounced 410 qualified for depurge. (d)

Elect Agricultural Committees 20 July: A national election of members of the newly created agricultural committees will be held on 20 July. The committees replace the Farm Land, Agricultural Readjustment and Agricultural Reform committees. (e)

(a) Nihon Keizai Shimbun
(b) Yukan Chugai
(c) Asahi Shimbun
(d) Mainichi Shimbun
(e) Yomiuri Shimbun

-EDITORIALS-

The revised Anglo-American draft of the Japanese peace treaty dominated the editorial coverage today. Papers generally agreed that the draft should be accepted. One columnist said the proposed terms are "over-generous." Two dailies criticized Prime Minister Yoshida's hesitation to head the peace delegation to San Francisco. In other discussions, single editorials dealt with the end of the state of war with Germany and the depurge.

PEACE TREATY

MAINICHI said the revised Anglo-American peace treaty draft should be accepted despite some regrettable points. "Our hope that there might be some possibility of increasing the area of our territory as defined in the previous US draft has been quashed." Regarding the reparations problem, the draft demands that Japan conduct separate negotiations with countries concerned to make available Japanese technical and industrial skills to compensate for war damages. "The US, which tried to abolish all reparations, probably had to concede to the strong demands of such countries as the Philippines. But if the outcome of the negotiations should be too harsh, Japan's weak economy will be further weakened. We want to appeal this point strongly to those countries who demand damage reparations from Japan."

But the journal continued: "This is no time for Japan to pick faults with the joint draft. Instead, we should thank the US, especially Special Envoy DULLES, for working out an amicable draft based on the principle of keeping Japan alive."

ASAHI pointed out that the draft is "fair and by no means harsh" compared with other treaties in the past and that its relation to the international situation is more important than its contents. "So long as we decide on this treaty, we must not forget the problem that requires cautious deliberation--the international situation and relations that inevitably make a US-Japan military agreement essential as a corollary to the peace treaty." Reviewing the treaty draft, the paper stressed that people must thoroughly understand its contents. "The people are anxious to know what Japan's status will be after the peace treaty, what Japan's relations

with nations who do not sign the treaty will be, and what Japan's economy will be in the new international situation. The Government should satisfy the people's demands. It should work out and publish a white paper on the peace treaty, giving the people a responsible interpretation of the draft text and of the domestic and international situation that will result from it."

"We cannot deny a feeling of pressure in reading the text," TOKYO SHIMBUN said. It attributed this feeling to Japan's disappointment regarding territories and reparations. "But this was something we should have been prepared to face."

The journal continued: "Despite the fact that Japan had no say, the Japanese should appreciate the US efforts to carry out Japan's wishes. Even so, we cannot say that there have been no disappointments. We must wait for the realization of our desires. Whatever the case, we should accept the treaty terms. Before anything else, we plead for the conclusion of a peace treaty."

JIJI SHIMPO was "relieved" that the revised draft is generally based upon the lenient US attitude. Referring to the text, the daily noted that Britain's desire to impose economic restrictions has not been written into the draft. "But some favorable clauses contained in the original US draft have been omitted. It is undeniable that a heavy burden is added to Japan's economy."

"One point that will have a most serious effect upon Japan is the severe reparations terms," the journal said. "While the US emphasized Japan's inability to pay reparations, the revised draft provides that Japan should make available technical and industrial skills as compensation to those countries that suffered under Japanese occupation. It is true that paying reparations through services is somewhat milder than through goods, but we must not overlook the fact that such activities will ultimately be a burden to the national treasury."

NIHON KEIZAI also believed that Japan will have to bear excessively heavy economic burdens if Japan has to offer industrial and technical services as compensation for war damages. "The reparations demands should be balanced with Japan's productivity and export. Furthermore, if the reparations continue as long as 10 or 20 years, it will become an unbearably heavy burden on the Japanese people economically and psychologically. We hope that the reparations problem will be reasonably settled through the understanding of the Allied Powers, especially the US and Britain."

The daily observed that the draft leaves a way open for concluding peace with the Soviet Union and China. "We hope that an overall peace will be achieved. It is up to us to become a good member of the international family of nations, thus promoting friendly relations with the rest of the world."

A YUKAN YOMIURI columnist said that the proposed terms of peace "may be overgenerous" for a country that unconditionally surrendered. "As a climax to a bungling war that not only caused suffering to the Japanese themselves but to neighboring countries, it is too lenient." The writer added: "Although I have repeatedly stated that Japan prefers not to be encumbered with reparations, I am inclined to think that in order to impress indelibly on the minds of the people how fascistic aggression has caused the people to suffer, it might be better to have a forgetful nation pay at least some reparations."

Prime Minister Urged to Head Peace Delegation

YUKAN ASAHI criticized Prime Minister YOSHIDA for hesitating to head the Japanese delegation to the San Francisco conference. The journal considered it "strange" for Yoshida "suddenly to take this attitude." "Since President TRUMAN is scheduled to attend the peace conference as head of the US delegation, it is proper that Yoshida go to San Francisco, as a matter of international courtesy. The Prime Minister should fulfill his responsibility to the end."

YUKAN CHUGAI agreed that Yoshida should head the peace delegation. "He should take this opportunity to pay a courtesy call on behalf of the nation to express the people's gratitude to the US and other Allied Powers. Though some Liberals may oppose this step, it is absurd to argue that his absence of seven to 10 days will disrupt Government administration."

MISCELLANEOUS

YOMIURI welcomed the decision of the US, Britain, France, and other nations to end the state of war with Germany. But it regretted that the declaration is not a peace treaty. "While this may be the most we can expect under the present international situation, we hope that the step will pave the way for a peace treaty."

"Although depurgees may be good administrators, it does not seem warrantable to restore them to their former posts for their executive ability alone," a YOMIURI columnist said. "While there are many competent men on the purge list, the people should decide whether they are acceptable."

DAY WORKERS

Korean Red Alleged Plotter of Koganei Riot: Investigations yesterday revealed that a Korean Communist was one of the prime movers of a recent day laborers riot in Koganei Machi, Tokyo-to. Police rounded up nine suspected riot leaders yesterday and Tuesday. The suspects allegedly set off a workers attack on Tachikawa employment office members at the Koganei assembly point on 5 July. Under questioning they admitted plotting the riot together with their union chief secretary TOKUDA Nobuo, now in hiding. They said that the Japanese-named Tokuda is in reality one KIN Jinken, a Korean Communist. (Yukan Chugai, 12 July)

TRAIN DERAILMENT CASE

No Clues from Public in Nemuro Line Overturn: The Nemuro line train derailment is, it appears, "as far from solution today as when it happened." The accident took place near Shintoku station, Hokkaido, on 17 May and was pronounced a "conspired upset." Shortly before the accident a former member of the State Railway Workers Union local was arrested on charge of violating a government ordinance. The union "thought group" agitated unsuccessfully for his release. Further the engineer of the derailed train was a Communist Party bolter.

Convinced that the case was the work of "a gang of Communists," police have "repeatedly questioned" the railroad Red purgees living in the Shintoku district. Every purgee has produced an airtight alibi. Meanwhile the people of Shintoku Machi, most of them with relatives working on the railroad, refuse to be drawn into the case. "Not a single tip so far has been pried out of the town." (Asahi Shimbun, Hokkaido edition, 7 July)

"Ideological Group" Believed Back of Wrecking: Investigators of the Nemuro line accident, at first persuaded that only local radicals were responsible, are now probing farther afield. Their clue to an outside hand in the case is a newspaper clipping, found at the wreck, finally identified as a piece from a Sapporo sheet.

On the basis of their finds so far they are "increasingly convinced" that "a group with ideological or political backing" staged the accident. Their belief that it was not a one-man job is bolstered by the fact that three different types of mouth acids showed on some cigarette stubs picked up at the scene. Recently the words, "We intend to cut the railroad soon," written in chalk, were discovered on a railroad siding near Shintoku station. (Yomiuri Shimbun, Hokkai edition, 8 July)

MISCELLANEOUS

Communists Said Campaigning in Church Groups: Communist Party activities recently began stepping up in Shizuoka Ken. After the organ paper crackdown in April, the prefectural Communist headquarters settled at a bookstore in Shizuoka Shi. Lately the headquarters has been shifting. Formerly the Communists made considerable use of the mails. Lately they switched from the mails to couriers. And they have stopped holding meetings in their homes. Instead they are gathering at theaters and public clubs.

Police identify these changes with the current party emphasis on "Peace Month," 25 June to 15 August. The Communists are reportedly running a bigscale "Peace Month" campaign in schools, labor unions, and other organizations in the rural areas. And in the last few weeks, posing as "ardent religionists," they have started pouring antiwar propaganda into church groups. (Asahi Shimbun, Shizuoka edition, 10 July)

JCP Committeeman Distributes Organ Paper: Communist district committeeman MOCHIZUKI Hisao of Mikatagahara Mura, Shizuoka Ken, in June reportedly passed out Communist organ papers in his village. He was arrested on 6 July in a raid on his home. Police seized several copies of the district organ paper. (Asahi Shimbun, Shizuoka edition, 7 July)

Printing Plant Raided Twice for Red Bills: The Hikari printing shop in Fukuoka Shi was searched twice for seditious literature in three days. In a raid on 30 June police found at the shop two Communist-issued agitation bills entitled, "Statement regarding truce moves to stop the Korean war." On 2 July the raiders reappeared and confiscated one copy of the bill. (Nishi Nippon Shimbun, 3 July)

GENERAL HEADQUARTERS
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MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1858 DATE: 11 Jul 51

Today's Tokyo Newspapers

-NEWS-

The opening of truce talks at Kaesong and provisions of the Japan peace treaty draft took over almost all the front page in both the evening and morning press. About half the evening papers bannered one story and half the other. In morning papers, however, the peace treaty outplayed the truce talks. While some evening journals used only outlines of the treaty draft, the morning press carried the full text. The two main stories left little room for domestic news. A meeting of the depurge committee and a Cabinet subcommittee meeting on administrative reform were the only national developments to rate much attention.

PEACE TREATY

Liberal Chief Secretary MASUDA discussed the question of peace delegates with Prime Minister YOSHIDA yesterday. Masuda transmitted the opinion of the Liberal executive board that there is some doubt about the legality of sending the Upper and Lower House speakers as delegates. After the conference, Masuda said that the Prime Minister is still undecided as to whether he will head the delegation. (a)

DEPURGE

At yesterday's meeting, the committee screening purgees examined about 200 cases of formerly prominent men, including those affiliated with the Imperial Rule Assistance Association and financial organizations for the development of Japanese-occupied areas, and governors of occupied areas. Some of the persons were of cabinet rank. The committee reportedly has adopted the policy of depurging all former cabinet ministers--including members of the Tojo cabinet--except those in office when the war began. (b) Because it is proceeding carefully on the matter, however, final decision was deferred until the next meeting. (c)

The committee is also taking a cautious approach to cases falling under clause c, membership in rightists' organizations. It will give individual screening to all persons except those belonging to small prefectural associations. The committee feels this is a delicate matter because of possible foreign reaction on the eve of signing the peace treaty. Consequently a large-scale depurge of persons in this classification is considered unlikely. (c)

ADMINISTRATIVE REFORM

A Cabinet subcommittee started work on revising the administrative structure. Its aim is to draw up a "permanent" plan to meet conditions after the peace treaty and not just a temporary measure to cut down expenses. The plan will provide for streamlining both central and local administration, although the Government will not force the program on local governments. The subcommittee agreed that steps must be taken to compensate the unemployed after personnel cuts are made. (d) "Under today's social conditions, those dismissed will face a hard time," Labor Minister HORI pointed out. "Therefore adjustments for personnel cuts this time should be better than at the time of the last retrenchment." (c)

Administrative Management Board Director HASHIMOTO was assigned the job of drafting a plan by next Tuesday, to form the basis for further discussions. The Government intends to submit a reform bill at the extraordinary Diet session scheduled for late September. The reform will incorporate recommendations of the ordinance review committee and the tax roundtable conference. (d)

Hashimoto said that since a broad administrative revision will require thorough study, he could make no prediction as to when the program would be put into effect. He though part of the reform plan might have to carry over until the ordinary Diet session. (b)

(a) Sangyo Keizai Shimbun
(b) Mainichi Shimbun
(c) Jiji Shimpo
(d) Yukan Yomiuri

FINANCE

The Finance Ministry has decided to compile, separate from the 1952 general budget, an independent supplementary budget to deal with demands arising after the peace treaty is ratified. The supplementary budget will include appropriations for security, maintenance of internal order, and disposal of foreign loans. The two budgets will be discussed at a vice ministers' conference tomorrow preliminary to Friday's regular Cabinet meeting. (a)

The tax roundtable conference yesterday agreed on three recommendations: 1) allot a percentage of liquor and tobacco taxes to prefectural, city, town and village governments and make a corresponding reduction in equalization grants; 2) reduce admission and amusement taxes and return them from local to the central government; 3) abolish the enterprise tax and replace it with a corporation tax and a surtax on earned income. (b)

NEWS BRIEFS

Trial Begins in Maritime Board Case: Trial of the Maritime Safety Board bribery case opened in Yokohama yesterday. The 22 defendants include three officials and 19 businessmen. (c)

Railway Chief's Name Goes to Yoshida: The committee selecting a new president for the State Railways Corp will visit Prime Minister Yoshida today to name their choice--former Railway Minister UCHIDA Shinya, whose depurge is expected shortly. (d)

Government Asks Rice Price Approval: The Prime Minister sent a letter to ESS Chief MARQUAT seeking approval of the Government's rice price bonus plan and asking that the increase in staple food prices take effect on 1 October instead of 1 August. (e)

Amano Asks More Vocational Training: Education Minister AMANO emphasized the need for extending industrial training. He said it might be advisable to establish four-year vocational senior high schools or vocational junior high schools. (f)

(a) Sangyo Keizai Shimbun
(b) Jiji Shimpo
(c) Yukan Asahi Shimbun
(d) Yukan Mainichi Shimbun
(e) Yomiuri Shimbun
(f) Asahi Shimbun

-EDITORIALS-

Three main topics--the Japanese peace treaty, the Korean cease-fire negotiations, and economy--rated equal editorial coverage today, with two papers commenting on each. Economic discussion focused on the Government loan policy and the development of Japan's electric power sources. In addition, single editorials dealt with the termination of the state of war with Germany and the roundup of gangsters.

PEACE TREATY

Commenting on the revised draft of the Japanese peace treaty, YOMIURI saw almost no change from the one written before the Anglo-American negotiations. "We should be grateful for US efforts in persuading Britain to be satisfied with only a few changes." However, the main problem is not in the treaty contents, the paper said. "The question of how long foreign troops will be stationed in Japan has the greatest effect since the problem is connected with the issue of Japan's rearmament. Further, what will be Japan's relations with Russia and Communist China since neither will participate in the proposed treaty?"

YUKAN CHUGAI said some observers fear that "something unforeseen may arise in the period from the Korean cease-fire negotiations to the Japanese peace treaty." It felt that their fear "is not groundless when we consider the attitude already assumed by Red China and the Soviet Union in opposing the US policy toward the Japanese peace treaty." However, the journal pointed out that those who advocate overall peace should not be "overanxious" since the US is leaving the way open for Soviet participation.

The paper continued: "We should expect more rigorous provisions concerning economic restrictions and reparations. According to reports, Japan will have to limit its shipbuilding capacity to prevent unreasonable economic competition and cut down on US imports for heavy industries."

CEASE-FIRE

TOKYO SHIMBUN criticized the nations of the free world who think that success of the Korean cease-fire negotiations means the elimination of fear of a third

world war and consequently there will be no need to strengthen their defense. "If Russia abandons its limited gains and reaps a more general type of gain through dissension in the free world and obstruction of the latter's defense program, it would be most desirable for the Communists. We are convinced that this is one of the biggest reasons behind the Soviet Union's decision to start cease-fire negotiations." World peace can be maintained only when the free world smothers Communist wars of aggression, the daily emphasized. "If the free world allows everything to be influenced by the cease-fire negotiations and lets up on its defense, it will be defeated by the Communists. Strengthening of defense must also be the determination of the Japanese people as members of the free world."

A YUKAN CHUGAI columnist stressed that peace cannot be attained unless the opposing nations have good intentions. "Therefore, we would like to ascertain whether the Soviet Union is acting in good faith. While all repatriates from Russia report that the Russian people are warm-hearted and good, we wonder why these good people are so meekly subservient to a government bereft of good faith." The writer added that unarmed countries menaced by communism should not merely tremble and do nothing. "They should at least be prepared to call on the good Russian people and try to persuade them to repudiate Red imperialism."

ECONOMY

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Supplement to

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
ALLIED TRANSLATOR AND INTERPRETER SECTION

SUMMARY OF JAPANESE PRESS

NO: 1858 DATE: 11 Jul 51

Today's Tokyo Newspapers

-NEWS-

The opening of truce talks at Kaesong and provisions of the Japan peace treaty draft took over almost all the front page in both the evening and morning press. About half the evening papers bannered one story and half the other. In morning papers, however, the peace treaty outplayed the truce talks. While some evening journals used only outlines of the treaty draft, the morning press carried the full text. The two main stories left little room for domestic news. A meeting of the depurge committee and a Cabinet subcommittee meeting on administrative reform were the only national developments to rate much attention.

PEACE TREATY

Liberal Chief Secretary MASUDA discussed the question of peace delegates with Prime Minister YOSHIDA yesterday. Masuda transmitted the opinion of the Liberal executive board that there is some doubt about the legality of sending the Upper and Lower House speakers as delegates. After the conference, Masuda said that the Prime Minister is still undecided as to whether he will head the delegation. (a)

DEPURGE

At yesterday's meeting, the committee screening purgees examined about 200 cases of formerly prominent men, including those affiliated with the Imperial Rule Assistance Association and financial organizations for the development of Japanese-occupied areas, and governors of occupied areas. Some of the persons were of cabinet rank. The committee reportedly has adopted the policy of depurging all former cabinet ministers--including members of the Tojo cabinet--except those in office when the war began. (b) Because it is proceeding carefully on the matter, however, final decision was deferred until the next meeting. (c)

The committee is also taking a cautious approach to cases falling under clause c, membership in rightists' organizations. It will give individual screening to all persons except those belonging to small prefectural associations. The committee feels this is a delicate matter because of possible foreign reaction on the eve of signing the peace treaty. Consequently a large-scale depurge of persons in this classification is considered unlikely. (c)

ADMINISTRATIVE REFORM

A Cabinet subcommittee started work on revising the administrative structure. Its aim is to draw up a "permanent" plan to meet conditions after the peace treaty and not just a temporary measure to cut down expenses. The plan will provide for streamlining both central and local administration, although the Government will not force the program on local governments. The subcommittee agreed that steps must be taken to compensate the unemployed after personnel cuts are made. (d) "Under today's social conditions, those dismissed will face a hard time," Labor Minister HORI pointed out. "Therefore adjustments for personnel cuts this time should be better than at the time of the last retrenchment." (c)

Administrative Management Board Director HASHIMOTO was assigned the job of drafting a plan by next Tuesday, to form the basis for further discussions. The Government intends to submit a reform bill at the extraordinary Diet session scheduled for late September. The reform will incorporate recommendations of the ordinance review committee and the tax roundtable conference. (d)

Hashimoto said that since a broad administrative revision will require thorough study, he could make no prediction as to when the program would be put into effect. He though part of the reform plan might have to carry over until the ordinary Diet session. (b)

(a) Sangyo Keizai Shimbun
(b) Mainichi Shimbun
(c) Jiji Shimpo
(d) Yukan Yomiuri

FINANCE

The Finance Ministry has decided to compile, separate from the 1952 general budget, an independent supplementary budget to deal with demands arising after the peace treaty is ratified. The supplementary budget will include appropriations for security, maintenance of internal order, and disposal of foreign loans. The two budgets will be discussed at a vice ministers' conference tomorrow preliminary to Friday's regular Cabinet meeting. (a)

The tax roundtable conference yesterday agreed on three recommendations: 1) allot a percentage of liquor and tobacco taxes to prefectural, city, town and village governments and make a corresponding reduction in equalization grants; 2) reduce admission and amusement taxes and return them from local to the central government; 3) abolish the enterprise tax and replace it with a corporation tax and a surtax on earned income. (b)

NEWS BRIEFS

Trial Begins in Maritime Board Case: Trial of the Maritime Safety Board bribery case opened in Yokohama yesterday. The 22 defendants include three officials and 19 businessmen. (c)

Railway Chief's Name Goes to Yoshida: The committee selecting a new president for the State Railways Corp will visit Prime Minister Yoshida today to name their choice--former Railway Minister UCHIDA Shinya, whose depurge is expected shortly. (d)

Government Asks Rice Price Approval: The Prime Minister sent a letter to ESS Chief MARQUAT seeking approval of the Government's rice price bonus plan and asking that the increase in staple food prices take effect on 1 October instead of 1 August. (e)

Amano Asks More Vocational Training: Education Minister AMANO emphasized the need for extending industrial training. He said it might be advisable to establish four-year vocational senior high schools or vocational junior high schools. (f)

(a) Sangyo Keizai Shimbun
(b) Jiji Shimpo
(c) Yukan Asahi Shimbun
(d) Yukan Mainichi Shimbun
(e) Yomiuri Shimbun
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-EDITORIALS-

Three main topics--the Japanese peace treaty, the Korean cease-fire negotiations, and economy--rated equal editorial coverage today, with two papers commenting on each. Economic discussion focused on the Government loan policy and the development of Japan's electric power sources. In addition, single editorials dealt with the termination of the state of war with Germany and the roundup of gangsters.

PEACE TREATY

Commenting on the revised draft of the Japanese peace treaty, YOMIURI saw almost no change from the one written before the Anglo-American negotiations. "We should be grateful for US efforts in persuading Britain to be satisfied with only a few changes." However, the main problem is not in the treaty contents, the paper said. "The question of how long foreign troops will be stationed in Japan has the greatest effect since the problem is connected with the issue of Japan's rearmament. Further, what will be Japan's relations with Russia and Communist China since neither will participate in the proposed treaty?"

YUKAN CHUGAI said some observers fear that "something unforeseen may arise in the period from the Korean cease-fire negotiations to the Japanese peace treaty." It felt that their fear "is not groundless when we consider the attitude already assumed by Red China and the Soviet Union in opposing the US policy toward the Japanese peace treaty." However, the journal pointed out that those who advocate overall peace should not be "overanxious" since the US is leaving the way open for Soviet participation.

The paper continued: "We should expect more rigorous provisions concerning economic restrictions and reparations. According to reports, Japan will have to limit its shipbuilding capacity to prevent unreasonable economic competition and cut down on US imports for heavy industries."

CEASE-FIRE

TOKYO SHIMBUN criticized the nations of the free world who think that success of the Korean cease-fire negotiations means the elimination of fear of a third

world war and consequently there will be no need to strengthen their defense. "If Russia abandons its limited gains and reaps a more general type of gain through dissension in the free world and obstruction of the latter's defense program, it would be most desirable for the Communists. We are convinced that this is one of the biggest reasons behind the Soviet Union's decision to start cease-fire negotiations." World peace can be maintained only when the free world smothers Communist wars of aggression, the daily emphasized. "If the free world allows everything to be influenced by the cease-fire negotiations and lets up on its defense, it will be defeated by the Communists. Strengthening of defense must also be the determination of the Japanese people as members of the free world."

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