will of the people. An incumbent can act contrary to the public good without feeling that his actions will lead to his defeat at the next election. A minor political party can obtain an unproportional number of seats and so forward its own ends against the will of the majority of the people.

4. Recommend that the Public Opinion and Sociological Research Division of CI&E be requested to design and conduct a survey to determine why citizens hesitate to run for office; and that when the reason has been discovered, suggestions be given to the Japanese Government to correct the condition.

J. D. M.

Miss

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

27 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Recall of a Mayor

For the first time since the surrender, the people of a Japanese city have exercised the right to recall their chief executive. On 25 September 1949, the Mayor of Moriguchi City in Osaka Prefecture was removed from public office.

Incumbent was a Social Democrat. His recall was demanded by the Democratic Liberal Party faction who charged he was "causing undue damage to the people by: 1) illegal purchase of the necessities of livelihood; 2) illegal purchase of fuel" and other similar allegations.

An average of 68 percent of the registered voters of the city participated, including 66.0 percent of the male voters and 69.9 percent of the female. Total votes cast were 17,901, including 482 invalid votes. The results were::

For recall - 9,396
Against recall - 8,023

The above information was furnished by the National Election Administration Commission.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 September 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Progress of Election Law Revision

At 1030 hours, 24 September 1949, YOSHIOKA Keiichi, KANAMARU Saburo, and ASAHI Kunio of the National Election Administration Commission together with interpreter MASAKI H. of the Liaison Bureau called on Captain Joseph and Captain McWherter, Government Section.

Mr. YOSHIOKA reported on the progress of the study being made by the Election System Investigation Commission. According to him, two sub-committees had been established:

Sub-Committee No. 1 - to consider possible changes in the regulations governing campaigning in general (see Tab 1)

Sub-Committee No. 2 - to consider possible changes in the election law for the House of Councillors (see Tab 2)

Questions being considered by these committees are outlined in Tabs 1 and 2. Although all points have not been discussed as yet and few definite decisions have been made, the penned notes beside each issue indicate the sub-committees' thoughts. The Election System Investigation Commission itself has concluded no discussion at all pending the reports of the sub-committees.

Mr. YOSHIOKA was advised that his report was being received as a matter of information only. That while GHQ authorities would probably favor some of the proposed changes, they might not favor all of them. And that until the proposals were stated in a more concrete form, there would be no comment.

J. D. M.

2 Incls:
1 - rpt sub-committee No. 1
2 - rpt sub-committee No. 2

132

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 September 1949

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J. D. M.

2 Incls:
1 - rpt sub-committee No. 1
2 - rpt sub-committee No. 2

132

Investigation Commission : No. 1

To : Subcommission pertaining to election campaign

From: WATANABE Tetsuzo, Chairman of the Election Investigation Commission

Subject of Proposal: Matters concerning the system of election campaign in the election for Members of the Diet, Assemblymen and Heads of the local public bodies and commissioners of the Education Commission

Date: 13 Sept., 1949

Items of Study concerning election campaign

(13 Sept., 1949)

I. Fundamental affairs

1. Measures for election campaign

(1) No regulation shall be provided to election campaign in principle. And several existing limitations on the election campaign shall be abolished as much as possible.

(2) Only to relieve, if possible, the several existing limitations, in order to keep the expenses for election campaign from increase.

2. Public management of election campaign

(1) To make it fuller and more detailed as the fundamental policy.

(2) Only to rearrange and amend all kinds of existing measures of public management, with much consideration about its expenses and efficiency.

3. To promote election campaign performed by the political parties, labor unions and all kinds of organizations in principle.

4. The form of planning of law

(1) To provide it in the Election Law.

(2) To plan it according to in the form of the amendment made to the existing Exceptional Law.

(3) To establish a new Special Law.

II. Matters concerning the regulation of election campaign

1. General matters

(1) To define legally the general idea of election campaign

(2) Term of election campaign

(a) To abolish the provisions concerning the prohibition of election campaign~~ing~~ before notification of candidacy

(b) To shorten the term of election campaign provided in the existing law (the term from the day of public announcement or notification as to the day of election)

(c) To define or extend the scope of preparation action for candidacy

(d) To prohibit election campaign on the day of election

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(c) To define or extend the scope of preparation action for candidacy

(d) To prohibit election campaign on the day of election

(e) To limit any acts performed with a view to greeting after the day of election

(3) To increase the number of election offices

(4) To establish the system of election campaigner

(5) To define the provisions concerning election campaign conducted by making use of his position as ~~it~~ if specially relates to children, pupils or students of schools.

(6) To abolish or relieve the provisions pertaining to door-to-door visiting.

(7) To abolish the provisions concerning the acts of demonstration.

(8) To provide the election commission with the power to control the act which is against the provisions pertaining to election campaign.

2. Election campaign through speech.

(1) To establish no limitation pertaining to speech meeting.

Private speech meeting

Street speech meeting

(2) To abolish the limitation pertaining to the acts of calling on the name of the candidate or political party.

(3) To provide regulations pertaining to the election campaign at night or outdoors.

(4) To prohibit any speech relting to elections in the railway train, tram-car, ship or other public conveyance.

(5) To prohibit candidates or othermen to hold any private speech meeting in the neighbourhood of any public competitive speech meeting places.

3. Election campaign through documents

(1) To abolish all the limitations about the distribution or noticing of drawing materials (posters, leaflets etc.) and literatures. (documents)

(2) To meke free to insert the matters concerned election cappaign in the newspaper or other periodicals, according to the provisions of Art. 21 of the Constitution.

(3) In the case where the distribution or noticing

documents and pictures is regulated for the purpose of keeping the impartiality of election, what measure should be taken as to their kinds, numbers, sizes, colours and peaces ?

(a) Recommendation card mentioned in Chapter III.

(b) An autograph letter

(c) New Year's card, letter of inquiry after the health in hot season or in cold season and other such kinds of letters of greeting.

(d) Visiting card

(e) Advertisement, insertion in newspapers

(f) Poster, notice-board, lantern and sign-board

(4) To take measure to prevent effectively the acts against the law and to remove the unlawful documents without fail.

4. Other measures

(1) To regulate the use of motor-cars ships, sleds and microphones.

(2) To regulate the supplies of food and drink.

III. Matters concerning the public management of election campaign

1. General matters

(1) Policy of public management

(a) To place emphasis on the public management of equipments (For instance, public management of competitive speech meeting)

(b) To place emphasis upon the public management of expenses (For instance; free postage)

(2) Measures taken as the amendment to the public management system

(a) To place emphasis upon enlargement of the items of public management.

(b) To place emphasis upon making the contents of the special items fuller.

(3) To enlarage the political party's public managed election campaign.

(4) To collect no share in the expenses for public management.

III. Matters concerning the public management of election campaign

1. General matters

(1) Policy of public management

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(b) To place emphasis upon making the contents of the special items fuller.

(3) To enlarage the political party's public managed election campaign.

(4) To collect no share in the expenses for public management.

(5) To avoid any aggravation in the finance of the state or local public bodies as to the strengthing of the public management of election.

2. Matters required review for making amendment to the existing system

(1) Competitive speech meeting

Number of times

Method (Anticipated method)

Speaker

Method of notification

Others

(2) Private speech meeting

Scope of public management

Number of times

(3) Broadcasting for election campaign

Extent

Relationship with the Broadcasting Bill

(4) Advertisement in newspaper

Kinds of newspapers

Size in the advertisement column

Number of times

One to make advertisement in newspaper

(5) Free postage

Kinds

Number of sheets

Purpose of the use

(6) Career Bulletin

Number of words of insertion

Contents

Date of distribution etc.

(7) Name list

(8) Noticing up the name of candidate etc.

Matters to be inserted

Place

Term etc.

(9) Issue of free tickets for public conveyance

The number of tickets

Type of public conveyance

(10) Arrangement of fuel and paper

3. Matters required review for the enlargement on public management

(1) Public management of equipment (microphone) to be used at the street speech meeting

(2) Printing of posters etc.

(3) Public management of competitive speech meeting and speech meeting forpervasion of policy of political parties.

(4) Public management of broadcasting by a representatives of a political party

(5) Public management of distribution of leaflets or noticing up posters for propagation of policy by political parties

4. Matters required review for rationalizing the public management

(1) Distribution of name cards

(2) Notice of names etc.

(3) Broadcasting for election

(4) Newspaper advertisement

(5) Issue of free ticket for public conveyance

(6) Public management concerning notification about private speech meeting

IV. Expenses for election campaign

1. Fundamental affairs

(1) To increase the legal amount of the expenses encugh for election campaign so as to accord with the practical cirmumstances

(2) To place emphasis upon making publication of all the incomes and expenses instead of regulating the expenses because it is difficult to cause the candidates to strictly observe campaigning under the provisions of the legal amount of the expenses.

2. Regulation of the expenses of election campaign

(1) To define exactly the meaning and scope of the expenses for election campaign.

(2) To make no limitation to the expenses for election campaign performed before the notification of candidacy but put emhaside making publication of all the expenses.

3. Election campaign by the third person

(1) To admit the third person to share the expenses of election campaign without limitation

(2) To allow them to share the expenses only in the case where the responsible treasurer had given his consent

according to the existing law.

3. Report and its publication of the expenses of election campaign

(1) To amend the date and term and method of filing the report for the purpose of securing the effectiveness of it.

(2) To amend the method of publication for the purpose of securing the effectiveness of the report.

4. Dispositions for the candidates to observe the legal amount of expenses for election campaign

(1) To establish a simple special system for law-suitd for the excess of legal amount of expenses.

(2) To establish penal regulations and grant the public procurator the power to prosecute.

(3) In the casw where the report of the expense of election campaign contains any false statement, election shall be invalid, even if the expenses was reported within the legal amount.

Investigation Commission: No. 2

To: Subcommission on the election for membership of the House of Councillors

From: WATANABE Tetsuzo, Chairman of the Election System Investigation Commission

Subject of Proposal;

The matters required amendment, relating to the system of election for membership of the House of Councillors (except the provisions concerning election campaign)

Date: 14 Sept., 1949

Items of Study concerning elections for membership of the House of Councillors, proposed to the Commission (14 Sept., 1949)

I. Matters concerning election district

1. To amend the system of the national constituency, and have the block system so as to divide election districts into blocks.
2. To amend the existing system of national constituency and prefectural constituency, and have the simple system of prefectural constituency.
3. To have only one system of national constituency in stead of the system of prefectural constituency.

II. Matters concerning the right to vote and eligibility.

1. To raise the ages which are provided as the requirement to get the right to vote and eligibility for election for the election of membership of the House of Councillors.

not translated

TAB 2

2. To rearrange the provisions of disqualification so that the right to vote and eligibility for election may be granted to the person who has been released on probation or declared quasi-incompetent, etc..

III. Matters concerning the method of return.

1. To adopt the method of the indirect election.

2. To provide the members who should be appointed by the government or the Diet by means of appointment or nomination.

3. To adopt the method by which candidates may be recommended by the Diet or other organization.

IV. Matters concerning voting and other procedures pertaining to elections.

1. To adopt the method of putting marks on the ballot.

printed ballot system

2. To adopt the method of appointment of the poll superintendent by the election commission instead of the registration system to appoint the poll superintendent by candidates.

3. To prohibit two and more to be appointed as the poll superintendent from one political party or other organization.

4. To amend the system of the absentee voting so that the captain (Commander of a ship) may be appointed to the poll superintendent, etc..

5. To amend the method of voting such as the time of poll, polling places etc.

6. To regulate the ballot counting superintendents, election superintendents from among the same

political party or other organization not to be in excess of three or more in number, who shall be chosen and reported by the candidate.

V. Matters concerning candidates and elected candidates.

1. To provide the system of primary election for candidate pertaining to the of candidacy

2. To adopt the system by which candidate be recognized by the political party.

3. To advance the date of closing of candidacy and to abolish the system of candidacy for complement.

4. To raise the price and forfeiture-point of deposit.

5. To set up no provisions for prohibition of candidacy of public officials such as mentioned in Article 67, of the Law for the Election of Members of the House of Representatives, otherwise to limit agreeing with real condition range of public officials to prohibit candidacy, if to set up such provisions.

6. The prefectural election administration committee shall make the notification of election and the public notice of the successful candidate based on the report of the presiding officer of election.

7. In case a successful candidate wishes to decline his election, he shall so notify the prefectural election administration committee within ten days after the receipt of the notification of his election, and in case he does not notify, he shall be deemed to have accepted his election.

VI Items concerning Re-election, By Election and Complement of Vacancies.

1. To research the system of complement of vacancies.
2. To rationalize the existing system concerning re-election and by-election.

VII. Items concerning law suits arising out of elections.

1. To consolidate the provisions concerning the law suits arising out of elections in the Election Law in view of their peculiarity against the law suits arising out of general administration.
2. To repeal the difference between suit to the validity of the success in election and suit to the validity of an election.
3. (The suit to the validity of the success in election) shall be instituted against the prefectural election administration committee concerned.
4. To limit the violation of the legal provisions governing elections, that is the cause of invalidation either in whole or in part of the election to the violation of provisions of procedure of election.
5. To prohibit to institute an administrative suit besides law suits arising out of elections by reason of the violation in procedure of election, and to prohibit to apply the provisional disposition of suspention of execution concerning election.

VIII. Items concerning expenditure necessary for execution of election.

1. To fix by law the standard of expenditure necessary for execution of national election and distribution toward local public bodies.

2. To deliver every year the state subsidy of proper amount toward the election administration committee of the prefecture and city, town and village.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Status Report on Work of Zaibatsu Screening Section, Prime Minister's Office

Reports Received:

Rpt No	Subject	Decision	Date of Decision
74.	SAKUMA Jiro	Application approved as non-Zaibatsu appointee	5 Sep 49
75.	FUJIU Tomizo	Application Approved as non-Zaibatsu appointee	8 Sep 49
76.	NIIYAMA Haruo	Application approved as non-Zaibatsu appointee	5 Sep 49
77.	OTSUBO Tatsuo	Application approved as non-Zaibatsu appointee	6 Sep 49
78.	TANAKA Masatoshi	Application approved as non-Zaibatsu appointee	6 Sep 49
79.	HAMADA Noboru	Application approved as non-Zaibatsu appointee	7 Sep 49
80.	Chuo Tatemono K. K. (Chuo Buildings Co., Ltd.)	Designated as successor company	5 Sep 49
81.	IWASAKI Kinichi	Application approved as non-Zaibatsu appointee	10 Sep 49
82.	SHO Kiyohiko	Application approved as non-Zaibatsu appointee	14 Sep 49
83.	KINBARA Yunosuke (Liquidator, Yasuda Hozensha)	Application for six months extension approved (25 Sep 49 - 24 Mar 50)	15 Sep 49
84.	IKUNO Shosaku	Application for six months extension approved (1 Oct 49 - 31 Mar 50)	15 Sep 49

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Rpt No	Subject	Decision	Date of Decision
85.	Nichiden Kogyo K. K. (Nichiden Industry Co., Ltd.)	Designated as successor company	17 Sep 49
86.	Tachibana Kinzoku Kogyo K. K. (Tachibana Metal Industry Co., Ltd.)	Designated as successor company	18 Sep 49
87.	Kashii Jidosha Kogyo K. K. (Kashii Automobile Industry Co., Ltd.)	Designated as successor company	18 Sep 49

Recommendations:

a. Findings of the Committee appear correct and justifiable.

b. Recommend that we do not object to above decisions.

J. D. M.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 September 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Forfeiture of Deposit by Candidates

KANAMARU Saburo of the National Election Administration Commission supplied the following information:

1. Each candidate for the general election to the House of Representatives on 23 January 1949 put up a deposit of ¥30,000 at the time he filed his candidacy. By law, any candidate who failed to receive one tenth (1/10) of the votes cast in his district forfeited his deposit. The forfeitures were paid into the National Treasury.

2. There were 1,364 candidates in the general election. Four hundred and thirty-six (436) received less than the required number of votes and so forfeited their deposits. The total amount of the forfeited deposits was ¥13,080,000.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Supplementary Plan for Examination of Former Imperial Household Property

At 1000 hours, 24 September 1949, IKEDA Shuzo of the Board of Audit submitted the attached supplementary plan for examination of former Imperial Household properties. The supplementary plan was prepared in accordance with the discussion outlined in Memorandum for the Record, Government Section, subject: Conference re: Board of Audit's Plan for Examination of Former Imperial Household Properties, dated 20 September 1949.

The supplemental plan corrects in part those weaknesses pointed out in the original plan but does not necessarily provide an absolute check of the records.

Recommend that the Board of Audit's report which is due on or about 15 October 1949 be checked against records held by Government Section and any discrepancies noted be recorded in a memorandum for the Chief.

J. D. M.

1 Incl
Board of Audit's Plan for Examination
of Former Imperial Household Property
dtd 24 Sep 49

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Tokyo, Japan
23 September 1949

Mr. Ronald Kaehler
President, San Francisco Stock Exchange
San Francisco, California

Dear Mr. Kaehler,

Mr. T. F. Adams, of SCAP'S Economic and Scientific Section, suggested that I address this request to you. He stated that he believed you had the information that I need at your fingertips, and that he knew that you would be more than willing to take the trouble to forward it. Certainly, I shall be grateful for whatever aid you can give me.

My inquiry concerns the Trans-America Corporation of 300 Montgomery Street, San Francisco, California. I would like to have any information about it that is readily available including capitalization, list of holdings, and the officially published statement of assets and liabilities.

Mr. Adams asked me to add that he would personally appreciate your efforts in this matter.

Yours very truly,

CAPT. JOSEPH D. McWHERTER, JR.
Government Section
GHQ-SCAP, APO 500
c/o Postmaster
San Francisco
California

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GOVERNMENT SECTION
Public Administration Division

22 September 1949

MEMORANDUM FOR: Major Napier

SUBJECT: Sale of Stocks, Bonds and Securities in Japan

1. At present no non-Japanese firm has been authorized by ESS to sell stocks, bonds or securities in Japan.

2. International banks may take orders from a regular depositor to buy shares in the United States providing that person's deposits are in U. S. currency or script. Officials of banks, however, are prohibited from "inducing" their depositors to buy.

3. It is possible for a Japanese who has an account in a United States bank to authorize his Stateside bank to purchase stocks for him.

4. A private United States citizen in Japan who owns stock in an American firm may sell that stock to a Japanese citizen.

5. Until the Peace Treaty is signed, the American stock owned by any Japanese national is subject to seizure.

6. With the exception of paragraph 4, Mr. T. F. Adams, Money and Banking Branch, Finance Division, ESS, furnished the above information.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Trans-America Corporation

1. The Trans-America Corporation is capitalised at about $19,860,000 having 9,930,000 shares of stock outstanding at a par value of $2.00 per share.

2. At present the market quotation fluctuates between $10.00 and $12.00 per share but has risen as high as $18.00.

3. Dividends have been paid every year since 1934. During and following the war the dividends averaged $1.50 per year, but the last one paid, January 1949, was only $.40 per share. (Source of information, Mr. T. F. Adams, Money and Banking Branch, Finance Division, ESS.)

J. D. M.

126.

T. F. Adams

57-880 X

Room 200 Pacific Bldg

$19,860,000

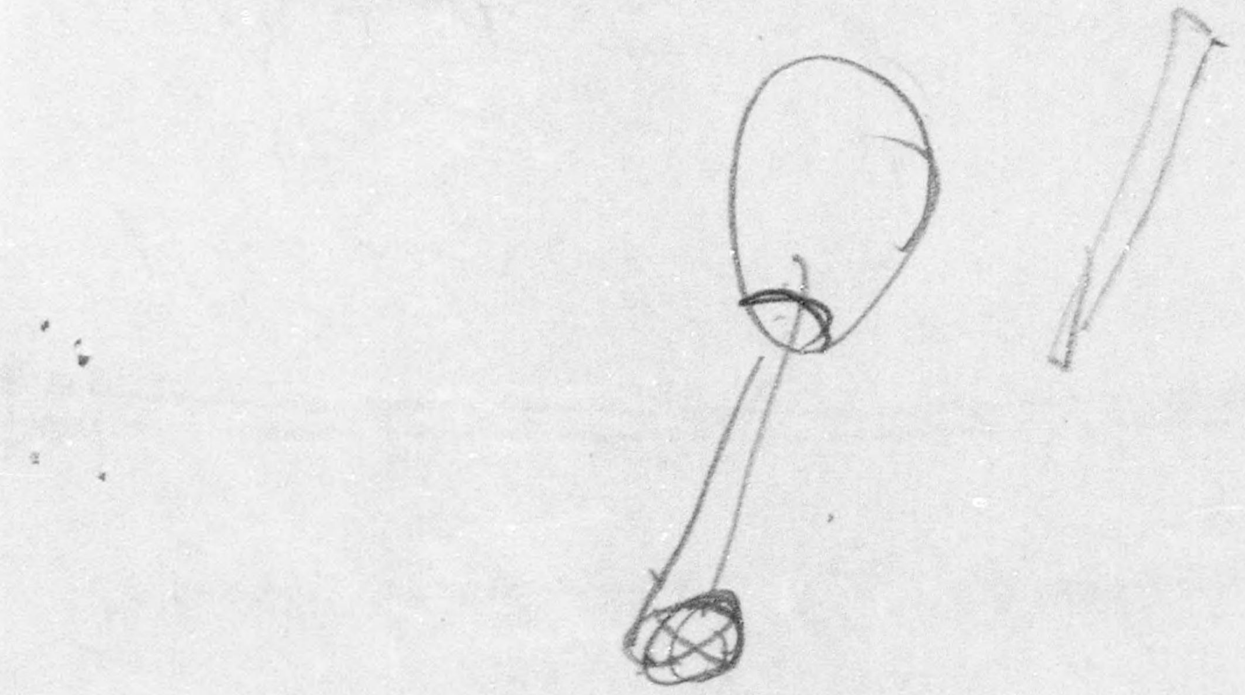
Trans-America Corporation

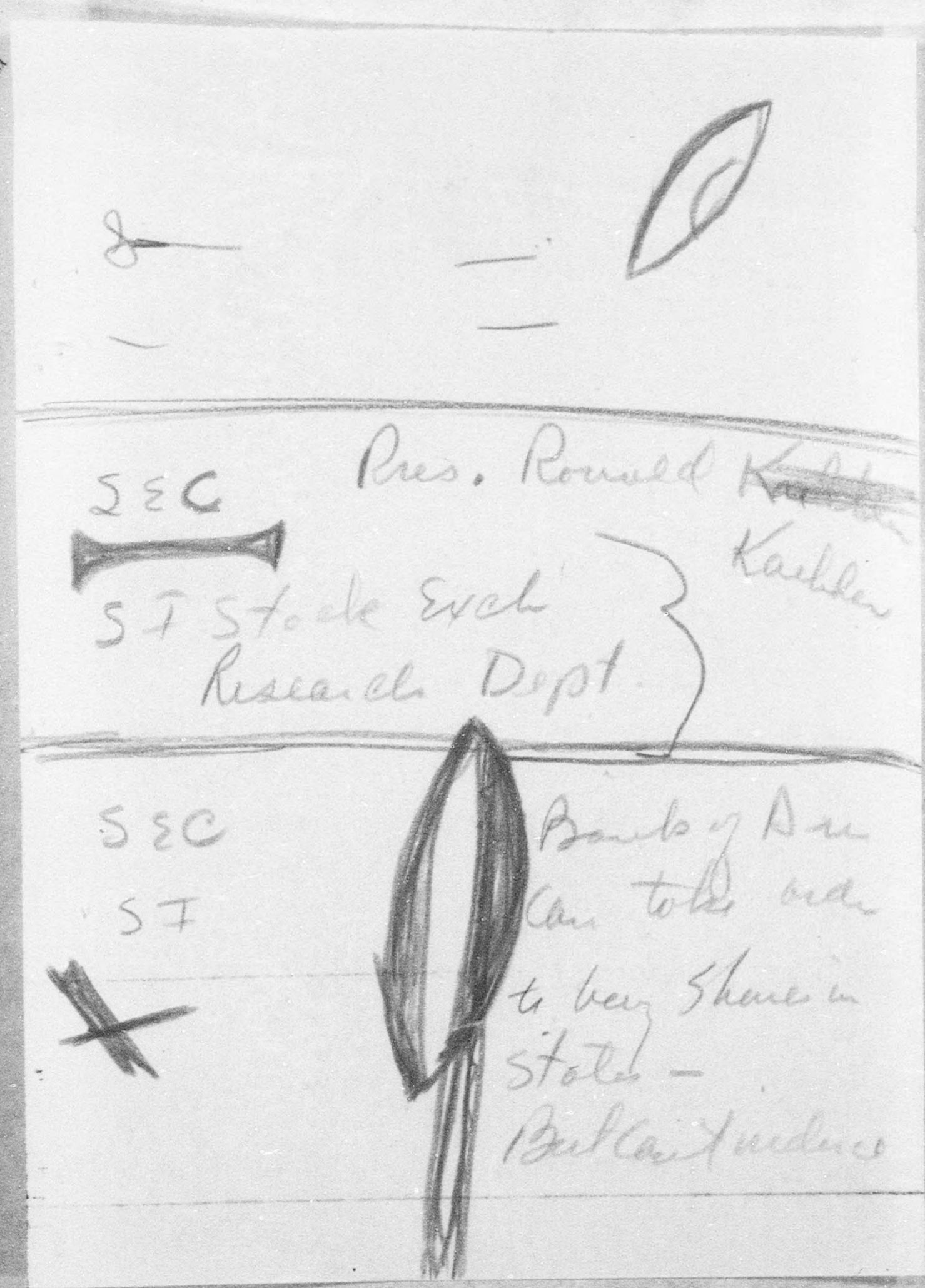
Holding Company
{ Banks
Industry

In Calif -

San Francisco, Calif
300 Montgomery Street

owns Stocks in Securities of
Banks + Industries. Sometimes operates
+ sometimes doesn't.




SEC
Pres. Ronald K
Kaelin
ST Stock Exch
Research Dept.
SEC
ST
Bonds of Am
Can told me
to buy Shares in
stock —
But Can't under

1. Study Practices

2 Holdings

Cal Lands

Dunn) Banks of A. C. Corp. (Sun Bank)

Miller & Lux - Lands & Prop.

Stock in

Court list for Sev. yrs.

Cap. - 9,930,000 Shares
outstanding -

$2.00 a share

d

15.00 per Share.

Prior to war let SEC method of Selling

Paid Div since 34

Sold direct to small buyers

last yr 40¢ a share

Avg 1½ per share last 4 or 5 yrs

Gianinni, Lawrence Mario;

born San Francisco, Calif., Nov. 25, 1894; son of Amadeo Peter and Clorinda Agnes (Cuneo) Gianinni; L.L.B., Hastings College of the Law (U. (Calif.), 1920; married Anna Mercedes Collins, Apr. 7, 1929. Began with Bank of Italy (later Bank of America Nat. Trust & Savings Assn.), San Francisco, 1918, became senior vice-pres.; now pres. & chairman, exec. com., Bank of America Nat'l Trust & Savings Assn; chairman board Occidental Life Insurance Co. Member of Calif. Bar Assn, Bar Assn, San Francisco; Native Sons of the Golden West.

GIANNINI

Democrat. N.C., Elk, clubs:

Bohemian, Olympic, Commonwealth,
San Francisco Commercial;

~~Jonathan, Los Angeles Athletic~~
(Los Angeles Calif.); Home;
Atherton, Calif. Office; 300
Montgomery St., San Francisco
Calif.

Walstan Hoffman & Goodman
(Claims not an off. co)
Used to support Price of Stock

N.Y. & San F.

GOVERNMENT SECTION
Public Administration Division

21 September 1949

MEMORANDUM FOR: Major Napier

SUBJECT : Stock Selling Practices

The following information was furnished by a person who disapproved of the subject corporation policy but was in a position to know their practices.

Prior to the war, the Securities Exchange Commission investigated the corporation to determine whether its stock selling practices were illegal and unfair, or merely unethical.

Allegedly, par value of the stock was set unreasonably high. Its value was maintained there through the manipulations of a brokerage firm who, according to the records, was not a part of the corporation's empire. One of the firm's partners, however, was the son-in-law of the corporation's president. The brokerage firm had seats on both the New York and the San Francisco Exchanges.

Salesmen of the corporation "barnstormed" the surrounding small cities and farms, "high-pressuring" sales of the corporation's stock. Common practice, it was said, was for the salesman to induce small investors to sell their holdings in other stocks and to by subjects. Salesmen's commissions were unusually high.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 September 1949

MEMORANDUM FOR MR. HAUGE

SUBJECT: Percentage of Voter Participation in Local Land Commissioner Elections

1. Forty-two percent or 4,625 of the 11,043 elections for Local Land Commissioners held during August, 1949, were "No-Poll" elections.

2. Of the remining in which there was actual balloting, the percentage of qualified voters who cast ballots was 78%.

3. In 20 prefectures, the percentage of abstention was less than 20%. In only 3 prefectures was it over 30%.

J.D.M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 September 1949

MEMORANDUM

SUBJECT: Prefectural Land Commission Election

1. When filing their intention to run for Prefectural Land Commissioners, the candidates were not required to state their political affiliation. Representatives of newspapers on the spot guessed at the party connection of the candidate. Officials of the National Election Administration Commission have no other recourse so that even the official report will reflect "guesses".

2. Because each newspaper guessed the party affiliation of the successful candidates, various reports gave different totals of seats accorded political parties. Accounts in the leading Tokyo newspapers were:

Party	Yomiuri	Nihon Keizai	Asahi	Kyodo	Mainichi
Democratic Liberal	81	58	58	58	60
Democratic	25	21	22	21	23
Social Democratic	109	86	79	86	84
Communists	2		2	2	2
Labor Farmer	3				3
New Farmer					5
Japan Farmer's Union					19
All Japan Farmer's Union					3
Minor parties	1		10	25	4
Independent	234	264	285	264	250
Others		31			
Totals	455	460	456	456	453

3. Assuming that the reports of Kyodo are the average and perhaps most nearly accurate, the percentage of seats won by political parties is as follows:

Democratic Liberal	12.8
Democratic	4.7
Social Democratic	18.8
Communist	.5
Minor parties	4.9
Independent	58.3

4. There were 110,723 persons elected to local land commissions in August 1949. That group formed the electorate for the prefectural elections. The average rate of voter participation was 95.6 per cent, according to a report in the Mainichi Shimbun of 22 September 1949.

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5. The Mainichi Shimbun, 22 September 1949, reported that in each of four prefectures one candidate failed to garner a large enough percentage of the vote to qualify. There were a total of 460 seats but only 456 were filled. This necessitates another election in those prefectures within the next 60 days. The prefectures were: Hyogo, Hiroshima, Kagoshima and Miyagi.

J. D. M.

21 September 1949

MEMORANDUM FOR: Major Napier

SUBJECT: Preferential Treatment of International Business Machines' Employees

1. The following information was furnished by Major Rousseau, SCAP Plans and Policies Division, G-1:

a. Employees of International Business Machines are not given preferential treatment that is not accorded to employees of Coco Cola Bottling Company, International Dairy Supply Company, Civil Aeronautics Administration, Pepsi-Cola Bottling Company, Japan Oil Storage Company, or other civilian organizations whose operation is necessary to the success of the Occupation.

b. International Business Machines does have one commercial entrant whose principal occupation is furtherance of the firm's affairs. He is not accorded the special privileges given to the regular International Business Machines' employees. He receives no special treatment not accorded to other commercial entrants.

c. International Business Machines equipment is leased, never sold, and is used throughout the Far East to prepare machine records reports and other special reports. The employment of company-trained and company-hired technicians and mechanics is necessary to maintain and operate these machines. The technicians' job is not to further the interest of the International Business Machines Corporation, but to perform work necessary for the Occupation.

J. D. McWherter, Jr.
Capt FA

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 September 1949

MEMORANDUM FOR MAJOR MAPIER

SUBJECT: Supplementary Information on Government's Personnel Reduction Program

1. At a meeting on 19 September, Minister of State HONDA reminded heads of all ministries and governmental offices concerned that completion of the personnel reduction program must be accomplished by 1 October as planned.

2. Those present promised this would be accomplished. The Minister of Postal Services and the Minister of Telecommunications , still employing 10,962 and 8,200 persons, respectively, slated for separation, announced that as of 19 September these figures had been reduced to approximately 3,000 and 5,000 by recent dismissals.

3. A budgetary balance sufficient for payment of remaining excess personnel to 1 October and separation pay thereafter does exist.

4. The above information was supplied Captain Joseph of Government Section by NAKAGAWA, Toru of the Administrative Management Agency during a telephone conversation on this date.

A. A. J.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

21 September 1949

MEMORANDUM FOR MAJOR NAFZIER

SUBJECT: Status of Government's Personnel Reduction Program

1. During the month of August 20,173 employees were discharged by the Japanese Government in accordance with the Law for Fixed Number of Personnel in Government Organizations (Law No. 126, 1949) and Cabinet Order No. 263 of 8 July 1949. The total of persons dismissed since the initiation of this law had reached 129,453 as of 1 September.

2. The 1 August 1949 official estimate placed the number of personnel to be released as 153,756. The table in paragraph 4 below shows that 24,214 remain to be dismissed during September and early October.

3. In respect to the above estimate the personnel slash has been 84% accomplished. To complete the program, the dismissal of the remaining 24,214 persons will be accomplished by early October according to Nakegawa Toru of the Administrative Management Agency.

4. Those organizations still requiring personnel reduction and the progress made by them during August are shown in the table below.

Office	Remaining to be Discharged (as of 1 Aug 49)	Remaining to be Discharged (as of 1 Sep 49)
Prime Minister's Office	1,285	500
Ministry of Foreign Affairs	17	14
Attorney Generals Office	0	0
Ministry of Finance	1,079	151
Ministry of Education	140	30
Ministry of Welfare	1,350	465
Ministry of Agriculture and Forestry	4,300	2,600*
Ministry of International Trade and Industry	1,600	681
Ministry of Transportation	870	0
Ministry of Postal Services	19,700	10,962
Ministry of Telecommunications	9,000	8,200
Ministry of Labor	1,990	70
Ministry of Construction	1,620	13
Economic Stabilization Board	1,036	508
Japanese National Railways	400	0
Japan Monopoly Public Corporation	0	20*
	44,387	24,214

*Estimated

5. The above information and figures were taken from statistics furnished the Government Section by the Administrative Management Agency.

A. A. J.

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The Progress of the Program for the
Reduction of Government Personnel

As of Sept. 1, 1949

Administrative Management Agency

Following columns show respectively:-

A. Number of personnel retired or discharged before September 1, 1949.

B. Number of personnel transferred to other ministries before September 1, 1949.

C. Total of A and B.

D. Number of personnel to be discharged during September.

E. Total of C and D

Ministries etc.	A	B	C	D	E	Remarks
1. Prime Minister's Office						
Office Proper	216	6	222	53	275	
Statistics Commission	5	3	8	—	8	The figures changed from the previous report
National Election Administration Commission	1	—	1	1	2	
National Rural Police	293	—	293	435	728	The figures changed from the previous report
Imperial Household Agency	40	1	41	10	51	
Special Procurement Agency	2,036	4	2,040	—	2,040	The figures changed from the previous report

	Reparations Agency	10	—	10	1	11	The figures changed from the previous report
	Local Autonomy Agency	2	—	2	—	2	
	Total	2,603	14	2,617	500	3,117	
2.	Attorney General's Office	4	—	4	—	4	
3.	Ministry of Foreign Affairs	291	169	460	14	474	
4.	Ministry of Finance	6,126	17	6,143	151	6,294	Includes 1,574 of reparations personnel.
5.	Ministry of Education	336	—	336	30	366	Excluding 170 transfer within the ministry which was included in the figure of the previous report.
6.	Ministry of Welfare	2,770	4	2,774	465	3,239	Figures of the previous report included personnel who were transferred within the Ministry.
7.	Ministry of Agriculture and Forestry	1,000	—	1,000	2,600	3,600	Figures are rough estimates. The total number of personnel to be discharged has changed from the previous report
8.	Ministry of International Trade and Industry	1,684	3	1,687	681	2,368	
9.	Ministry of Transportation	2,591	29	2,620	—	2,620	
10.	Ministry of Postal Services	7,594	—	7,594	10,962	18,556	The figures for total has changed from the previous report
11.	Ministry of Telecommunications	4,465	—	4,465	8,200	12,665	The figures for total has changed from the previous report
12.	Ministry of Labor	2,848	107	2,955	70	3,025	Including 900 as provided for in Article 8 of the Supplemantary Provisions of Local Autonomy Law

13.	Ministry of Construction	1,610	21	1,631	13	1,644
14.	Economic Stabilization Board	378	36	414	508	922
15.	Japan Monopoly Public Corporation	680	—	680	about 20	700
16.	Japanese National Railways	94,773	—	94,773	—	94,773
17.	Grand Total	129,453	400	130,153	24,214	154,367

(Note) In the cases of Ministry of Postal Services and Ministry of Telecommunications further reductions of roughly 8,000 and 3,000 respectively have been made during the period between Sept. 1 and Sept. 19.

The Progress of the Program for the
Reduction of Government Personnel

As of Sept. 1, 1949
Administrative Management Agency

Following columns show respectively:-

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

20 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Conference re: Board of Audit's Plan for Examination of Former Imperial Household Properties

1. At 1000 hours, 20 September 1949, the Board of Audit's "Plan for Examination of Former Imperial Household Properties" was discussed with IKEDA Shuzo, Chief of the Investigation Section of the Board of Audit.

2. The weaknesses of the plan, as outlined in Memorandum, Government Section, 19 September 1949, were pointed out and explained in detail.

3. Mr. IKEDA was requested to prepare a supplementary plan to correct these weaknesses and to forward it by 23 September for Government Section's information.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

20 September 1949

MEMORANDUM FOR MAJOR NAPIER

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J. D. M.

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I. Total Population

	Male	39,365,452
	Female	40,851,444
A.	Total	80,216,896

Population over Twenty Years of Age

	Male	25,428,861
	Female	29,268,812
B.	Total	52,697,673 (As of Aug 1948)

Eligible Voters

	Male	20,060,522
	Female	22,044,778
C.	Total	42,105,300 (No. of eligible voters at the general election on 23 Jan '49)

Percentage of Eligible Voters (C divided by A)

Male	50.95 %
Female	53.97 %
Average	52.48 %

Percentage of People over Twenty Years of Age (B divided by A)

Male	78.88 %
Female	80.84 %
Average	79.89 %

Any person who has attained his 20th birthday is considered as adult. Any Japanese national who is twenty years of age or over is eligible to vote, however, any person who has been declared incompetent or quasi-incompetent, or who has been sentenced to penal servitude or impreisonment and whose term of sentence has not been completed or is yet to be executed shall shall not be eligible to vote. (Art. 5 and 6, Law And Ordinance For The Election Of Members Of The House Of Representatives) Furthermore, any person who has not fulfilled the residence requirements of six months is not able to enter his name in the register, and, therefore, is not eligible to vote. (Art 12 of the same law)

Translation of Central Election reply to Comm. to inquire Admin. Division Indian Liaison Tokyo No F 11(9)/29/1718 15 Sept 49

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II. The percentages of school attendance by children of school age are 98.80 % for elementary schools and about 95,00 % for "new-system" high schools. (Both are compulsory education) There are no records on the surveys to indicate what percentage of the population is illiterate. However, even if a person had not received a compulsory education, it does not necessarily mean that he is illiterate; therefore, it is believed that there is hardly any person who cannot vote because of illiteracy among the people.

III. If a person identify himself as an elector on the voter's register, he shall be allowed to vote. (Art 25 of the same law) The full name of the candidate shall be entered in a ballot by pencil, brush, or fountain-pen without using machines. (Art. 27 of the same law)

At the time of ballot-counting, ballots will be counted after separating the ballots according to candidates.

IV. Since there is hardly any person who cannot vote because of illiteracy, votes can be cast by only those who can write by themselves, and there are no special provisions for voting by proxy.

Received from the Natl Sec'y Admin Communication 21 Sept '49 - Rights to Foreign Nationals in Japan

一、總　人　口　(A)　男　三九三六五四五三　女　四〇八五一四四四

計　八〇三一六八九六

二〇才以上人口　(B)　男　二四二八八六一　女　二七三六八一二

計　五二六九七六七三　（一九四八年八月常住人口調査）

有權者數　(C)　男　二〇六〇五二三　女　二二〇四四七七八

計　四二一〇九五三〇〇（一九四九年一月二十三日衆議院議員總選擧日の有權者）

C／A　男　五〇九五%　女　五三九七%　平均　五二四八%

C／B　男　七八八八%　女　八〇八四%　平均　七九八九%

成年は滿二十年以上であり、選擧權も日本國民で年令二十年以上の者にあるが、禁治產者、準禁治產者並びに懲役又は禁錮の刑に処せられその執行を終り、又は執行を受けることがなくなる迄の者は選擧權を有せず、（衆法第五條、第六條）且つ六月の住所要件を滿たさない者は、名簿に登載されず、從つて投票はできない（衆法第十二條）

四、現在における学令期の児童の就学率は小学校においては九九八%新制中学校においては約九五%（共に義務教育）であるが、全人口の何割が無学であるかを調査した記錄はない。但し、義務教育を受けなくとも必ずしも無筆文盲であるとは限らないから、國民の中で無学の爲に投票出來ない者は殆んどないと思われる。

三、選挙人名簿と対照して選挙人であることを確認すれば投票をさせるのであるが、（衆法第二十五條）投票の際は別に機械器具は使用せず投票用紙に筆、鉛筆、万年筆等を以て候補者の氏名を記載するへ（衆法第二十七條）。（備考）投票の場合は候補者別に投票用紙を分類して計算する。

二、無学の爲投票できないと思われる人は殆んどないから投票は自書しうるもののみできることになつており、（衆法第二十七條）他人を代理して代理投票をさせる等別に措置は講じられていない。

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

19 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Attendance at Hamarikyu Park

1. The following report of attendance at Hamarikyu Park for the period 1 - 31 August 1949 was forwarded to Government Section by the Liaison Bureau, Ministry of Foreign Affairs:

Number of Visitors: 16,608

Amount of Revenue:

Admission Charges:	¥163,030.00
Rent of Tennis Courts:	16,240.00
Rent of Bungalow:	7,600.00

2. Charges for admission and use of facilities are:

Admission:	¥10 per person (¥5 per person for visiting groups)
Tennis Court:	¥40 per hour
Bungalow:	¥200 for use of one room
	¥500 for use of both rooms

3. Hamarikyu Park, a former Imperial Household property, is at present in the custody of the Governor of Tokyo-to; and revenues are paid into accounts of the Metropolis.

J. D. M.

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Miss

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

19 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Attendance at Hakone Park

1. The following report of attendance at Hakone Park was forwarded to Government Section by the Liaison Bureau, Ministry of Foreign Affairs:

Attendance for period 1 - 31 August 1949:

Japanese	-	3,440 persons
Foreigners	-	458 persons
Total	-	3,898 persons

2. Hakone is a Kanagawa Prefectural Park. No Admission is charged.

J. D. M.

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GENERAL HEADQUARTERS .
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

19 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Board of Audit's Plan for Examination of Former Imperial Household Properties

1. IKEDA Shuzo, Chief, Investigation Section, Board of Audit, submitted the attached "Plan of Examination of Former Imperial Household Properties." The plan was prepared pursuant to the conference reported in Memorandum for the Record, Government Section, 25 August 1949.

2. The plan requires that each Ministry prepare a report in accordance with the provisions of the National Property Law. The Board intends to check these reports against the list of former Imperial Household property prepared by the Imperial Household Office. This plan has two weaknesses:

a. It assumes the list of properties prepared by the Imperial Household Office is a complete and correct list.

b. It does not provide for a report to be submitted on all of those properties which have been sold or transferred to custodians who are not bound by the provisions of the State Property Law.

3. The date set for the completion of the audit is on or about 15 October 1949,-- a reasonable time limit providing a comprehensive and final inspection and correction of records is accomplished.

4. Mr. IKEDA was advised that, in so far as the Head of the Board of Audit was handed the problem by Major Napier and Mr. Rizzo, Mr. SATO should report on his suggested plan of action to those persons. To date, the suggestion has been ignored.

J. D. M.

1 Incl: Board of Audit Plan for Examination of Former Imperial Household Properties

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

15 September 1949

MEMORANDUM FOR THE RECORD

SUBJECT: Standardization of Staff Presentations

1. Following a recent Chiefs-of-Staff conference attended by various congressional members, severe criticism of the manner of presentation of diagrammatic material by some staff sections was made by Generals Almond and Maris.

2. At a subsequent meeting it was directed that at future Chiefs-of-Staff conferences all charts and diagrams used by staff sections would be standardized as to form, size, and lettering.

3. Government Section requisitioned and was supplied with five (5) of the standardized charts. They are now on hand and available for future use.

4. Specification of these charts and data as to their preparation are given on the attached layout sheet.

A. A. J.

1 Incl: Chart layout Sheet

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

15 September 1949

MEMORANDUM FOR MR. HAUGE

SUBJECT: Candidates for Prefectural Land Commissions of Tokyo-to

1. According to a telephone report of the National Election Administration Commission, the number of candidates who filed for the Prefectural Land Commission election in Tokyo-to prior to the 13 September deadline totalled 28. Names of the individual candidates were not available.

2. The number of candidates by parties was:

Democratic Liberal	5
Social Democratic	2
Independent	18
Japan Farmer Union	2
Communist	1

3. Candidates by category were:

Group a (2 seats) -	1 Democratic Liberal
	5 Independents
Group b (2 seats) -	1 Democratic Liberal
	6 Independents
Group c (6 seats) -	3 Democratic Liberals
	2 Social Democrats
	7 Independents
	2 Japan Farmer Unionists
	1 Communist

4. The number of candidates who filed in other prefectures is not available at this time.

J. D. M.

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Misc

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

15 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Attendance at Shinjuku Imperial Gardens

1. The following report of attendance at the Shinjuku Imperial Gardens was submitted by M. IIJIMA, Chief, National Park Division, Minister's Secretariat, Ministry of Welfare.

2. Attendance for the period 1 August - 31 August 1949:

Number who paid admission fee	25,430
Number who entered free	1,845
Total	27,275

3. Japanese infants and members of the Occupation were admitted free of charge. Japanese adults were charged 20 yen; children, 10 yen.

4. The amount of the gate receipts for the period was 439,202 yen.

J. D. M.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

14 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Geographical Distribution of Successful Communist Candidates

1. The attached table was prepared by the National Election Administration Commission. It shows the number of successful Communist candidates for the period 1 January through 31 August 1949, broken down by positions won and by prefectures. According to the chart:

a. No Communists were elected in 16 prefectures.
b. One Communist was elected in 11 prefectures.
c. Two Communists were elected in 7 prefectures.
d. Three Communists were elected in 6 prefectures.
e. Four Communists were elected in 1 prefecture.
f. Five Communists were elected in 2 prefectures.
g. Six Communists were elected in 2 prefectures.
h. Eight Communists were elected in 1 prefecture.

2. The three prefectures electing the largest numbers were:

a. Shimane - 8 seats won by Communists.
b. Saitama - 6 seats won by Communists.
c. Hiroshima - 6 seats won by Communists.

3. In all, 77 Communists were successful. They included:

a. Prefectural Assembly - 1 office
b. City Assemblies - 6 offices
c. Town Assemblies - 30 offices
d. Village Assemblies - 37 offices
e. Village Headmen - 3 offices

J. D. M.

1 Incl: Rpt fr National Election Administration Commission re: Successful Communist Candidates

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

13 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Status Report on Work of Zaibatsu Screening Section, Prime Minister's Office

Reports Received:

Rpt No	Subject	Decision	Date of Decision
68.	Nihon Yushi K. K. (Japan Oil and Fat Co., Ltd.)	Designated as Successor Company	10 Aug 49
69.	HATAKEYAMA Masashi	Application approved as non-Zaibatsu appointee	15 Aug 49
70.	EBUCHI Seima	Application approved as non-Zaibatsu appointee	29 Jul 49
71.	WATANABE Tomindo	Application approved as non-Zaibatsu appointee	3 Sep 49
72.	Sanki Kogyo K. K. (Sanki Industry Co., Ltd.)	Designated as Successor Company	2 Sep 49
73.	Shin Fuso Kogyo K. K. (Shin Fuso Metal Industry Co., Ltd.)	Designated as Successor Company	1 Sep 49

Recommendations:

a. Findings of the Committee appear correct and justifiable.

b. Recommend that we do not object to above decisions.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

12 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Status of Board of Audit's Investigation of Imperial Household Property

At 1000 hours, 10 September 1949, IKEDA Shuzo, Chief, Investigation Section, Board of Audit, submitted a report on his investigation into the discrepancies noted in the accounting for the Imperial Household properties.

The written report is attached. In it Mr. IKEDA reports on the ten sample cases mentioned in the Government Section Memorandum of 19 August 1949. Items 1 and 5 of Mr. IKEDA's report are still under investigation. An explanation is made of items 2, 3, and 8. Item 6 was attributed to a misplaced decimal point in the Ministry of Finance's report. Apparently Mr. IKEDA missed the point of item 9. It was intended to show that the Ministry of Finance did not know who was using certain properties, but Mr. IKEDA explained the item away as carelessness. One error mentioned was overlooked, or at least, not commented upon; the extent of property paid in kind per Law of Capital Levy.

Mr. IKEDA stated that a "plan of action" as suggested by Government Section at a former conference was being prepared and would be submitted for approval on or about 14 September 1949.

J. D. M.

1 Incl:
Board of Audit Report
re: Imperial Household Property

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Misc.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

9 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Effects of Zaibatsu Law

1. The Law concerning the Elimination of Control by Zaibatsu Families (Law No. 2, 7 January 1948) affected both Zaibatsu family members and officials or appointees of the Zaibatsu-controlled combines, and successor companies, as well as those appointees temporarily retained in office (see Tab 1).

2. The enforcement law designated ten (10) combines as Zaibatsu-controlled. These ten were the parent companies of 1,681 affiliated, associated, subsidiary, etc., firms.

3. There were 309 family members who came under the provisions of the Law. As of 1 September 1949, 304 were living, including 90 males, 101 females, and 113 children. Only 42 of those living had ever held an official position in any of the firms. Of these, 24 were purgees. (see Tab 3).

4. There were 3,627 appointees who came under the provisions of the Law, 2,991 of whom were still living as of 1 September 1949. The living included:

622 whose applications were approved
50 whose applications were disapproved
95 whose right to file has been forfeited
2,224 who did not file but retain the right to file applications

The deceased included 631 who did not file and 5 whose applications were approved. The 50 persons whose applications were disapproved include 14 who were disapproved on both first examinations and on re-examinations, as well as 36 who were disapproved on first examination and failed to request a re-examination within 30 days and so forfeited the right (see Tab 4).

5. As of 1 September 1949, 6 appointees had been granted temporary extensions of time permitting them to remain in office in their respective Zaibatsu firms (see Tab 5).

6. As of 1 September 1949, a total of 59 companies had applied for a ruling as to whether or not they were successor companies. The Zaibatsu appointees Examination Section designated 43 of them successor companies, 13 non-successor companies, and decisions on 3 were still pending (see Tab 6).

J. D. M.

Source: Reports of Zaibatsu Appointees
Examination Section,
Prime Minister's Office

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

9 September 1949

MEMORANDUM

SUBJECT: Prefectural Land Commission Elections

1. The election of members of the Prefectural Land Commission will be held 20 September 1949. To be elected in each Commission are:

a. Tenant Farmer Group - 2 members

b. Landowners Group - 2 members

c. Owner-Cultivator Group - 6 members

2. In addition, the Prefectural Governor may appoint any three persons to the Commission. These three may be appointed on the day of the election or at any time within the two-year term.

3. Qualified voters include only the successful candidates of the Local Land Commission elections held during August 1949. Successful candidates of Group a in that election vote for the Group a Prefectural Land Commissioners in this poll, etc. However, any person who was qualified to vote in the former election is eligible to be a candidate for the Prefectural Commission. That is, anyone qualified to vote in Group a in the August election can file his candidacy as a Group a member of the Prefectural Commission.

4. Any Local Land Commissioner who files for the Prefectural Commission and is elected must resign from the Local Commission. A runner-up in the Local election may take the vacated seat provided he received at least 25 percent of the votes cast. By-elections may also be held to fill the vacancies. Apparently the decision is left up to the Prefectural Commission which is the administrative supervisor of the Local Commission.

5. The deadline for the filing of candidacy is 13 September 1949. At present, no list of candidates is available.

6. Rumor has it, however, that filing is heavy in Kanagawa Prefecture where two thirds of the successful Local Commissioners elected in August have filed for the Prefectural posts. Rumor also has it that filing in other prefectures has been restricted by political parties so as to capitalize on the possible vote and not split it uselessly. Certain political parties, including the Communist, are believed to be strongly backing their members on the theory that publicity gained here will carry over in part to the House of Councillors elections next year. They are taking advantage of the lack of restrictions in these elections and are using this race as an unofficial "straw vote" or sample to determine their actual strength. The National Election Administration Commission, who furnished the above information, had not actual reports, however, of the kind and intensity of the parties' campaigns.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

7 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Chugai Fireworks Company, Ltd.

According to reports received from the Metropolitan Police by Raymond Aka, Government Section, the explosion at 0845 hours, 7 September 1949, was at the site of the Chugai Fireworks Company. The firm is located north of 60th Street, approximately 3/4 mile east of the intersection of 60th and "N" Avenue.

Total extent of the damage has not been determined, but it is known that the roofs of eight small buildings, which make up the fireworks factory, were blown off. Because of the possibility that another explosion may occur, the Metropolitan Police are clearing the area and prohibiting other persons from entering the danger zone.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

6 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Council for Integrated Development of Hokkaido

The Council for Integrated Development of Hokkaido was established by Cabinet decision of 25 March 1949. To date there have been four general meetings. At the first meeting, MASUDA Kaneshichi read a message from the Prime Minister clarifying the reason for its establishment as outlined in Tab 1, subject: Proceedings of the Council, submitted by the Administrative Management Agency 1 September 1949 and Tab 2, Memorandum, subject: Conference on Council for Integrated Development of Hokkaido.

In the course of the four meetings, the Council:

1. Decided to have a staff or secretariat of its own and decided to make arrangements for budgetary appropriations for payment of the personnel.

2. Decided on basic policy and an outline for its work.

3. Appointed a standing committee to draft a program for the development of Hokkaido (purgee NAGATA was appointed Chairman).

4. Appointed a sub-committee to draft legislation relative to Hokkaido development to be presented at the next extraordinary session of the Diet (Mr. NAGATA headed this sub-committee also).

5. Decided that the Council should be a permanent and executive organ and drafted an establishment bill for such an organization.

J. D. M.

2 Incls:
1 - Proceedings of the Council
2 - Memo for Major Napier 1 Sep 49
re: Conference on Council

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PROCEEDINGS OF THE COUNCIL FOR THE INTEGRATED DEVELOPMENT OF HOKKAIDO

Sept. 1, 1949
Administrative Management Agency

I. General Meetings

Established by the Cabinet decision of March 25, 1949, the Council held four general meetings since, on May 4, 6, June 15 and 17.

At the first meeting, Mr. Masuda, Director of Cabinet Secretariat, read the message of the Prime Minister to the Council and made a speech clarifying the reason for its establishment. The Council then decided to have a Standing Committee with the following members:-

Messrs. Ogawara, Sasaki, Shinoda, G. Tanaka, Shikauchi, Seo, Nagata, Uehara, T. Tanaka and Bando.

At the second meeting, the Council decided the following matters:-

1. to have its office in the Prime Minister's Office.
2. to have an efficient staff of its own.
3. to have appropriate budgetary measures taken.
4. to prepare draft of a bill for the development of Hokkaido.
5. to plan policy for carrying out the program for the current fiscal year.
6. Principle or criteria for discussing development program:-
   a) Program for attaining national self-sufficiency.
   b) Program in view of population distribution.
   c) To adopt program to be planned by the Council as basis.
      i) to find out what shall be the basic industry of Hokkaido taking into consideration its resourses and demand of national market.
      ii) to take into full consideration the condition and demands of localities of Hokkaido.
      iii) to make estimates of fund necessary for the construction of roads, ports, rivers and other basic facilities.

At the third meeting, the Council decided to create a Sub-Committee with the following members:-

Messrs. Ogawara, G. Tanaka, Nagano, Shikauchi, Seo, Nagata, T. Tanaka and Bando.

At the fourth meeting, the Council decided as follows:-
A. The proceedings of the Council:-
1) Sub-Committee will prepare the draft of the bill for the development of Hokkaido.
2) Standing Committee will draft the program for the integrated development. The active cooperation of the various Government organs for planning of economic recovery etc. will be sought in this connection.
3) General meeting will deliberate on the interim and final reports submitted by Sub-Committee and Standing Committee, and will handle various problems which might arise from time to time. But among the latter, those of urgent nature might be handledby Standing Committee, and its decision regarded as that of the Council itself.

B. Time limit for research and deliberation:-
1) The bill for development is to be scheduled for presentation to the Diet at the next extraordinary session.
2) The draft of development program is to be completed as soon as possible.

II. Sub-Committee

The committee met on June 17 to nominate Mr. Nagata as chairman. The first meeting was held on June 21 and ten meetings have so far been held. The subject matters treated at these meetings are as follows:-

First meeting: Explanation of the development program as conceived by the Government of Hokkaido.

Second meeting: Fisheries and forestry.

Third meeting: Power, mining, coal and industry.

Fourth meeting: Agriculture and reclamation.

Fifth meeting: Transportation, road and harbor.

Sixth meeting: Financial matters.

Seventh meeting: Draft of the development bill.

Eighth meeting: Road and rivers.

Nineth meeting: Draft of the bill.

Tenth meeting: Draft of a bill establishing a Hokkaido Development Commission(to make the Council a permanent and executive organ).

III. Standing Committee

The Standing Committee held its meeting on June 17 to appoint Mr. Nagata as chairman and decided to deliberate as first step on the integrated development plan conceived by the Government of Hokkaido. It will hold hearings to get the opinions of experts and then will proceed to draft the program of its own.

IV. Staff

As decided at the second general meeting, the staff of the Council was organized with Mr. Kaneyoshi OKADA as chief. The staff is composed of five members who are officials of Hokkaido Government.

.....

Please add to the list of members previously submitted the following three:-

TANAKA, Toshibumi	Governor of Hokkaido
TANAKA, Gen	Member of the House of Representatives
NAGANO, Shigeo	Vice President of Nittetsu (Japan Iron Manufacture Co.)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

1 September 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Conference on Council for Integrated Development of Hokkaido

OKADA Kaneyoshi, accompanied by WATANABE Ichishiro, called at 0915 hours 31 August 1949 to report on the work of the Council for Integrated Development of Hokkaido. Mr. OKADA introduced himself as the former Governor of Hokkaido and the present "manager" of the Council (actually Chief of Secretariat). Mr. WATANABE was termed vaguely an associate. Neither are listed as members of the Council in the roster submitted by the Administrative Management Agency.

Mr. OKADA spoke forcefully and at length on the need for planned development of Hokkaido. He explained that the island had extensive natural resources and compared to the other islands was sparsely populated. He stated that past appropriations for its development had been wasted by the uncoordinated efforts of central government spenders who were not familiar with the real needs of the region. He expressed the hope that the present Council would advise the Cabinet that one commission should be established to coordinate plans for the development of the area.

Mr. OKADA stressed that the planned development must include: 1) reform of the prefectural administrative organization; 2) rehabilitation of financial institutions; 3) development of transportation and communications.

Of the actual work of the Council to date Mr. OKADA would make no definite statement. Also he was apparently unwilling to discuss the personnel who are members of the Council.

J. D. M.

DEPARTMENT OF THE ARMY
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D. C.

24 August 1949

Chief, Government Section
General Headquarters, SCAP
APO 500
c/o Postmaster
San Francisco, California

Dear Sir:

The inclosed materials are forwarded in compliance with your request, Z-21028 dated 24 August 1949.

Sincerely yours,

Incls.

J. T. SUAGEE
Administrative Officer
Far Eastern Affairs Group

Received:
2 copies Bonn Constitution
2 copies Report of Military Government in Germany
1 copy Political Parties in Germany

Distribution:
Mr. Hauge: 1 copy Bonn Constitution
1 copy Report of Military Government
Mr. Grilli: 1 copy Political Parties in Germany
Election Administration Commission: Election Laws (removed from Report of Military Government)

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

30 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Kotobukiya Whiskey Company

1. The Osaka office of the National Taxation Bureau transferred the case of the Kotobuki Whiskey Company to the Procurator's Office for prosecution on 2 July 1949, alleging corporation tax evasion for the year 1947-8.

2. The company reported an income of 5,561,065.00 yen and paid corporation tax amounting to 2,115,910.00 yen. Actual income was determined to have been 25,194,455.00 yen on which an additional 13,665,243.00 yen should have been paid.

3. Charges were drawn against the Kotobukiya Company; TORII Shinjiro, head of the firm; OKAWA Nobuo, chief of general affairs; and SAKUDA Kozo, an assistant to OKAWA. After investigation, only the company itself and OKAWA were indicted. They were charged with violation of Articles 48 and 51 of the Corporation Tax Law (Law No. 28, 1947). The penalty demanded by the Procurator's Office was a fine of 30,000,000.00 yen against the company and one year's confinement for OKAWA.

4. On 27 August 1949, the District Court of Osaka found them guilty of the charge and fined the Kotobukiya Company 30,000,000.00 yen. OKAWA was sentenced to eight months' confinement with execution suspended for a period of three years.

5. No appeal has been made. The above information was furnished by UENO Hiroshi, Economic Section No. 2, Attorney General's Office, in charge of prosecution.

J. D. M.

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Misc

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

1 September 1949

MEMORANDUM FOR RECORD

SUBJECT: Conference on Election System Committee
re: Action Taken on Revision of Election Laws

1. At the request of Mr. Fukichi UNNO, Chairman of the National Election Administration Commission, a meeting was conducted in the section conference room at 1000 hours 31 August 1949. Mr. Hauge, Captain McWherter, and Captain Joseph attended. Mr. UNNO was accompanied by Mr. Keiichi YOSHIOKA, Mr. Saburo KANAMARU, and Mr. Kunio ASAHI, all members of the Commission. Mr. H. MAZAKI of the Central Liaison Office acted as interpreter.

2. Mr. UNNO reported that at the first formal meeting of the Election System Committee Mr. Tetsuzo WATANABE and Mr. Toshiyoshi MIYAZAWA had been elected chairman and vice-chairman respectively. Procedures had been discussed and several meetings scheduled for September. Although revision of the national electorate system and unification of basic election laws had been discussed, no conclusions were drawn at this first meeting.

3. In response to questions asked Mr. UNNO by Mr. Hauge, the following pertinent points on the Committee's proposed functions and policies were clarified:

a. Sub-committees will be appointed to study specific parts of existing election laws and to make recommendations to the general committee.

b. The Committee will not actually prepare drafts of legislation for proposed changes, but will offer its conclusions to the Prime Minister. (Mr. UNNO hoped that the legislation would be drafted in the House of Representatives.)

c. The aim of the Committee will be the arrival at conclusions on general principles of election law revision and not the recommendation for revision of any specific portion of those laws.

d. If the Committee is directed or asked to reach conclusions by a specified time, it will make all efforts to do so. (This was in response to Mr. Hauge's question as to whether the Committee would conclude its work in time to submit recommendations when the regular session of the Diet convened.)

4. Mr. UNNO assured Mr. Hauge that the Government Section would be kept well informed of the progress made by the Committee at future meetings.

5. The conference ended at 1050 hours.

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A. A. J.

Summation - July 1949

31 August 1949

Summary of Local Elections, July 1949

Over 94 percent of contested seats in the 189 local elections held during July were won by Independent candidates. As a result, the contention of many observers that a shift away from organized party support exists was highly favored.

Conflicting with this view is the fact that these winning Independent candidates garnered only 73.2 percent of the votes in the 108 voting elections held, as compared with their showing of 80.1 percent in the June elections. Minor parties also suffered in popular support. All other parties benefitted in the percentage of votes allotted them as the following table indicates:

Percentages of Votes Credited to Each Party

Party	June (96 Voting Elections)	July (108 Voting Elections)
Social Democrat	3.0	5.8
Democrat	1.4	2.1
Democratic Liberal	10.0	13.7
Communist	4.6	5.0
Minor Parties	.9	.2
Independents	80.1	73.2

Although voter participation in July voting elections shows a 1.5 percent decrease from June elections, the total vote of 430,627 nearly doubled that of the preceding month during which only 248,689 votes were cast in 96 voting elections. This remarkable increase, not due to greater voter interest as pointed out above, is the probable result of large-scale local elections held during July which were lacking in the previous month.

A comparison of the level on which contests were conducted during these two months should bear out this contention. A table for this purpose is given below.

Number of Seats Contested in Elections by Type

Type of Election	June	July
Prefectural Assembly	2	2
Mayor	-	2
City Assembly	-	1
Town Headman	18	18
Town Assembly	185	193

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Type of Election	June	July
Village Headman	70	76
Village Assembly	377	430

From the above table we see that two mayoralty elections and one city assembly contest were held during July but that elections on this level were lacking during June.

Local election reports inform us that approximately 65,000 votes were cast in those three contests. In addition, 67 more seats were contested on a town and village level during July than in June. Combining the probable number of votes cast in these 67 elections with the 65,000 votes mentioned above should account for the increased number of votes cast during July.

Many observers contend that the Japan Communist Party has suffered during the past month because of having had the responsibility for certain "incidents" laid on the Party's doorstep. Others see a dwindling of Party funds. Many feel though that these theories are premature and future months' election results are needed to bear them out.

However, in view of the unfavorable showing of Communist candidates during July, a trend away from their support might well be indicated. During June, 37 Communist candidates were entered in 96 voting elections. They won 13 posts and garnered 11,317 votes. During July, 25 candidates were entered by them in 108 voting elections, and although polling nearly twice as many votes (21,321), they had not a single candidate voted in.

The increased number of votes credited to the Communist Party was probably due to its having entered, with the exception of Independents, a greater number of candidates during July than any other party. In addition, candidates were also entered by them in prefectural races where a large popular vote was cast. In view of this fact, their poor showing might have been the result of splitting party support between more numerous candidates; an obvious "about face" from Communist Party tactics in the past.

In brief, the Japan Communist Party won only two seats in July local elections. Both offices were won on default in "no poll" elections. No Communist candidate was voted into office. Independent candidates, though polling a smaller percentage of the total votes cast, increased their favorable lead in the number of posts secured.

Results of the elections are summarized in the attached tables for which the National Election Administration Commission furnished statistics.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR RECORD

SUBJECT: Conference with Investigation Section, Board of Audit, Regarding Imperial Household Property

1. IKEDA Shuzo, Chief, Investigation Section, Board of Audit, together with six assistants, called on Captain McWherter, Government Section, at 1400 hours, 25 August 1949. Mr. Raymond Aka, Government Section, acted as interpreter.

2. Mr. IKEDA requested more detailed information on the topics discussed in the conference earlier in the day. (see Memo for Record, subject: Conference with Board of Audit Regarding Imperial Household Property, dated 25 August 1949).

3. Appendices to the inclosure of the above-mentioned Memorandum for Record were loaned to Mr. IKEDA. He proposed to have copies prepared and to return the papers on 26 August 1949. A list of all reports which Government Section has received on the subject matter from agencies of the Japanese Government was given to him also. In a short discussion, he and his assistants were briefed on Government Section study of the project, and he was assured that Government Section would provide him with any possible aid.

4. Mr. IKEDA stated he believed his preliminary report could be prepared prior to 31 August 1949.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR MR. HAUGE

SUBJECT: Special Committee for the Revision of Election Laws (House of Councillors) - Summary of Meetings, 11 May - 6 August 1949

The first four meetings of this committee, held between 11 May and 18 May, were concerned with the organization of the committee itself and the election of Kuraji KASHIWAGI as chairman.

It was decided that a request for continued study of problems relating to the revision of election laws be presented to the House of Councillors, and scheduled meetings of the committee during adjournment of the Diet were agreed upon.

It was agreed that the committee would concentrate its efforts on a study of desired revisions to the House of Councillors Election Law, and simultaneously striving for the drafting of revisions to basic election laws.

During the first formal meeting of the committee, it was unanimously agreed that the existing national constituency system for the election of members of the House of Councillors should remain intact due to "its character under a bi-cameral Diet" and "prevailing circumstances."

Arguments were presented against the restrictive laws on candidacy of government and civil service employees. A majority felt that a rescission of this law was desirable but, as in other discussions, further study was decided upon in preference to a stand at this point.

It was contended by some members that the House of Councillors Election Overseeing Committee for the national constituency should be abolished. Problems in connection with the allocation of election administration expenses were also discussed. The advisability of increasing the number of vacancies necessary for the conduct of by-elections, and the plausibility of filling those vacancies with runners-up in the previous election was considered as an economy measure but a decision was not reached.

Discussions and studies continued during additional meetings of the committee between 1 June and 3 August on varied phases of election laws including: a) voting lists and registration of voters; b) the administration of voting places including counting of ballots, invalid votes, and special voting cases; c) the number of election offices, election meetings, and deposits by candidates; and d) campaign restrictions, including debates at public expense and campaign expenditures.

(98)

Finally, on 3 August, a draft of basic principles agreed upon was submitted by a previously-appointed sub-committee. The following six principles were listed as guiding aims of the committee:

1. "A united and synthetic law of permanent nature should be made to provide for all kinds of elections.

2. "A thorough enlargement of public management of elections should be effected.

3. "Freedom in elections should be aimed at so that a fair and free-minded campaign may be made.

4. "Restrictions on election expenses and other adequate regulations should be made for a just operation of the election campaign.

5. "The text of the law should be made as clear and concise as possible so that the people may easily understand it.

6. "The system of the election constituency for the House of Councillors should remain as it is."

Working along these lines the committee is continuing its discussions. Minutes of the meetings will be furnished Government Section as in the past.

A. A. J.

Nisei

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR MR. HAUGE

SUBJECT: Special Committee for the Revision of Election Laws (House of Representatives) - Summary of Meetings, 27 April - 23 July 1949

At the first formal meeting of this committee on 27 April, Wahei IKUTA (Democratic Liberal) was elected chairman and he in turn nominated eight directors.

Following a directors' meeting, a proposal was approved that during adjournment of the Diet a sub-committee be established to continue its deliberations. In connection with the revision of election laws, the Law Concerning the Provisional Exceptions to Election Campaigns and Others, as well as the Law for the Regulation of Political Contributions and Expenditures were to be the object of its study.

The chairman made it clear that the committee would proceed on an independent footing regardless of the private plans of the Election Administration Commission.

It was decided the committee should deliberate on revisions of the election laws for four successive days beginning 20 July after which time conclusions were to be drawn concerning amendments on which agreement was reached. It was intended that a definite plan be made prior to the opening of the extraordinary session of the Diet. Deliberation on amendments on which agreement could not be reached were to be deferred until an opportunity arose for their discussion.

In keeping with this plan, deliberations on varied phases of existing election laws were held. Sub-committees were appointed to make further studies of proposals concerning: a) the raising of the minimum age for eligibility of candidates for the House of Representatives and the House of Councillors; b) the restrictions on the candidacy of public service officials; and c) the preparation of voting lists. It was further planned that a sub-committee be formed after 20 August to study punitive rules of election laws.

The varied subjects discussed by the committee as a whole included: a) the size of electoral districts; b) eligibility of voters; c) minimum ages of candidates; d) the preparation of voting lists; e) costs of election administration; f) Diet supervision of elections; g) filling of vacancies with runners-up; h) lawsuits arising out of elections; i) the Law for the Regulation of Political Contributions and Expenditures; j) advance campaigns; and k) house-to-house campaigning.

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It seems evident from the discussions that a majority of the committee favored the present constituency system, voting eligibility laws, and the present minimum age limit for candidates to the House of Councillors.

Definite conclusions, however, were not made nor were proposals agreed upon in relation to any topics discussed at the time of this writing.

A. A. J.

Nice

GENERAL HEAD-QUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: The Japanese Cabinet's Informal Councils

1. Seven informal councils have been set up by Cabinet decision to "make research and deliberation upon inquiry from the Prime Minister" on specialized subjects. The councils are composed of Diet members and persons of learning and experience. The decisions establishing these councils are dated between 25 March and 12 July 1949.

2. The above information was supplied by the Administrative Management Agency; the following, by the Inspection Section of the Prime Minister's Secretariat.

3. Among the members of these councils is one purgee: NAGATA Shotaku of the Council for Integrated Development of Hokkaido.

4. The Cabinet decision and list of members for each council are attached.

J. D. M.

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Mine.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Criteria for Determining Which Zaibatsu Family Members Fell under the Provisions of Law No. 2, 1948

1. The list of names of Zaibatsu family members who came within the purview of Law No. 2, 1948, was compiled on the authority of a Diet law, a Cabinet Order, and an Imperial Ordinance.

2. "Zaibatsu" was defined as groups of individuals who belonged to the same family line (either by blood or marriage) as the "designated" persons. (Article 2, Law No. 2, 1948).

3. Designated persons were those who were designated as such by the Prime Minister in accordance with the provisions of Article 1, Holding Company Liquidation Commission Ordinance.

4. Fifty-six designated persons were listed in Appendix I, Prime Minister's Office Ordinance No. 7, 1948.

5. Any person who was in the same family census register with a designated person on 7 January 1948 came within the provisions of the Zaibatsu Law. (Article 4, Law No. 7, 1948).

J. D. M.

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Nisi

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

26 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Alleged Violation of Zaibatsu Law - KASHIMA Yoshinobu

1. A. Miyashita and K. Hayakawa of the Attorney General's Office reported to Government Section at 1600 hours 25 August 1949 on the alleged violation of Law No. 2, 1948, by KASHIMA Yoshinobu.

2. They stated that a "crank" letter had been received by the Attorney General's Office. The letter alleged that KASHIMA is a Zaibatsu appointee, -- a former official of the Higashiyama Agricultural Co., Ltd.,-- and that at the present time, KASHIMA is the president of the Higashiyama Chemical Industrial Co., Ltd., a successor company of the above-mentioned firm.

3. Investigation by the Procurator's Office revealed, however, -- according to Mr. Miyashita and Mr. Hayakawa, -- that although KASHIMA is an appointee, and although he is the president of the Higashiyama Chemical Industrial Co., Ltd., which has offices in the same building as the former Zaibatsu, he is not guilty of the above charge because of the following:

a. The Higashiyama Agricultural Co., Ltd. is still in operation. Capitalized at ¥5,000,000, it is engaged in selling timber and stock raising.

b. The Higashiyama Chemical Industrial Co., Ltd. has received no capital, stock, customers, etc., from the former firm as required before it can be designated a successor company. Furthermore, it does not deal in the same kind of business. Capitalized at 300,000 yen, it is engaged in the sale of chemical drugs. The only connection is that it rents office space from the other firm at 1,000 yen per month, and has taken the name "Higashiyama" for publicity reasons.

c. The investigation uncovered no evidence that any part of the capital of the chemical firm was held by the agricultural firm and none that KASHIMA acted for the agricultural firm unofficially.

4. The decision of the Attorney General's Office is not to prosecute the case. Recommend that Government Section offer no objection to that decision.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

25 August 1949

MEMORANDUM FOR RECORD

SUBJECT: Conference with Board of Audit Regarding
Imperial Household Property

SATO Hajime, head of the Board of Audit, and IKEDA Shuzo, Chief of the Investigation Section, Board of Audit, called on Mr. Rizzo, Major Napier, and Captain McWherter of Government Section at 1000 hours, 25 August 1949. Mr. Raymond Aka, Government Section, acted as interpreter.

Mr. Rizzo attended to formalities, then stated he had invited Mr. SATO and Mr. IKEDA over because discrepancies and errors in certain Government records and accounts had been brought to Major Napier's attention. He stated that the Board of Audit was the proper agency to begin an investigation of those discrepancies.

Major Napier explained that the subject was a delicate but important matter in that the investigation related to those properties which had formerly been owned by the Emperor but which had since been transferred to the people. He outlined in general terms the contents of paragraph II, Memorandum for Major Napier, subject: Errors and Discrepancies in the Records of Former Imperial Household Property, dated 19 August 1949, which is attached.

Major Napier concluded by advising Mr. SATO that the errors might be termed carelessness. That an immediate investigation by the Board and the correction of those records and accounts might forestall an accusation of something more than carelessness. But that failure to investigate and correct might cause embarrassment not only to the Government, but to the people themselves and to the Emperor as well as to SCAP.

Mr. SATO thanked Government Section for the opportunity to investigate before more serious accusations were made, but protested that the funds, personnel, and prestige of his Board of Audit were not sufficient to carry out that large-scale project.

Major Napier suggested the Board make a preliminary investigation to become familiar with the full extent of the problem and on the basis of the findings of that investigation, make a recommendation to SCAP outlining a program for full-scale study. Such a study, he advised, might be undertaken by the Board itself, by a Diet investigating committee, by an agency specially designated by the Government, or by such other means as Mr. SATO believed advisable.

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Mr. Rizzo assured Mr. SATO that the Board's unique position in the Government gave it the prestige and right to make such an investigation and recommendation. He suggested that the existence of these errors might be an indication that certain accounting procedures used by the Government were inadequate and that perhaps the Board of Audit should instruct the governmental agencies in better accounting methods. He referred Mr. SATO to the Hoover Commission's report on accounting methods.

Mr. SATO admitted the methods of the Japanese Government in recording property other than that accounted for by Yen value was loose and that a considerable improvement could be made. Then he stated he was anxious to commence an investigation into the discrepancies in the records of the Imperial Household property. He was assured that his investigators could make copies of the records of Government Section and that Government Section would give all possible aid and guidance.

J. D. M.

1 Incl:
cy memo 19 Aug 49 re:
records Imperial Household
property

GENERAL STATISTICS AND REVIEW BRANCH FILES

100 - ADMINISTRATION:

100.1 - Administration - (Memos, check sheets and notes pertaining to this Section)

200 - PERSONNEL IN THE JAPANESE GOVERNMENT:

200.1 - Supreme Court - Personnel
200.2 - Cabinet Organization
200.3 - Cabinet - Forces Influencing
200.4 - Cabinet Ministers and Personnel
200.5 - Parliamentary Vice-Ministers
200.6 - Chokunin Government Personnel - (Presently with JG)
200.7 - National Japanese Government Personnel as of 21 May 1947
200.8 - Changes in Important Personnel of IJG (new appointments)
200.9 - Diet Members, Governors and Mayors
200.10 - Members of House of Councillors
200.11 - Members of House of Representatives
200.12 - Women Diet Members
200.13 - Ministries - General
200.14 - Ministry of Foreign Affairs
200.15 - Ministry of Transportation
200.16 - Ministry of Justice
200.17 - Shidehara Cabinet - Biographical Summaries
200.18 - Katayama Cabinet - January 1948
200.19 - Ashida Cabinet
200.20 - Yoshida Cabinet - Second
200.21 - Yoshida Cabinet - Third

300 - JAPANESE GOVERNMENT AGENCIES:

300.1 - Japanese Governmental Agencies - (Folder contains the following agencies - Arms Disposal Committee, Industrial Reconstruction Corporation, Manchurian Emigration Association, Military Affairs Protection Board, National Defense Corps, National Research Council, Vocational Guidance Assn.)

300.2 - Economic Governmental Agencies - (Folder contains the following agencies - Foreign Trade Corporation (Boeki Cho), Closed Institution Liquidating Commissions, Holding Company Liquidation Commission, Reconversion Finance Bank, Securities Transactions Commission, Security Coordinating Liquidation Committee)

300.3 - Courts
300.4 - Special Investigation Bureau
300.5 - Administrative Supervisory Commission

400 - SCREENING COMMITTEE:

400.1 - Screening Committee - (Folder contains information pertinent to subject)
400.2 - Central Liaison Office - Tokyo
400.3 - Summary of Observation Trip of Screening Activities
400.4 - Daily Consolidated Reports (Purge)

500 - PURGE:

500.1 - Purge - General
500.2 - Purge Background File - (Bk. I & II)
500.3 - Policy (Purge)
500.4 - Far East Command Ordnance Automotive Fifth Echelon Project - (Folder contains material and information pertinent to above subject)
500.5 - Imperial Ordinance No. 1 - Implementation
500.6 - Publication of Special Projects Division
500.7 - Publicity for the Purge
500.8 - Ltr. to C.G. 8th Army Re: Enforcement SCAPIN 550 and 548
500.9 - Purge Extension
500.10 - Implementation and Extensions of Purge - (General Purge File - Appendix I)
500.11 - Purge - Report on Progress of
500.12 - Removal of Undesirable Japanese Officials
500.13 - Princes Imperial
500.14 - Imperial Household
500.15 - Ex-Peers - (Folder contains members of royal family)
500.16 - Occupation - Germany - Purge
500.17 - War Criminals
500.18 - War Records Institute
500.19 - Chokunin Rank Officials with the War and Navy Ministry - (Folder contains all information on this particular subject)
500.20 - Demobilization Bureaus - Lists
500.21 - Background Material for First and Second Demobilization Boards
500.22 - Petitions for Retention of Career Army and Navy Officers, etc.
500.23 - Requests for Retention in Office of Former Career Army and Navy Officers - First Demobilization Board
500.24 - Requests for Retention in Office of Former Career Army and Navy Officers - Second Demobilization Board
500.25 - Requests for Retention in Office of Former Career Army and Navy Officers - Bk. I, Background Materials, Reconstruction Board, Home Ministry, Education Ministry
500.26 - Requests for Retention in Office of Former Career Army and Navy Officers - Bk. II, Welfare Ministry, Prisoner of War Information Bureau, Ministry of Communications
500.27 - Requests for Retention in Office of Former Career Army and Navy Officers - Bk. III, Ministry of Finance, Ministry of Justice, Ministry of Commerce and Industry, Ministry of Transportation, Local Government
500.28 - Demobilization Board Releases

500.29 - Police Organizations - (Folder contains information on the Kempei Tai, Special Higher Police, Protection, Surveillance and Preventive Detention Personnel, Thought Prosecution)
500.30 - Kaigun Tokumu Bu - Japanese Naval Special Service
500.31 - Tokumu Kikan - Japanese Army Special Service
500.32 - Economic Purge - General - (Folder contains articles relevant to subject)
500.33 - Financial Organizations - (Folder contains several banks and securities concerns included in ordinances and discussed with various branches of GHQ)
500.34 - Industrial Organizations - (Bk. I & II - Folder contains the following organizations - Hirasen Lace Mfg. Co., Ishikawajima Heavy Industries, Japan Aluminum Mfg. Co., Japan Diesel Co. Ltd., Japan Precision Co., Japanese Standards Assn., Japan Textile Mfg. Co., Kawanami Industrial Co. Ltd. and Kawasaki Heavy Industries, Matsushita Electric Industrial Co. Ltd., Mitsui Mining Co., Onoda Cement Co., Otani Heavy Industry, Riken Industrial Corp., Titan Industrial Co. Ltd., Towa Industrial Co., Toyo Bearing Co., Ube Industrial Co., Yamashita Steamship Co.)
500.35 - Communications and Transportation Organizations - (Folder contains the following organizations - International Telecommunications Co. Ltd., South Manchurian Railway Co.)
500.36 - Agricultural and Fishing Organizations - (Folder contains the following organizations - Nichiro Fisheries, Hayashikane Shoten, Taiyo Fishing Co., Japan Marine Products, Teikoku Marine Products Co., and a preliminary study of Japan's Big Fishing Companies)
500.37 - Reclamation Projects and Agricultural Societies
500.38 - Agriculture - Cooperative Assns., Demonstrations, Farmer's Organizations - (Folder contains information on above subject)
500.39 - Branch Managers - (Bk. I & II)
500.40 - Construction Gumi's - Shimizu Gumi, Obayashi Gumi and others - (Folder contains information on above construction companies and others)
500.41 - Corporations Prescribed in Appendix II and those under TDL - (General Purge Information)
500.42 - Japan Horse Racing Association - (Folder contains Memos and check sheets, etc., pertinent to association)
500.43 - Public Information Media Purge
500.44 - Articles Violating SCAPIN 548 - Newspapers
500.45 - Periodicals - Articles Violating SCAPIN 548
500.46 - Officials of Occupied Territories - Formosa
500.47 - Registration of Purgees
500.48 - Clearance of Personnel - (Bk. I & II)
500.49 - Requests for Information, Questionnaires and Documents
500.50 - Transmittal of Questionnaires - (Bk. I & II)
500.51 - Educational Purge - (Folder contains Articles relevant to subject)
500.52 - Pensions and Benefits - (Folder contains articles relevant to subject)
500.53 - Records of Instruction to Kanamori - Pertaining to Purge
500.54 - Monthly Summation
500.55 - Employment of Japanese Nationals

600 - APPEALS BOARD:

600.1 - Appeals Board Members
600.2 - Appeals Board - (Bk. I, II, III & IV)
600.3 - Appeals - Final Decision On All Cases
600.4 - Second Appeals Board

700 - ELECTIONS:

700.1 - Elections - 1947 - (Folder contains lists of Candidates for Public Office and all information pertinent to the above subject)
700.2 - Elections - 1949

800 - MEMORANDUMS:

800.1 - Memo for the Record - (Bk. I, II & III - Folders contain only Memos for the Record and are listed in chronological order)
800.2 - Memo for the Public Service Qualifications Division - (Bk. I, II & III - Folders contain Memos for PAD, Memos for Col. Marcum (when he was Chief of the Section), Memos for PSQD, Memos for Chief, SPD, Memos for Major Napier, Memos for Major Snow, these are also indexed chronologically)
800.3 - Memos for Chief of Divisions - (Folder contains Memos for the various chiefs within Government Section)
800.4 - Memo for Central Liaison Office, Tokyo - (Folder contains Memos for CLO since January 1947)
800.5 - Index for Memos to CLO - (Folder contains a record of all Memos for CLO (so far received by the files) and indexed according to subject, date and where filed. In order to find memo, refer to FILED UNDER - - →)

900 - POLITICAL PARTIES:

900.1 - Japanese Political Parties

1000 - REPORTS:

1000.1 - Reports from Military Government Teams
1000.2 - Reports of Persons Passed by Central Screening Committee
1000.3 - Periodic Reports from Special Investigation Bureau
1000.4 - Statistics and Review Branch - Special Papers
1000.5 - Inspection Trip
1000.6 - Questionnaire Status Report - (Folder contains forms pertinent to subject)
1000.7 - Project Status Report - (Bk. I, II & III)
1000.8 - Miscellaneous

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

23 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Conference regarding Imperial Household Property

Recommend that the following personnel participate in the conference on Imperial Household property. Each is the head of an organization concerned with the records and disposition of the estates.

Minister of Finance - IKEDA Hayato
Minister of Agri-
culture and Forestry- MORI Kotaro
Minister of Education - TAKASE Sotaro
Minister of Welfare - HAYASHI Joji
Grand Steward of
Imperial House - TAJIMA Michiji

Recommend that the following also attend. Their organizations have made certain studies and investigations in the project.

Chief, Liaison Bureau,
Ministry of Foreign Affairs - KIMURA Shiroshichi
Civil Affairs Assistant to
the Attorney General - TANAKA Haruhiko

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Effects of Zaibatsu Law

1. The Law concerning the Elimination of Control by Zaibatsu Families (Law No. 2, 7 January 1948) affected both Zaibatsu Family members and officials, or appointees of the Zaibatsu-controlled combines, and successor companies, as well as those appointees temporarily retained in office (see Tab 1).

2. The enforcement law designated ten (10) combines as Zaibatsu-controlled. These ten were the parent companies of 1,681 affiliated, associated, subsidiary, etc., firms.

3. There were 309 family members who came under the provisions of the Law. As of 1 August 1949, 304 were living, including 90 males, 101 females, and 113 children. Only 42 of those living had ever held an official position in any of the firms (see Tab 3).

4. There were 3,625 appointees who came under the provisions of the Law, 2,990 of whom were still living as of 1 August 1949. The living included:

619 whose applications were approved
50 whose applications were disapproved
98 whose right to file has been forfeited
2,223 who did not file but retain the right to file anapplication

The deceased included 630 who did not file and 5 whose applications were approved. The 50 persons whose applications were disapproved includes 14 who were disapproved on both first examinations and on re-examinations, as well as 36 who were disapproved on first examination and failed to request a re-examination within 30 days and so forfeited the right (see Tab 4).

5. As of 1 August 1949, 9 appointees had been granted temporary extensions of time permitting them to remain in office in their respective Zaibatsu firms (see Tab 5).

6. As of 1 August 1949, a total of 56 companies had applied for a ruling as to whether or not they were successor companies. The Zaibatsu appointees Examination Section designated 40 of them successor companies, 13 non-successor companies, and decisions on 3 were still pending. (see Tab 6)

Source: Reports of Zaibatsu Appointees Examination Section, Prime Minister's Office

For other inclosures see Zaibatsu file

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Attendance at Hayama Park

1. The following report of attendance at Hayama Park was forwarded to Government Section through the Liaison Bureau, Ministry of Foreign Affairs:

Attendance for period 1 July - 31 July 49: 15,545 persons

Number who paid admission: 14,262
Number who did not pay admission: 1,283

2. Those who did not pay were groups of primary and junior high school students.

3. The total admission fees taken in: ¥141,335.00.

4. Hayama Park was loaned to the Kanagawa Prefectural Government on 9 August 1946 by the Imperial Household Ministry. It was purchased from the Finance Ministry on 31 March 1949 at a cost of ¥521,160. It became a prefectural park on 31 October 1946 and was opened to the public on 14 November 1946.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section
Public Administration Division

22 August 1949

MEMORANDUM FOR MAJOR NAPIER

SUBJECT: Attendance at Hakone Park

1. The following report of attendance at Hakone Park was forwarded to Government Section by the Liaison Bureau, Ministry of Foreign Affairs:

Attendance for period 1 - 31 July 49: 3,070 persons

2. Paragraph 3, Memorandum for Major Napier, subject: Imperial Household Property Converted to Public Parks was in error in that it contained the statement that admission was charged at Hakone Park. No admission is charged, and hence, there is no detailed report of the number of adults and children who visited the Park.

3. Hakone was a former Imperial Household property. It was released to the custody of the Governor of Kanagawa Prefecture on 3 November 1945 by the former Imperial Household Ministry. It became a prefectural park on 2 May 1946.

J. D. M.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR ALLIED POWERS
Government Section

ADMINISTRATIVE MEMORANDUM GS No. 37 — 9 August 1949

SUBJECT: Duty Personnel

1. Provisions of ADMINISTRATIVE MEMORANDUM GS No. 32 are rescinded herewith.

2. Effective immediately, the following, with respect to the tour of duty of Government Section Security Officers, will apply:

a. Security Officers will be detailed by roster.
b. Duty hours for Security Officers will be as follows:

Monday thru Friday, inc.....	1200 hrs thru 1300 hrs 1800 hrs until relieved
Saturday.....	1230 hrs until relieved
Sunday and special holidays.....	0800 hrs until relieved

c. Monday thru Friday, inclusive, the Security Officer will take his noon meal prior to 1200 hrs, or subsequent to 1300 hrs, and on Saturday prior to 1230 hrs. Sundays and special holidays the Security Officer will be relieved for the noon meal from 1100 to 1200 hrs and for the evening meal from 1700 to 1800 hrs by the typist on duty. The Security Officer will be relieved for the evening meal Saturday from 1700 to 1800 hrs by the secretary for the Chief, Government Section.

d. The Security Officer will assure that the library entrance only is securely locked at the following times:

Monday thru Friday inc.....	1800 hrs
Saturday.....	1300 hrs
Sunday and special holidays.....	All day

The main entrance of Room 615 will be left open since the Chief, Government Section, frequently needs immediate access to the central part of the building.

e. Sunday and special holiday mornings, the Security Officer will make the necessary arrangements with the Building Custodian (26-6133) for a cleaning detail and for the door opposite the Deputy Chief's office to be opened. The Security Officer will personally supervise the cleaning of the office of the Chief, Government Section. For other days, see instructions for Charge of Quarters, para 3 (b).

f. In connection with receiving classified mail, the Security Officer may receipt for classified documents up to and including SECRET only. The following personnel are authorized to sign for TOP SECRET documents:

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	(Quarters)	
Brig Gen Courtney Whitney, Chief, Government Sec	26-5429	
Maj Jack P. Napier, Executive Officer.....	37-2491	
Mr. Osborne I. Hauge, Chief, Public Affairs Div.	06-3812	
Capt Henry P. Carrington, Chief, Administrative Div	26-7791	ext 419

g. In cases of emergency, should the Security Officer deem it advisable, he will contact the Administrative Officer, Executive Officer, or Chief, Public Affairs Division, respectively (telephone numbers indicated above). In such cases the Deputy Chief of Section, Mr. Rizzo, 26-7551, ext 312, will also be notified.

h. The Security Officer will be responsible for the following routine checks:

(1) At the start of his tour of duty, the Security Officer will inspect the entire office with the exception of the immediate office of the Section Chief to assure that no documents classified higher than RESTRICTED have been left exposed to view. In the event of any security violation, all exposed classified material will be collected, secured, and the nature of the violation clearly noted on attached CERTIFICATE or pertinent memorandum attached thereto. (See instructions included with Security Officer's CERTIFICATE.)

(2) Prior to leaving Section at the termination of his tour of duty, the Security Officer will lock and will double-check from the outside entrances all doors and inspect all safes indicated on the attached CERTIFICATE, making an appropriate check-mark by each safe or door noted. Special care must be taken in checking double doors which, if improperly secured, might swing open even though actually locked.

i. In the event the Security Officer determines it necessary to enter a secured office, arrangements will be made with the Building Custodian (26-6133) to unlock the door opposite the Deputy Chief's office. Only authorized personnel will be allowed this privilege and will be held strictly responsible for properly relocking this door upon departure.

3. Effective immediately, the following, with respect to the tour of duty of the Charge of Quarters, will apply:

a. The Charge of Quarters will be rotated by roster and will open the main office of Government Section daily on the following schedule:

Monday thru Friday inc.....	0730 hrs
Saturday.....	0800 hrs

b. The Charge of Quarters will personally supervise the cleaning detail on the following schedule:

Monday thru Saturday.....	1200 thru 1300 hrs
	1700 thru 1800 hrs
	(or until Security Officer reports for duty)