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Mr. SAKURAUCHI, Yukio, (continued)

Next, to-gether with the national defense question, the problem of stabilization of people's lives is said to be most urgent. Accordingly, a number of vital policies aimed at promoting the development of industry and the stabilization of people's lives are being dealt with in the present budget. I am afraid, however, that the result of this colossal budget might affect the national life more deeply than the results of these policies of the government. Essentially, this bulky budget itself is the cause of the high cost of living. Furthermore, should the present day financial policy and the plans for increasing taxation impede the development of trade and industry, cause a nasty inflation of currency, and bring soaring high prices, those policies concerning the industry and the national life introduced into the Diet to-day would yield no effect at all. Apart from this, comparing the price

index and the wages of 1931 with those at the end of last year, we find the prices really increased by more than 32%, while the wages increased only by 15%. Despite the fact that this alone has been the cause of considerable pain to the masses of wage-earners, the conditions that have been created by the radical jump of prices since the end of last year which occurred as a consequence of the announcement of this colossal budget are getting worse with indeterminable force. In addition to the above, an exorbitant increase has been made in the taxes levied on sake, sugar, tobacco, gasoline, and other necessities of life, and the postage rates and various sorts of other expenses to the masses have been increased. Should the prices go up still higher, the life of the people will absolutely be menaced. In my opinion herein lies a fearful germ that will defeat the purpose of the financial plans. Such a radical jump in prices will inevitably bring about high wages, and, correlation to the increase of the cost of materials, the budget will be forced to expand still more. Expansion of the budget will naturally boost the prices. If such cause and effect endlessly circulate, nothing will surpass the distress of the state and the hardships of the nation. In view of the precedents in Russia and Germany, I cannot help being struck with horror. By what means and measures does the government intend to stop adequately the

DEF. DOC. #1766

terrible jump in prices which is the inevitable result of the execution of policies according to this budget? Should the means be unreliable or inappropriate, it may bring more frightful results, and the responsibility of the Government will be most grave, I believe. Since this is the point that the people would like to know about most, I wish the government would fully express its views on this question.