

3) Recognition of Protocol concerning entrance of Slovakia into Three Power Treaty between Japan, Germany and Italy.

According to precedent, we shall dispense with the Readings, restrict ourselves to the main points of the bill, omit the reading and immediately call for the report of the investigation.

Reporting Member (HORIE)

Respectfully investigating these three items, I beg to state the following:-

Soon after the signing of the Three Power Treaty between Japan, Germany and Italy, on September 27th of this year at Berlin, the German Government conveyed to the Imperial Japanese Government their desire that Hungary be allowed to enter the above-mentioned Three Power Pact, and asked for our opinion. Therefore, the Imperial Japanese Government replied that it had no objections. Following this, the German Government showed us the draft of the Protocol concerning Hungary's entrance into the above-mentioned treaty, and moreover told us on this occasion that it desired the early realization of this because of the European situation. Next the German Government told us it desired the entrance of Romania and Slovakia into the above-mentioned treaty, that it hoped for the realization of this as soon as possible, and as before asked for our consent. Therefore, the Imperial Japanese Government transmitted its consent to the draft of the Protocol, and at the same time, granted the desire of the German Government, and under the condition of receiving the recognition of the Government, caused our plenipotentiaries to sign the Protocol for Hungary on November 20th at Vienna, for Romania on November 23rd and for Slovakia on November 24th, both at Berlin.

The form and contents of the three Protocols are completely identical. They are composed of three articles. Japan, Germany and Italy are the contracting powers on one side while on the other side the contracting powers are Hungary, Romania, and Slovakia as the case may be. Between these two contracting powers, the following points are agreed upon:

1) Hungary, Romania and Slovakia are to join the Three Power Treaty between Japan, Germany and Italy signed at Berlin on September 27, 1940.

Hungary, Romania and Slovakia may cause their representatives to participate in the mixed commissions provided for in Article 4 of the above-mentioned treaty whenever problems concerning the interests of these three countries are discussed by the Commissions.

The main body of the above-mentioned treaty is to be appended to the Protocol as a Supplement. The Protocol will be drawn up in Japanese, German and Italian and Hungarian, Romanian and Slovakian as the case may be. Each of these texts will be considered official.

By the conclusion of this treaty Hungary, Romania and Slovakia recognize the leading position of Germany and Italy in Europe and the leading position of Japan in Greater East Asia, and will also cooperate with Japan, Germany and Italy in making efforts for the construction of a new world order. The six countries of Japan, Germany, Italy, Hungary, Romania and Slovakia have pledged each other that if any one of them is attacked by a country not at present involved in either the European war or the Sino-Japanese hostilities, the six countries will aid each other with all possible means, and that these points will have no influence on the existing political situation between each of these countries and the Soviet Union.

We believe that the three items under consideration are in accordance with principles of the preamble of the Three Power Treaty previously concluded between Japan, Germany and Italy, that in order that Hungary, Romania, and Slovakia might join the treaty the interested countries have decided to conclude an agreement in the form of a protocol, and that this will be of service in strengthening the Japan-Germany-Italy Axis and in realizing the final purpose of the Three Power Treaty. For these reasons the conclusion of this agreement may be called an opportune step, and its articles may also be recognized as presenting no difficulties. Thus we consider that each of these three items should be passed as they stand.

The above is a respectful report on the results of the investigation.

No. 36 (FUTAKAMI)

The protocols under consideration will expand the Three Power Treaty between Japan, Germany and Italy, and are a very serious matter because circumstances may arise in which our country will bear the duty of giving military aid to Hungary, Romania, and Slovakia and of going to war for them. Therefore, I wish to ask two or three questions. First, in what position are these three countries to enter the Three Power Treaty? That is, what is the meaning of the word entrance in these protocols? As there are no special stipulations concerning the Three Power Treaty other than the article regarding the Mixed Technical Commission in the protocols, we may consider the above-mentioned three countries have the same rights and duties as Japan, Germany and Italy as far as the other articles of the treaty are concerned. In that case, regarding the second article of the treaty, Germany, Italy, Hungary and the other two countries in Europe? Since the chief object of the Three Power Treaty is to establish the two great co-prosperity spheres of Europe and Greater East Asia, is it not right to understand it in the above-mentioned manner?

Delegate (MATSUMOTO)

The Honorable Councillor's theory concerning Article 2 of the Three Power Treaty is correct, but as to Article 1, our country does not recognize the position of Germany, Italy, Hungary and the other two countries in Europe; our country and Hungary and the other two countries recognize the

the leading position of Germany and Italy in Europe. In other words, we understand that Hungary and the other two countries recognize the leading position of Germany and Italy, and of Japan, in Europe and Greater East Asia, respectively.

No. 36 (FUTAKAMI)

Such an explanation would be convenient for Germany and Italy, but would not be convenient for Hungary and the other two countries. To cause a country to join a treaty in order to recognize the leading position of another country, and not to have one's own country's position recognized - that is a very awkward explanation. If the meaning (of the protocols) is indeed as the honorable delegate has answered, it would have been sufficient simply to have said that (Hungary and the other two countries) recognize the stipulations of Articles 1 and 2 of the treaty. Next, regarding the explanation concerning mutual aid among the six countries, there is no doubt that Japan, Germany and Italy, and the three countries who are parties to each of the protocols under consideration bear the obligation of mutual military assistance. What are not clear are the obligations the three countries of Hungary, Rumania and Slovakia will bear between each other. From the form of these protocols it does not appear there is any provision for mutual assistance between these three countries. I ask for a reply.

Delegate (MATSUMOTO)

The honorable Councillor's theory is correct and there is some doubt about the wording of the protocols. But in actual practice, since three new countries have joined the Three Power Treaty between Japan, Germany and Italy and since these six countries have entered into a relationship of alliance my interpretation is that when the situation stipulated in Article 3 arises, these three newly-joined countries also bear the obligation of assisting one another.

No. 36 (FUTAKAMI)

If there were an article providing for admissions in the Three Power Treaty, there would be no question, but since there is none, Hungary and the other two countries became one of the contracting parties in the respective protocols, but there is no reason for the arising of any relationship between these three countries. I believe that there is no reason for those who are not parties to a treaty assuming obligations. What is the Government's opinion?

No. 9 (MATSUOKA)

As to the first point of the honorable Councillor's question, it goes without saying that the three countries newly joining the treaty recognized the position of Japan, Germany and Italy when signing the protocol. Regarding this point, I believe that aside from the theory of treaties, as a political theory, there is no room for doubt, and as for the second point, there can also be no doubt. Since the fundamental spirit of the subject under consideration is that the countries party to this treaty act as one in

assisting each other, although there may be doubts on this point as a legal theory, no doubt can arise on it as an actual political problem.

No. 36 (FUTAKAMI)

Since the honorable minister declares himself of the same opinion as far as the interpretation of the treaty goes I hope he will satisfactorily deal with the matter politically. In conclusion I have a question to ask regarding the form of concluding international treaties. Recently, when the Three Power Treaty between Japan, Germany and Italy was submitted to this Council for deliberation only the Japanese text was placed before this Council as the official text of the treaty, and the German and Italian texts were not submitted. Today for the first time I have become aware of its contents when these protocols were placed before us for deliberation. Since I am fully aware of the circumstances of the times I have no intention of disputing about this, but in future I desire that all official texts be submitted to this Council for consideration before asking for the Imperial approval. Among the official texts of the protocols submitted to this Council for consideration are Hungarian, Romanian and Slovakian. These languages, unlike German and Italian, are comprehended by few persons in this country. What methods have the authorities employed to see that these texts agree with the official Japanese text? To give an example, a few years ago there was a plan to conclude a treaty between our country and Ethiopia. When the Imperial approval was almost about to be asked for, it was found on engaging a scholar of the Imperial University to interpret the official text in Ethiopian that there were two or three points on which it differed from the official text in our language. Finally, the draft was discarded and a new treaty drawn up in which French was the official language. While I believe that in all probability much care was taken in comparing the official texts of these protocols, I would like to know how this was done.

Delegate (MATSUMOTO)

As regards the matter pointed out by the honorable Councillor, in view of the precedent concerning the Ethiopian language we have taken due care. There are competent specialists in our country regarding Hungarian and Romanian while Slovakian is a dialect of Russian and there were specialists in the Russian language who comprehended that language. Therefore, we have carefully scrutinized the text, and have also inquired of the German and Italian Embassies concerning this. Thus we have taken every care so that there might be no discrepancy between these texts and the official Japanese text.

No. 26 (SHIMIZU)

When will Germany and Italy recognize the Nanking Government as the Government representing the Republic of China? Also, what attitude will the three countries newly adhering to the Three Power Treaty take regarding the recognition of this Government.

No. 9 (MATSUOKA)

The Imperial Japanese Government had already discussed the recognition of the Nanking Government with German and Italy before our recognition of this Government. Italy is prepared to recognize this Government immediately and I expect that following this, Germany and the other three countries concerned in the protocols under consideration will extend recognition also. However, in regard to the Italian Government, as it is desirable that the Imperial Japanese Ambassador be the doyer of the diplomatic corps accredited to the new Government, we asked the Italian Government to extend recognition after our ambassador had presented his credentials, and obtained their understanding regarding this. Also, as for the time the German Government will extend recognition, there is a delicate problem. That is to say, the Imperial Japanese Government has not yet given up its hope of realizing an all-out peace in China. For this, it is all the more necessary to ask for German assistance on the side lines. But if the German Government should recognize the new Government it will naturally mean the severance of ties with the Chungking Government and will only bring about inconveniences. However, I am confident that the German Government will recognize the New Government any time our Government requires.

No. 35 (FUKAI)

Recently a war has broken out between Italy and Greece. Concerning this have there been any negotiations between our Government and the Italian Government regarding the application of the Three Power Treaty?

No. 9 (MATSUOKA)

To date there have been no negotiations between Japan and Italy regarding the application of Article 3 of the Three Power Treaty. I consider that even in future neither Germany nor Italy will demand action by Japan under the interpretation that they have been attacked by Greece.

No. 22 (ISHII)

According to the explanation of the Foreign Office authorities, Hungary commenced negotiations with Germany herself because she desired to join the Japan-Germany-Italy Three Power Treaty, and our country agreed to this through the good offices of Germany. But as regards Romania and Slovakia, Germany urged their adherence and opened negotiations with the Imperial Japanese Government. Moreover, the German Government desired a speedy realization of this, so that the Imperial Japanese Government was unable to take the proper steps and finally concluded the protocols now under discussion by an ad referendum. To begin with, the Three Power Treaty was concluded by the three Great Powers of the world, as far as the Imperial Japanese Government is concerned, there should be no reason for such undue haste in causing these second rate powers to join the Treaty. Furthermore, each of the treaties now under consideration are treaties whose conclusion contains the danger of staking our national fate. Therefore, I consider that

these treaties are not such as should be welcomed by our government. As for Romania, she has a dispute of many years standing with Russia over Pessaralia. Should incidents arise from this, there is fear that, depending on developments, our country may bear the obligation of going to war for that country. Moreover our country has no hope of receiving any assistance from Romania. Germany also, because of her relationship to the Soviet Union will be in the position of looking on with folded arms. In regard to this, there is something I would like to know. Why did Germany drag along these small weak countries and what is the reason for having been in such haste that the Imperial Japanese Government was even unable to take the proper steps in signing the protocols with these countries? Also, what led the Government to agree to the treaties under consideration, in which an occasion will arise wherein Germany will not bear any obligations but our country will.

No. 9 (MATSUOKA)

No diplomatic relations in Europe at the present moment are so complicated and so delicate as those between several powers such as Germany, Italy, Soviet Russia, Great Britain and others in the Balkan Peninsula. GERMANY and ITALY are endeavoring to strengthen their position in the said peninsula to the greatest possible extent for convenience of carrying out their war with GREAT BRITAIN and from the necessity of maintaining friendly relations with, and at the same time, rendering a menace to SOVIET RUSSIA. In taking necessary steps for the purpose the German authorities concerned are most fearful of the divulgence of the secret. If these protocols should leak out before sealing, the object in view could never be attained, which circumstances explain their haste in concluding the agreements. Now in view of the circumstances that have led to the conclusion of the Three Power Alliance, and of the existing international situation, this Empire ought to agree to the enhancement to any extent of GERMANY's position in the Balkan Peninsula, for one of the objectives of the 3-Power Alliance lies in taking advantage of the alliance in order to adjust Russo-Japanese relations. While it is necessary to intensify the close relations between GERMANY and SOVIET RUSSIA based on the interests of the two powers. I deem it a good policy to aggrandize the German menace to SOVIET RUSSIA availing ourselves of the situation to regulate our relations with SOVIET RUSSIA, seeing that SOVIET RUSSIA does not find any menace in JAPAN and is inclined to reject the adjustment of Russo-Japanese relations. From this point of view the Government has agreed to the proposal in question from a conviction that it will be favorable to our diplomacy. It seems that GERMANY intends to include ITALY as well as the BALKAN states within her sphere of influence, and to besiege TURKEY diplomatically in order to take ultimate control of her, thereby obviating the danger of her entry into the war. It is not without reason that GERMANY should request JAPAN her ally to be quick in taking action in connection with the matter. Considering it necessary for the improvement of our international position, especially in Russo-Japanese relations, we have taken the said exceptional action. I hope you will understand these circumstances.

President (HARA)

As there are no other opinions expressed, we shall immediately vote on the matter. All those in favor of the items under consideration, please rise.

(All arise)

President (HARA)

The items have been passed by a unanimous vote.

(Nine pages omitted)
(Translator's Note: The discussion of Items 4 & 5, Revision of the Ceremonial Law and Special Appointment of Censors of the Home Ministry, are omitted as they are purely a matter of form and have no bearing on the present case.)

President (HARA)

The meeting stands adjourned.

His Imperial Majesty Leaves.

Meeting Closed at 11:50 A.M.

President:
Chief of Secretary:
Secretaries:

Yoshinichi HARA
Sueo FURIE
Yuzuru MOROHASHI
Masami TAKATSUGI

(Signature)

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Doc. No. 1285

C E R T I F I C A T E

W. D. C. No. _____

I. P. S. No. 1285

Statement of Source and Authenticity

I, Shuzo Jimbo hereby certify that I am officially connected with the Japanese Government in the following capacity: Secretary to the President of the Privy Council and that as such official I have custody of the document hereto attached consisting of _____ pages, dated 18 Dec. 1940, and described as follows: Privy Council Proceedings "Recognition of Protocol in Entrance of Hungary Roumania, and Slavokia in Tri-Partite Pact". I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Privy Council in Palace ground.

Signed at Tokyo on this
4th day of September, 1946

/s/ Shuzo Jimbo
Signature of Official

Witness: Kiichi, Chosokabe

SEAL

Official Capacity

Statement of Official Procurement

I, Edward P. Monaghan, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above described document was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this
4th day of Sept, 1946

/s/ Edward P. Monaghan
NAME

Witness: /s/ J. A. Curtis
2d Lt. M. I.

Investigator, IPS
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4865

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Page 1.

STRICTLY CONFIDENTIAL

April, 1941 /Showa 16/

OUTLINE OF
FUNDAMENTAL NATIONAL POLICIES

Planning Board

CONTENTS

1. Outline of Fundamental National Policies.
(Decided by the Cabinet on July 26, 1940 /Showa 15/
Outline of Fundamental National Policies
(Published in the newspapers on August 1, 1940 /Showa 15/
2. Outline for the establishment of territorial planning.
(Decided by the Cabinet on September 24, 1940 /Showa 15/
On setting up the territorial plan, (Published in the papers on
September 24, 1940 /Showa 15/ /areas.
3. Outline for the Economic construction of Japan, Manchukuo and China.
(Decided by the Cabinet on October 3, 1940 /Showa 15/
Outline for the Economic Construction of Japan, Manchukuo and
China (published in the papers)
4. Outline for the establishment of a new labor structure.
(Decided by the Cabinet on November 8, 1940 /Showa 15/
Outline for the establishment of a new labor structure
(Published in the papers on November 8, 1940 /Showa 15/
5. Outline for the establishment of a new economic structure
(Decided by the Cabinet on December 7, 1940 /Showa 15/
6. Outline for the establishment of a population policy
(Decided by the Cabinet on January 22, 1941 /Showa 16/
Outline for the establishment of a population policy
(Published in the papers on January 22, 1941 /Showa 16/
7. Outline of Communications Policy
(Decided by the Cabinet on February 14, 1941 /Showa 16/
Outline of Communications Policy
(Published in the papers on February 14, 1941 /Showa 16/
8. Joint Economic Council for Japan, Manchukuo and China
(Decided by the Cabinet on February 25, 1941 /Showa 16/
Joint Economic Council for Japan, Manchukuo and China
(Published in the Papers, on February 25, 1941 /Showa 16/

Fundamental State Policy Decided by the Cabinet
(July 26, 1940 /Showa 15/

The world now faces a great historic turning point. It is about to see new politics, new economics, and a new culture created and perfected on the basis of the creation and development of several groups of nations. Our Empire also faces a great trial unprecedented in her history. At this time, if we ^{truly} intend to push through the national policy of our Empire based on the lofty spirit that founded the nation, it is urgently necessary that we grasp the essential tendencies of world development: fundamentally reform all our policies; surmount all obstacles and make every effort to achieve the perfection of our national defense system. Accordingly the essence of fundamental state policy has been decided as follows:

The Fundamental State Policy

1). Fundamental Measures.

The fundamental policy of our Empire lies in bringing about the establishment of exalted world peace based upon the spirit that founded our Empire, that is to say, the spirit of "Hanko-ichiu." First of all it lies in the construction of a new order in Greater East Asia founded upon a strong union between Japan, Manchuria and China with Japan as the nucleus.

To achieve this purpose, our Empire must speedily build up a strong national structure suitable for meeting any new situations and the nation will make every effort to realize this state policy with its total strength.

2. National Defense and Diplomacy.

In view of the new situations at home and abroad, our military preparations will be completed by the best efforts of the nation, on the basis of a nation-wide demonstration of the national defense structure.

The present foreign policy of our Empire is aimed at the construction of a new order in Greater East Asia, with the primary stress laid in ending the China Affair. It is hoped that our national fortunes will be advanced by the changing international situation and by execution of constructive and elastic policies.

3. Reforming our Internal Structure

The urgent task of our internal administration lies in reshaping our various policies to conform with the essential character of our

national structure and in building up the foundations of a national defense system. To achieve this purpose we hope for the realization of the following:

- A. Our system of education will be changed so that teaching will be infused with the essential character of our national structure, and, at the same time, we reckon on doing away with egoistic and utilitarian ideas and establishing national morals which place prime emphasis on service to the state. Furthermore, we reckon on promoting the scientific spirit.
- B. We calculate on establishing a new and strong political structure, and bringing about a general unification of national politics.
- a. Establishment of a new national organization by which officials and civilians will cooperate and be united in service to the state through their respective office.
 - b. Reformation of the Diet system in accordance with the new political structure.
 - c. Fundamental reformation of administrative execution. Setting up a new government system aimed at speed and coordination.
- C. Construction of the foundations of national defense economy based upon a Japan-Manchuria-China independent economy with Japan as the nucleus.
- a. Establishment of a self-sufficiency and self-supporting policy with Japan-Manchuria and China forming a bloc and embracing the Greater East Asia.
 - b. Cooperation between officials and civilians in carrying out planned economy, especially for setting up a unitary control system for controlling consumption, distribution and production of staple materials.
 - c. Setting up of a financial plan and strengthening control of money circulation aimed at general economic development.
 - d. Reforming our foreign trade policy to meet new world situation.
 - e. Setting up measures for self-support as regards daily necessities especially foodstuffs.
 - f. Epoch-making development of important industries, especially chemical and machine industries.

- g. Epoch-making development of science and rationalization of industries.
- h. Perfection and expansion of communication and transportation facilities to meet new situation.
- i. Setting up territorial development plans for the general development of the national strength of Japan, Manchuria and China.

D. A long-range policy shall be established for the improvement of public health and for increasing the population which is what generated the power for the execution of national policies. A fundamental policy shall be set up to secure development of agriculture and higher living standards for the farmers.

E. Resolute steps shall be taken to rectify the inequality of sacrifices (sacrifices made by the people) made in the execution of our state policies. Welfare installations shall be thorough-going, the life of the people shall be improved, and a living standard for the people capable of withstanding ten years of hardships shall be secured.

OUTLINE OF FUNDAMENTAL NATIONAL POLICIES

(Published in the Papers on Aug. 1, 1940)

The world now faces a great historical turning point. It is about to see new politics, a new economic and a new culture created and perfected, based on the creation and development of several groups of nations. Our Empire also faces a great trial unprecedented in her history. At this time if we truly intend to push through the national policy of our Empire founded on the lofty spirit that founded the nation, it is urgently necessary that we grasp the essential tendencies of world development, fundamentally reform all our policies, surmount all obstacles and make every effort to achieve the perfection of our national defense system. Accordingly, the essence of fundamental state policy has been decided as follows:

1. Fundamental Measures.

The fundamental policy of our Empire lies in bringing about the establishment of world peace based upon the spirit of the founding of our Empire, that is to say, the spirit of "Hakko-ichiu." First of all it lies in the construction of a new order in Greater East Asia founded upon a strong union between Japan, Manchuria and China with Japan as the nucleus. To achieve this purpose, our Empire must speedily built up a strong national structure suitable for meeting any new situations, and the nation will make every effort to realize this state policy with its total strength.

2. National Defense and Diplomacy.

In view of the new situation at home and abroad, our military preparations will be completed by the best efforts of the nation, on the basis of the nation-wide demonstration of the national defense structure.

The present foreign policy of our Empire is aimed at the construction of a new order in Greater East Asia, with the primary stress laid in ending the China affair. It is hoped that our national fortunes will be advanced by far-sighted views of the changing international situation and by the execution of constructive and elastic policies.

3. Reforming our internal structure.

The urgent task of our internal administration lies in reshaping our numerous policies to conform with the essential character of our national structure, and in building up the foundations of a national defense system. To achieve this purpose we expect the realization of the following:

A. Our system of education will be changed so that teaching will be infused with the essential character of our national structure, and at the same time, we reckon on doing away with egoistic and utilitarian ideas, and establishing national morals which place prime emphasis on service to the state. We furthermore reckon on promoting the scientific spirit.

B. We calculate on establishing a new and strong political structure and bringing about a general unification of national politics.

a. Establishment of a new national organization by which officials and civilians will cooperate and be united in service to the state through their respective offices.

b. Setting up the Imperial Rule Assistance system to conform with the new political structure.

c. Fundamental reformation of administrative execution, Setting up a New Government system aimed at speed and coordination.

C. Construction of the foundations of national defense economy based upon a Japan-Manchuria-China independent economy with Japan as the nucleus.

a. Establishment of a self-sufficiency and self-supporting policy, with Japan-Manchuria and China forming a bloc, and embracing Greater East Asia.

b. Cooperation between officials and civilians in carrying out planned economy, especially for setting up a military control system for controlling consumption, distribution and production of staple materials.

c. Setting up of a financial plan and strengthening control of money circulation aimed at general economic development.

d. Reforming our foreign trade policy to meet the new world situation.

e. Setting up measures for self-support in regard to daily necessities, especially foodstuffs.

f. Epoch-making development of important industries, especially chemical and machine industries.

g. Epoch-making development of science and rationalization of industries.

h. Perfection and expansion of communication and transportation facilities to meet any new situation.

i. Setting up territorial development plans for the general development of the national strength of Japan, Manchuria and China.

4. A long-range policy shall be established for the improvement of public health and for increasing the population which is what generates the power for the execution of national policies. A fundamental policy shall be set up to secure development of agriculture and higher living standards for the farmers.

5. Resolute steps shall be taken to rectify the inequality of sacrifices (made by the people) made in the execution of our state policies. Welfare installations shall be thorough-going, the life of the people shall be improved; and a living standard for the people capable of withstanding ten years of hardships shall be secured.

THE OUTLINE FOR THE ESTABLISHMENT OF TERRITORIAL PLANNING

(Decided by the Cabinet on Sept. 24, 1940 /Showa 15/)

1. The motive underlying the plan.

To accomplish the holy task of constructing a new East Asia and to keep up with the progress of the times according to the ideals of the founding of our Empire, it is urgently necessary that we plan for a bold increase of our national strength upon the basis of a general administrative plan involving the various countries of East Asia. That is, with the object of strengthening the national defense structure throughout Japan, Manchukuo and China, it is sought to establish a plan for the all-round preservation, utilization and development of the national territory and to push forward on a control basis various policies in the current situation under a consistent guiding principle by establishing a system of territorial planning, geographically including Manchukuo and China also, taking into consideration the long future of the country, and organizing plans for the distribution of industrial communications, cultural facilities and population on an all-round basis and in accordance with the objects in their relation to the soil.

2. The classification and the application of the plan.

a. The plan for Japan, Manchukuo and China.

This is a plan for the all-round utilization and development of the three countries of Japan, Manchukuo and China, each country being a unit and men and facilities rationally distributed among them. This

This plan is to be the standard for the determination of the enterprises planned on a territorial basis by each of the countries concerned. For Japan, this shall be the standard for setting up a central plan.

b. Central Planning.

It is planning for the entire areas, including both the homeland and overseas. It is to be set up on the basis of the plan for Japan, Manchukuo and China. It is intended to project a plan for the all-round utilization and development of the country from a national standpoint which will enable each locality at home and abroad to display its special features.

This central plan is to be applied as a basis of the administration of the various government offices. It is to be directly carried out as the enterprise of the various government offices, besides serving as the

basis for setting up local plans for each local unit in Japan and the plans for the development of overseas areas.

3. Essentials for setting up the plan.

a. In view of the purpose of setting up this plan, the investigation, researches and drafting of plans on a territorial basis is to be always conducted progressively and on a unified basis from the standpoint of promoting the strengthening of the nation's all-round defense power.

b. The drafting of plans is to be made by setting a definite period to be aimed at with the object of promoting the establishment of the East Asia Co-Prosperity Sphere, including Japan, Manchukuo, China and the Southern Regions.

c. In planning, the object should be to protect and preserve the national territory; emphasis should be laid on seeking the controlled distribution of industry and population in their organic relation to the all-round communication and motive power plans and importance should be always attached to considerations of air defense.

d. As to the plan pertaining to economies, the object is to promote the acquisition and the proper interchange and distribution of necessary materials through the development, preservation and cultivation of the resources in the East Asia Co-Prosperity Sphere, and to endeavor at the same time to secure a superior position in international economy.

e. As to the plan for population, the object is to promote the reinforcement of population both in number and quality, and the proper distribution of the population according to geographical location and functions.

f. The basic investigations are intended to consolidate the investigations conducted by the different government offices and, with the cooperation of civilian quarters, properly arrange the relative data concerning both the homeland and overseas.

4. Principal matters to be planned.

a. The plan for the distribution of the economy of Japan, Manchukuo and China;

b. The plan for the distribution of manufacturing and mining;

1) The plan for the distribution of heavy chemical industries according to their classification.

II)

II) The plan for the distribution of light industries according to their classification.

III) The plan for the distribution of manufacturing districts.

IV) The plan for the development of mineral resources.

c. The plan for the distribution of agricultural, forestry, live-stock, and marine products industries.

I) The plan for agriculture

II) The plan for forestry

III) The plan for the marine products industry

d. All-round communication plan.

I) The plan for perfecting transportation and communication facilities in the homeland and overseas.

II) The plan for perfecting transportation and communication facilities in East Asia.

e. All-round plan for motive power (including fuel);

f. All-round plan for control of Natural Features and of irrigation.

g. All-round plan for population distribution.

I) Plan for the distribution of cities;

II) Plan for the distribution of population according to vocations.

III) Plan for the distribution of the population according to zones.

IV) All-round plan for emigration.

h. Plan for the distribution of cultural and welfare facilities.

i. Fundamental policy for planning for each local unit.

5. Business machinery and its operation.

a. The territorial planning shall be placed under the jurisdiction of the Prime Minister, and its business shall be handled by the

Planning Board.

b. A territorial planning committee shall be established in the Cabinet by official organization to serve as a consultative body for the projection and operation of territorial plans.

c. Each government office shall take part in the projection of the territorial plans and according to its competence shall take charge of the investigations, projection and enforcement of matters which constitute the substance of the plans.

The Prime Minister may exercise supervision over the enterprises of the various government offices in so far as such supervision is necessary for the operation of the plans. Local planning shall also be supervised by the Cabinet.

d. The various councils, investigation committees and other committees established within the various government offices shall maintain, if necessary, close liaison with the territorial planning committee. The means of maintaining liaison among them shall be considered later.

e. The liaison with Manchukuo and China concerning the plan for Japan, Manchukuo and China shall be established through the government offices concerned.

f. The enforcement of the central plan overseas shall be placed under the jurisdiction of the various overseas government offices and supervised by the Ministry of Oversea Affairs (the Manchurian Affairs Bureau in the case of the Kwantung Province).

ON THE ESTABLISHMENT OF TERRITORIAL PLANNING

(Oral Statement by Naoki HOSHINO, President of the
Planning Board)

Published in the Papers on Sept. 24, 1940 /Showa 15/

In regard to the adoption of a plan for territorial development intended to develop the all-round national strength combining Japan, Manchukuo and China, the present Cabinet had previously taken the matter up as a fundamental national policy. Since then, the Planning Board as the nucleus, has made studies as to the method of projecting such a plan. The matter has now been adopted by the Cabinet as the Outline for the Establishment of Territorial Planning.

Now at this historic turning point in the world, it has become an urgent need of the hour to strive to form the Greater East Asia Co-Prosperity Sphere, with the alignment of Japan, Manchukuo and China as the axis, and Japan as its center.

For this purpose, we must establish an all-round scientific plan for Japan, Manchukuo and China in the field of industrial economy as well as communications and push forward all measures based on this plan. This is the first reason for requiring territorial planning.

On the other hand, the unlimited expansion of big cities, and the springing up of newly-risen industrial cities caused by the sudden increase in the number of factories and other factors accompanying the progress of the recent expansion of productive power are creating many problems in the fields of national health, sanitation, air-defense, transportation, etc. In the rural districts, there has arisen the problem of farms being devastated and forests laid waste, which cannot be left unattended to. Of course, studies have been made of and plans enforced individually in respect to the problems of properly deploying cities, localization of manufacturing industries, and the management of farm production on a planned basis. But, to tell the truth, the absence of appropriate all-round planning for obtaining an organic coordination between the individual plans is weakening the operating force of all these plans. The need of giving a unified objective for the various measures of the hour is the second reason why territorial planning is necessary.

Territorial planning seeks to adopt measures for meeting these needs, but the form of the plan places the highest object of the planning on the strengthening of a high degree defense structure for Japan, Manchukuo and China. This being the main object, it is intended to establish a plan for the all-round preservation, utilization and development of the territory by an over-all consideration of the plans

for the distribution of industrial, communication and cultural facilities and for the ideal distribution of population. However, by utilization and development of the territory we do not mean their utilization for merely selfish motives. Needless to say, we must start out with the spirit of love for our territory and project all plans with the ideal of perfecting our territory.

The plans will be divided into two main classes, one pertaining to the three countries of Japan, Manchukuo and China, combined, and the other concerning Japanese possessions. In order to carry out these two plans, studies must be extended even to the most fundamental problem of deciding the maximum population capacity and the limit of self-sufficiency in foodstuffs of Japan Proper. Also, the plan must be extended to such concrete problems as the distribution and formation of industrial districts, and their relation to the source of motive power, water supply, labour and various kinds of communication facilities.

The business of territorial planning is expected to become wider and wider, and more and more varied as the planning progresses. In regard to this, we hope to project a definitive plan with the cooperation of Manchukuo and China and also with the cooperation of the knowledge, experience, and insight of the public at large.

OUTLINE FOR THE ECONOMIC CONSTRUCTION OF JAPAN, MANCHUKUO
AND CHINA

Decided by the Cabinet on Oct. 3, 1940 /Showa 15/

In order to achieve in concrete form the Empire's mission of establishing a new order in East Asia and securing the eternal peace of the world, it is necessary to push ahead in comprehensive unity the process of internal reformation and the process of expanding and organizing our living sphere, thereby speedily perfecting a defense state. Therefore it is necessary to establish the basic economic policies of the Empire on a comprehensive planning for the following three big processes:

1. The perfection of the Reorganization of the national economy.
2. Strengthening the organization of our sphere of self-sufficiency.
3. The expanding organization of the East Asia Co-Prosperity Sphere.

Probably in order to expand and organize our living sphere, it is necessary to strengthen and expand the comprehensive fusion of the politics, culture and economies of Japan, Manchukuo, North China, Meng-chiang and their advance points, namely the specified islands along the South China Coast, which form a unified organic sphere of independent existence. At the same time it is necessary to establish an East Asiatic Co-Prosperity Sphere embracing Central and South China, Southwestern Asia and the various areas of the Southern Region in order to promote and assist the perfection of our defense economy.

As to the means of applying our economic policies, it is necessary to devise special measures adapted to the scale of living conditions of the respective peoples, while adjusting the fundamental policy on the fusion of our country with the other states or areas and peoples within our living sphere.

1. The fundamental policy

1. The object of the economic construction of Japan, Manchukuo and China is generally to establish a self-sufficient economic structure for Japan, Manchukuo and China as a single unit by about 1950, and at the same time promote the construction of the East Asia Co-Prosperity Sphere, thereby strengthening and securing a position in world economy.
2. The guiding spirit of the economic construction of Japan, Manchukuo and China is to establish a defense economy and promote co-existence and co-prosperity and the welfare of the people at large through the unified collaboration of Japan, Manchukuo and China, with Japan as the center, in accordance with the spirit of "hakko ichiu" /"universal brotherhood"/.

3. Japan, in view of its position as driving force for the economic construction of Japan, Manchukuo and China shall enhance her national spirit, reform her internal structure, and try to increase her national strength, thereby guiding and rearing the economic construction of Manchukuo and China, especially promoting an epoch-making development of science and technology and also the development of pioneering industries.

4. Manchukuo, while further strengthening its inseparable relation with our country, shall make the establishment of a self-existent sphere its main objective and promote the speedy adjustment and development of important basic industries.

5. China shall cooperate with Japan and Manchukuo to develop her resources and rehabilitate her economy. North China and Mengchiang shall develop communications and important industries with the main object of establishing a self-existent sphere. Central and South China shall lay stress on the smooth exchange of goods and the development of important resources, and thereby contribute to the establishment of the East Asia Co-Prosperity Sphere. However, special efforts shall be made to develop such special islands as Hainan Island, along the South China Coast as the advanced posts of our self-existent sphere.

6. Efforts shall be made to secure a systematic joint storage of defense materials within our self-existent sphere and thereby preserve our national defense power.

7. In order to adjust and promote the prosecution of the plan for the comprehensive economic construction of Japan, Manchukuo, and China, the machinery for the all-round economic planning for Japan, Manchukuo and China shall be perfected.

II Policies for different branches

The fundamental policies concerning the measures for industrial distribution, labor, finance, trade, communications, etc., have been roughly decided as follows:

1. Industrial Distribution:

Hereafter our country shall lay stress on and promote an epoch-making development of

a) the precision tool, machine tool, and munition industries.

The other heavy industries, chemical and mining industries shall be developed within our self-existent sphere according to the principle of "the right industry in the right place."

The light industries, particularly the textile industry and miscellaneous industries, shall be adjusted on a planned basis and transferred one after another to the continent, at the same time consideration shall be given to the transfer of their ownership to continental capital.

In regard to agriculture, the land system shall be reformed, management shall be reformed on a scientific basis, the security and advancement of farmers shall be promoted, the staple diet of the people shall be secured, and the farm population shall be maintained at a fixed number.

The marine products industry shall be developed more and more to maintain first place in the world as heretofore.

Forestry administration shall be unified and reformed and the rational utilization and preservation of forest resources shall be promoted.

b. Manchukuo shall strive to effect the epoch-making development of mining and electrical enterprises in particular and, in accordance with the principle of the "right industry in the right place" between Japan and Manchukuo, try to promote heavy and chemical industries, besides supplying to Japan a part of the raw materials for heavy industries. Machine and munition industries shall be developed as far as they are necessary to fill the demands of national defense.

Light industries shall be promoted to fill domestic requirements.

In regard to agriculture, Manchukuo, in view of position as the supply base of food and fodder for Japan, Manchukuo, and China and the source of special agricultural resources for the world shall develop farmlands, improve and rationalize farming technique, and drastically increase its agricultural productions.

In the development of agriculture, colonization of Japanese immigrants shall be promoted to make them the kernel of agricultural development.

Salt manufacturing, live-stock breeding, and forestry shall be promoted actively along with the foregoing.

c. China shall hereafter try its best to effect an epoch-making development of the mining and salt manufacturing industries, produce industrial raw materials on a large scale and contribute to the establishment of the basis for the economic construction of Japan and Manchukuo. At the same time China shall construct a number of the heavy and chemical

industries, in accordance with the principle of the "right industry at the right place", thereby reinforcing Japan and Manchukuo's industries.

In respect to light industries, mutual adjustment shall be made in accordance with the stages of the development of the industries in Japan and their development fostered principally through native capital.

As to agriculture, special efforts shall be made to perfect the basic facilities to improve and rationalize agricultural management in order to secure the staple diet of the people and also increase the production of cotton and other basic products.

2). Labor.

In view of the importance of the people's labor and the position of the productive nature of technology in the national defense economy, a drastic reform shall be made in the structure of labor technique. At the same time a labor plan for Japan, Manchukuo and China shall be established and a geographical control and redistribution made on the basis of inter-racial cooperation.

a) Japan shall establish a new system of labor technique, and try to train the workers' mind and body, promote scientific education, increase the productivity of labor and train technicians and skilled workers. At the same time guidance and assistance shall be given for the economic construction of Manchukuo and China.

b) Japan will provide Manchukuo with technical experts and skilled workers necessary to develop her industries, besides establishing a system for their training in Manchukuo itself. The colonization of Japanese and Koreans on a planned basis shall be promoted. As to common laborers, the immigration into Manchukuo of laborers from North China on a planned basis shall be promoted, besides the adoption of measures for supplementing laborers from within the country. Efforts shall be made to effect reforms in labor management in the mining and manufacturing industries especially.

c) China shall obtain from Japan technical experts and skilled workers necessary for her industrial development and economic rehabilitation, besides making efforts to train them in her own country.

As to general laborers, measures for their stabilization and advancement shall be adopted. At the same time laborers necessary for the industrial development of Manchukuo shall be supplied.

3. Finance.

For the attainment of a national defense economy a change in financial ideology shall be effected so as to aim principally at making

it possible to secure both the quality and quantity of materials necessary to the state, instead of placing the basis of finance merely on the certainty of withdrawal/of money/ from circulation.

a) According to the industrial plan for Japan, Manchukuo and China, a financial plan to enable its enforcement shall be established, and a financial machinery for carrying it out shall be perfected.

b) In view of the necessity for the conversion of the facilities of many enterprises consequent upon the progress of technology and the division of industries and also in order to cope with the systematic joint storage of defense materials, the financial system shall be perfected.

c) Funds shall, as a rule, be obtained from the savings of the three nations. For this purpose, measures shall be adopted to promote increased savings and their employment in each country. However, for the time being, the funds for the repletion of defense productive power shall be supplied by Japan. Moreover, in so far as it is not contrary to the purpose of establishing the Greater East Asia Co-Prosperity Sphere, measures shall be adopted to promote the use of foreign capital.

d) As to foreign exchange, the aim of control shall be to ensure the acquisition of defense materials from abroad, instead of placing emphasis merely on the economization of foreign payments. Measures shall be taken to utilize foreign exchange funds jointly between Japan and Manchukuo and also as comprehensively as possible in regard to China too. Furthermore, measures shall be adopted to make Japan the center of finance and settlements for the Greater East Asia Co-Prosperity Sphere.

e) Japan, Manchukuo, and China shall cooperate with each other for making the ^{necessary} international settlements and strengthen the mutual relationship of the economy of the three countries.

f) In regard to the monetary system of China, Japan shall maintain, as a rule, its leadership and take proper steps to cope with the changing situations.

4. Trade.

The past ideology of commercial trade shall be changed, a trade policy based on the principle of productive economy embracing the Greater East Asia Co-Prosperity Sphere, with Japan as its center, shall be established, and its position in world economy secured.

a) A smooth, certain, active, preferential interchange of mutually necessary goods between Japan, Manchukuo and China shall be fostered.

b). In the relations with third countries, or other groups, Japan, Manchukuo and China, as one body, shall establish trade of goods, country by country, or group by group, ensure the acquisition of goods necessary for the production of the three countries and distribute and adjust the goods among themselves.

c) In relations with the areas of the East Asia Co-Prosperity Sphere other than Japan, Manchukuo and China, trade agreements with the object of mutually supplying each other with the necessary goods on a preferential basis shall be concluded and guidance given to put them in a position of inseparable relationship with Japan, Manchukuo, and China.

5. Communications.

In order to foster the consolidation of the economy of Japan, Manchukuo and China, and to make it conform with the requirements of national defense, the shipping, ports and harbours and railways shall be perfected and expanded to effect an epoch-making development of the transportation and communications among the three countries. At the same time the organic coordination of overland and marine transportation facilities shall be promoted and measures adopted to effect unified control and coordination of airways, and the perfection and expansion of electric communication and radio broadcasting facilities. Moreover, an epoch-making expansion of communication facilities on the continent shall be effected.

a) Japan shall fulfil the mission of leadership in communications among Japan, Manchukuo and China, ^{and also} occupy an unquestioned superiority in the shipping of East Asia. Furthermore, she shall strive to effect an epoch-making increase of Japanese shipping in order to create world-wide developments.

b) In Manchukuo a rapid expansion of transportation and communication facilities shall be fostered from the viewpoints of national defense and fostering industrial development plans.

c) For the purpose of fostering economic rehabilitation and industrial development, China shall do her best to expand transportation and communication facilities, as well as to develop inland water transportation. As to transportation and communications in North China and Mengchiang, specially close connection shall be maintained with Japan and Manchukuo from the viewpoint of national defense, and their rapid expansion promoted.

d) In order to secure an independent position for the transportation and communication of East Asia, efforts shall be made to gradually bring foreign rights and interests under our influence.

PREAMBLE

(Draft Published in the Papers)

Japan's great policy of establishing the Greater East Asia Co-Prosperity Sphere, with the view to constructing a new world order has entered a new stage as the result of the conclusion of the Tri-Partite Pact between Japan, Germany and Italy. In order to cope with this situation, the Government decided at the Cabinet meeting the other day on "the Outline of the Economic Construction of Japan, Manchukuo and China" as one of the basic economic policies, and also decided to consolidate the measures under this policy.

The object of the policy is to plan the epoch-making advance of the East Asia Co-Prosperity Sphere which has as its basis the development of Japan, Manchukuo and China in accordance with the new concept of economic order.

The world economy of free trade based on the free exchange of goods by each country, like the old order, is now collapsing before our eyes.

Japan's economy, too, must cast off the older system based on this old order, and effect a new organization. By this reorganization, we must make Japanese economy higher and wider and stronger than what it has been, and thereby bring about the advancement of the life of the various races of East Asia and guide them to a proper place in the world. By "higher" we mean to give a further higher productivity to the people's living power. By "wider" we mean to expand the economic sphere of mutual interdependence from Japan, Manchukuo and China to the Greater East Asia and to establish a solid co-prosperity sphere. By "stronger" we mean to reduce to the minimum the dependence of Japan's economy on foreign countries and to maintain a staying power unshakable under all adversities.

In order to make our economy thus higher, wider, and stronger, we must, with a firm will, overcome internally the agonies attendant on reforms and also eliminate whatever oppression and threats may come from external sources, by concentrating the total strength of the people, and in about ten years hence complete a new order of East Asian economy, of which Japan is the leader.

It is within this order that the economy of the various countries of East Asia, not to speak of Manchukuo and China, can expect to achieve a glorious advancement and development.

THE MAIN POINTS OF THE OUTLINE FOR THE ECONOMIC CONSTRUCTION
OF JAPAN, MANCHUKUO AND CHINA

In order to establish a new order in East Asia, and fulfil concretely Japan's mission to secure eternal peace in the world, it is necessary to push forward in comprehensive unity the process of reorganizing the internal structure and the process of expanding and organizing our living sphere. It follows that the basic economic policies of Japan must be built on the ^{comprehensive} planning of the following big three processes:

- 1) The completion of the reorganization of national economy
- 2) The organization and strengthening of the economy of Japan, Manchukuo and China.
- 3) The expansion and organization of the Great East Asia Co-Prosperity Sphere.

Basic policies

1. The aim of the economic construction of Japan, Manchukuo and China is generally to establish a self-sufficient economy of the three countries combined during the next ten years and also to promote the construction of the Greater East Asia Co-Prosperity Sphere, thereby strengthening and establishing the position of East Asia in the world economy.
2. Japan's guiding spirit concerning the economic construction of Japan, Manchukuo and China is to promote the co-existence and co-prosperity and the general welfare of the three countries by their unified cooperation based on the great spirit of "hakko ichiu."
3. In order to promote the economic construction of Japan, Manchukuo and China, Japan shall exalt the people's morale, reform the internal structure, increase the national strength, and lend assistance for the economic construction of Manchukuo and China. For these purposes, Japan shall especially promote an epoch-making development of science and technology and the development of pioneering industries.
4. Manchukuo, which has an inseparable relation with Japan, is expected to rapidly perfect and develop important basic industries.
5. China is expected to cooperate with Japan and Manchukuo, to develop her resources, rehabilitate her economy, especially promoting the development of communications, smooth exchange of goods, and the development of important industries and resources, and to contribute

to the establishment of the East Asia Co-Prosperity Sphere.

6. In order to adjust and promote the planning of a comprehensive economic construction of Japan, Manchukuo and China, the machinery for the comprehensive economic planning for Japan, Manchukuo and China shall be perfected.

As Japan, Manchukuo and China constitute the basic trunk of the East Asia Co-Prosperity Sphere, they have the duty of regulating their economic relations on the basis of a very close combination. It was from this point of view that the Government decided the basic policies on industrial distribution, labor, finance, trade and communications of Japan, Manchukuo and China.

Industrial distribution:

In deciding industrial distribution, it is important to make comprehensive decisions by taking Japan, Manchukuo and China as a truly organic unified body, with due consideration for the economic and geographical conditions and the stage of economic development of each of the three countries involved.

It is important for Japan to promote hereafter an epoch-making development of the high precision and machine industry and also to develop extensively the basic industries such as heavy, chemical and mineral industries.

In Manchukuo the mining and electric industries are expected to make epoch-making developments, while Japan will lend necessary assistance for the development of the heavy and chemical industries. In China a large production of industrial raw materials through the development of mining and salt manufacturing industries is expected hereafter. The development of heavy and chemical industries is also expected hereafter since there is room for such a development from the viewpoint of geographical and economic conditions.

The need for greatly fostering the development of light industries on the continent is recognized. There is also need to consider the gradual readjustment and the transfer to the continent of the light industries of Japan, especially the textile and miscellaneous industries.

As to Japanese agriculture, it is intended to improve the various land systems, reform management, promote the stabilization and advancement of farmers, and to secure the people's main diet, as well as to maintain the farm population at a certain fixed figure. As to the marine products industry, its further development shall be fostered. The rational utilization and preservation of forest resources shall be also fostered.

In view of the fact that Manchukuo is the food and fodder supply base for Japan, Manchukuo, and China and also the world's source of supply for special agricultural products, a drastic increase of agricultural production in Manchukuo is expected. Moreover, in developing agriculture, the colonization of Japanese agricultural pioneers shall be promoted. In Chinese agriculture it is necessary to make efforts to secure the staple diet of the people and to increase the production of cotton and other staple products.

Labor.

In order to secure a superior position in world economy, the position of the people's labor and technique becomes more and more important. For this purpose it is necessary to effect a great reform in the Japanese labor and technical systems. In order to maintain also the superior position of the East Asia Co-Prosperity Sphere in world economy, each country and each area must consider how to contribute its labour power to the advancement of the whole sphere.

For this purpose, Japan intends to arrange new labour and technical systems, try hard to build up the mental and physical welfare of the laborers, make scientific education universal, increase the productive efficiency of labour, and to train technicians and skilled workers, and attain the object of lending necessary assistance for the economic construction of Manchukuo and China.

That is, Japan will offer to Manchukuo and China good technical experts and skilled workers necessary for industrial development and economic rehabilitation. In view of the importance of technology it is of course necessary for the two countries to train technicians and skilled workers themselves. It is thought necessary for Manchukuo to promote the immigration and settlement of laborers from North China on a planned basis, as well as to adopt measures for supplementing labor from within the country and try to reform labor management in the mining and manufacturing industries.

Finance.

In order to promote the construction of a national defense economy, the function of finance, too, naturally must have a national object, which is to make possible the acquisition of both the quality and quantity of goods required by the country. In order to make possible the enforcement of an industrial plan for Japan, Manchukuo and China, it is necessary to possess a financial organ capable of deciding the distribution of funds on a planned basis and of carrying it out. It is also felt necessary to perfect a financial organization capable of coping with the conversion of industrial facilities attendant on technical progress and the establishment of industrial distributions, or capable of storing important materials.

It is a matter of course that the funds needed by Japan, Manchukuo and China must depend upon accumulated savings of the three countries.

For this purpose the three countries must adopt measures to increase savings and make active use of them.

The funds necessary for the development of important industries in Manchukuo and China shall be provided by Japan.

Along with the furtherance of the economic relations between Japan, Manchukuo and China, a relation of mutual assistance between the three countries in respect to international settlement of accounts should be established.

Trade.

As to trade in the new order of world economy, it is necessary to make considerable modifications to the purely commercial trade principle of the past. In place of this principle, it is necessary to have productive trade, that is, in order to acquire materials necessary for one's own planned production from other countries, other areas and other spheres, it is necessary to supply materials that others need. Japan, Manchukuo and China, of course, as well as the other areas of the Co-Prosperity Sphere should regulate trade under an inseparable relationship of mutual assistance. In doing so, a special payment agreement between Japan, Manchukuo, China and other areas of the Co-Prosperity Sphere becomes necessary in order to promote the exchange of goods among them.

Communications.

With the closer exchange of materials between Japan, Manchukuo, China and other areas of the Co-Prosperity Sphere, and in order to assure the security of the Co-Prosperity Sphere, it is necessary to regulate and operate the communications between the three nations on a comprehensive planned basis. For this purpose, we must foster the connection between overland and water transportation, promote a drastic increase of shipping, the control and interdependence of airways, and the perfection and expansion of electric communication facilities of the three countries.

OUTLINE FOR THE ESTABLISHMENT OF A NEW LABOR STRUCTURE

(Decided at the Cabinet Meeting of Nov. 8, 1940 /Showa 15/

In view of the fact that the completion and heightening of national labour is the basis for the completion of a high degree national defense structure and the enhancement of national productive power, it is intended to establish a new labour system for the purpose of achieving labour mobilization by enabling all workers to display their originality and ability to the fullest extent and also by promoting the training of workers and their proper distribution.

For this purpose a spirit of labour shall be established, a labour organization and combined labour organizations in the enterprise management body, which is an organic composite of capital, management and labour, shall be established and the administrative organization shall be perfected.

1). Establishment of Labor Spirit:

Labor shall embody comprehensively and completely its national character, personality and productivity as the war service activity of the people of the Empire.

Therefore, a labour spirit shall be established on the basis that labour is the people's responsibility to the country and at the same time an honour, that each and everyone should display the fullest capacity in his own position, that labour should conform to order, be obedient and display by cooperation the overall efficiency of industry, and that labour should be creative and voluntary as the manifestation of the whole personality.

2). Establishment of a labour system in each operative unit.

The labour system in each operative unit shall be organized in accordance with the following main points:

a. All the workers belonging to the operative body shall be organized as a special corporate organization with the enterprise operator as the leader.

b. The component members shall display the highest degree of productivity by cooperating as a single body according to the functions of each. Moreover, with the object of establishing labour spirit, promoting the workers welfare and cultivating

the foundation of labour, they shall undertake enterprises necessary for achieving these objectives.

c. An organ will be established for making the will of the higher authorities known to the lower ranks and vice versa in respect to improving production, promoting welfare and other matters on labour, and also the necessary organs for making special studies of these matters and fostering their application.

d. If it is not proper to set up this type of organization in medium or minor operative bodies, a single labor organization shall be formed comprising all the workers within a specified district or those employed by operators engaged in the same line of business in a specified district.

e. This labor organization shall be set up not only in manufacturing mining and transportation industries but also in commercial and other industries so as to cover all industries as far as possible.

3). Establishment of Combined Labor Organizations.

Combined labor organizations shall be set up according to the following main points:

a. A combined national labour organization shall be organized by the various unit labour organizations throughout the country. A combined local labor organization shall be organized by the various unit labor organizations within a certain area.

The combined local labor organization may set up branches in various parts of the district, if necessary.

In the case of those engaged in ocean transportation, a labour organization shall be organized in accordance with the actual circumstances and admitted into membership of the national labour organization.

b. The combined labour organization shall be a special public corporate organization charged with the guidance and supervision of the unit labour organizations and the subordinate combined labour organizations.

c. National and local combined labor organizations and their local branches shall, if necessary, establish national committees, according to different types of industry as organs of activity.

d. The national labour organization shall have a central headquarters to carry on, as an auxiliary organ of the Government, occupational conversion, the adjustment of the demand for and supply of labour and other labour controls, besides training leaders studying

and guiding basic studies on methods of increasing efficiency, and the all-round enforcement of welfare enterprises.

e. Combined local labor organization shall, besides correspondingly carry on enterprises in accordance with the preceding paragraph mediate disputes and conduct special youth training.

f. Sectional meetings according to different types of industry may, besides making researches, investigations, and plans for special problems concerning the industries concerned, carry on, if necessary, enterprises by establishing special accounts.

4). Relation between the combined labor organization and other organizations.

a. The various existing organizations whose objects are to make researches and investigations and give guidance concerning labour, shall be amalgamated into the combined labour organization so far as possible.

b. In the government enterprises also, labour organization shall be organized and act in concert with the combined labour organizations.

c. As to agriculture, agricultural associations shall be regarded as the agricultural labour organization, which shall have generally the following relations with the combined labour organization:

1. Labour Control shall be enforced in close cooperation according to an all-round plan.

2. In respect to matters relating to welfare and other enterprises where it is felt proper to embrace farm workers, they shall be carried out as one body.

3. Proper measures shall be taken in regard to the alternate assignment of officers and the establishment of permanent liaison organs, etc.

5. Administrative Machinery.

Labour administrative machinery shall be reformed to conform with the new labour system.

6. Overseas system.

Insofar as the conditions permit, the present outline shall be correspondingly applied in the overseas areas.

THE CONTENTS OF THE OUTLINE FOR THE ESTABLISHMENT OF
THE NEW LABOUR SYSTEM

1. Fundamental Policy.

In order to complete a national defense state and display the productive power to the highest extent a new labour system for enabling workers to display their originality and ability as one cooperative body in their respective occupations within the operative body and also for promoting the establishment of the position of labour and training and distribution on a planned basis.

For this purpose, it is necessary to establish (1) a labour spirit in a national defense state, (2) labour organization in a unit operative organization and (3) a labour control system conforming with the new national economic system, and (4) to perfect the administrative machinery.

2. Establishment of Labour Spirit in a National Defense State.

Labour in a national defense state should not be regarded as a materialistic means of the people's life. Its national character, personality, and productivity should be thoroughly realized as the service activity of the people. Therefore, labour in a national defense state should be practiced on the basis of the following spirit:

1. Labour should be the people's responsibility to the Empire and an honour for them.
2. Labour should be displayed at the highest efficiency in each individual's performance of his duties.
3. Labour should display overall efficiency by attention to order and by cooperation.
4. Labour should be creative and voluntary as the manifestation of one's whole personality.

3. Establishment of a new labour organization.

1. Labour organization in a Unit Operative Body:

A. Nature.

a. It shall be a corporate body embracing the entire personnel of the operative body under the premise of giving the actual operative body the predominant position in enterprises where capital occupied a superior position.

b. The objects of this organization shall be to foster the display of the highest degree of productivity by its members through cooperation as one body in performing their respective

duties within the operative body, and to increase their welfare and to raise and cultivate the basis of labour.

c. This organization shall be an organization of leadership superintended by leaders.

d. This organization shall be a special juridical body bearing a public character.

2. Structures:

a. Members -

The entire personnel of the operative body, including operators, technicians, office personnel, and the general laborers, shall comprise the membership of this organization.

b. Supreme leader -

The operator shall be the supreme leader of this organization.

c. Pivotal organs -

1. Cooperative council.

a. A cooperative council shall be organized according to the size of the enterprise.

b. The supreme leader shall be the chairman of the supreme cooperative council.

The members of the supreme cooperative council shall be nominated by the supreme leader. Among them about one-half shall be nominated from those recommended by the workshops.

c. The composition of lower rank cooperative council shall be organized correspondingly as above.

d. The lowest rank cooperative council shall be composed of the entire personnel.

e. The constituent membership of each cooperative council shall be from 10 to 30.

2. Pivotal body -

a. The supreme leader or a person nominated by him shall be the head of the pivotal body.

b. The supreme leader shall nominate as its constituent members capable elements from the various branches of the enterprises.

c. The following divisions shall be generally set up within the pivotal body:

Research Division, Training Division, and Welfare Division.

3. Young men's unit -

A. Young men's unit shall be organized by persons from 15 to 25 years of age.

B. The chief of the training division of the pivotal body shall serve as the director of the young men's unit.

C. Functions -

a. Labour Organization Body.

1. To carry out the enhancement of a patriotic labour spirit and other matters concerning education and training.

2. To study, plan, and put into practice matters concerning the improvement of productivity.

3. To study, plan, and foster matters concerning the perfection of all labor conditions.

4. To carry out matters concerning the welfare and culture of laborers.

5. To have matters concerning cooperation with national policies put into practice.

6. To put into practice other matters legally ordered.

b. The supreme leader.

The supreme leader shall give the highest guidance and decisions with full responsibility in regard to all matters for the improvement of productivity and the promotion of welfare.

c. Cooperative council.

1. To assist the leaders by making known to the

upper ranks the will of the lower rank, and vice versa, in regard to the improvement of productivity and the promotion of welfare based on the concentration and exaltation of the cooperative body consciousness.

2. Meetings shall be conducted in the form of round table discussions and presided over by the chairman of the council.

3. The matters for discussion shall cover all matters concerning labour such as the thorough inculcation of the patriotic labour service spirit, education and training, improvement of skill, improvement of operational process control, perfection of various labour conditions, welfare and mutual relief, and renovation of living conditions.

d. Pivotal body.

1. To assist the leaders by fostering professional researches, planning, and putting into practice of measures for improving productivity and promoting welfare, and to take charge of the business of the labour organization.

2. The matters to be performed by each division of the pivotal body are generally as follows:

a. Research Division

Improvement of skill, control of operational processes, environmental conditions surrounding work operations, prevention of poor quality goods, salaries and wages, and working hours.

b. Training Division.

The thorough inculcation of the patriotic labour spirit, training in observing rules, physical education, training, young men's unit, labour service, etc.

c. Welfare Division.

Health and sanitation, welfare and mutual relief, renovation of living conditions, home front activities, and personal affairs consultations.

c. Young men's unit.

1. To give special training for the cultivation and training of mind and body, the acquisition of skill, group discipline, etc.

2. To serve as the vanguard for bringing about the new workshop system.

D. 1). Exceptions to the Unit Labor Organization.

a. In the case of middle and small operative bodies, a single labor organization may be organized, comprising the entire operators and employees within a specified district or in the same kind of enterprises within a specified district.

b. The composition, functions, etc., of this labor organization shall be generally the same as described above.

2). Organization of Labor Control.

A. Character.

a. A labor control organization shall be the guidance of control organization for unit labor organizations or subordinate labor control organizations.

b. A labor control organization shall be a public judicial body composed of unit labor organizations as its constituent units.

c. A labor control organization shall be an organization of leaders superintended by leaders.

B. Form of organization.

a. A national labor control organization shall be organized by all of the unit labor organizations.

b. Local labor control organizations shall be organized by the unit labor organizations of a certain fixed district (prefectures as a rule).

Local labor control organizations may establish, if necessary, district labor control organs as their branches.

c. National and local labor control organizations and their district branches may, if necessary, establish sectional committees, according to the types of industry to serve as an organ of activity.

d. In regard to the marine transportation business, as exceptions, labor control organizations organized by unit labor organizations of the operative bodies or by local labor organizations (or individuals) in the case where unit labour organizations cannot be organized, shall constitute the constituent unit of the national labour control organization.

C. Organ.

a. National Labour Control Organization.

This organization shall have a central headquarters, a chief of organization, a director-general, directors, councillors and trustees. There shall be a board of directors, a board of trustees, a secretariat, and sectional committee for each industry.

In addition, a president, advisors and other officers may be installed.

1. The chief of the organization shall superintend the business of the organization. He shall be nominated by the Minister of State.
2. The director-general shall superintend the business of the central headquarters.

He shall be nominated by the chief of the organization from among the members of the political pivotal body.

3. The directors shall take charge of the business of the central headquarters.

They shall be nominated by the chief of the organization from among the executive staff of the labour organizations, government officials concerned, or men of high scholarship and experiences.

4. The councillors shall take part in the organization's business.

They shall be commissioned by the chief of the organization from among government officials concerned.

or men of high scholarship and experience.

5. The trustees shall be members of the board of trustees.

They shall be nominated by the chief of the organization from among the executive officers of the labor control organizations or the unit labor organizations.

6. The board of directors shall be composed of the chief of the organization (chairman), the director-general, and the directors, and deliberate on important matters.

7. The board of trustees shall be composed of the chief of the organization (chairman) and the trustees, and deliberate on the budget, account settlement, planning of enterprises, and other important matters.

8. The secretariat shall be divided into the following divisions and superintended by the director-general. The chiefs of the divisions shall be nominated by the chief of the organization from among the directors.

General Affairs Division
Organization Division
Labor Control Division
Research Division
Training Division
Welfare Division
Youth Division

Besides the above, a research and investigation organ shall be established and superintended by the director-general.

9. Sectional committees for shipping, commerce, mining, metal manufacturing and machine industries and for others shall be established as the occasion demands.

The sectional committees for the various types of industry shall be superintended by the director-general and each of them shall deliberate on important matters for each industry.

The members of each sectional committee shall be nominated by the chief of the organization from among the leaders of the labor organizations for each industry or government officials concerned, and persons of high scholarship and experience.

B. Local Labor Control Organizations.

The local labor control organization shall have a president, councillors, a director-general, directors and trustees. There shall be a board of directors, a board of trustees, a secretariat, and sectional committees for the various types of industry. Besides the above, other necessary office posts may be created.

1. The president shall superintend the business of the local labor control organization.

He shall be nominated by the prefectural governor (or a person holding a similar post) or by the chief of the organization on the recommendation of the prefectural governor.

2. The councillors shall take part in the business of the organization.

They shall be commissioned by the president from among the government officials concerned, or persons of high scholarship and experience.

3. The director-general and the directors shall take charge of the execution of business.

They shall be nominated by the president from among the executive officers of the unit labor organizations, government officials concerned, or persons of high scholarship and experience.

4. The trustees shall be members of the board of trustees.

They shall be nominated by the president from among the executive officers of the unit labor organizations.

5. The board of directors shall be composed of the president (chairman), the director-general, and the directors, and shall deliberate on important business affairs.

6. The board of trustees shall be composed of the president (chairman) and the trustees, and shall deliberate on the budget, account settlement, business planning, and other important matters.

7. The secretariat shall be divided into the following divisions and superintended by the director general. The chiefs of the divisions shall be nominated by the president from among the directors.

General Affairs Division
Organization Division
Labor Control Division
Research Division
Training Division
Welfare Division
Youth Division

8. Sectional committees for the various types of industry shall be established as the occasion demands.

The sectional committees shall be superintended by the president and each shall deliberate on important matters for each industry.

The members of the sectional committees shall be nominated by the president from among the executive officers of the unit labor organizations, or government officials concerned and persons of high scholarship and experience.

c) The organs of the district branches shall be generally similar to those of the local labor control organization.

D. Functions and enterprises.

a) Central headquarters:

Essential points as follows:

1. Superintendency and guidance of the subordinate control organizations and unit labor organizations.
2. Guidance for the thorough inculcation of patriotic labour spirit and the training of leaders.
3. Basic study of and guidance for the improvement of skill, control of manufacturing processes, labour management, and the training of skilled workers.
4. Planning, guiding and comprehensive execution of welfare enterprises.
5. Planning, guiding and execution of systematic activity, reorganization of occupations and counter-measures for the unemployed and those who have changed their business.

6. Labor control (control of demand and supply, and regulation of salaries and wages, etc.) as a proxy agent of the government.

7. Making reports and representations, and filing data with the government.

8. Liaison with the government, the pivotal political body, and the central economic and cultural headquarters.

b) Local labor control organizations

Apart from the following matters, essential points are in general the same as those of the central headquarters, but stress shall be laid especially on the establishment of facilities and the execution of enterprises.

1. Mediation of disputes.
2. Special training of youth.

c) District branches

Essential points are in general the same as those of the local labor control organizations, but in particular they shall carry out such joint enterprises as research committee work for technical skill, distribution of essential foodstuffs, dormitories, welfare halls, personal affairs consultation bureaus, etc. in accordance with actual conditions in the district concerned.

d) Sectional committees according to types of industry.

Essential points as follows:

1. A systematic liaison with the sectional committee for the same industry.
2. Making reports and representations and filing data concerning the branch of industry concerned.
3. Research, investigation and planning in regard to special problems of the branch of industry concerned. The sectional committees may, if necessary, establish special accounts and carry out enterprises.

e) Unification of the various organizations concerning labour.

The various existing organizations concerning labour shall be generally amalgamated with the national or local labor control organization.

f) Relation to agricultural workers

No agricultural labor organization shall be specially established. Agricultural organizations shall be regarded as agricultural labor organizations and a labour section shall be established within them.

The relation between the two organizations shall be generally as follows:

1. Labor control shall be enforced in close cooperation according to an all-round plan.
2. In respect of matters relating to welfare and other enterprises where it is felt proper to embrace farm workers, they shall be carried out as one body.
3. Proper measures shall be taken in regard to the alternate assignment of officers and the establishment of permanent liaison organs, etc.

g.) Relation to the labor organization of Government enterprises.

Labour organizations shall be also organized for the government enterprises, similar to what has been described for unit operative bodies. These organizations shall maintain close connection with the various labour control organizations and act as one body.

For this purpose, the government officials concerned shall be made officers of the labor control organization. In regard to other matters, the provisions of paragraphs (1) and (2) under the "Relation to Agricultural Organizations" shall correspondingly apply.

h.) Relation to the New Economic System.

In order to promote close connection between the new economic organizations and the labor control organizations, a permanent liaison organ shall be set up. If necessary, officers shall be assigned alternately to them both.

IV. Administrative Machinery

- A) The labor administrative machinery shall be reformed so as to conform with the new labour structure.
- B) A labour officer system shall be established
 - a) The labour officers shall exclusively exercise a part of the supervisory rights of the administrative offices in regard to permissions, authorizations and dispositions.

- b) They shall be given the right of decision in settling disputes.
In this case, a consultative organ shall be established.
- c) They shall be vested with the right to take part in the nomination of the officers of the unit labor organizations.
- d) Assistants shall be nominated from among the officers of the labor control organizations to take charge of guidance and supervision as assistants to the labour officers.

Outline for the establishment of
a new labour structure

(Published in the papers 8 November 1940)

Translator's note:

/The translation of this outline is omitted herefrom because it is identical with the outline on pages 35-38, decided by the cabinet on 8 November 1940.--TN/

Outline for the establishment of
a new economic structure

(Decided by the Cabinet on Dec. 7, 1940) / Showa 15/

I. Basic Policy

It is intended to establish a self-sufficient co-prosperity sphere embracing Greater East Asia, linking Japan, Manchukuo, and China, to secure an independent national defense economy based on the resources found within the sphere, and to carry out an all-round planned economy centering around important industries, with the cooperation of the government and the people, thereby coping with the current situation and contributing to the completion of a national defense state structure. It is aimed thereby to promote the completion of armaments, the stabilization of the people's life and the everlasting prosperity of the national economy.

For this purpose it is necessary to achieve the object of a high degree defense by (1) establishing an industrial structure and making enterprises, which constitute an organic unity of capital, management, and labour, effect independent management on the initiative and responsibility of the operators, as a component part of the national economy under comprehensive planning by the state, and increasing production through the display of the highest efficiency, and by (2) guiding the national economy in accordance with the principle of "public interest first" and "service through one's own work," and making the national economy display the overall strength of the nation as an organic unity by organizing economic organizations.

In carrying out this outline, in view of the current situation, stress shall be laid on the urgent points, which shall be carried out one after another as the occasion demands, without causing decrease of production, unsatisfactory distribution of goods, or uneasiness in the minds of the people. Moreover, in conformity with the perfection of this structure, the administrative structure concerned and its business shall be reorganized.

II. Industrial structure

Production shall be maintained and increased by establishing an industrial structure and making each enterprise manage itself according to national objective and on its own initiative and responsibility.

(1) Enterprises shall be operated privately in principle. State management and management by national policy companies shall be limited to special cases.

(2) Restrictions shall be made, as the occasion demands, on the establishment, etc. of enterprises according to a certain fixed standard depending upon their nature.

(3) Enterprises may be separated or combined from the viewpoint of production planning and technique according to a certain fixed standard depending upon the nature of the enterprises.

(4) Medium and small enterprises shall be maintained and protected. If their maintenance is difficult, they shall be adjusted and unified voluntarily and assisted in making smooth transfers.

(5) Proper guidance and control shall be effected for enterprises in order to make them contribute to the increasing of national production and also to make continual development.

(a) In deciding the official prices of important materials, just profits shall be computed on the basis of moderate production costs.

(b) The growth of speculative profits and monopolistic profits which obstruct the maintenance of the national economic order shall be prevented and at the same time proper entrepreneur profits shall be recognized. Especially for those who have contributed to increasing national production, an increase of profits shall be recognized.

(c) In distributing entrepreneur profits, appropriate restrictions shall be made, but the excess profits shall be reserved in the form of government bonds, etc. and a way shall be provided for their disposal in accordance with fixed conditions after the lapse of a fixed period.

(d) Measures shall be taken to specially reward persons who have contributed to the increasing of national production by discoveries and inventions.

(e) A way shall be provided for letting the public show technical skill and the development of excellent ones shall be fostered by granting appropriate rewards as encouragement.

(f) Larger provisions for depreciations shall be made in order to facilitate the renewal of industrial equipment and to strengthen the foundations of enterprises.

(g) The expansion and development of enterprises shall be promoted on a priority basis according to their contribution to the increase of national productions.

(6) Separate considerations shall be given to the industrial structure for the management of agriculture and the marine-products industry.

III. Economic Organizations

(1) The structure of economic organizations

a) In regard to the important branches of industry, economic organizations for each kind of industry or for each kind of material, embracing those engaged in the same kind of industry or handling the same kind of materials, shall be set up, with each enterprise or association as a unit.

The basic conditions are as follows:

1. Economic organizations shall be special juridical bodies.
 2. Economic organizations shall be operated under the guidance of directors approved by the government on the basis of the recommendation of those engaged in business.
- b) The other industries shall be organized into organizations according to the kind of industry or into regional organizations, as the occasion demands, in a manner similar to the provisions of the preceding paragraph.
- c) Overseas enterprises shall be organized into economic organizations in their respective areas in a manner similar to the provisions of the preceding paragraphs. However, in respect to those which require unified control with those of Japan proper, appropriate measures shall be provided for effecting national control.
- d) For the organization of economic organizations, special attention should be given to the following matters:
1. The organization of economic organizations should be carried out step by step in the order of their importance and necessity.
 2. Separate consideration should be given to enterprises which are specially necessary from a military standpoint.
 3. A supreme economic organization for superintending all industries shall be established, if necessary.

II. The functions of economic organizations

- a) The functions of important economic organizations are as follows:
1. As cooperative organs of the government they shall cooperate with the government in projecting important policies, assume the responsibility of drafting and carrying out plans for the enforcement of such policies, and also, if necessary, express their views to the government.
 2. In carrying out the plans of the preceding paragraph they shall give guidance to the subordinate economic organizations and the enterprises belonging to them.

3. If the occasion demands, they shall investigate the practical aspects of management, such as production, distribution, etc., as well as inspect the quality of the products and also superintend the subordinate economic organizations.

4. By joint accounts and other means they shall mutually assist fallen enterprises and contribute to the development of industries.

b) The functions of other organizations are generally similar to the above.

II. Relation to the Government's superintendence and to the Imperial Rule Assistance Association.

a) The government shall guide and superintend the economic organizations.

With the perfection of the economic organizations, their management shall be made as independent as possible, the guidance and superintendence being limited to main points only.

b) The government shall cooperate with the Imperial Rule Assistance Association in order to promote the organization and development of economic organizations.

IV. Separate consideration shall be given to the organization of economic organizations concerning farming, forestry, and the marine products industries.

OUTLINE FOR THE ESTABLISHMENT OF A POPULATION POLICY

Decided by the Cabinet 22 January 1941 /Showa 16/

I. Purport.

It is the mission of the Empire to establish the East Asia Co-prosperity Sphere and promote its everlasting healthy development. In order to accomplish this mission, it is especially and urgently necessary to promote, by establishing a population policy, the rapid and permanent development of our country's population and the drastic improvement of its quality, and also effect the proper distribution of our population in order to secure Japan's leadership in East Asia.

II. Aims.

In accordance with the foregoing purport, our population policy shall aim for the time being, at obtaining a total domestic population of 100,000,000 by 1960 /SHOWA 35/ with the object of achieving the following objectives. Separate provisions shall be made for overseas population.

- 1) To maintain a continual development of population;
- 2) To surpass other countries in respect to its reproductive power and quality;
- 3) To ensure the supply of military and labour forces required by a high-degree national defense state;
- 4) To effect the proper distribution /of population/ in order to secure Japan's leadership over the various races of East Asia.

III. Policies necessary for attaining the above-mentioned aims shall be planned on the basis of aiming to establish the following conviction:

- a) To be conscious of the fact that we are a race destined for everlasting development;
- b) To reject the world outlook based on the individual and to promote the establishment and thorough inculcation of a world outlook based on the household and the race;
- c) To be conscious of pride and responsibility as the leader in the establishment and development of the East Asia Co-prosperity Sphere;
- d) To thoroughly understand that the drastic development of our domestic population constitutes the basic condition in both number and quality for the accomplishment of our country's mission.

IV. Policy for increasing population.

In order to ensure continual development, increase of population shall rest on increase in births and also on decrease in deaths.

1) Measures for increasing births.

Increase in births shall be so planned with the object of hastening the marriage age by three years during the next ten years as compared with that at present, and also increasing the average birth-rate of each couple to five children.

For this purpose, the following measures shall be taken generally:

- a) As the fundamental premise for increasing population, unsound ideas shall be eradicated, and the maintenance and strengthening of a healthy family system shall be promoted.
- b) Organizations or publicly-operated agencies, etc. shall actively recommend, mediate, and guide marriages.
- c) Marriage expenses shall be drastically reduced, and a system of lending funds for marriage expenses shall be created.
- d) In reforming the present school system, special consideration shall be given to its relation to the population policy.
- e) In girls' high schools and young women's schools, efforts shall be made to rear healthy motherhood by inculcating in the students the national mission of motherhood and thoroughly stressing education in bringing up children, health and sanitation, and technical skill.
- f) In respect to the engagement of women as employees, a policy shall be adopted to considerably restrict the employment of those who are over 20 years of age, and measures shall be taken to alleviate or improve those conditions of employment and work which obstruct marriage.
- g) Considerations shall be given to the relation between tax policy and population policy by lessening the burden of persons with large families to support, and by increasing the burden of single persons.
- h) A family allowance system with the aim of lightening the burden for medical, educational, and other family expenses, shall be established. For this purpose, consideration shall be given for the establishment of a Family Burden Adjustment Bank (provisional name).
- i) Preferential rationing of goods to families having many children, their commendation and various other appropriate measures for their considerate treatment shall be adopted.
- j) A system for the protection of pregnant women and infants shall be established, and measures for the expansion of maternity and babies' hospitals, the distribution of sanitary materials for child delivery and other necessary measures shall be adopted.

- k) Artificial birth-controls, such as contraception, abortion, etc., shall be prohibited and prevented, and venereal diseases shall be stamped out.
- 2) Measures for reducing deaths.

The measures for reducing deaths shall have as their immediate object the improvement of the infantile death-rate and the prevention of tuberculosis, and shall be so planned as to reduce the general death-rate by approximately about 35 per cent within twenty years from now. The measures to be taken for achieving this objective are generally as follows:

- a) A network of health guidance agencies, centering around the health bureaus, shall be established.
- b) The main emphasis for the reduction of the infant death-rate shall be placed on the reduction of deaths from diarrhoea and enteritis, pneumonia and congenital debility. For this purpose, health nurses with the object of protecting and guiding mothers and infants shall be appointed throughout cities and villages. At the same time, measures shall be taken to establish nurseries, expand rural settlement works, secure necessaries for infants, and to spread knowledge regarding the rearing of babies. Furthermore, a movement shall be conducted for the lowering of the infant death-rate.
- c) Measures shall be taken for the early discovery of tuberculosis, improvement of industrial and school sanitation, intensification of guidance for and protection for the prevention and early treatment of cases and the expansion of sanatorium facilities. At the same time, the machinery for adjusting the liaison among the various government offices shall be perfected and counter-measures for tuberculosis thoroughly established.
- d) By expansion and strengthening, the health insurance system shall be extended to the whole people, and the different treatments necessary for the prevention /of illness/ shall be given as well as medical treatment.
- e) The improvement of environmental sanitary facilities, especially the improvement of the housing of the common people, shall be fostered.
- f) In order to prevent overwork, the life of the people shall be reformed so as to provide sufficient rest.
- g) In order to improve the national nutrition, a knowledge of nutrition shall be disseminated and inculcated, the taking of nutritious foods shall be encouraged, and a collective meal supply expanded.
- h) Medical educational organs and medical treatment and preventive facilities shall be expanded. At the same time medical education shall be reformed and researches on and dissemination of preventive medicine shall be promoted.

V. Measures for improving quality.

The improvement of quality shall be planned with the object of improving the spiritual and physical qualities necessary for national defense and labour.

- a) Through the execution of the territorial plan, the composition and distribution of the population shall be rationalized. In particular, the population of the big cities shall be dispersed by evacuation.

For this purpose, measures shall be taken to disperse factories and schools to the provincial areas.

- b) In view of the present condition in which the rural villages constitute the best source of military and labour forces, the rural population of Japan proper shall be maintained at a fixed number, and measures shall be taken to secure for agriculture 40 per cent of the Japanese population in Japan, Manchukuo and China combined.
- c) With the object of giving spiritual and physical training to youths in schools, the courses of study shall be reformed, training intensified, method of education and training reformed, and the physical training facilities expanded.
- d) In view of present condition of rapid increase in the population of the cities, the physical and spiritual training of youths in the cities especially shall be intensified, so as to make them a good source of military and labour forces.
- e) In order to train the mind and body of young men, a system of making them undergo special group training on a compulsory basis for a fixed period of time shall be created.
- f) The different welfare, physical education facilities shall be increased in large numbers and a healthy, simple form of national life shall be established.
- g) Eugenics shall be disseminated, and the national eugenics law shall be strengthened and thoroughly understood.

VI. Measures for securing leadership:

The measures for securing leadership shall be planned with the aim of distributing the population of the Japanese nationals necessary for guiding the political, economic and cultural societies of the various areas throughout the East Asia Co-prosperity Sphere.

The measures to be taken for this purpose are in general as follows:

- a) According to the purpose of strengthening the inseparable relationship between Japan and Manchukuo, a certain fixed portion of the domestic population shall emigrate to Manchukuo. For this purpose, an all-round immigration plan on a larger scale than heretofore shall be established, and measures necessary for its execution by Japan and Manchukuo shall be adopted.
- b) In order to ensure also the distribution of the population of Japanese nations necessary for guiding the other areas of the East Asia Co-prosperity Sphere, an emigration plan necessary for this purpose shall be established.

VII. Perfection of data.

- 1) Statistics of the dynamic and static condition of population shall be perfected and improved.
- 2) The scope of application of the national physical strength law shall be expanded and its contents perfected. At the same time data on other matters concerning physical strength and health shall be perfected.

VIII. Perfection of the machinery

- 1) The machinery for statistics, investigations and researches on the population problem shall be perfected.
- 2) The machinery for planning, promoting, and enforcing population policies shall be perfected.

OUTLINE FOR THE ESTABLISHMENT OF A POPULATION POLICY

(Published in the papers on Jan. 22, 1941 /Showa 16/)

(Translator's Note:--)

This outline is the same as the previous outline (decided by the Cabinet on Jan. 22, 1941), except that it omits Section VI (Measures for Securing Leadership). Hence, it is omitted.

OUTLINE OF COMMUNICATIONS POLICY

(OUTLINE FOR THE ENFORCEMENT OF THE OUTLINE OF
BASIC NATIONAL POLICIES)

(Decided by the Cabinet on 14 February 1941 /Showa 16/)

This outline establishes the outline for transportation and communications, and also for atmospheric phenomena connected with them.

I. Fundamental Policy.

In view of the mission of communications as the basic factor for the establishment of the Greater East Asia Co-Prosperity Sphere, of which the firm solidarity of Japan, Manchukuo and China forms the trunk, it is resolved to establish an all-round organic communications structure for Greater East Asia with the object of completing a highly-developed national defense state structure.

1) The improvement and expansion on a planned basis of communication facilities shall be promoted, and the control of their operations shall be strengthened.

For this purpose, the improvement and consolidation of administrative machinery concerning communications shall be promoted.

2) In effecting the improvement and expansion of communications facilities, efforts shall be made to meet military requirements and to harmonize them with economic requirements.

3) Efforts shall be made to bring little by little under our influence the rights and interests of third countries concerning communications in Greater East Asia.

4) In conformity with the change in Japan's international status, efforts shall be made to secure communications between Asia and Europe.

II. Improvement and expansion of communication facilities.

The improvement and expansion of communication facilities shall be achieved according to the following policy:

1) The unbalanced condition of communications in the Greater East Asia Co-prosperity Sphere shall be adjusted and its organic inter-connection promoted. In respect to the communication facilities of Japan, Manchukuo and China, they shall be generally based on the Outline for the Economic Construction of Japan, Manchukuo and China.

Furthermore, the facilities of communication with the various areas of the Southern Region shall be improved and nothing to be desired shall be left undone in providing counter-measures for meeting the national defense requirements on the northern borders of our country.

2) The following are matters to be specially considered as improvement and expansion policy for each branch of communications:

a) Overland transportation

- 1) As to the improvement of the railways, the main thing shall be to expand the carrying capacity of the trunk lines and to remove the bottle-necks in the channels of transportation. The construction of new lines shall be limited to only urgent ones for the time being.
- 2) Rolling stock and other special railway materials shall be improved and the capacity for their production reinforced.
- 3) Efforts shall be made to improve warehouses, small-scale transport apparatus and loading installations, especially their mechanization. Measures shall be also taken to secure workers for small-scale transport.
- 4) In order to increase the capacity of overland transportation, efforts shall be made to construct, improve and pave the principal highways.
- 5) In order to increase automobile production capacity, efforts shall be made to increase the number of automobile holdings and to promote their advance overseas. Fuel arrangements and other appropriate measures necessary for increasing and maintaining the number of automobile holdings shall also be taken.

b) Marine transportation and harbors

- 1) In order to increase bottoms, ship-building capacity shall be reinforced, planned ship-building carried out, especially in promoting the improvement of cargo ships, oil tankers, and other special service ships and small-sized ships.
- 2) Marine transportation between Japan, Manchukuo and China shall be expanded and reinforced. Efforts shall also be made to expand the sea-routes and tramp steamship services to the various areas of the Southern Region and also to extend the right of navigation in other seas.
- 3) The various harbor facilities shall be improved and expanded on a priority basis according to the function of each harbor. The harbors of Japan, Manchukuo and China in particular shall be improved for mutual convenience.

- 4) In order to promote the improvement of the capacity of our harbors, efforts shall be made to improve boat-train lines and other linking water and overland services, warehouses and other storage facilities.
- 5) In the reinforcement of loading capacity at the harbors, efforts shall be made to increase the number of barges and to mechanize loading, besides securing laborers for loading work.

c) Air Transport

- 1) In view of the present state of aviation and its important military mission, a long-stride development of aviation shall be ensured and the airways connecting Japan, Manchukuo, and China shall be perfected and reinforced. Efforts shall also be made to develop airways in the various areas of the Southern Region and, furthermore, the expansion of international airways outside the Sphere shall be ensured.
- 2) The expansion of airplane production capacity shall be promoted, and efforts shall be made to increase the number of superior planes and to promote their expansion overseas.
- 3) An all-round improvement of plane preservation facilities in the various areas of the Greater East Asia Co-Prosperity Sphere shall be promoted.

d) Communications /"TSUSHIN"/

- 1) In improving electric communication facilities, the reinforcement of the basic facilities, such as the installation of cables for the main trunk lines, and the high development of communication methods, as well as the consolidation and adjustment of the different electric communication facilities, shall be promoted.
- 2) In order to establish Japan's independent communication network in Greater East Asia, efforts shall be made to complete the trunk communication cable lines between Japan, Manchukuo, and China. The improvement of communication facilities with the various areas of the Southern Region also shall be promoted. The improvement and expansion of international electric communication facilities shall be promoted in order to ensure communication connection with foreign countries.
- 3) As to broadcasting facilities, their perfection shall be promoted under organic co-operation between Japan, Manchukuo, and China. Efforts shall be made especially to expand and reinforce wire broadcasting and the facilities for broadcasting to foreign countries.

- 4) Efforts shall be made to improve technically the manufacture of communication apparatus and to expand the capacity for their production and to promote their expansion overseas.

e) Atmospheric Phenomena

In view of the present state of meteorological observation and the importance of its military mission, its long-stride development shall be promoted in order to ensure the safety of communications in East Asia and to meet military requirements.

3) In improving and expanding communication /"kotsu"/ facilities, nothing to be desired shall be left undone from the standpoint of air-defense.

4) Appropriate measures shall be adopted to promote the training and the numerical adequacy of technical experts and skilled workers for communication enterprises.

III. Control and operation of communications /"kotsu"/

In order to promote the smooth operation of the various departments of communications, and to ensure the display of its all-round efficiency, the following matters should be specially considered:

1) On the basis of the requirements for the consolidation as one body of the communications between Japan, Manchukuo and China, efforts shall be made to improve the liaison machinery for the communications of Japan, Manchukuo, and China, Japan being the nucleus. The liaison and unification of their management and the standardization of the communication materials and apparatus shall also be promoted.

2) In order to conform to the requirements of planned economy and to improve transportation efficiency, the following measures shall be generally adopted.

- a) Establishment of an appropriate freight policy.
- b) Proper distribution of function between overland transportation and marine transportation.
- c) Maintenance of close connection between transportation organs and production and distribution control organs.
- d) Adjustment and unification of the various overland transportation enterprises.

- e) Establishment of a system of intensive operation of ships and the thorough enforcement of planned distribution of ships.
- f) Comprehensive control of the different harbour enterprises.
- g) Utilization of existing installations, especially the diversion to other uses of idle installations.
- h) Improvement and rationalization of packing and wrapping.

3) In order to establish for Japan's shipping a position of leadership in the Greater East Asia Co-prosperity Sphere, the necessary unification of shipping enterprises shall be promoted, and efforts made for the improvement of marine insurance.

4) In order to maintain the leadership of communications in the Greater East Asia Co-prosperity Sphere, the following measures shall be generally adopted:

- a) Formation of a communications union comprising the various areas in one unit.
- b) Insuring the stability of wireless communications by electric wave control.
- c) Establishment of appropriate policy of communication charges.

OUTLINE OF COMMUNICATIONS POLICY

(OUTLINE FOR THE ENFORCEMENT OF THE OUTLINE OF BASIC
NATIONAL POLICIES)

(Published in the Papers on 14 February 1941 /SHOWA 16/)

(Translator's Note:--Identical to the preceding
Outline decided by the Cabinet on the same day,
except for the omission of the following paragraphs:)

- a) Item 2 under Section I (Fundamental Policy) reading:

"In effecting the improvement and expansion of communications facilities efforts shall be made to meet military requirements and to harmonize them with economic requirements."

- b) Item 3 under Section I (Fundamental Policy), reading:

"Efforts shall be made to bring under our influence the rights and interests of third countries concerning communications in Greater East Asia."

- c) Item 4 under Section I (Fundamental Policy), reading:

"In conformity with the change in Japan's international status, efforts shall be made to secure communications between Asia and Europe."

- d) Second half of the second paragraph of Item I under Section II (Improvement and expansion of communications facilities), reading:

".....and nothing to be desired shall be left undone in providing counter-measures for meeting national defense requirements on the northern borders of our country."

ON THE ESTABLISHMENT OF A JOINT ECONOMIC COUNCIL
FOR JAPAN, MANCHUKUO AND CHINA

(Decided by the Cabinet on 25 February 1941 /SHOWA 16/)

Previously the Government, in the Outline of Fundamental National Policies, laid down as a national policy the establishment of a self-sufficient economy for Japan, linking Japan, Manchukuo and China together and embracing Greater East Asia, and with this as the basis, decided the Outline for the Economic Construction of Japan, Manchukuo and China. In order to foster the practical application of this outline and to carry out a comprehensive plan for Japan, Manchukuo and China based on it, a Joint Economic Council for Japan, Manchukuo and China shall be established as a provisional measure according to the following main points:

Main Points:

1) This Council shall deliberate on an all-round plan for Japan, Manchukuo and China based on the Outline for the Economic Construction of Japan, Manchukuo and China.

2) This Council shall be established in the Cabinet and shall in practice constitute the deliberative organ with Japan as its center.

3) The President of the Planning Board shall be the President of the Council. The members of the Council shall consist of the Vice-President of the Planning Board, Vice-Director of the Manchurian Affairs Bureau, the Chief of the Political Affairs Division of the Asia Development Board /Ko-A-In/ the Vice-Ministers of the various ministries concerned, and Manchukuoan officials concerned.

4) The secretaries shall consist of the higher civil service officials of the various offices concerned and the Manchukuoan officials concerned.

Sectional committees shall be created in the Board of Secretaries.

Temporary secretaries for the sectional committees may be appointed as the occasion demands.

5) A secretariat shall be established in this Council and located in the Planning Board.

The secretariat shall consist of the staff officials despatched from each government office concerned (Planning Board, Manchurian Affairs Bureau, Asia Development Board, Army and Navy and Manchukuo).

6) Matters decided by this Council shall be transferred to the respective competent authorities concerned according to their sequence to be put into practice by them.

Remarks:

1) The appointment of Manchukuoan officials shall be made by Manchukuo after consultation with Japan.

2) The officials connected with the local army and other local quarters may attend and express their views at the Council, Board of Secretaries, and sectional committees.

Important matters under the jurisdiction of the secretariat shall be as follows:

1) Matters concerning the establishment of economic development plans for Japan, Manchukuo and China combined.

2) Matters concerning the establishment of communications plans for Japan, Manchukuo and China combined.

3) Matters concerning the formulation of the policies for establishing plans year by year for materials, labor, capital, funds, trade, communications, etc. for Japan, Manchukuo and China combined.

4) Matters concerning liaison and adjustment of urgent matters necessary for the economic cooperation between Japan, Manchukuo and China.

5) Matters concerning reporting and giving information on the progress of economic construction of Japan, Manchukuo and China.

ON THE ESTABLISHMENT OF A JOINT ECONOMIC COUNCIL
FOR JAPAN, MANCHUKUO AND CHINA

(Published in the Papers)

Previously the Government, in the outline of fundamental national policies, laid down as a national policy, the establishment of a self-sufficient economy for Japan linking Japan, Manchukuo and China and embracing Greater East Asia, and on this basis decided the Outline for the Economic Construction of Japan, Manchukuo and China. In order to foster the practical application of this outline and to carry out a comprehensive plan for Japan, Manchukuo and China based on it, a Joint Economic Council for Japan, Manchukuo and China shall be established as a provisional measure according to the following main points:

Main Points:

- 1) This Council shall promote adjustment and liaison for the economic construction of Japan, Manchukuo and China based on the Outline for the Economic Construction of Japan, Manchukuo and China.
- 2) This Council shall be for practical purposes the deliberative organ established in the Cabinet.
- 3) The President of the Planning Board shall be the President of the Council. The council members shall consist of the Vice-chief and Vice-Minist of the various offices concerned.
- 4) The secretaries shall consist of the high civil service officials of the various offices concerned.

Sectional committees shall be created in the Board of Secretaries.

Temporary secretaries for the sectional committees may be appointed as the occasion demands.

- 5) A secretariat shall be established in this Council and located in the Planning Board.

The secretariat shall consist of the staff officials despatched from each government office concerned (Planning Board, Manchurian Affairs Bureau, Asia Development Board, Army and Navy and Manchukuo).

C E R T I F I C A T E

W.D.C. No. _____
 I.P.S. No. 1570

Statement of Source and Authenticity

I, Takehiko Okada hereby certify that I am officially connected with the Japanese Government in the following capacity: former Chief Secretary (present Chief of Industrial Policy Section) and that as such official I have custody of the documents hereto attached consisting of 94 pages, dated April, 1941, and described as follows: "Fundamental State Policy" a pamphlet published by the Planning Board. I further certify that the attached record and document is an official document of the Japanese Government, and that it is part of the official archives and files of the following named ministry or department (specifying also the file number or citation, if any, or any other official designation of the regular location of the document in the archives or files): Commerce and Industry Ministry.

Signed at Tokyo on this
18 day of October, 1946

/s/ Takehiko Okada
 Signature of Official

SEAL

Witness: /s/ Yoshikatsu Natani Chief of Industrial Policy
Official Capacity Section

Statement of Official Procurement

I, Henry Shinojima, hereby certify that I am associated with the General Headquarters of the Supreme Commander for the Allied Powers, and that the above certification was obtained by me from the above signed official of the Japanese Government in the conduct of my official business.

Signed at Tokyo on this
18th day of Oct., 1946

/s/ Henry Shinojima
 NAME

Witness: S/Sgt. T. Toguchi

Investigator, IPS
Official Capacity

Murata

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Ex. 650

Doc. No. 1165

Page 1

		<u>Page</u>
Title and Nature	Minutes of the Privy Council Meeting at the Conclusion of the Protocol between Japan and France for a Common Defense of French Indo-China and for an Exchange of Official Documents Regarding Military Cooperation	1
Date of Session	The meeting was held at 4:50 p.m., July 28, (Monday) 1941.	3

It was honoured with His Majesty's presence.

Members present:

President HARA Vice-President SUZUKI

Ministers: (Seat No.)

- Premier KONOE No. 5
- Home Minister TANABE No. 6
- War Minister TOJO No. 7 4
- Education Minister HASHIDA " 8
- Communication & Railway Minister MURATA No. 9
- Navy Minister OIKAWA No. 10
- Finance Minister OGURA No. 11
- Foreign & Overseas Minister TOYODA No. 12
- Agricultural Minister INO No. 13
- Commerce & Industry Minister SAKONJI No. 14
- Welfare Minister KOIZUMI No. 15
- Justice Minister IWAMURA No. 16

Councillors: 5

- KAWAI No. 19
- ISHII No. 20
- ARIMA No. 21
- KUBOTA No. 22
- ISHIZUKA No. 23
- SHIMIZU No. 24
- MINAMI No. 25

COPY

		<u>Page</u>
NARA	No. 26	
ARAKI	No. 27	
SUGAWARA	No. 29	
MATSUURA	No. 30	6
USHIO	No. 31	
HAYASHI	No. 32	
FUKAI	No. 33	
NIKAMI	No. 34	
OSHIMA	No. 36	
OBATA	No. 37	
TAKEKOSHI	No. 38	10
MITSUCHI	No. 39	
IZAWA	No. 40	7
Members absent:		7

Princes:

H.I.H. YASUHITO	No. 1
H.I.H. NOBUHITO	No. 2
H.I.H. TAKAHITO	No. 3
H.I.H. KOTOHITO	No. 4

Councillors:

KANEKO	No. 18	
MATSUI	No. 28	
MANO	No. 35	8

Committee: 8

MURASE, Director of Bureau of Legislation
 IRIE, Councillor of Bureau of Legislation
 MIYAUCHI, Councillor of Bureau of Legislation
 SUZUKI, President of the Planning Board
 MIYAMOTO, Vice-President of the Planning Board
 SAITO, Director of South Sea Bureau of
 Foreign Office
 MATSUMOTO, Director of Bureau of Treaties
 of Foreign Office
 HARAGUCHI, Director of Exchange Bureau of 9
 Finance Office
 ONOOKA, Director of Ship Controlling
 Bureau of Communication Office
 YONEDA, Controlling Officer of the Marine
 Transportation Bureau
 OKA, Chief of Military Bureau of Navy Office

Reporters:

SUZUKI, Chairman of Investigation Committee

Chief-Secretary:

HORIE, Chief-Secretary of Privy Council

Secretaries:

MOROBASHI, Secretary 10

TAKATSUCHI, Secretary

HARA, President of Privy Council, states: 11

We will open the session and discuss the conclusion of the protocol between Japan and France for a common defense of French Indo-China and the exchange of official documents regarding military cooperation. The First Reading Committee shall be organized, and the contents of the subject shall not be read.

The report on the subject shall be delivered by the Chairman of the Investigation Committee immediately.

Reporter SUZUKI states: 11

We, the attendants today, have been appointed the Investigation Committeemen by the Emperor's order to discuss the conclusion of the protocol between Japan and France for the common defense of French Indo-China and the exchange of official documents on military cooperation. We have held the committee meeting immediately to hear explanations from the ministers and other officers concerned and we have deliberated on the subject. I ask favour of your acknowledgment that I cannot find any time to deliver reports for discussion as the subjects are very urgent. 12

Page

According to the ministers' explanation, the relations between Japan and French Indo-China have become gradually better since last year, (1940) and the success of the economic negotiations between Japan and French Indo-China and of the border-dispute-mediation-conference between Thailand and French Indo-China in Tokyo this spring has given impetus to the better friendship between Japan and French Indo-China. However, the tendency of dependence upon Anglo-America still remains in French Indo-China. 12

The so-called MATSUOKA-HENRI Agreement dated August 30, 1940 and the Economic Agreement concluded on the substance of the same have brought considerable fear for the expected success in its enforcement, and lately the Anglo-American economic encirclement against Japan in East Asia has become gradually characteristic of a military cooperation of Britain, U.S.A., Holland and China. 13

Both in the interior of French Indo-China and, especially, in the southern region there are some who do not like to cooperate with Japan; and de Gaul and his party are trying to collaborate with Anglo-America.

Japan can never feel easy, If, as a result of it, French Indo-China cooperates with the policy of Anglo-American's encirclement against Japan and breaks away from France as Syria, it is not only a great loss to France, but also a serious problem to Japan. Therefore to prevent such critical situations and to keep French Indo-China secure from invasion by third nations and simultaneously to bring 14

about cooperation between Japan and French Indo-China smoothly are very important from the points of self-existence, self-defense and Japan's southward drive policy.

The existing political understanding between the two nations cannot be sufficient for them. The Japanese government has realized that it is very necessary for Japan to make France closely cooperate with us in the military field. 15

Therefore Japan ordered the Japanese envoy to France to negotiate with the French Government. The negotiations were concluded amicably. The protocol on the subject and the definite plan for exchange of official documents were obtained. The gist of the above-mentioned arrangements is as follows: 15

No. 1 The Protocol

In the preamble of this Protocol, the Japanese and the French Governments insert that in view of the present international situation, in case the security of French Indo-China is threatened, they shall recognize the reason to think that Japan's general peace and the security of the Far East also are not free from danger, and in this opportunity to renew the promises made by Japan (toward the French Government) to respect the rights and interests of France in the Far East, especially the territorial integrity of French Indo-China and the French sovereignty over the Indo-China Union, and the promises made by France (toward the Japanese Government) not to conclude any agreement or understanding which forecast political, economic and military cooperation opposing directly or indirectly against Japan, with any third nation.

And in the text the two governments (1) agree upon military cooperation for the purpose of joint defense of French Indo-China, (2) the necessary steps for the said cooperation shall be decided in a special agreement, (3) and decided that the provisions above mentioned shall be in force only during the period in which the situation which promoted the motive to adopt this agreement continues.

No. 2 The Official Document
Exchanged

The object of this document is to conclude an agreement concerning the measures to be taken for the concerted defense of French Indo-China based on the provisions in the above mentioned Protocol with the form of reciprocating documents between the representatives of the two nations and the following clauses decided in this document:

- I. Toward the Japanese Government the French Government shall admit
 - A. The dispatch of a necessary force of Japanese army troops, war vessels and air forces to the southern Indo-China.
 - B. The use of Siemreap and seven other places as air bases, Saigon and Camrang Bay as naval bases and to provide equipments for military purposes.
 - C. The right of quartering, manoeuvres and training of Japanese army, the freedom of action, and to award special conveniences for the performance of their duties.

- Page
- D. And the French Government shall offer to the said Japanese army 23,000,000 Indo-China piastre in currency for this year namely about 4,500,000 Indo-China piastre monthly, (however the Japanese Government is prepared to repay with free yen, U.S. dollar or gold).
- II. The French Government shall approve the fundamental principles of the Japanese army's advance and in order to avoid occurrences of contingent clashes between the Indo-China army shall take all effective steps.
- III. The details concerning the activities of Japanese army shall be discussed and decided between the Japanese and French authorities at the actual place.

It seems to me, that with this matter, we aim to conclude an agreement which is necessary for the two nations in order to engage in the defense of French Indo-China in unanimous cooperation and for the self-defense of Japan, and furthermore it is indispensable for the stability of the Far East and the co-prosperity of Japan and France, so the conclusion of this agreement may be said to be an opportune measure, in view of the present strained international situation. Therefore, this matter was unanimously approved to be passed without amendment by the Investigation Committee. I report the result of the investigation.

Chairman (HARA):

As there is no special comment, I want to omit the reading under the second (reading) and instantly have a vote taken. I ask for a standing vote of those who support this.

(All members stand up)

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Page 8

Page

Chairman (HARA):

It passed unanimously. I close the meeting today.

Emperor leaves.

(Closed at 5:10 p.m.)

Chairman:
Secretary-General

Yoshimichi HARA
Sueo HORIE

Clerks

Jo MOROHASHI
Masami Takatsuji

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Date: 29 April 1947

Report of Investigation Division, Legal Section, GHQ, SCAP.

Inv. Div. No.
1392

CRD No.

Report by: Major B. R. Patterson

Title: Shozo MURATA

Synopsis of facts: MURATA born 1878 Hyogo Prefecture. Graduated Tokyo Higher Commercial school. President Osaka Shosen Kaisha. Member North China Developing Co. House Peers 1939. Member Koa (Asia Development) Commission. Minister Communications, Railways 1940. Japanese Ambassador Philippines 1943. Suspected complicity atrocities, alleged possession valuable silverware property Supreme Commander. Apprehended request CIC list dated 28 Sept. 1945. Interned Sugamo Prison 9 Dec 1945. Recommended for release, letter from Chief of Staff, 27 May 1946.

-P-

Reference: Report by Captain James B. Lynn, dated 10 February 1947.

DETAILS:

At Tokyo:

This investigation is predicated on the request of the Honorable Lord WRIGHT, President of the International War Crimes Commission.

A review of the files show that MURATA, Japanese Ambassador to the Philippines during the years 1943-1945, being suspected of complicity in war crimes. His appointment as advisor to the Japanese armed forces in the Philippines and his position as Ambassador, placed him in a position to advise, support, and nutru the Philippine puppet government. Valuable silverware belonging to the Supreme Commander was discovered in MURATA's quarters.

A check of the indices of the Criminal Registry Division indicate the following information: MURATA was Minister of Communications and Railways in the second and third KONOYE Cabinets. The source states that MURATA is completely Japanese in his outlook and that he is reported to be anti-foreign. Subject was appointed advisor to Army Headquarters in the South Sea areas in July 1943. He requested release as Ambassador on 1 August 1945 and on 14 September 1945, surrendered himself to the

Distribution:

1 Pros. ✓
1 CRD
1 Col. Carpenter
1 Law Div
2 Manila Office
1 Osaka
3 Inv. Div (File 1392)
1 Major B.R. Patterson

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American Army Headquarters. After the assassination of Tsuyoshi INUKAI in 1932, when the Japanese militarists approached the shipping companies with the idea of securing ships to be kept in Japan in case of war with Russia, most of the shipping companies refused. However, MURATA went in wholeheartedly for unlimited cooperation with the Army, and as a result of his cooperation received many concessions.

The biographical report further shows that MURATA was a member of the BLACK DRAGON SOCIETY and that he financed espionage and shipping. In 1942 MURATA told the Society that it was his intention that "all American influence should be eradicated from the Philippines even though it took 25 years, and at the end of that time he would have the Filipinos talking, thinking, and behaving like Japanese". In July 1943, as advisor to the Army Headquarters in the Philippines, he was constantly making inspection tours of the southern regions. He was also a member of the brain trust which included Hidejiro NAGATA, Shigemasa SUNADA, and Prince Yoshichika TOKUGAWA, in which trust Japan confided the task of organizing the propaganda which accompanied military conquest.

Another file reference was given as International Prosecution Section File No. 114, which record indicated that an investigation had been made of MURATA with the purpose of ascertaining whether or not he could be prosecuted as a major war criminal. On 31 May 1946, a recommendation for his release as a major war criminal because of insufficient evidence was made by Mr. David N. SUTTON, associate consul, and the recommendation was concurred with by the Legal Section, with the exception that the word "unconditional release" was deleted.

In the interrogation of MURATA, dated 6 March 1946, Subject stated that he was primarily a businessman. He rose through successive steps to become consecutively General Manager, Vice President and President of the Osaka Mercantile Steamship Company; Establishment of the Ministry of Greater East Asia reveals subjects duty as civilian advisor of military authority in the Philippines.

The following analysis of documentary evidence are contained in IPS File 114.

"Document 649

Date: March 5, 1946

ANALYSIS OF DOCUMENTARY EVIDENCE

DESCRIPTION OF ATTACHED DOCUMENT;

Title and Nature: Secret War Dept. telegram in re-appointing advisors to armies and corps.

Date: 15 Jan 1942: Original

LOCATION OF ORIGINAL: Document Division

SOURCES OF ORIGINAL: Document Procurement

PERSONS IMPLICATED: MURATA, Shozo

CRIMES TO WHICH DOCUMENT APPLICABLE: Aggressive warfare.

SUMMARY OF RELEVANT POINTS

This telegram was sent from the War Duty Section of the War Office to the Southern Army listing army advisors as follows:

General Army - NAGATA, Hidejiro
Watari Corps - MURATA, Shozo (ex-Minister of Communications,
now in Sugamo)
Tomi Corps - SUNADA, Shigemasa (ex M.P.)
Tomi Corps - TOKUGAWA, Yoshichika, Marquis

Their early dispatch is advisable.

(Analyst's note - These appointments of high politicians to posts of army advisors is more proof of the close relations between the political and military higher-ups, and is a refutation to the claims of the politicians that the military clique was all powerful.)

Another secret telegram from the Vice Minister of the War Office to the Chief of Staff of the Southern Army dated 19 Jan 1942 requests that the various army staffs work in close collaboration with the advisors to enforce military administration.

(Analysts note - there must have been considerable antagonism on the part of the military, because in the above telegram the following is quoted: "There are various conditions on your side, but as the appointments have already been decided and delay is impossible, this time we solicit your co-operation in spite of the circumstances in the past.")

"Document No. 1196

DESCRIPTION OF ATTACHED DOCUMENT. Unbound book, Privy Council meeting re agreement between Japan and Portugal on airline between Parao (Palau) and Dilly, and decision to discontinue Japanese Embassy in Poland.

Date: 1 Oct 41. Original

LOCATION OF ORIGINAL

SOURCE OF ORIGINAL: Privy Council

PERSONS IMPLICATED: Shozo MURATA

CRIMES TO WHICH DOCUMENT APPLICABLE: Conspiracy for aggressive warfare -- Timor; Economic monopolies.

SUMMARY OF RELEVANT POINTS

Record of Privy Council deliberations re air routes between Dilly, Portuguese Timor and Parao (Palau). Purpose of meeting, as explained by Chief Sec. HORIE at request of Chairman HARA was to consider a Jap proposal to Portugal; first made in April 1940. Proposal consisted of 2 parts: "(1) To extend our Jap air routes in the South Seas and to open a new route between Palau and Dilly using Japanese planes. (2) To establish air routes within the islands of Timor and -- establish a --Japan-Portugal aviation joint concern and let this company operate its business."

Portugal agreed to proposal No. 1 but requested No. 2. In July 1940 Japan renewed proposals; Portugal postponed definite reply. To another proposal Portugal agreed. Japan made trial flights during October and December 1940. "February of this year (1941) we Japan received a proposal from Portugal, but as there was something disagreeable to us, we continued negotiations on one hand and on the other hand we repeated trial trips."

Article 1 of the agreement stipulated that Japan participate in management of air transportation business between Dilly and Palau or "any other place nearby which may be selected by the Japanese government."

Articles 2,3,4 deal with technical details of supply and maintenance of aviation installations.

Article 5 states that the government of each country has power to cancel permit of aviation company and substitute another company.

Articles 6,7,8,9 and 10 deal with agreements tending to show Japan's interest in penetrating further southwest by air, by passing Philippines and approaching Singapore. "In short, the purpose of this agreement is to open a new route of aviation between Japan and Timor Island. It must be said that the conclusion of this agreement will probably be a very good opportunity because Timor Island is now important relative to Japan, especially militarily, economically and politically."

Agreement was unanimously passed. Second session is unanimous decision to abolish Japanese legation in Poland."

"Do cument No. 857 March 15, 1946

Title and Nature: Memorandum (No. 3) by Major General TAMURA, PW Infor. Bureau.

SOURCES OF ORIGINAL: Gen. TAMURA, Hiroshi, through Col. Woolworth.
PERSONS IMPLICATED: MURATA

CRIMES TO WHICH DOCUMENT APPLICABLE: Possible violation of Geneva Convention. Treatment of POW

SUMMARY OF RELEVANT POINTS

Incidental notebook kept by Gen. TAMURA, Hiroshi, during the time he was CO of the Japanese PW Information Bureau. It contains a quantity of miscellaneous entries among which are many concerning general conditions of prisons and prisoners of war. On pages 25, 26 he lists "Principles of PW Treatment". Pages 44, 45 lists 380 Americans, 275 Englishmen and 310 Dutch as being sent to work at Fujinagata factory, Sanoyasu docks, Namura shipyards, Naniwa dock and Sanko shipyards.

TAMURA mentions that employment of 450 PW at Osaka and Kobe. One factory was run almost entirely by POWs.

He outlines a report to Army Vice Minister on August 3 in which he says that Japanese are "ignorant of the international position of PW", and that B-29 prisoners guilty of indiscriminate bombing are still subject to the regulations of the year before.

In quoting foreign news, apparently for the purpose of refuting damaging Allied accusations, TAMURA mentions:

- "Atrocity campaign and the international problem of PW treatment
- a. Massacre
 - b. Deaths in connection with railroad construction in Thailand
 - c. Massacre in the Philippines
 - d. New Guinea."

" Document 1575

Title and Nature: File of Documents Relating to the Philippines.

SOURCE OF ORIGINAL: Foreign Ministry

PERSONS IMPLICATED: MURATA, Shozo.

CRIMES TO WHICH DOCUMENT APPLICABLE: Waging of War of Aggression (U.S.)
Nine-Power Treat.

SUMMARY OF RELEVANT POINTS:

Includes, among others:

I. Main points of Philippine Independence.

Plan: To establish the New Philippine as a member of the Greater East Asia Co-prosperity Sphere, respecting the originality and responsibility of the Philippines under the guidance of Japan, following the principle of enabling all nations in the world to take their place, based upon the Imperial Way of "HAKKO ICHI-U" (Unification of the world under the Emperor.) "...to let the Filipinos arrange --attitudes to enable her to cooperate closely with Japan for the successful prosecution of the war of Greater East Asia."

II. Essentials of Direction.

A. Fundamentals of Japanese-Philippine relations are described under separate cover.

B. To reform and strengthen the present Philippine government and guide it into being the main part of the post-independence government.

C. Let the Filipinos organize an Independence Preparatory Committee as soon as possible to let them plan in relation to the coming Philippine Independence.

D. As preparation advances, let the Filipinos elect their own national representative. The method of election will be left up to the Filipinos.

E. When preparation is almost completed, invite Philippine national representatives and other Philippine authorities to Tokyo and officially express Japan's intention to allow independence. From that time on preparations for independence will be under the direction of the Japanese Army stationed there.

F. Independence date is scheduled for October, 1943 and preparation will be finished at the end of September.

G. As soon as Philippine independence is an accomplished fact, let her declare war on United States and Britain at any time.

H. The Japanese-Philippine treaty to be contracted after independence will be as brief as possible.

(First) State Establishment Ideals

I. To establish the New Philippine based on justice as a member of the Greater East Asia Company, Prosperity Sphere, Japan being its leader, and to contribute to the creation of the World New Order.

(Second) Constitution

I. To establish the national structure and political system of the Philippines according to the self-determination of the Filipinos themselves.

II. The territory will include the entire area which was formerly American territory.

III. The nation is to be largely of Filipino race. Japanese shall not be part of the Filipinos nation.

IV. The name of the state, national flag and capitol shall be determined by the Filipinos.

(Third) Outline of Philippine-Japanese Relations

I. Make Filipinos truly an independent state.

II. Japanese army needs will take priority for time being.

III. The Japanese advisers will aid the Philippine government as long as needed.

IV. In view of military strategy Mindanao Island will be given special treatment.

(Fourth) Administration.

I. Politics will be as strong and simple as possible.

II. Participation in government shall be left up to the Filipinos

III. No extra territoriality to any nation.

IV. The diplomacy of the Philippines shall fall in line with that of Japan.

(Fifth) Military Affairs.

I. The Philippines will promise military cooperation and will afford to Japan all facilities required by military necessity.

II. The Philippines will have an army and navy strong enough for some defense. Japan will determine the strength and will appoint military advisers. The Philippine military forces will be under the Command of the Commander in Chief of the Imperial Army or Navy respectively in war time.

(Sixth) Finance, Economics and Communication.

I. Economy will fall in line with Greater East Asia Co-Prosperity principles. Special importance will be attached to agriculture, mining and light industry.

II. New currency system will be established and capital will be stabilized in due time.

III. Finance will be independent as soon as possible.

IV. Philippines will control transport and communications but Japanese needs will be given priority if need arises.

V. Communication will follow the Greater East Asia usual pattern.

VI. Enemy capital will be confiscated and utilized by Japan for the prosecution of the war.

The above treaty was decided on 1 October 1943 by the following:

MURATA - Top adviser to the Philippines

WACHI - Chief of Staff

AKIYAMA - Military Administration Adviser

MATSUDAIRA - Chief of 1st Div. Treaty Bureau, Foreign Affairs Ministry.

Lt. Col. TAKAHASHI (Bureau of Military Affairs,

Maj. SHIRAI Army Ministry)

Three drafts were made: One proposed by the army, one which resembled the Sino-Japanese Alliance Treaty and one proposed by the Military Force stationed in the Philippines. The Military General Staff insisted on the 1st draft which was finally adopted. On 5 Oct the draft was presented for the Foreign Minister's approval."

"DOC. No. 2540 30 July 1940

TITLE AND NATURE: Certified copy of Cabinet Decision of meeting of 2 July: 1940, and Announcement of Same of 1 Aug 1940 entitled "Essential of State Policy".

SOURCE OF ORIGINAL: TAKAHASHI, Michitoshi, Sec. of Cabinet, Imper. Jap Government.

PERSONS IMPLICATED: Member of Cabinet, MURATA, Shogo

CRIMES TO WHICH DOCUMENT APPLICABLE: Preparation for War

SUMMARY OF RELEVANT POINTS:

Decisions establishes certain objectives, with the basic principle being world peace based on "HAKKO ITCHEU" and Japan as the core of a New Order in East Asia.

Defense and diplomacy shall be closely allied, with an armament sufficient to carry out the national policy.

In internal affairs, devotion to the State and unification of State policy shall be encouraged."

Further review of the files indicate that MURATA was recommended for release per letter G-2 Chief of Staff, 27 May 1946. (Source IPS File 114-27)

Ips memo dated 31 May 1946 contains a recommendation that MURATA be released and his name be deleted from the suspect list. (Source 114-28).

SUMMARY

MURATA is primarily a businessman. He began as a clerk in the Osaka Mercantile Steamship Company and worked his way to finally become President of the Company. His main interest throughout his entire life has been to promote Japanese shipping and free trade all over the world. He is strongly opposed to tariffs and government interference with business.

A study was made of previous investigations by IPS and they find nothing which leads to the conclusion that he should be included as a war criminal, and recommended that he not be included in the list and that he be released from confinement.

UNDEVELOPED LEADS:

The Manila Office - At Manila - Has been requested to make a thorough investigation of all records pertaining to subject and expedite and forward same to the Tokyo office. Original request dated 27 December 1946.

The Tokyo Office - At Tokyo - Will contact CIC and obtain all available information concerning Subject.

Will interrogate Subject at Sugamo Prison.

Will follow and report disposition of Subject.

P E N D I N G

201-MURATA, Shoji POL.

①

(15)

SECRET

NAME: MURATA, Shozo.

PRESENT STATUS: Confined in Sugamo Prison.

SUMMARY OF INFORMATION:

In 1939 SUBJECT was a member of the House of Peers; Ambassador to Philippine Puppet Government 1943 to 1945; Minister of Communications and Railways in Second and Third KONOE Cabinets; President, Osaka Steamship Co. (OSK) 1934 to 1940; member of the Black Dragon Society.

REMARKS:

Anti-Foreign. A big industrialist and expansionist. According to Japanese sources, MURATA did a great deal to develop Philippine natural resources during his year and a half as Military Administration Advisor. Described as a top-flight business executive particularly in handling steamship line, SUBJECT was President of OSK, 2nd. largest shipping company. An official report of July 1941 stated that he was formerly considered "rather pro-American". SUBJECT sponsored a proposed Philippine-Japanese Treaty whereby the Philippine Government would declare war on the United States. Converted looted property to his own use.

His connections with the Philippines have been amongst the most important of his interests abroad. Early in 1942 MURATA told a source that "all American influence should be eradicated from the Philippines even though it took twenty-five years, and at the end of that time he would have the Filipinos talking, thinking and behaving like Japanese." An advisor to the Army Headquarters in the Philippines he was constantly making tours. On 31 May 1946, IPS recommended release of SUBJECT without preference of charges.

RECOMMENDATION:

It is recommended that SUBJECT be retained in custody as a Class A war criminal suspect and tried before an International Military Tribunal in Tokyo.

SECRET

88
FILE NO. 201-MURATA, Shozo

NO.	DOCUMENT & SUBJECT MATTER	DATE
1.	Biographical Report(State Dept)	7 Dec 45
2.	Ltr. re: Release from Sugamo to House Arrest	7 Feb 47

FILE NO. 201-MURATA, Shozo

Additional information pertaining to this file is contained
in the following Investigation Division Report(s):

1. ~~1375~~ 1392
- 2.
- 3.

FILE NO. 201-MURATA, Shozo

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

APO 500

AG 000.5 () LS-R
(SCAPIN -)

MEMORANDUM FOR: IMPERIAL JAPANESE GOVERNMENT

THROUGH: Central Liaison Office, Tokyo

SUBJECT: House Arrest of Suspected War Criminals

1. The following named Japanese Suspected War Criminals presently interned at Sugamo Prison, will be removed therefrom and placed in house arrest:

<u>NAME</u>	<u>DATE OF INTERNMENT</u>
ABE, Genki	8 Dec 45
AIKAWA, Yoshisuke	17 Dec 45
AMAU, Eiji	12 Dec 45
AOKI, Kazuo	12 Dec 45
GODO, Takuo	16 Dec 45
IDA, Iwakuzu	12 Dec 45
IKEZAKI, Chuko	11 Dec 45
ISHIHARA, Koichiro	10 Dec 45
IWAMURA, Michiyo	8 Dec 45
KIKUCHI, Takeo	12 Dec 45
KISHI, Nobusake	8 Dec 45
KOBAYASHI, Junichiro	12 Dec 45
KOBAYASHI, Seizo	12 Dec 45
KUZU, Yoshihisa	22 Nov 45
MATSUZAKA, Hiromasa	12 Dec 45
MASAKI, Jenzaburo	10 Dec 45
MURATA, Shozo	9 Dec 45
OKABE, Nagakage	10 Dec 45
OKURA, Kunihiko	11 Dec 45
OTA, Kozo	12 Dec 45
OTA, Masataka	12 Dec 45
SAKAI, Tadamasa	16 Dec 45
SASAKAWA, Ryoichi	11 Dec 45
SHINTO, Kazuma	11 Dec 45
SHIODEN, Nobutaka	12 Dec 45
SHORIKI, Matsutaro	12 Dec 45

-1-

Never despatched

MURATA, Shozo 201 FILE

BASIC: Memo., GHQ SCAP, AG 000.5 () LS-R, Feb 1947,
subject: House Arrest of Suspected War Criminals, to
Imperial Japanese Government.

<u>NAME</u>	<u>DATE OF INTERNMENT</u>
TAKAHASHI, Sankichi	12 Dec 45
TANI, Masayuki	27 Feb 46
TERASHIMA, Ken	8 Dec 45
TOYODA, Soemu	12 Dec 45
YOKOYAMA, Yui	15 Jan 46

2. To effect removal, representatives of the Imperial Japanese Government will contact Legal Section, General Headquarters, Supreme Commander for the Allied Powers.

3. A report will be submitted to General Headquarters, Supreme Commander for the Allied Powers, Attention: Legal Section, containing the date subject Japanese were removed from Sugamo Prison and the addresses of the residences in which they were placed.

4. The Imperial Japanese Government will be responsible for the surveillance, safety and custody of the subject Japanese and will be prepared to make them readily available upon demand by General Headquarters, Supreme Commander for the Allied Powers.

FOR THE SUPREME COMMANDER:

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CAR/nlb
APO 500

AG 000.5 () LS-R

SUBJECT : Release to House Arrest of Suspected War Criminals.

TO : Commanding General, EIGHTH Army, APO 343.

The following named Japanese Suspected War Criminals, presently interned at Sugamo Prison, will be released to the custody of authorized representatives of the Imperial Japanese Government to be placed in house arrest.

<u>NAME</u>	<u>DATE OF INTERNMENT</u>
ABE, Genki	8 Dec 45
AIKAWA, Yoshisuke	17 Dec 45
AMAU, Eiji	12 Dec 45
AOKI, Kazuo	12 Dec 45
GODO, Takuo	16 Dec 45
IDA, Iwakuzu	12 Dec 45
IKEZAKI, Chuko	11 Dec 45
ISHIHARA, Koichiro	10 Dec 45
IWANURA, Michiyo	8 Dec 45
KIKUCHI, Takeo	12 Dec 45
KISHI, Nobusake	8 Dec 45
KOBAYASHI, Junichiro	12 Dec 45
KOBAYASHI, Seizo	12 Dec 45
KUZU, Yoshihisa	22 Nov 45
MATSUZAKA, Hiromasa	12 Dec 45
MASAKI, Jenzaburo	10 Dec 45
MURATA, Shozo	9 Dec 45
OKABE, Nagakage	10 Dec 45
OKURA, Kunihiro	11 Dec 45
OTA, Kozo	12 Dec 45
OTA, Masataka	12 Dec 45
SAKAI, Tadamasa	16 Dec 45
SASAKAWA, Ryoichi	11 Dec 45
SHINTO, Kazuma	11 Dec 45
SHIODEN, Nobutaka	12 Dec 45
SHORIKI, Matsuharo	12 Dec 45

MURATA, Shozo 201 FILE

88

BASIC: Ltr., GHQ SCAP, AG 000.5 () LS-R, Feb 1947,
subject: Release to House Arrest of Suspected War
Criminals, to CG, EIGHTH Army,

<u>NAME</u>	<u>DATE OF INTERMENT</u>
TAKAHASHI, Sankichi	12 Dec 45
TANI, Masayuki,	27 Feb 45
TERASHIMA, Ken	8 Dec 45
TOYODA, Soemu	12 Dec 45
YOKOYAMA, Yui	15 Jan 46

BY COMMAND OF GENERAL MacARTHUR:

Copies furnished:
C.O. Sugamo Prison
Provost Marshal, EIGHTH Army

BASIC: Ltr., GHQ SCAP, AG 000.5 () LS-R, Feb 1947,
subject: Release to House Arrest of Suspected War
Criminals, to CG, EIGHTH Army.

:MEMORANDUM FOR RECORD: 17 February 1947 :
:Subject Japanese Suspected War Criminals were :
:interned in Sugamo pursuant to G-2 CIS directives. :
:Per check sheet dtd. 29 Jan 47 from Inv. Div., L.S. to :
:Chief L.S. it is recommended that subject Japanese be :
:released to house arrest for the following reasons. :
: (a) They have been interned one year. :
: (b) The charges are under investigation. :
: (c) That the prosecution of these charges is still :
: in doubt and prosecutive action cannot be :
: determined in the near future. :
: (d) That they are men of advanced years and the :
: prison routine is not agreeable to their health. :
: (e) There is little necessity of their continued :
: protective custody. :
: :
:Per note 2 of the same check sheet dtd. 30 Jan 47, :
:G-2 concurs in the recommendation with the provision :
:that the Japanese Government be charged with the :
:responsibility for their surveillance and custody. :
:Per note 3 of the same check sheet dtd. 7 Feb. 47 IPS :
:concurs with the recommendation. :
: :
:This letter to direct CG, EIGHTH Army to release :
:subject Japanese to authorized representatives of the :
:Imperial Japanese Government to be placed in house :
:arrest. :
: :
:A memorandum is being dispatched to the Imperial :
:Japanese Government directing them to place subject :
:Japanese in house arrest, report date of transfer, :
:addresses of residences, and charging them with the :
:responsibility for their surveillance, safety and custody. :
: :
:The routing of this letter is (1) Chief of Staff, for :
:Approval, and (2) AG, for Signature and Dispatch. :
: :
:*****CAR_____2-2678*****

SECRET

DEPARTMENT OF STATE

INTERIM RESEARCH AND INTELLIGENCE SERVICE

Research and Analysis Branch
Biographical Report, BR-J#93

村
田
直
藏

Name MURATA Shozo

Address Tokyo, Shinagawa-ku, Kami Osaki Chojamaru, 270 1/

Major Positions Ambassador to Puppet Philippine Republic, 1943-45
Minister of Communications and Railways in the
second and third KONOE Cabinets 7/
President of Osaka Steamship Co. (OSK) 1934-40 6/

Family History and Personal Characteristics Born 6 October 1878 in

Tokyo. He was the eldest son of MURATA Shozo, Sr. 1/
Married Tatsue, the second daughter of IIDA Ai. 2/
MURATA's family was of very modest means. The death of
his father when MURATA was young left the family in such
straitened circumstances that he had to leave Middle
School. MURATA, however, studied at home and was
finally able to enter Tokyo Higher Commercial School,
now Tokyo University of Commerce, although he had to
teach English at the YMCA night school in order to
continue his education.

MURATA is described as being approximately 5'6" tall and
weighs about 160 pounds. This source says that he has
always been healthy and that he looks much younger than
his age indicates. He has a thin moustache and well-groomed,
thinning black hair. 4/ One source labels him "the
nervous type, small, thin, has dark complexion, sharp
eyes, and an ironical expression" and considers him to
be a "dynamic personality, highly intelligent, ambitious,
and able," 3/ whereas another source says that he is
"very dignified, serious, and sound in his philosophy."
This same source also says that MURATA is "Extremely keen
intellectually," adding, however, that he "possesses
great influence because of his family background and
great wealth." 4/

MURATA is reported by one source to speak English
"perfectly," 3/ although another source says that he speaks
"careful, correct English, but is not fluent." 4/ He has
been reported as, "western in a completely practical way.

SECRET

Family History and Personal Characteristics Continued

He is well traveled, completely familiar with American and British business methods, particularly with respect to shipping, transportation and insurance. He is a very serious businessman, but notwithstanding his intimate knowledge of western psychology, he is completely Japanese in his outlook.^{4/} By one source he is reported to be "anti-foreign."^{3/}

His chief recreation and hobby is golf ^{3/} at which he is reportedly "reasonably good." According to a source who knew him in the thirties, MURATA is devoutly religious, although he attended the shrine only once annually.^{4/}

Career

Graduated from Tokyo Higher Commercial School, 1900, and entered Osaka Steamship Co. (OSK) immediately upon graduation.^{5/}
 Appointed OSK Representative in Chicago in 1909
 Returned to Osaka as head of OSK Deep Sea Service.^{3/}
 Manager of Formosa Department and Ocean Department of OSK ^{1/}
 In 1920 attended Geneva International Labor Conference as OSK Delegate.
 Managing Director of OSK, 1920-1929.^{5/}
 Vice-president of OSK, 1929-1935.^{1/}
 President of OSK, 1934-July 1940.

Other Major Commercial Positions

As of 1935:^{1/}

President of:

Settsu Marine and Fire Insurance

A Director of:

Japan-China Steamship Co. (Nisshin Kisen)

International Express Co. (Kokusai Unyu)

Nikka Life Insurance Co. (Nikka Seimei)

An Auditor of:

Sumitomo Chemical Industries

A Councilor of:

Yamashita Steamship Co. (Yamashita Kisen)

As of 1937:^{2/}

A Director of:

North Japan Steamship Co. (Kita-Nihon Kisen)

International Steamship Co. (Kokusai Kisen)

An Advisor to:

Kochu Co.

Career continued

As of 1940-1941:1/

President of:

Japan Shipowners' Association (Nippon Senshu Kyokai)

Chairman of:

Japan Shipping Association (Nippon Kaiun Kyokai)

A Director of:

Japan Transportation Co. (Nippon Tsuun)

South Sea Shipping Co. (Nanyo Kaiun)

East Asia Shipping Co. (Toa Kaiun)

Nichiman Industrial Co. (Sangyo)

Japan Airways Co.

Japan-Brazil Cotton Co.

Nichihaku Cotton Co.

Japan-China Life Insurance Co. (Nisshin Seimei)

Osaka Building Co.

Japan Broadcasting Co.

Industrial Bank Of Japan

An Advisor to:

Osaka Chamber of Commerce and Industry

In 1937 he was a member of the International Tourist Committee (?)
and in 1940 an Honorary President of the Japan Tourist Bureau.1,2/

In 1937 he was a member of the following clubs:

Osaka Club

Seikosha

Yuko Club

Rotary Club 1/--twice national president 4/

Honorary Consul for Argentina at Osaka 2/

One of the Vice-Presidents of the Japan-America Society of
Kansai (Kansai Nichi-Bei Kyokai) in 1939

President of the Japan-British Society of Kansai (Kansai Nichi-Ei
Kyokai) in 1939

Appointed a member of the House of Peers in January 1939 5/

Appointed Minister of Communications and Minister of Railways
in second KONOE Cabinet, July 1940

Appointed same position in third KONOE Cabinet in July 1941 7/

Chairman of the Philippine Investigation Committee, January 1943 13/

President of the Philippine Raw Cotton Cultivation Association
in January 1943

An Advisor of Army Headquarters in the South Sea Areas 4/
in July 1943

Appointed to the puppet Philippine Republic as Japanese Envoy
Extraordinary and Ambassador Plenipotentiary on 4 October 1943

Replaced as Japanese Ambassador by ISHII Ko on 1 August 1945

On 14 September 1945 surrendered himself of his own accord to
American Army Headquarters 7/

MURATA Shozo - 4

Comments MURATA Shozo has been an important figure in the Sumitomo industrial combine and has been affiliated with many other combines as well, particularly with Kawasaki and Yamashita, and to some extent with Mitsubishi. Many of these affiliations were through Sumitomo connections and through the Shipping industry.

He entered the Osaka Shipping Company (OSK) upon graduation from Tokyo Higher Commercial School in 1900, and held successively higher positions in this company until he became its president in 1934, a post he held until 1940.^{5/} OSK is one of the most important companies of the Sumitomo combine and is Japan's second largest shipping company.^{13/} In the 1930's he was also a director of the North Japan Shipping Company, Japan's eighth largest, and of the China-Japan Steamship Company, both OSK--Sumitomo affiliates.^{1/}

Through OSK shareholding in several shipping companies not integrally related to the Sumitomo combine, MURATA also became an important figure in the shipping industry outside the Sumitomo combine. OSK has large investments in Kawasaki Heavy Industries.^{10/} MURATA was a director of one Kawasaki affiliate, the International Steamship Company, Japan's sixth largest shipping company, and one of the principal owners of tramp vessels.^{1/} In 1937 MURATA foreclosed a mortgage on this company and through the acquisition of a large number of its shares from the Dai-ichi Bank, he obtained control over it. MURATA as president of OSK also gained control of the shipping strength of Kawasaki Shipbuilding and its subsidiary, Kawasaki Steamship.^{5,12/}

In gaining control of the latter company, MURATA collaborated with YAMASHITA Kamesaburo of the Yamashita combine, one of the smaller combines of the Zaibatsu.^{1,13/} MURATA was a director of one Yamashita shipping affiliate, the Japan Transportation Company, which was the third largest shipping concern and the largest Japanese operator of tramp ships.^{1/} He was also a Councilor to Yamashita Steamship.^{1/}

As president of OSK, MURATA failed in his attempt to merge OSK with Japan's largest shipping company, Mitsubishi's Nippon Yusen Kaisha (NYK).^{9,12/} In August 1939 the Eastern Steamship Company was founded "in order to effectively control shipping between Japan and China." MURATA was appointed one of the directors of the new company whose activities would enfold those of major shipping concerns, including those of NYK and OSK. Investments from these two companies comprised 70% of the capitalization.^{1/} MURATA also became well known for his formation of the Japan Shipowner's association.^{12/}

Accordingly, as MURATA's positions in OSK increased in importance, a Japanese source says, he had greater opportunity to come into contact with NAKAHASHI Tokugoro, then president of OSK. NAKAHASHI, regarding MURATA as a capable man, evidently assisted him in his rapid rise. MURATA recognized that NAKAHASHI was his benefactor.^{5/}

Comments continued

In 1929 after the death of NIKAHASHI, HORI Keijiro succeeded him as president, and MURATA was appointed to fill the vacancy of the Vice-Presidency. The Japanese source states that although there were some differences of opinion, which were discussed by the two men, MURATA never acted against HORI's orders. This respect and friendship continued when HORI retired and MURATA succeeded him as president of OSK.^{9/}

According to an interview source who knew MURATA quite well for ten years, soon after the assassination of INUKAI Tsuyoshi in 1932, when the army approached the shipping companies with the idea of securing ships to be kept in Japan in case of war with Russia, most of the companies refused. MURATA, still Vice-President, went in for "whole hearted and unlimited cooperation with the army, and as a result received many concessions."^{3/}

MURATA has twice been a Cabinet member. In 1937, when KONOE was forming his first cabinet he asked MURATA to accept the Communications portfolio, but MURATA refused. He refused again in 1938 when KONOE asked him to become Commerce Minister.^{15/} In 1939 MURATA was appointed to the House of Peers.^{1/} In July of the following year he finally accepted the posts of Minister of Communications and Railways in the second KONOE cabinet,^{7/} and resigned from the presidency of OSK.^{6/} When KONOE formed his third cabinet in 1941 MURATA again held the positions of Minister of Communications and Railways.^{7/} Joseph Newman interprets MURATA's appointment as a supporter of the new totalitarian political and economic program of KONOE as a reflection of the fundamental change which had taken place in the views of the dominant business clans. Their participation, Newman says, was to prevent the military from seizing complete control of the domestic totalitarian structure which was essential for the prosecution of the aggressive foreign policy.^{16/}

Although MURATA had lived in America for several years and was Vice-President of the Japan-American Society of Kansai, and President of the Japan-British Society of Kansai in 1939,^{8/} one source who knew MURATA for many years states that he "was frankly anti-foreign."^{3/} Furthermore, says the source, he was a member of "secret" societies.^{3/} Another source states that he was a member of the Black Dragon Society (Kokuryukai).^{14/} Still another source says that MURATA "financed espionage on shipping, especially in Africa and India."^{13/} Until 1937, when source lost contact with him, MURATA was considered by the source to have been a member of the "conservative Japanese party" and was not fanatical in his approach to political problems.^{4/}

He has also had interests in South America. He was a director of the Japan-Brazil Cotton Company ^{2/} and according to one source, he also obtained a large trade with Argentina ^{3/} and was an honorary consul for that country in Osaka.^{1/} He did much to further the Japanese immigration program in Brazil; he tried to secure the elimination of immigration restrictions in Argentina also but failed.^{3/}

Comments continued

His connections with the Philippines have been among the most important of his interests abroad. Early in 1942 MURATA told a source that it was his intention that "all American influence should be eradicated from the Philippines even though it took twenty-five years, and at the end of that time he would have the Filipinos talking, thinking, and behaving like Japanese."3/

In January 1943 MURATA was the Chairman of the Philippine Investigation Committee,13/ and at the same time he was listed as president of the Philippine Raw Cotton Cultivation Association. In July of that year he was reportedly advisor to the Army Headquarters in the Philippines and at the same time was making an inspection tour of the Southern Regions. Finally, in October of 1943 he was appointed ambassador to the new puppet Philippine Republic. Among those accompanying MURATA to his new post were MORISHIGE Takeo, ISHII Ko, AKIYAMA Tatsu, SUE Hideo, SHINONOA Suekichi and FUKISHIMA Shintaro.7/

According to a published source of April 1944, "MURATA Shozo, NAGATA Hidejiro, SUNADA Shigemasa and Prince TOKUGAWA Yoshichika formed the brain trust to which Japan confided the task of organizing the propaganda which accompanied military conquest."6/

On the 1 August 1945, months after Manila was retaken by the Americans, MURATA Shozo was replaced by ISHII Ko as Ambassador to the puppet Philippine Republic, then continuing in Japan.7/

After the surrender of Japan MURATA submitted himself of his own accord to the American Army Headquarters on 14 September 1945, was taken into custody by the Americans as a war criminal and placed in the Yokohama internment camp. On 5 October he was moved to the Omori prison camp in Tokyo.7/

Summary MURATA Shozo rose from very modest means to become president of Japan's second largest shipping company, OSK, and a leader of many other important Japanese shipping organizations. For several years he was OSK's representative in America. He has had many interests abroad, but is reportedly anti-foreign. He has been interested in Japanese trade and emigration to South America, and was Honorary Consul for Argentina in Osaka. In recent years his interests abroad have been directed predominantly toward the Philippines. He was the Japanese Ambassador to the puppet Philippine Republic. In the second and third KONOE Cabinets he was concurrently Minister of Communications and Railways.

- Sources
- 1/ Who's Whos (English Language)
 - 2/ Jinji Koshin Roku, 1937
 - 3/ OSS BR FU
 - 4/ OSS Source K
 - 5/ Osaka Mainichi (English Edition), 22 July 1940
 - 6/ OSS Source X
 - 7/ Enemy Broadcast
 - 8/ Academic and Cultural Organizations in Japan, Kokusai Bunka Shinkokai, 1939
 - 9/ "The Five Ministers and I", Bungei Shunji, September 1941
 - 10/ Kabushiki Kaisha Nenkan, 1941
 - 11/ Sumitomo Konzern Reader, 1937
 - 12/ Chuo Koron, September 1940
 - 13/ OSS Source S
 - 14/ OSS Source F
 - 15/ Osaka Mainichi, 18 July 1941
 - 16/ Joseph Newman, Goodbye Japan, New York, 1942, pp. 185-186

THIS RECORD IS A SUMMARY OF SUCH INTELLIGENCE
(FROM ONE OR MORE SOURCES AS INDICATED) AS WAS
AVAILABLE AT THE TIME OF PREPARATION. IT MAY
CONSEQUENTLY BE SUBJECT TO AMENDMENT BY ADDITIONAL
OR MORE RECENT INTELLIGENCE.

7 December 1945