GHQ/SCAP Records(RG 331)
Description of contents

THE NATIONAL ARCHIVES OF THE UNITED STATES

(1) Box no. 2077

(2) Folder title/number: (11)
People's Democrtic Party

(3) Date: Apr. 1950 - Aug. 1950

(4) Subject:

Classification	Type of record
332	c

(5) Item description and comment:

Weekly Reports of People's Democrtic Party

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

People's Democratic Party

August 23 , 1950.

Fundamental Plan for Establishment of Local Finance

- An Appeal to Dr. Shoup -

I. Permanent Counterplan.

I. Transfer of some part of Income Tax and Corporation Tax to the local entities after re-examining the National and Local Tax system:

The keynote of the establishment of local finance lies on the distribution of administrative power between the state and the local entities. It must be re-examined from the standpoint of rational, economic, practical, and democratic disposition of the whole administration rather than from the standpoint of demand for a decentralization, limiting the role and responsibility of state within the range of determination of minimum necessarry policies, guidance, control, and supervision, and the other matters shall wholly be transferred to the responsibility of local entities, with allotting the financial capacity between the state and the local entities, in accordance with the actuality of rationally distributed administrative power.

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The tax system shall be determined fairly between the state and the local entities on the basis of financial distribution. Whereas, Dr. Shoup's recommendation has paid rational consideration only to the tax sources in To, Do, Fu and Prefectures but has left the former national tax and the local tax as they were. Accordingly, while they were examined and adjusted within their respective range, the sum granted for the local entities in the names of national expenditures, governmental subsidies, and the local finance equalization grant still amounts more than 60% of the income tax and the corporation tax which are national taxes. So, in view of present condition as mentioned above, these tax sources are to be transferred to the local entities and the tax system is to be fundamentally improved in order to simplify the administration and to eliminate the centralization.

II. Perfection of the Local Finance Equalization Grant System:

Though it has been declared as one of the ultimate purposes of the Occupying Forces and the Japanese Government, the local autonomy is still in a very unfledged stage and the way to perfect it is to strengthen the financial power of the local entities on the one hand, and to equalize the financial power between rich and poor districts on the other. In order to promote the equalization between the quality and quantity of administration and the incidence, the equalization grant system shall be adopted. It is the basic principle

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of local autonomy to leave the responsibility of incidence and the demand for administration or the enjoyment of benefit to the one will and the judgement of inhabitants, but the invention of an equalization grant system which amounts to more than hundred billion yen does not comply with such plan, and moreover, because of its overwhelming rate within the local finance it becomes a big obstacle. These financial resources shall be given as the independent taxes. That is, in spite of the purpose of the local finance equalization grant is to adjust the financial unevenness between each local entities considering their financial demand and revenues, the actual distribution made by the Local Finance Commission is to grant it evenly between all Fu, Prefecture, City, Town and Village, and thus the elemental character of this system is lost. This means to grudge the tax sources which may be transferred to local tax but unfairly collect them as the national tax and change them into general financial resources. It shall, at this chance, strictly be limited to the minimum to realize the equalization of administration and incidence between rich and poor districts, and the rest shall be transferred to the tax sources.

The next thing to be discussed is the Special Equalization Grant system which amounts to 10% of total sum and is the remains of the centralization. Notwithstanding the fact that this system should be to fill the gap of the ordinary grant system which is formal and standardized and should be exceptional with fairly small sum, it amounts to a huge sum of more than ten billion yen, and thus it ought to be abolished as soon as possible.

Improvement

II. Improvement on Subsidy System:

(1) Subsidy System for Public Utilities Expenses.

The abuses of the subsidy or the allotment money system have confused the responsibility of the State and that of a locality, maintained slender control of the central Government, caused friction between the Government and local officials, accentuated vainly reliance on the central Government by its all-round reward policy, and resulted in paralysing even the critical power of the Diet.

Public utilities constitute a link of unemployment counter-measures as well as one of national land development and economic resuscitation plans. They correspond to public works as a scheme of the New Deal in the United States. They are limited to positive, great exploitation works, such as development of the sources of ~~election~~ electric power, improvement of rivers, improvement of roads, improvement of arable lands, etc. From this idea, Dr. Shoup has admitted the expenses for the public utilities of the Government not as "means of control" but as "means of guidance", but in today's Japan they include undertakings on a very small scale, such as health centers, citizens' halls, vocational training centers, clinics, prisons, schools and the like, so that local self-governing bodies are very busy in securing subsidies bestowed on them by the Government, and deep-rooted evils of centralization of power are not eliminated, and progress of the local autonomy is impeded.

Besides

Besides, manners of making light of the Diet by Government offices or executive organs, are brought on, and development of democracy is checked. Accordingly, it is advisable to reduce public utilities into big development enterprises, clarify responsibilities and actions of the State and a locality, straighten thoroughly the other subisdy systems, and aside from a large amount of emergency expenses incurred incidentally and unexpectedly by a specific body such as calamity rehabilitation expenses, readjust mere financial subsidies, and re-allot ways and means.

(2) Defrayment by the National Treasury of the Total Amount of the Calamity Rehabilitation Expenses.

Dr. Shoup recommended that practical application be made according to the financial power of a local self-governing body, but the reality is that, in definance of the real ability of a local self-governing body, the total amount of the calamity rehabilitation expenses more than 150,000 yen is to be borne indiscriminately by the national Treasury. Considering the financial power of a local self-governing body, it is advisable to re-study the matter so that the frame of 150,000 yen may slide. It is also advisable to establish national security systems such as a permanent calamity rehabilitation fund system.

IV. Changes of Administrative Areas and Re-allotment of Affairs:

With regard to changes of administrative areas, especially re-arrangement of Fu or prefectures, and cities, towns or

villages

villages, we should be prudent in dealing with them, because transportations and communications have not been repleted, nor obstacles of nature have been overcome; and some systems inadequate for combination of financial relief, etc. through the equalization grant, are in existence. We should also consider that re-allotment of affairs means distribution of financial resources of the Government and local self-governing bodies, that the real ability of self-governing bodies is divided on allotment between Fu or prefectures and cities, towns or villages, and that affairs of the United States are essentially different from those of Japan, the former being "service" and the latter "control".

V. Standard Compulsory Education Expenses.

By the establishment of the local finance equalization grant system, the expenses for the compulsory education which were hitherto granted to a local self-governing body from the Education Ministry, have been put for the most part within the frame of the equalization grant: this made a local self-governing body appropriate them without the expenditure being accounted for. Accordingly, in some self-governing bodies, especially in poor districts, expenses for the compulsory education have been diverted for consumption to items of general expenditure, and serious inconveniences have been caused to defraying teachers' salaries and other education expenses. On this occasion it is advisable to specially consider that, with regard to compulsory education expenses, separate frames will be provided for in making an equalization grant; or that they will contribute to

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the reduction of local taxes by appropriating them in the budget of the Education Ministry, and distributing them direct to local self-governing bodies.

VI. Reduction of Local Expenditure and Saving of Unnecessary Expenses.

The expenditure of the local self-governing bodies for 1950 really shows a violent increase of ¥80 billion over the year preceding. On this occasion, however, in dealing with re-allotment of affairs, if we strive for thorough saving of unnecessary expenses in accordance with re-distribution of financial sources all over the localities, namely, together with a big-scale abolition of control economy, decline in prices, retrenchment of entertaining expenses and travelling expenses, etc., it is possible that the local expenditure will be reduced by 5 per cent at the least.

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II. Immediate Countermeasures

I. Revision of the local tax law:

(1) Value added tax.

A. In the business tax and the special income tax retained in reduction to fill the place of the value added tax whose enforcement was postponed, the cooperative association, the health insurance association, the federation of the same associations, and the social insurance business, the newspaper business and the like operated by these organizations shall be exempted from taxation. In the transportation business and the warehousing business, 40 per cent of the income shall be the taxable base. The same shall be applied to the value added tax when it is enforced after economy is stabilized.

B. The standard tax rate:

The business of the first category: $\frac{3}{100}$ $(\frac{4}{100})$

The restricted tax rate: $\frac{4.5}{100}$ $(\frac{8}{100})$

The businesses of the second and third categories:

$\frac{2}{100}$ $(\frac{3}{100})$ and $\frac{3.5}{100}$ $(\frac{6}{100})$

C. Taxation on national and public utilities works:

D. In enforcing the value added tax, it is to be put into practice in the following manner:

First year	Value added tax	30%	Existing business and special income taxes	70%	to be actually imposed
Second year	"	50%	"	50%	"
third year	"	70%	"	30%	"
fourth year	"	100%			"

(2) Inhabitant's tax.

A. The income tax rate shall be $\frac{12}{100}$

B. The per capita rate of the individual person shall be 330 yen, 400 yen, and 500 yen. (400 yen, 600 yen and 800 yen in the existing law) and the maximum rate shall be that in the existing law.

C. The decrease to be caused by the above amendment shall be covered by increasing the per capita rate imposed on the juridical person in the following manner:

(a) In the case of the juridical person with a paid up capital less than 1,000,000 yen, the fixed amount in the main office shall be 5,000 yen.

In the case of the branch office, plant and others, however, it shall be 3,000 yen.

(b) In the case of the juridical person with a capital of more than 1,010,000 yen, the tax on its paid up capital computed at the following rate shall be added beside the fixed amount of 5,000 yen.

From 1,010,000 yen to 5,000,000 yen	0.3 per cent
More than 5,000,000 yen up to 15,000,000 yen	0.2 per cent
More than 5,000,000 yen up to 30,000,000 yen	0.1 per cent
More than 30,000,000 yen up to 50,000,000 yen	0.07 per cent
More than 50,000,000 yen up to 100,000,000 yen	0.05 per cent
From 100,000,000 yen up to 500,000,000 yen	0.03 per cent
More than 500,000,000 yen	0.01 per cent

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D. In the case of the office, the plant and others other than the main office, an amount of 0.01 per cent of the paid up capital shall be added to the fixed amount.

E. The cooperative association shall be exempted from taxation.

F. An old person above sixty years of age who has a dependent below eighteen years of age with an income less than 100,000 yen and a person who is without a job for more than half a year shall be exempted from taxation.

G. Stations and other field structures of railway and tramway businesses shall be exempted from taxation.

H. The basis of the income tax rate shall be the income of the corresponding fiscal year.

I. Tax reduction: 7,500 million yen.

(3) Fixed assets tax.

A. Standard of taxation.

The multiplying rate of land and house shall be revised to 700 times, and that of farmland to 15 times. In cold, single-crop and exceedingly rainy areas, the rate shall be changed to 480 times in the case of house, and 10 times in the farmland.

B. The tax rate:

$\frac{1.5}{100}$ (assets for depreciation $\frac{1.4}{100}$)

C. Tax reduction:

Tax shall be reduced on shipping, local railway and tramway, gas and power generation. Measures shall be taken for a big reduction of tax especially on ves...s for shipping, lots for local railway and tramway, track and its incidental facilities, rolling stock and others.

D. Exemption

D. Exemption from taxation.

a) Assets needed by the cooperative association, the health insurance association, and the federation of the same, and by the social insurance business operated by them.

b) Assets for depreciation used for the business of the second category for agriculture and forestry and the business operated chiefly by family labor provided for in the Government Ordinance.

c) Idle assets not yet put into operation.

d) Assets for short-term depreciation such as implements, fixtures and others.

e) Facilities for scientific examination and research.

f) Small fishing boats (below 5 tons)

g) Channel, reservoir and tunnel.

E. Reduction of tax: 10,000 million yen.

F. Addition of taxable bodies:

The State and the public enterprise corporations (national railway, monopoly corporation, broadcast and others).

(4) Admission tax.

A. The tax shall be classified into the ordinary tax $\frac{60}{100}$ and the special tax $\frac{20}{100}$.

B. The places of the second category, pure music, amateur sports, Japanese classical "No" play, Court music, jōruri (Japanese classical opera) with puppet-show, jōruri performed by Bunraku troupe, pure arts and original dancing shall be treated as special.

(5) Amusement, Drinking and Eating tax.

The tax rate shall be:

service fees for geisha or persons of a similar nature:	50 per cent
special:	20 per cent, and
general:	10 per cent.

Drinking and eating below 100 yen and the school excursion of school students shall be exempted from taxation.

(6) Electricity and Gas tax.

Expanding the scope of exemption of vital businesses from taxation, iron ore, alumina, caustic soda, cement, electric furnace, power for agricultural use, and others shall be exempted from taxation.

(7) Mine lot tax, automobile tax, bicycle tax, cart tax, mine product tax, timber trade tax, advertisement tax and admission tax shall be reduced gradually, and fishing right tax, hunter tax and service girl tax shall be abolished step by step.

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(8) Institution of National Health Insurance Tax.

For recovery from and reconstruction of the nation-wide difficulty in which the national health insurance enterprise finds itself with its red figures amounting to several billion Yen, the insurance premium is to be turned into a tax.

(9) Readjustment and Alleviation of the Penal Provisions.

II. Increase in the Local Finance Equalization Grant:

According to Dr. Shoup's recommendation ¥120 billion had been to be appropriated for the local finance equalization grant in the Government's budget for this fiscal year, while the Government decided to appropriate ¥105 billion for it according to its own unilateral reasons. Later on, as a temporary measure pursuant to the failure to pass the Diet of the Local Tax Bill the Government has often enacted the regulations for the Local Finance Commission concerning special exceptions to the above mentioned grant, and has granted upon rough calculation ¥40 billion for the first quarter period and ¥21,800 million for the second quarter, altogether ¥61,800 million. Consequently only ¥32,700 million is now left for the grant for the fourth and the fifth quarter periods excepting the special equalization grant, ¥10,500 million placed in a special

frame

frame work. This is clearly deviation from the provisions of the Local Finance Equalization Grant Law and a measure in contradiction to the spirit of the Law which provides for the grant to be effected every quarter period within the actual results of the 1950-51 fiscal year, It follows therefrom that even after the present failure to pass the Diet of the Local Tax Bill confusion has been spurred up thereby. Uneasiness is also brought about thereby over the prefectural tax revenues from agriculture and industry under the new tax system and the autonomous entities' financial revenues by the prefectural tax and the city, town and village tax structure. Accordingly, in order also to alleviate an increase in the burden of the localities for this fiscal year and the people's burden for payment of taxes for the whole fiscal year intensively in the latter half year due to the delay in the enforcement of the Tax Law, the equalization grant is to be increased urgently at this juncture by ¥20 billion by a supplementary budget.

Utilization

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III. Utilization of the Funds of the Deposit Bureau:

(1) Repayment of Short-term Loans.

As remedial measures for Local finance ¥29 billion (¥20 billion for the first quarter and ¥9 billion for the second quarter) was financed as Short-term ~~Laws~~ loans.

Repayment of the principal thereof is impossible within 3 months prescribed there for. By taking into consideration thorough tax collection due to the stabilization of the tax system and the recovery into normalcy of the distribution of the equalization grant, such repayment is to be deferred until the end of the 1951-52 fiscal year. With reference to the interest thereon amounting to about ¥520 million, a budgetary measure also is to be immediately worked out for supplying the funds out of a special source of revenue in accordance with the decision of the Cabinet meeting of June 23 this year that "for an increase in the local financial demand incidental to the local entities' burden of interest on the Short-term loans a special, necessary measure shall be adopted".

(2) Security of Long-term Loans.

A. Framework of Financing.

Dr. Shoup recommended the long-term loan accommodation out of the funds of the Deposit Bureau to be ¥42 billion for the fiscal year of 1950-51. In actuality the amount was cut down to ¥37 billion, out of which the distribution of ¥15 billion financed (¥4 billion for the

first

first quarter and ¥11 billion for the second quarter) has been completed Recently, However, GHQ has further reduced the above framework by ¥7 billion and now the framework is said to be slated for ¥30 billion. This sudden reduction in the amount is reportedly ascribed to a serious fault in Finance Minister Ikeda's negotiations. At this juncture satisfactory measures are desired to be taken for persistently adhering to ¥37 billion as first made public to the local autonomous entities and, if possible, for raising the amount to ¥42 billion as originally recommended. The reduction in the amount, if realized, is feared to bring about a miscarriage of the local finance plan for this fiscal year and thereafter.

B. Interest

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B. Interest and Term of Redemption.

According to the existing regulation providing fund administration of the Deposit Bureau, the interest of long-term loan is 3.2 per cent, and the term of redemption is 20 years (unredeemable for 5 years). But on the plea of the aggravated inflation after the end of the war and the increase in the personnel expenses at the quarters concerned, the Government changed the financing regulation this time. According to this regulation, the interest of long-term loan is 9.2 per cent and the redemption term is 15 years. In view of the present stabilization crisis, however, the interest must be immediately reduced, and the term be extended in accordance with the existing regulation providing fund administration of the Deposit Bureau.

(3) Adjustment of Fund Administration.

Financing of the funds of the Deposit Bureau is regulated to be controlled jointly by the Finance Ministry and the Local Autonomy Agency. The Governments of To, Do and prefectures are required to go through vexations formalities against both the Finance Ministry and the Local Autonomy Agency, and the city, town and village authorities against not only the Finance Ministry and the Local Autonomy Agency but the Governments of To, Do and prefectures. It is very troublesome to go through such formalities against them. This represents the so-called "sectionalism" of the government offices. The local autonomous governments are the victims of the "sectionalism." The regulation providing fund administration of the Deposit Bureau and other regulations must be revised, attaching an importance on the Local Financial Committee which had got its start as the

most

most authoritative local finance administration office.

IV. Granting of Special Subsidies for Adjustment of Local Finance:

In the original draft of the Local Finance Equalization Grant Law which was adopted at the 7th session of the Diet, the Government enacted a provision regarding a system of granting special subsidies for adjustment of local finances, expecting a disorder in the local finances caused by the enforcement of the Equalization Grant Law with the abolition of the Law concerning Exception to the Local Distribution Tax Law and the thorough revision of the Local Tax Law. But in the final draft, the Government dropped the provision. The Local Tax Revision Bill having not been adopted at the 7th session of the Diet, however, there was left a blank of the local finances for 4 months. This, with grant of the equalization grants by a rough estimate against the Local Finance Equalization Grant Law and issuance of short-term loans by the Deposit Bureau, has thrown the local finances for both the 1950-51 and 1951-52 fiscal years into disorder, as everyone knows. In order to meet the situation, it is required to devise the means of establishing a system of appropriating the estimates for adjustment of the local finances amounting to ¥2 billion beside the increased amount of equalization grants amounting to ¥20 billion, aiming at perfect adjustment of the local finances.

Withdrawal

Withdrawal of the Cabinet's Decision regarding Abolition of System of Granting the Subsidies in full from the National Treasury to the Expenses for Restoration Works of Damages caused by Storms and Flood:

The system of granting the subsidies in full from the National Treasury to the expenses for restoration works of damages caused by storms and flood, with the revision of the Local Tax Law, is the foundation of the local finance based on Dr. Shoup's Recommendation. But the Government has decided at a Cabinet meeting to abolish the system as its plan of making the budget for the next fiscal year, having no financial measure for the local governments. What is worse, the Government has decided such an important problem concerning the basis of the local finances without the Local Finance Commission's permission. It is a matter of regret that the Government has made such a decision without authority against the object of local self-government, making light of the problem of local finances. This decision must be withdrawn and continued in and after the next fiscal year as before.

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Democratic Party
May 17--23,1950

Weekly Report of the People's Democratic Party

(For the week from May 17 to 23, 1950).

Nothing to be mentioned.

Weekly Report of the People's Democratic Party

(For the week from May 10 to 16, 1950.)

May 10th(Wednesday): In face of the coming election of members of Upper House (June 4,1950), the Party by turns anounced the name of officially authorized candidates. At the occasion of the last anouncement today, all candidates of our Party will be arranged as follows:

All-Japan Electoral District: (19 candidates):

Makoto Miura.
Fukujiro Goto.
Katsuzo Nishi.
Seizaemon Aoki.
Yasuzo Kotake.
Katsuma Kobayashi.
Takaharu Ito.
Tetsuro Morita.
Ichiro Asai.
Mitsugu Sakamoto.
Yoshikuni Tanaka.
Hironori Heguri.
Moriichi Mon'ya.
Hachiro Takura.
Denmei Suzuki.
Kenkichi Ishiyama.
Sadayoshi Hitotsumatsu.
Takashi Nakako.
Hideko Murakami.

Local Electoral Districts (26 candidates):

	Elect.District		Elect.District
Eiji Arishima.....	Hokkaido.	Zenjiro Hirano.....	Aomori.
Kei Takahashi.....	Miyagi.	Junkichi Ishikawa...	Akita.
Shichihei Kikuta....	Ibaragi.	Jun'ichi Kunii.....	Tochigi.
Sanshiro Kogure.....	Gumma.	Kyohei Suzuki.....	Gumma.
Mitsumasa Kondo.....	Chiba.	Tamae Fukagawa.....	Tokyo.
Tatsuo Hachinami....	Tokyo.	Sadao Nishimura.....	Kanagawa.
Kuniyasu Nakamura...	Yamanashi.	Yoko Kinoshita.....	Nagano.
Kesashige Nakajima..	Nagano.	Saijiro Kubota.....	Niigata.
Shigekatsu Takeyama..	Ishikawa.	Kanji Nakamura.....	Shizuoka.
Kurasaburo Yamanouchi...	Aichi.	Morio Nakata.....	Osaka.

Tetsuo Kobori.....Hyogo.
Shinkichi Niino...Yamaguchi.
Takao Nishida.....Fukuoka.
Yoshio Sakurauchi.....Shimane.
Mitsu Koro.....Tokushima.
Yasaburo Taniguchi...Kumamoto.

Personnel of Officers of the People's Democratic Party.

May , 1950

Chairman of Highest Committee:	Yoshizo Tomabeji.
Highest Committee Staffs:	Yoshizo Tomabeji. Takeo Miki. Tokutaro Kitamura. Seiichi Okada. Tatsuo Sakuraichi. Gisai Onimaru. Wataru Narahashi.
Highest Advisors:	Kozaemon Kimura. Sadakichi Hitotsumatsu. Heitaro Inagaki. Junzo Sasamori. Kyoji Funata.
Advisors:	Sanshiro Kogure. Hajime Hoshi. Mataichi Nakamura. Kamejiro Hayashiya.
Chairman of Executives Board:	Sakae Kinoshita.
Vice-Chairmen of the same:	Hisashi Amano. Kentaro Yui.
Executives:	Saburo Shishikuma. Seijiro Takahashi. Kentaro Yui. Ren'ya Masuda. Jun'ichi Suzuki. Hisashi Amano. Kyuei Kikkawa. Tamaki Omori. Kin'ichi Hashimoto. Hideji Kawasaki. Hanji Ogawa. Sakae Kinoshita. Toshinaga Yamamoto. Mitsu Koro. Chikara Sakaguchi. Nizo Iwao. Ko Imai. Takashi Ono.

	Tetsuo Kobata.
	Shigeki Nakajima.
	Shigeyoshi Fukuta.
	Takizo Matsumoto.
	An Yoshida.
	Moriichi Mon'ya.
	Takao Nishida.
Auditors:	Tomoaki Naito.
	Yoshitsugu Hayashi.
	Juyo Hatakeyama.
	Tohei Komai.
	Kiyoo Sakaino.
Chief Secretary:	Saburo Chiba.
Vice-Secretaries:	Kinsho Kono.
	Tokuo Hirakawa.
	Kazumi Kobayashi.
	Sunao Sonoda.
	Shigetaro Sasayama.
	Takashi Hayakawa.
	Tetsuo Iwaki.
Chairman of Political Affairs Research Association:	Tokutaro Kitamura.
Advisors to the same:	Masuo Araki.
	Muneyoshi Saheki.
	Kenkichi Ishiyama.
Vice-Chairmen of the same:	Ichitaro Inouye.
	Ichimatsu Ishida.
	Yasuhiro Nakasone.
	Yojuro Kaneko.
	Tokuji Tokonami.
	Hajime Miyoshi.
	Junkichi Ishikawa.
	Takashi Nakako.
Director of Party Affairs Bureau:	Ryuemon Waseda.
Vice-Director of the same:	Kenjiro Shiga.
Head, General Affirs Dept.	Shiro Hasegawa.
Head, Intelligence & Propaganda Dept.	Mikio Suzuki.
Head, Local Assebly Dept.:	Tomoaki Naito (concurrent position).
Head, Canvassing Dept.:	Yoshimitsu Fujita.
Head, Election Policy Dept.:	Kiichi Arita.

Director of Organization Bureau:	Yutaro Takeyama.
Vice-Director of the same:	Nobuchika Murase.
Head, Planning Dept.:	Kinji Moriyama.
Head, Juniors Dept.:	Masao Onishi.
Head, Ladies' Dept.:	Kyo Kiuchi.
Vice-Head, Ladies' Dept.:	Hideko Murakami.
Head, Labor Union Policy Dept.:	Osamu Inaba.
Head, Farmers' Organization Dept.:	Hikojiro Mizuno.
Head, Fishermen's Organization Dept.:	Yuji Komatsu (concurrent position).
Head, Middle & Minor Scale Enterprise Dept.:	Kisuke Miyakoshi.
Head, Economic Institutions Dept.:	Toshio Komoto.
Head, Teachers' Union Policy Dept.:	Shin'ichi Kobayashi.
Director of Fund Bureau:	Shigeyoshi Fukuda.
Vice-Director of the same:	Sadaaki Oshikawa.
Head, Accounting Dept.:	Mitsuo Yamate.
Head, Enterprise Dept.:	Takashi Kanezuka.
Director of International Bureau:	Takizo Matsumoto.
Vice-Director of the same:	Yoshio Namiki.
Head, Research Dept.:	Toshio Kimura.
Head, Information Dept.:	Saburo Yanagiwara.
Head, Liaison Dept.:	Yoshio Namiki (concurrent position).
Chairman of Diet Session Policy Committee:	Saburo Shishikuma.
Vice-Chairman of the same:	Toshio Kawamoto.
Chairman of Joint Association of Diet Members:	Shichiro Takenaka.
Vice-Chairman of the same:	Yuji Komatsu.
Chairman of Lower House Members:	Takeshi Hara.
Vice-Chairman of the same:	Tadashichi Miyofuji.
Chairman of Upper House Members:	Koji Nakai.
Vice-Chairmen of the same:	Nobuyuki Okuma. Jun'ichi Kunii.

Democratic Party
May 3--9,1950

Weekly Report of the People's Democratic Party

(For the week from May 3 to 9,1950)

Nothing to be mentioned.

Weekly Report of Democratic Party

(For the week from April 26 to May 2,1950)

April 28th(Friday): A consolidation grand meeting of "Kokumin Minshuto" (People's Democratic Party) was held at Nihon Ishi Kaikan(Japan Medical Men's Building) in Surugadai,Kanda. Thus, united with Kokumin Kyodoto(National Cooperatice Party) and Shinseiji Kyogikai (New Political Associates Party), Democratic Party became the Kokumin Minshuto(People's Democratic Party). At the Grand Meeting the Party's Constitution was decided; and the Policies(Outline of Policies, Urgent Policies), and Declaration of Principles were anounced. Then election of officers was made and members of the highest committee were chosen as follows:

Yoshizo Tomabeji. Tokutaro Kitamura. Takeo Miki.
Seiichi Okada. Tatsuro Sakurauchi. Gisai Onimaru.
Wataru Narahashi.

As result of mutual election of the highest committee staffs, Mr.Yoshizo Tomabeji was appointed the Chairman of Highest Committee staffs, who then gave a speech on the past change of situations. Then, as usual, all classes of new officers were elected and anounced.

In the following pages, the Consitution, Declaration, Summary of Policies and Urgent Policies and the List of new Officers were attached.

Constitution of People's Democratic Party

Chapter I. General Rules.

Article 1: The present Party shall be called "Kokumin Minshuto" (People's Democratic Party), the Head quarters of which is placed at Tokyo Metropolis. Branch offices, Branch Societies and Team shall be established at districts or the occupation fields elsewhere specified; and a Federation of Branches in respedtive metropolis, provinces and prefectures.

Article 2: The present Party shall aim at realizing the platform, the policies, the declaration and decisions thereof.

Article 3: The present Party shall be organized by assenters and cooperators to achieve the aforementioned aims.

Chapter II. Organs

Section 1: All Japan Grand Meeting.

Article 4: All-Japan Grand Meeting(hereinafter called Grand Meeting) is the Party's highest organ of resolution, consisting of officers of Headquarters, the Party's Member of Diet, the Party's past Members of Diet and such representatives as elected by provisions of Article 7.

Article 5: The Grand Meeting shall be held in Tokyo metropolis once a year in spring by the calling up of the president.

In case the President deem it necessary, he shall be capable of calling up an extraordinary Grand Meeting at any time.

In case more than one third of constituent members of the Grand Meeting requested it with an explicit purpose, or in case majority of the Party's members of Diet deem it necessary, the Grand Meeting immediately shall be called up.

Article 6: Chairman or vice-chairman of Grand Meeting shall be elected by Grand Meeting itself.

Article 7: Representatives of Grand Meeting shall be elected in accordance with the following standards from among federations of metropolitan provincial and prefectural branches of the Party:

i) Three representatives against one federation of branches (including representative for juniors or ladies depts.)

ii) One representative against one member of Diet belonging to the said federation of branches.

iii) Two representatives in principle against 10 or less of members of a local assembly.
One more representative shall be added against every addition of 10 members of metropolitan, provincial and prefectural assemblies and each 10 members of municipal assembly of the five main cities, provided that oen more representative is to be added against each 40 members of ward-assemblies of Tokyo Metropolis.

As to local districts or occupation fields which are in the period of preparation of local organization or in the process of extension of organization, President shall be capable of appointing one representative with approval of Executives Committee, provided that the number thereof should not surpass one third of the number of representatives for federation of branches.

The occupation term of a representative shall last until the next ordinary Grand Meeting, and during this period be given a certificate of the representative by the Headquarters.

Article 8: The Grand Meeting shall be materialised by presence of more than one third of possible constituents of Grand Meeting.

The Grand Meeting mentioned in Article 9 shall especially need presence of more than half of constituents of Grand Meeting.

A letter of attorney shall be deemed presence the person concerned provided that it could not be added among the number of voting.

Agenda of Granc Meeting shall be voted and decided by majority of consituents present; and in case of even vote of pro et contra, resolution shall be made by the chairman.

Regulations of Grand Meeting shall be stipulated elsewhere.

Article 9: Change in the Platform and the Constitution of the Party shall require approval of more than two thirds of constituents present in the Grand Meeting.

Section 2; Officers

Article 10: The following officers shall be appointed in the Party: (i) Present, (ii) some Highest Committee staffs, (iii) s some of Highest Advisors and Advisors; (iv) Chairman of Executives Committee, (v) Vice-chairman of Executives Committee, (vi) some Executives and some Committee's Central Staffs; (vii) Some Auditors, (viii) Chief Secretary, (ix) some Vice-Chief Secretaries, (x) some Secretaries and Standing Secretaries, (x) Chairman of Political Affairs Research Association, (xiii) some Directors and some Standing Directors of Political Affairs Research Association, (xiv) Director of Party Affairs Bureau, (xv) some Vice-Directors of Party Affairs Bureau; (xvi) Director of Organization Bureau, (xvii) some Vice-Directors of Organization Bureau, (xviii) Director of Fund Bureau, (xix) some Vice-Directors of Fund Bureau, (xx) Chairman of Joint Association (Meeting) of the Party's Member of Both Houses (Diet), (xxi) some Vice-Chairmen of Joint Association(Meeting) of the

Party's Members of Both Houses (Diet);

(xxii) Chairman of the Party's Association of Members of Lower Houses, (xxiii) some Vice-Chairmen of the Party's Association of Members of Lower House, (xxiv) Chairman of the Party's Association of Members of Upper Houses, (xxv) some Vice-Chairmen of the Party's Association of Members of Upper Houses, (xxvi) Head of each Department, and (xxvii) some Vice-Heads of each Department.

Article 11: Election of Officers shall follow the undermentioned methods:

i) President, Highest Committee staffs and Auditors shall be elected at a Grand Meeting.

ii) Executive Committee staffs(hereinafter called Executives) shall be elected by a specially stipulated method for whom the Chairman of Highest Committee shall request approval at a Grand Meeting.

iii) Highest Advisors and Advisors shall be elected at the Grand Meeting through recommendation of President.

iv) After consultation with the Executives Committee, President shall appoint Chief Secretary, Vice-Chief Secretary, Chairman and Vice-Chairmen of Political Affairs Research Association, and Director and Vice-Director of each Bureau.

v) Chairman and Vice-Chairman of Executives Committee shall be mutually elected by Executives Committee.

vi) Committee's Central Staff shall be assigned by Chairman of Highest Committee from among persons who have special merits for the sake of the Party.

vii) Standing Secretary shall be mutually elected by Board of Secretaries.

viii) Chairman or Vice-Chairmen of Joint Meeting of the Party's Members of Both Houses and Chairman or Vice-Chairmen of Lower of Upper Houses shall be mutually elected from among respective Members of Diet.

ix) Head or Vice-Heads of Departments of each Bureau shall be recommended by discussion of Directors of Bureaux, and elected by Chief Secretary after approval of President.

x) Directors of Political-Affairs Research Association shall be elected by Chairman of the same Association after approval of President.

Article 12: Occupation term of officers shall be one year.

In case of vacancy in officers who have been elected or approved by Grand Meeting, Executives Committee shall be capable of filling the vacancy, provided that the way should not be applicable to the case of vacancy in President or Highest Committee staffs.

Occupation term of officers thus supplemented shall last only to the next Grand Meeting.

Section 3: President and Highest Committee.

Article 13: President shall be the highest responsible person of the Party, represent for the Party and supervise the party affairs.

President shall be capable of attending anytime at every meeting of officers of the headquarters of the Party and being allowed to speak.

Article 14: In case of vacancy of a President or in case of a long-term accident of President, the Highest Committee shall administer agency for the occupation of President.

Article 15: Highest Committee shall be constituted by Highest Committee staffs.

Highest Committee shall make election for deciding a Chairman of Highest Committee.

Article 16: In case a President has been elected at Grand Meeting, the Chairman of Highest Committee naturally would be released from the office.

Section 4: Executives Committee.

Article 17: Executives Committee shall be composed of Executive Committee staffs(or Executives) and an organ of resolution ranking next to Grand Meeting, that administers important party affairs and make discussion or resolution at ordinary time.

Article 18: Chairman of Executives Committee shall become preside over the committee and supervise the agenda and be capable of attending and stating opinions at a meeting of Highest Committee.

Article 19: In case of any accident of Chairman of Executives committee, Vice-Chairman shall be proxy thereof.

Committee's Central Staff shall be capable of stating his opinion to President concerning important matters of the Party.

Section 5: Chief Secretary and Board of Secretaries.

Article 20: By direction of President, Chief Secretary shall supervixe party affairs on the basis of resolution of All-Japan Grand Meeting or Executives Committee.

A Vice-Chairman shall aid the office of Chief Secretary and would stand proxy for the latter in case of any accident of the latter.

President shall appoint the Vice-Chairman who would stand for the occupation of Chief Secretary.

Provisions of the aforementioned paragraphs shall be applicable to following Articles.

Article 21: Board of Secretaries shall be an organ of discussion that would respond to consultation of Chief Secretary. It is possible to establish a Board of Standing Secretaries for responding to consultation at ordinary time.

Board of Standing Secretaries and Board of Secretaries shall be managed by Chief Secretary.

Article 22: Board of Secretaries shall be capable of detailed examination of situations in discussion of each standing Committee of Diet at every time and notify them to each Bureau or Department concerned at suitable time.

Board of Standing Secretaries shall be capable of making discussion with the Diet Policy Department concerning change or filling vacancy of staffs of every Standing Committee of Diet and capable of stating the disposal to Chief Secretary.

Chief Secretary shall repidly perform change or filling vacancy in staffs of each Standing Committee of Diet.

Section 6: Bureaux and Departments.

Article 23: Under Chief Secretary, the following three Bureaux shall be placed, in each of which are placed Departments that shall share and execute party affairs:

i) Party Affairs Bureau: in which are placed the following Departments:

(1) Diet Policy Department, (2) General Affairs Department, (3) Intelligence and Propaganda Department, (4) Local Assemblies Department, (5) Canvassing Department, (6) Election Policy Department, (7) Publication Department, (8) Others.

ii) Organization Bureau: in which aare placed the following departments:

(1) Planning Department, (2) Juniors Department, (3) Ladies Department, (4) Labor Union Policy Department, (5) Farmers Organization Department, (6) Fishermen Organization Department, (7) Middle and Minor Enterprise Department, (8) Economic Institutions Department, (9) Teachers Union Policy Department, (10) Invalids Organization Department, (11) Others.

iii) Fund Bureau: in which are placed the following departments: (1) Accounting Department, (2) Enterprise Department, (3) Other.

iv) International Bureau: in which are placed the following departments:

(1) Research Department, (2) Intelligence Department, (3) Liaison Department.

Excepting the aforementioned, in case Chief Secretary deems it necessary, he shall be able to establish or abolish a Department anew on approval of President.

Administration Bureau shall be established in the Party.

In the administration Bureau shall be appointed a director and some vice-directors of the Bureau, who shall direct or supervise party affairs by order of Chief Secretary.

Section 7: Political Affairs Research Association.

Article 24: In the Party is placed a Political Affairs Research Association that shall make research, study and projection of policies and examine the draft of agenda. Chairman of Political Affairs Research Association shall preside over the Association.

Vice-chairmen of Political Affairs Research Association

shall aid Chairman and should stand proxy for the latter in case of anyaccident of the latter.

Directors of Political Affairs Research Association shall organize a board of Directors that shall discuss affairs of the Association.

Chairman shall be capable of electing some standing directors from among directors and make them share affairs of the Association.

In Political Affairs Research Association shall be placed Always a Policy Promotion Committee and an Agenda Draft Examination Committee.

Article 25: Some Consultants, some councillors and some specialist staffs shall be capable of being placed in Political Affairs Research Association.

President shall assign Consultants, Councillors and specialist staffs through recommendation of Chairman of Political Affairs Research Association.

Article 26: Chairman of Political Affairs Research Association shall be capable of establishing a necessary department or committee on approval of President.

Section 8: Joint Association of Both House Members, Association of Lower House Members and Association of Upper House Members.

Article 27: The Party's Joint Association of Both House Members, Association of Lower House Members and Association of Upper House Members shall be composed of respective members of Diet.

Article 28: Chairman of each Association shall preside over agenda of respective Association.

In case of any accident of Chairman, a Vice-Chairman shall stand proxy for the former.

Section 9: Highest Advisors and Advisors.

Article 29: Highest Advisors shall be capable of attending at, stating opinions to and participate in resolution of a meeting of Highest Committee.

Provided that in case of request of all staffs present of Highest Committee, Highest Advisors shall be able only to state opinions, but not to participate in resolution.

Article 30: In case of necessity, Highest Advisors or Advisors shall answer to consultation of President.

Section 10: House Board of Officers.

Article 31: House Board of Officers shall be called up anytime by shief Secretary on approval of President and shall be an organ of mainly discussing important matters with regard to agenda of Diet.

Discussion items of House Board of Officers shall be informed of to a meeting of Joint Association of Both House Members, Association of Lower House Members and Association of Upper House Members immediately after close of the meeting of the Board, asking for approval of the latter, excepting the items entirely committed to them by Joint Association of Both House Members.

Article 32: House Board of Officers shall be composed of the Party's officers raking equal to an higher than heads of a department, and presided over by Chief Secretary.

Executives mentioned in paragraphs 2 and 3 in the annexed table shall not be able to become constituent of House Board of Officers.

Chapter III. Organization.

Section L. Bederation of Branches.

Article 33: A metropolitan, provincial or prefectural Federation of Branches shall be composed of two or more unit-branches of the metropolis, province or prefecture concerned and establish in each metropolis, province or prefecture.

Article 34: In establishment of a metropolitan, provincial or prefectural Federation of Branches, the list of Party members of the unit-branch concerned, the document of collection of the Party charge, the document of personal history of officers, and regulations of the branch society shall be submitted to Headquarters and obtain approval of the latter. Every metropolitan, provincial and prefectural Federation of Branches shall observe directives and disciplines of Headquarters. Every organization of further subordinate branches shall also conform thereto similarly.

Section 2: Unit Branches.

Article 35: A Unit-Branch shall be established in each electoral district for member of Lower House or similar district and occupation-field.

A Unit-Branch shall be composed of three or more Branch Societies.

Article 36: In establishment of a Unit-Branch, an approval of the metropolitan, provincial or prefectural Federation is necessary in analogy to Article 32.

In case of absence of a metropolitan, provincial or prefectural Federation of Branches, provisions of Article 32 shall be observed.

Section 3: Branch Societies and Teams.

Article 37: A Branch Society shall be organized by four or more teams in a country(gun), city or ward or an occupation-field under a Unit-Branch; and a Team shall be organized by five or more Party members in each town or village.

Chapter IV. Entering and Withdrawal or Dismissal from Party.

Article 38: Any applicant to enter the Party shall describe his address, name, birth-date, occupation, personal history and the number of lots of bearing the Party charge on the specified sheet of application for entering the Party which together with the Party charge shall be submitted to a Federation of Branches through the team, the branch society and the branch concerned in accompany with introduction of two or more Party members, for the sake of obtaining approval.

In case of absence of any team, branch society or branch in the neighborhood, an applicant would be able to apply directly to a Federation of Branches or Headquarters.

The Federation of Branches shall immediately inform of the newly entered member to Headquarters.

Article 39: It is necessary for a Party member to have the following qualifications:

i) He shall be qualified with provisions of Article 3 of the Constitution.

ii) He shall pay the specified amount of the Party charge.

The Party charge shall be specified separately.

Article 40: A member wishing to withdraw from the Party shall notify it to the Federation of Branches concerned, distinctly describing the reason.

The Federation of Branches shall report the name of the withdrawn member immediately to Headquarters.

Article 41: Any Party member who has committed conducts corresponding to any one of the following items shall be dismissed from the Party through resolution of Grand Meeting:

i) A conduct violating the Party Constitution.

ii) A conduct defaming the honor of the Party.

iii) A conduct disturbing discipline of the Party.

iv) A conduct infringing the conduct principles of Diet members.

Article 42: In case there is a Party member corresponding to any item of Article 41, a Federation of Branches shall notify it immediately to Headquarters and obtain determination of the latte latter.

Chapter V. Accounting.

Section 1; Party Charge.

Article 43: The Party charge of National Democratic Party shall consists of Headquarters charge and Branch charge. There is no restriction in the number of lots born by one member. Headquarters charge, being ¥10- per lot, shall be pad en bloc through a Federation of Branches. The amount of Headquarters charge paid by one Federation shall not be less than ¥5,000- per annum.

Payment of Party charge shall be made at the end of January each year.

Article 44: The Federation charge of a Federation of Branches shall be determined by branches as constituents of the Federation concerned; the Branch charge of a Unit-Branch shall be determined

by branch societies and teams as constituents thereof.

Article 45: In accordance with determinations of Executives Committee, a member of Diet shall pay a certain amount of the Party maintenance charge as well as the Party charge to Headquarters.

Section 2; Contribution and Accounting Year.

Article 46: Concerning receipt of pecuniary or real donations to the Party, Chief Secretary shall obtain approval of President.

Article 47: Accounting year of the Party shall last from April 1 every year to the end of March next year. The account shall be reported to Grand Meeting for obtaining approval.

Article 48: An Auditor shall supervise Fund Bureau and accounts concerned. Auditors shall be capable of deciding a representative by mutual election.

Article 49: Rules concerning accounting shall be determined separately.

Chapter VI. Member of Diet.

Section 1: Disciplines of Diet Members.

Article 50: Every member of Assemblies or Diet belonging to the Party shall observe the conduct principles of Assemblies or Diet belonging to the Party shall observe not only regulations of Headquarters, but other Party regulations by the following distinctions:

i) Diet members shall conform to regulations of Headquarters;

ii) Metropolitan, provincial or prefectural assembly members, to those of a Federation of Branches; and

iii) Municipal, ward, town or village assembly members, to those of a Unit-Branch or a Branch Society.

Article 52: Asembly or Diet members of the same occupation kind shall be capable of organizing an Association of members concerned and state their opinion to an organ of the Party.

Regulations concerning the Association of Assembly or Diet members shall be determined separetely.

Additional Rules.

Article 53: Detailed rules based on the present Constitution shall be decided by President through discussion of Executives Committee.

Article 54: The Grand Meeting for initial organization of the Party shall have the same competence as Grand Meeting mentioned in Article 4 of the Constitution.

Article 55: On obtaining approval of Organization Grand Meeting of the Party, the present Constitution shall be effective and executed.

Annexed Table

The fixed number of Executive Committee staffs shall follows the undermentioned standards:

1) One Executive shall be chosen out against each of the undermentioned districts sending 7 or less Diet members; one more Executive against addition of every seven Diet members; provided in case of occurrence of odds, the number equal to or less than 3 shall be disregarded and the number equal to or more than 4 shall be comnted as 7.

1st District: Hokkaido.
2nd District: Tohoku.
3rd District: Kanto.
4th District: Hokuriku-Shin'etsu.
5th District: Tokai.
6th District: Kinki.
7th District: Chugoku.
8th District: Shikoku.
9th District: Kyushu.

2. Some Executives shall be chosen out from among past Diet members belonging to the Party, Provided that they should not surpass one fourth of the number of Executives mentioned in the former item.

3. Beside Executives mentioned in the preceeding two items, presifent shall be able to recommend 5 or less executives in Grand Meeting.

Declaration

In face of the present situations of the world, we feel infinite sorrow and wrath, who are nationals experienced with the past calamity of Hiroshima and Nagasaki. Men of the world! Keep off wars, and defend peace and civilization. Make the fire of intelligence found instomic power a bonfire of prosperity, not a hellfire of annihilation. And lest us have peace and perfect independence repidly, who have passed four and half years under occupation. Together with all Japanese nationals we thus cry loudly.

On looking back in the first half of the twentieth century the humanity stood at a forked road of realization of liberal capitalizm versus equality-socialism. Now the fate of the world and Japan depends on whether the opposition of these two principles could be harmonized and sublimated by fraternity for realization of a third principle.

Though no parity conclusion of peace would be allowed for unconditional surrender, there are hopes and ideals in the living people. There remains a chastity to be defended to the death in the midst of every difficulty. To penetrate our ideals mentioned in the New Constitution, we must needs request for perfect independence promptly for the sake of peace and neutrality as desideralia of all Japanese people overcoming all oppositions and struggles.

Once looking back in homeland, the cold tide of defeat is now washing life and industries in angry waves. Above all, middle-class people such as farmers, medium or minor enterprises and workers as stable basis of a nation are gasping under a heavy load of succeeding failures of administration.

We recognize that protection of such middle-class people is indeed an initiation of national policy and urgent means. We expect that on the basis of social solidarity and spirit of co-operation, we will get free from deep-rooted evils of narrow capitalism, overcome ficitiousness of socialism, synthesize and adjust freedom of production and security of life and establish the equitable and fulfilled national economic mechanism.

Now, when political situations of East and West are imminent, difficulties of people's power have feel down to the bottom and domestic and overseas circumstances are deplorable, both radical powers of extreme leftists and extreme rightists are planning to divide the mother country into "two Japans". In such cases, a revolution and anti-revolution would be only repeated, the fundament of parliamentary politics would be tossed from the bottom, domestic economic systems would be ever oscillating and thus stability of a nation and nationals would not be long realized. We firmly believe in our cosmic and tragic hope to observe our better traditions, to perform progressive politics requested by our generation, and to establish a Japan on the rock of new humanism. We determine ourselves to out open the fate of Japanese race along a third road of fraternity, justice and cooperation.

We hereby swear to express our credence before the world's people, ask for participation of all-Japan comrades, to unite every progressive national powers, to devote ourselves for recovery of present crisis under the banner of "National Democratic Party" and to answer the commitment of the nation and nationals.

Platform (draft)

National Democratic
Party.

1) We shall penetrate into highly humanistic love and realize eternal peace of the world and perfect independence of Japanese people.

2) We shall widely consolidate progressive national powers and establish the genuine system of democratic politics.

3) Based on the ideal of social solidarity and spirit of co-operation, we shall adjust the freedom of production and security of living, and establish a uniform mechanism of national economy.

4) Based on abundant reason, we shall esteem the basic human right, enhance the spirit of labor and realize the society of welfare.

5) We shall make efforts to develop science and education and expect to perfect the individuality and to promote culture.

Summary of Policies

People's Democratic Party

1) People's Democratic Party shall aim at to be a national political party based on progressive national powers covering every layer of society; and make efforts to realize a society of welfare with high morality by cooperation and originality of nationals with special reference to the standpoint of farmers, foresters, fishermen, middle and small scale enterprisers, and workers.

2) The Party shall strongly maintain the world's peace and rapid and perfect independence of Japanese people so as to accelerate peace conclusion; and, at present, the Party shall as far as possible request and realize to extend the range of autonomy and independence of Japanese people and to participate in international institutions.

3) In view of preventing every social session resulting from the laissé-faire policy and confusion due to the leftists' violence, the Party shall perform administration for the sake of realizing social balance and progressive security, being based on the idea of social solidarity.

4) By means of synthetic plan and administration of an economy concentrating at efficiency, the Party shall renovate the deep-rooted evil of capitalism and cultivate the solid layer of middle-class people.

5) In consideration of speciality of Japanese agriculture, the Party shall execute a policy of "physiocracy"(agriculture

the first); and the Party shall overcome agricultural crisis, especially laying stress on enhancement of self-supply rate of foodstuffs, stabilization of the price of agricultural products, alleviation of the farmers' burdens, basic renovation of agricultural financing, modernization of agricultural management and invigoration of activities of associations.

6) The Party shall plan to develop and encourage aquatic industries; and especially the Party shall request for making the financing smooth, extension of fishing ports and other aquatic industrial facilities and making aquatic industries scientific.

7) The Party shall correct the policy of preponderance of large enterprises and cultivate and invigorate the middle or minor scale enterprises by accelerating tax-alleviation, financing and organization by means of cooperative societies. The Party shall lay stress on the "public-interest character" of public enterprises; and, as for general enterprises, shall adjust relations among factors such as capital, labor, technique, and management.

8) In view of elevation of living level of nationals and rational cultivation of domestic industries, the Party shall plan to fairly introduce overseas capital and to rehabilitate foreign trade, sight-seeing and marine transportation; and, as for overseas trade to eastern countries, especially make efforts to activate it.

9) By means of simplification of administration mechanism and rationalization of txation system, the Party shall alleviate the nationals'burden, revise the eveil of bureaucracy, and

throughly fulfill and democratize local administration. Besides, the Party shall reorganize the domestic police power to preserve social peace.

10) By ways of esteem of education and equalization of chance in education, invigoration of religious and cultural activities, development of scientific technique and development of fine arts and sports, the Party shall enhance the national spirit and promotion of national culture.

11) The Party shall promote sound and democratic development of the labor union movement, simultaneously encourage the will to labor and thus protect the justifiable right of workmen.

12) The Party shall positively perform synthetic development of national land with special reference to electric power development, forestation and irrigation; rehabilitation of demages due to calamities, residential construction and other public enterprises; so as to fulfill national economy and realization of full employment.

13) The Party shall establish the extensive system of social security; and reorganize and extend various institutions of social insurance, unemployment policies, medical administration and protection of living; so that stability of national life may be secured.

14) The Party shall take measures to complete reptriation; and invigorate protection of the sacrificed in war such as repatriates, invalids, the bereaved families and widows.

15) In view of solving population problems, the Party shall take measures to extend the domestic living capacity and to suppress the population increase and simultaneously request for cooperation of overseas countries for pacific emigration.

Urgent Policies

April 28, 1950
People's Democratic
Party.

1. Extension of Autonomy Right and Request for Peace Conclusion.

a. To request Allied Powers for and realize the following items as immediate measures:

(1) Recovery of overseas trade and commerce capacity of Japan.

(2) Participation and annexation of Japan in international congress and agreement.

(3) Extension of the right of autonomy and self-determination of Diet and Government.

b. To request for prompt realization of perfect independence and peace-conclusion for security of the world's peace and Japan's neutrality.

c. To be consistent in personalism and idealism, to universalize just nationalism on these basis, to confirm democracy and to prepare for rehabilitation of Japanese race and Peace Conference.

2. Recovery of Boom and Unemployment Policies.

To suspend redemption of the liabilities of ¥50,000 millions, to adapt a "reflation" policy and so to make effort for extended production and prevention or absorption of unemployment.

3. Abolition of Unjust Taxation and Tax-Alleviation Policy.

a. Execution of abolition of the additional value tax.

b. Alleviation of the fixed assets tax, the special legal person tax and the residents tax.

c. To curteil taxes on farmers, fishermen, middle or minor scale enterprisers and workmen by means of tax-rate adjustment of income tax.

4. Agricultural, Forestal and Fishing Industries Policy.

a. Reorganization and curteilment of import of overseas foodstaffs.

b. Adaptation of the policy of maintenance of the price of agricultural products; and, provisionally, to revise the rice price into a price worthy of compensating of production cost; and to re-induce the difference from current price to farmers.

c. To make additional expenditure of ¥20,000 millions and to invigorate self-supply of foodstaffs, to improve the land, to make better agricultural technique, to replete agricultural insurance and to strengthen and cultivate agricultural cooperative societies.

d. To establish the new system of administration of foodstuffs so that the obligatory system of foodstuff supply may be improved.

5. Middle & Minor Scale Enterprises.

To take the following budgetary measures provisionally concentrating at establishment of financial organs specially for middle or minor scale enterprisers and extensive financing of the U.S.counterpart aid fund:

	Million yen
i) Fund for a middle & minor scale enterprise bank.	10,000
ii) Subsidy for financial loss of middle & minor scale enterprise.	4,000
iii) Subsidy for improvement in facilities for rationalization of middle & minor scale enterprise.	1,000
iv) Subsidy to metropolis, provinces and prefectures for rehabilitation of middle & minor scale enterprise.	1,000
v) Subsidy for cooperative facilities of middle & minor scale enterprise.	1,000

	Million yen
vi) Expense for development of overseas market for the sake of middle & minor scale enterprise.	1,000
vii) Expense for development of domestic market for the sake of middle & minor, scale enterprise.	6000
viii) Other encouragement expenses.	400
Total	20,000

6. Labor Policy.

a. By utilization of arbitration institutions and conference organizations, a suspension of hostilities for the coming one year shall be examined by self-suppression and cooperation of labor and management.

b. The wage basis of public servants shall be revised in esteem for the advice of Personnel Board.

c. The decision of Arbitration Committee shall be esteemed in the wage system of employees of public enterprises, which again should be realized on the basis of independent accounting system.

d. As for the wage for civilian service in general, some measures shall be taken for actual enhancement of the wage basis by adaptation of the system of efficiency wage.

7. Overseas Trade and Marine Transportation Policy.

a. To take measures for activating overseas trade with southeastern Asia and promotion of trade with China.

b. To pay stress on increased establishment of overseas offices, invigoration of overseas propaganda, construction and administration of overseas sailing ships and increase of extra-trade incomes.

c. To take financial measures urgently for congested goods for export, and to try to establish an industrial fund for long-term trade.

8. Land Projects Policy.

a. In order to projectively preserve the devastated land, a large scale civil engineering work must be made concerning foresta tation, enbankment, river repairing for geological administration, river administration and reapring of road and ports.

b. In view of promoting the electric power development as basis of Japanese industries after standard of the Tennessy Valley Authority program necessary budgetary measures shall be taken by means of the U.S.counterpart aid fund.

9. Social Security Policies.

a. To develop synthetically current various facilities for social policy(such as health insurance, national health insurance, crew insurance, public servants mutual aid association, pension system, life protection system, etc.)

b. As imminent policies, shall be made increase of life-protection expense, Treasury's burden of red balance of health insurance, prolongation of beneficiation term of unemployment insurance, and increase of the average benefit rate; and, moreover, invigoration of national and public medical facilities or subsidation of association's hospitals and medical offices.

c. Provisional measures must be taken for defraying a budget of 5,000 million yens, so as to realize a 50% Treasury's burden of the rend balance of health insurance, and to increase relief

cost for the bereaved, mother & children beneficiation cost and unemployment insurance for daily workers.

10) Educational Culture Policies.

a. To establish principles to take preferential and specified measures in the budgetary matters, concerning the educational culture policies as the basis of democratization of Japan.

b. To perfectly realize the new school system on the basis of the so-called 6 years-plus-3-years education system, and to make efforts to encourage private universities and encouragement and invigoration of teachers, so that the basis of renovation of education. To take measures to make special legislation concerning educational public servants, to increase the amount of equitable beneficiation money and to confirm the standard educational cost.

c. For urgent budgetary measures, ¥5,000 millions shall be prospected so that the private education fund, the science & technique promotion cost, and loans for private university construction may be increased.