DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

GHQ/SCAP Records(RG 331)
Description of contents

THE NATIONAL ARCHIVES OF THE UNITED STATES

(1) Box no. 3420

(2) Folder title/number: (7)
401.1

(3) Date: Jan. 1949, Feb. 1949

(4) Subject:

Classification	Type of record
310	S

(5) Item description and comment:

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 11 People Desire Independence - Seikei Joho (Newsletter) - 26 Feb 49. Translator: N. Tachibana. (JJY)

401.1

Full Translation:

Advocates of middle-road politics suffered a crushing defeat in the general election. With regard to the deep significance of this fact, the newspapers failed to comment. However, this must have been due to restrictions which have been imposed because of the occupation.

The middle-road politician's contention has been that politics in Occupied JAPAN is necessarily restricted by Occupation policies. Thus they have tried to administer a government adapted to the rectrictions. Nevertheless the general election revealed that the people are strongly opposed to such a an ideology and anxious for the realization of politics as independent as possible of outside influences in spite of their position as a defeated nation. This evinces the people's pride.

The Communist Party won 35 Diet seats at a stroke. The Communists, as a Russian vanguard in the "opposition between the UNITED STATES and RUSSIA," called for the independence of the Japanese nation and diligently preached patriotism. Although what they espoused was in comformity with the Communist line and had strategic value, it is true that this line of talk aroused the people's sympathy and constituted one of the causes for the large votes obtained by the Communist Party. This also formed the psychological basis on which the social strata left of the Socialists supported the Communist Party.

The Democratic Liberal Party did not play up national independence and patriotism as vociferously as the Communist Party did. However the very atmosphere of the DLP suggests nationalism and this made a strong appeal to the people's sentiment for national independence.

That is why the majority of the people, who are dissatisfied with the promiscuous nature of middle-road politics, supported the DLP so strongly. This is the reason why that social strata to the right of the Socialists backed the DLP. Whether the DLP will be able to meet the people's expectation, is beside the point.

The foregoing is the psychological aspect of the general election which cannot be overlooked. I wish the UNITED STATES and Occupation Forces will give deep consideration to this mental state of the Japanese people in formulating their policy for and in supervising JAPAN.

The Occupation policy must be thoroughly carried out by making the best use of the people's feelings. The Japanese army forces which controlled CHINA neglected this point and caused the Chinese people to become exceedingly disaffected with JAPAN.

The rebuilding of JAPAN can be achieved only by having one mind between the UNITED STATES and JAPAN. The majority of the Japanese people understand this very well. In order to make this meeting of minds a reality, the Japanese people must exert their utmost efforts.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 Warning to Political Party Leaders (Hashimoto Tetsuma) - Magazine: Shiun (Monthly) - Feb 49. Translator: K. Sugasawa. (SS)

Jot. 1

Summary:

It is extremely regrettable that the speeches and behavior of political party leaders, since the termination of the war, display no sincere desire for the rehabilitation or sound development of a peaceful JAPAN. The strong impression is that these leaders are the people responsible for leading JAPAN to ruin, especially when the tactics employed by them during and after the Diet session are observed.

There is no need to stress anew that JAPAN must strictly adhere to occupational wishes. At the same time, political leaders must not wilfully misconstrue these wishes to suit their own ends, as did Chief KATAYAMA of the Central Committee of the Socialist Party, who made numerous visits to the Political Section of General Headquarters and utilized the information obtained for purposes of attacking the government. His conduct greatly weakened the conviction of the people that he would be a conscientious politician and not utilize state administration for purposes of party interests.

TOMABECHI and other leaders of the Democratic Party and MIKI of the People's Cooperative Party also frequently visited General Headquarters, and utilized the informations obtained for party tactics. These men, just as KATAYAMA, could not understand why they should be ashamed of their conduct. The fact should be called to mind that the Democratic Liberal Party did not resort to such tactics during the period of the Opposition. Such acts, which exerted such derogatory influence upon state administration and injured JAPAN's international trust can never be overlooked. There exists little difference in the conduct of these men and traitors found in defeated countries. Therefore, a more far-sighted view of the political picture should be taken, although it may be supposed that these people resorted to such tactics in order to avoid dissolution of the Diet.

Fortune knocks at the door by turns. Even if the Democratic-Liberals should win an overwhelming victory in the coming general election, it would not be a matter for too great concern, since it is quite evident that actions of an arbitrary nature will not be permitted by the Occupation authorities.

Leaders of the Government Parties, especially Premier YOSHIDA, should assume attitudes of reflection. Although the greatest confidence is placed in YOSHIDA as a politician who, it is believed, would never hurt the country by pursuing party interests, he is extremely unpopular among foreign countries. As is commonly known, this can be attributed to his haughty and dogmatic attitude. He is extremely egotistical, and if he does not correct his haughty attitude after he assumes the post of premier, he will be charged with lacking the sincerity to handle the administration of State.

Needless to say, there exist external and internal forces which are working against the reconstruction of JAPAN. Under such conditions, it is not a simple matter to guide JAPAN to normalacy without any missteps. Precautions should be exercised by the political leaders that such forces do not gain hold in JAPAN.

A request is made that, should information be given out by the Occupation authorities, it be first relayed to the Government authorities, in order that a sound relationship with the Allied representatives may be maintained. Such a practise must be enforced and made an unchangeable custom in future governments also.

If the attitude of political leaders is not changed, they will be permanently branded as shameless traitors who guided a defeated JAPAN to ruin.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 19 Work for Conservative Merger after Coalition - Tokyo Shimbun - 12 Feb 49. Translator: J. Aomi. (WM)

401

Full Translation:

The conservative coalition is about to be materialized at last. We greet it as a welcome sign and hope that it will succeed in achieving the desired results and further develop into a conservative merger.

As we have repeatedly pointed out, strong and fair parliamentary government is more to be expected under a single-party cabinet commanding an absolute majority in the Diet than in any other form. This naturally presupposes the two major party system. Few people will deny that in this country this means conflict between a capitalistic and a social-democratic party. At present, of the three largest parties in JAPAN, two belong to the capitalistic camp and one to the social-democratic camp. Accordingly, the coalition and, eventually, merger of the Democratic Liberals and the Democrats will no doubt do much toward the vitual establishment of such a two-party opposition. For this reason, while admitting that the overwhelming victory of the Democratic Liberals entitles them to form a single-party cabinet in accordance with the sovereign will of the people, we have repeatedly insisted upon the formation of a conservative coalition as a preliminary step for an eventual merger.

The fact that about 270 of the 466 seats in the House of Representatives are occupied by the Democratic Liberals means that the political situation is fairly well stabilized. But considering the fact that the difference between the Democratic Liberals and the Democrats consists of more or less personal sentiments and ambitions rather than real principles and policies, a coaltion between these two groups will be highly advisable in that it will consolidate the forthcoming administration which is about to take the helm of the state at this critical moment. At the same time, it is hoped that the coalition will somewhat improve the quality of the next cabinet.

Immediately after the recent general election, Premier YOSHIDA stated that he desired the sound development of the Socialist Party as a rival to the conservative camp. This statement may provoke criticism insofar as it was made by the head of the party which is opposed to the Socialists. But his broad-minded and impartial interest in the nation's politics should be highly appreciated. His aim, however, will be best achieved by drawing a clear line of demarcation between the conservative and progressive camps and by clarifying his political position and squarely facing his rivals. In this sense, too, the latest movement of the two conservative parties is highly significant.

Some people may fear that while the Democratic Liberals and the Democrats hold more than 300 seats when put together, the Socialists will be extremely weak with only 49 seats. But let these people remember the surprising records of the British Labor Party, which secured 287 seats in 1929, then suddenly dropped to 46 seats in 1931 and again rose to 393 seats in 1945, and is now competing with the Tories who have 198 seats. This may not be a phenomenon peculiar to BRITAIN alone. The possibility of similar changes is very great, especially when we remember that the surprising victory of the Democratic Liberals was largely due to so-called "floating votes", as was reportedly the case with the Socialists when they secured 143 seats the year before last. On the other hand, there may be men who fear that the conservative coalition will further intensify the political opposition between the right and the left wings. But, inasmuch as such opposition is inevitable in JAPAN today, the situation will be further aggravated as long as we hesitate to bring this opposition to light. The Communists on the other hand may prefer such political confusion.

For these reasons we greet the latest movements of the two conservative parties with hearty approval. But one thing should always be kept in mind; namely, that their coalition should be a sound and harmonious one. The first Yoshida Cabinet, which was composed of Liberals and Progressives, was by no means flawless in these respects, and consequently led to the secession of the Democrats from the Liberal Party. If the two parties should repeat their error and split again, the results will be the direct opposite of their original objectives. Neither the leaders nor the rank and file of the two parties can be too cautious about this danger. Such being the case, President INUKAI of the Democratic Party should refrain from forcing dissenting members into the coalition.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 17 Problems of Coalition Cabinet - Nihon Keizai - 12 Feb 49.
Translator: Y. Akabane. (RBH)

~~401~~
401.1

Full Translation:

Immediately prior to the nomination of the premier, Democratic Liberal President YOSHIDA finally won his fight for a conservative coalition. YOSHIDA's victory, which at one time was generally considered almost hopeless, is chiefly attributable to his strong faith or rather his persistence. This strong faith may at once be both his strength and weakness. At any rate, we cannot but recognize that the conservative coalition has its raison d'etre.

It is desirable in party politics to have two major political parties set up in opposition. In the case of JAPAN the natural trend will be the confrontation of conservative and progressive parties, or that of parties based on capitalism and socialism. If so, the Democratic Liberal and Democratic parties, both of which stand on conservative capitalism, should naturally be merged into one party some day. Moreover, though no one anticipated the Democratic Liberal Party to succeed in gaining the majority, the conservative coalition was not only a ver-

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 17 (Continued)

bal promise between YOSHIDA and INUKAI; it was close to a public pledge to the nation. It therefore follows that the contemplated conservative coaltion will certainly not be meaningless simply because the Democratic Liberals succeeded in gaining the majority in the Diet, contrary to general anticipation.

Howerver it may be, as we have already pointed out, success in forming a coalition in name only can never be considered satisfactory inasmuch as either a single-party government or a coalition regime should aim at the establishment of a smooth operation of politics to stabilize the political situation. The issue cannot be settled by a mere agreement of opinion between the two party presidents, YOSHIDA and INUKAI. Particularly, the secession of the anticoalition group within the Democratic Party will on the one hand serve to consolidate the coalition, but on the other hand it cannot help but leaving an unpleasant taste in the unification of the conservative front.

There is trouble even in the Democratic Liberal Party. President YOSHIDA may lead the party by dint of his popularity, but as is clear from the influential opinion supporting a single-party regime, there may be not a few who have various opinions and feelings against the coalition. It is evident from past experience that the larger political parties become, the more difficulties they will face in the unity within themselves. Although President YOSHIDA is controlling the party at present, there are many factions even in the Democratic Liberal Party, such as the former Doshi Club members, secessionists, and bureaucrats. To make matters worse, the merger with the Democratic Party will make it more difficult for the Democratic Liberals to strengthen their intraparty ties.

The coalition should end up as a merger, but it is problematical how the parties will suppress complaints and dissatisfaction arising from the selection of cabinet ministers and administrative officials. It will depend solely on the ability of the two party leaders, but it constitutes a question to be handled by the Democratic Liberal Party and the Yoshida Cabinet with utmost caution. If difficulties occur within the government parties, bringing about a Cabinet disruption, as a result of the coerced coalition established on premature conditions within the Democratic Liberal and Democratic parties, we must be aware that it will leave uneradicated the root of calamity in the future, let alone the failure of the current coalition.

The fact that the two-party conservative coalition has come to confront the progressive parties will mean a clear-cut political normalcy for the conservative front. That is to say, if the third YOSHIDA Cabinet were a Democratic Liberal single-party cabinet, the Democratic Party, which is also a conservative party, would remain as the foremost opposition. But, since the Democratic Liberal and the Democratic parties have decided to form a coalition, only the Socialist and the Communist parties will be left in the opposition camp as the progressive parties. Accordingly, the confrontation of the government and the opposition parties will become more intense. Whether or not the outright confrontation between the conservative camp and the progressive parties is based on the political and social conditions fully guaranteeing the smooth operation of party politics carried out on the so-called system of two big parties, will be determined chiefly by the future development of the conservative factions and the Socialist Party. As for the Democrats and the Democratic Liberals, they must be conscious of the fact that the third Yoshida Cabinet is the deciding factor governing the future of the conservative faction or conservatism.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 17 (Continued)

The question cannot be solved simply because of the party's commanding an absolute majority in the Diet. Fundamentally, it is the question of quality. The conservative camp should clearly prove that it is a sound and progressive conservative group with good leaders and policies. If, in deciding on the coalition, not only the two party leaders, YOSHIDA and INUKAI, but the Democratic Liberal and the Democratic parites are not fully prepared with good leadership and policies, the future of the coalition cabinet cannot but be considered uncertain.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

401.1

ITEM 15 Is Long-term Political Stabilization Possible? - Jiji Shimpo - 12 Feb 49. Translator: S. Ota. (TO)

Full Translation:

Preceding the convocation of the Fifth Special Diet session, yesterday the second Yoshida Cabinet resigned en bloc in accordance with Article 70 of the Constitution. As a result of the nomination of the new premier, on that day President YOSHIDA of the Democratic Liberal Party was re-elected as the premier by an overwhelming majority in both Houses. Thus, the third Yoshida Cabinet will be formed. This is considered the natural course already predicted since the time the Democratic Liberals won an overwhelming majority in the Lower House election which took place on 23 January.

In the case of the formation of the second Yoshida Cabinet last October, the outcome of the political situation remained unclear for many days because of the various maneuvers carried out prior to the nomination of the premier. This was also the case with the formation of the Katayama Cabinet the year before last, as well as the transfer of power to the Ashida Cabinet last spring. Unlike these cases, the procedure for the political change made smooth progress along the course already fixed at the outset. Of course, this must be considered a natural consequence of the emergence of the stabilizing force based on an overwhelming majority, while, in the three former cases, they had to rely upon the power of coalition as a result of the distribution of power among various parties. Hence, it is only too natural that the people, who gave the Democratic Liberals an overwhelming majority, expected that the third Yoshida Cabinet will be formed smoothly as a single-party cabinet.

For some reason or other, President YOSHIDA of this party has been adhering to the so-called "conservative coalition" with the Democratic Party. Despite the opposition within his party, he had been conferring with President INUKAI of the Democratic Party, and, on the eve of the Diet's convocation day, they issued a joint communique stating that they "expect to effect a long-term political stabilization by means of the coalition of the two parties". Concerning this forcible step taken by the two party heads, the Democratic Liberals agreed, after all, to leave the matter for YOSHIDA's decision. On the other hand, since the anti-Inukai group within the Democratic Party, the so-called central league group, has been insisting on remaining as an opposition, it is facing a crisis with a possible split.

We cannot but wonder why the Democrats should participate in a coalition government at the risk of such danger. Since the year before last, this party, always in line with the Socialists, has been opposed to the Democratic Liberals, finally causing Diet dissolution by casting a non-confidence motion against the second Yoshida Cabinet. Then, it is considered quite irrational that this party should now participate in the third Yoshida Cabinet by suddenly changing its attitude following a thorough defeat in the general election. This must be called an act of betrayal of the voters, who practiced the principle of "party rather than person" in the recent election. This is attributed to their complete lack of political responsibility.

The so-called "middle-course-politics" theory, as advocated by some within the Democratic Party, to defend the unjustifiable political activities of former Democratic President ASHIDA, would have to be revised naturally, heeding the severe public criticism expressed in the results of the election. This, however, does not constitute a reason for participating in the coalition, which implies a surrender to the Democratic Liberals. Even if such a party splits or perishes, it is not worth crying over.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 15 (Continued)

It is not the Democrats alone whose attitude is incomprehensible. We consider it even more difficult to understand the attitude of YOSHIDA who, obstinately sticking to a conservative coalition, has taken a forcible step dogmatically. He may have some private reason in his connection with INUKAI, or his apprehension concerning the future of the conservative parties may have influenced him in his recent activities. At any rate, it must be pointed out that the coalition of the two conservative parties in the present situation will have a reverse effect to the objective of creating a "long-term political stabilization", as stated in the joint communique. Even if only one half of the present 70 members of the Democrats, as a result of a split, is added to the Democratic Liberals who already hold a majority in the Lower House, the government parties of the third Yoshida Cabinet will monopolize about the two-thirds of all the Lower House seats.

Too great a number of seats held by the government parties is not always welcome to parliamentary politics. The fact that the Democratic Liberals have won as many as 260-odds seat might constitute an obstacle to the sound development of parliamentary politics, in that it leaves no room for the existence of a powerful opposition. Without a check and criticism by a powerful opposition, there is the danger of arbitrariness in the form of despotic power. As illustrated by many instances in the history of various countries, all opposition and criticism will thus be driven out of the Diet, thereby leading eventually to the loss of the Diet's authority.

Moreover, the lack of an opposition party will inevitably give rise to an internal dispute within the party; this is considered a natural law. In short, these are the dangers accompanying the existence of too powerful a force in parliamentary politics, which is based on the principle of balance and check. Such a trend will unavoidably become conspicuous in the case of a "super-majority" amounting to two-thirds of the whole, and this will make the realization of a "long-term stabilization" almost impossible. Concerning this point, we must demand deep reflection from the government parties of the new cabinet, especially from Premier YOSHIDA.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 18 Way to Handle Conservative Coalition - Yomiuri - 12 Feb 49.
Translator: M. Yasutake. (ELE)

4011

Full Translation:

Former Premier YOSHIDA was designated the next premier at the Fifth Special Diet session, as was predicted immediately after the general election. However, the agreement concluded between the Democratic Liberal and Democratic parties just before the premier's designation to form the next cabinet on the so-called conservative coalition basis is a surprise.

In view of a more-than-expected brilliant victory by the Democratic Liberal Party in the recent election, the majority of the people hoped that it would carry out its preelection public pledges by establishing a single-party cabinet. We also insisted upon this course, but a sudden change in the situation has occurred, and a DLP-Democratic coalition, as planned by DLP President YOSHIDA and Democratic President INUKAI, has now been decided.

Before the general election, the Democratic Party, under the banner of middle-of-the-road politics, co-operated with the Socialist Party, a party of an entirely different character. After the election, the Democratic Party wanted to form a coalition cabinet with the Democratic Liberal Party by advocating conservative co-operation. The chief reason for our insistence upon the formation of the next cabinet on a single-party cabinet basis was to cure the Democratic Party of its contemptible power fever. We did not intend to block the intention of the Democratic Party to co-operate with the Democratic Liberals if it came after realizing and reflecting upon the mistaken middle-of-the-road politics idea.

We cannot judge easily whether the recently decided DLP-Democratic co-operation is a product of self-reflection on the part of the Democratic Party. But, since conservative co-operation has been decided, we have no intention of criticizing it bitterly. We hope that politics will be conducted powerfully, based on the new political situation. The situation in JAPAN now deserves serious attention, both international and internal.

The advance of Chinese Communists on the continent and the recent visit of US Secretary of the Army ROYALL are clear signs of JAPAN's important position. JAPAN is now duty-bound to carry out thoroughly the nine-point economic stabilization program suggested by Gen MacARTHUR. JAPAN's destiny depends upon the success or failure of this economic program.

The results of the recent general election show that the majority of the people do not necessarily recognize fully the stern realities facing their country. They are still dreaming. The remarkable advance in the election of those elements who intend to block the execution of the economic recovery program may be interpreted as reflecting the lack of accurate understaning regarding the actual situation on the part of the Japanese.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 18 (Continued)

Under these conditions, the Japanese should not quarrel over minor differences. Those of a homogeneous character should co-operate to converge their influence to the maximum possible extent and attain JAPAN's peaceful self-sufficiency. Herein lies Premier YOSHIDA's reason for attempting persistently to form a coalition with the Democratic Party despite his party's majority in the Diet. We believe that the DLP-Democratic co-operation was motivated by the intention to secure the strongest possible political force to attain JAPAN's self-sufficiency.

In connection with the realization of conservative co-operation, however, we fear that the absolutely strong power of the conservative parties in the Diet will lead them to despotism. Such an undesirable phenomenon was often seen in the Diet under the old Constitution. It caused the people's distrust of politics, allowed the rule of politics by the military and bureaucrats, and formed the indirect cause of the present miserable plight of JAPAN.

The big political force established through conservative co-operation should not be used to realize despotism by a majority party. It should be used to tide JAPAN over her present serious crisis. If the government parties should abuse their numerical superiority and commit unreasonable acts, the people would soon despair of the conservative regime and there would arise the danger of JAPAN's being ruled by the elements who are seeking a proletariat dictatorship in the name of democracy.

We shall be glad if conservative co-operation, as often stressed by Premier YOSHIDA, becomes an incentive to the Socialist Party and brings into realization the system of two big parties, excluding the Communist Party. But the present conditions of JAPAN are far from satisfactory for the establishment of this ideal political system. We hope earnestly that the conservative influences will act appropriately and maintain the confidence of the people.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 Single-Party Gov't Possible after Conservative Merger - Yomiuri - 13 Feb 49. Translator: S. Higashi. (GS)

Full Translation:

4014

(MAINICHI)--Unless the Democratic Party determines its attitude on the question of joining the Yoshida cabinet by Sunday, Premier YOSHIDA Shigeru is expected to proceed with the formation of the cabinet on the basis of a single-party government, in order to complete his ministerial line-up by 15 February, leaving room for possible Democratic additions at a later period.

(YOMIURI)--Premier YOSHIDA, who began his cabinet formation Saturday morning, met with ONO and HOSHIJIMA. Later he received, from Chief Secretary HIROKAWA, the Democratic Liberal Party's list of possible candidates for the posts of cabinet ministers, parliamentary vice-ministers, and Diet executive officers.

At 0100 hours Saturday afternoon, YOSHIDA released his first Cabinet Formation Headquarters' announcement, through HIROKAWA.

In this announcement, the Premier hinted that his original ideas of a conservative collaboration had developed into a "de facto" single-party cabinet as a r sult of the expected conservative merger with the Democratic Party in the very near future.

Just when this single-party cabinet will be realized, however, will depend on the decision of the Democratic Party--whether the coalition faction will secede from the party or whether it will expel the anti-coalition factions from the party ranks. However, if the coalition faction does secede from the Democratic Party, it will immediately be absorbed by the Democratic Liberals, and a single-party cabinet will result.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 (Continued)

On the other hand, the Premier is hoping that the Democratic Party comes over intact to the Democratic Liberal Party, after expelling the few men who oppose the merger, and thus, bring into being a single-party cabinet through merger of the conservative forces.

Against this political background, YOSHIDA left Saturday for his private home in OISO to await the settlement of the Democratic stand. He will ponder over his choice of cabinet ministers on the basis of the party list of candidates presented to him for final choice, at the same time giving due consideration to possible Democratic Party cabinet ministers.

The Premier is scheduled to return to the capital at 1200 hours Sunday, and he will then immediately go to Cabinet Formation Headquarters to begin the formation of his cabinet. Even if the decision of the Democratic Party is delayed, the Premier wants to complete his cabinet by 15 February, the installation ceremonies being held on that day.

Meanwhile, the Democratic Liberal Party expressed the hope that if the attitude of the Democratic Party is not definite on 13 Feb, the Premier will complete his cabinet on the basis of a Democratic Liberal single-party government and he will consider adding Democratic ministers later on.

(MAINICHI reports that Premier YOSHIDA himself is of this mind.)

First Cabinet Formation Headquarters Announcement

Chief Secretary HIROKAWA Kozen of the Democratic Liberal Party released at 1315 Saturday the first announcement of the Cabinet Formation Headquarters, The announcement follows:

"The feelings of Premier YOSHIDA, following his election by the absolute majority of 350 votes to the post of Premier in the National Diet on 11 Feb, is as follows:

"Since Yoshida has been burdened with the final decision regarding the choice of Government personnel, Diet executives, and party executives, through the general meeting of the Democratic Liberal Party Diet members, he desires to think over the question of cabinet formation and the choice of Diet and party executives along the following lines, taking into full consideration the opinion of various party organs and both domestic and external circumstances:

"1. He hopes to co-ordinate the conservative front and organize a strong single-party cabinet in view of the gravity of the current situation.

"2. With regard to the choice of cabinet ministers, he hopes to choose qualified persons, men who are capable and who have the power to carry out plans.

"3. With regard to Diet personnel of the Democratic Liberal Party, big figures will be used by cautious selection of personnel, in view of the essential character of democratic politics.

"4. Since the party is the foundation in the creation of the Government, he will seek to strengthen the personnel setup of the party, spur active party action, and leave no stone unturned in enabling it to lead the Government over a long period of time."

Following this, Chief Secretary HIROKAWA held the following "question and answer" interview with newspapermen.

Q: When do you expect the cabinet to be completed?

A: We would like to complete the installation ceremonies by 15 February.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 1 (Continued)

Q: What are your thoughts with regard to the Democratic Party?

A: We are standing on the premise that a unification of the conservative front will be accomplished in the immediate future.

Q: Has the meaning of your oft-repeated word "collaboration" changed?

A: The idea of a coalition has already disappeared. Those who have the same aspirations should not spare any efforts to take over the political situation together. Behind the word, "collaboration," mentioned before, is included a strong meaning of merger. We are thinking about a single-party cabinet through a merger.

Q: In the list of candidates to cabinet posts, are Democrats also included?

A: No, it only concerns the Democratic Liberal Party.

Q: What about the ratio of members of the House of Councillors and non-party men for cabinet posts?

A: The ratio of members of the House of Councillors follows precedent.

Q: Does leaving personnel questions up to the president mean that you entrust everything to the personal opinion of the Premier?

A: Though we say that we are leaving everything up to the president, it actually means within the bounds of party wishes.

23 Candidates for Cabinet Posts

The number of candidates for cabinet posts presented to the Premier on Saturday is 23, and there are three men for each post. Democratic cabinet entries, including INUKAI for the post of Deputy-premier, are expected to be just one or two. Everything will be left to the final decision of the president, but the most influential candidates for cabinet posts, excluding that of Premier and Foreign Minister, are as follows:

Chief Cabinet Secretary: HIROKAWA and his group wanted OZAWA to be picked for this post, but because of opposition within the party it is likely that HIROKAWA might be chosen. However, MASUDA Kineshichi's chances are getting stronger.

Finance Minister: This is the post upon which the president is placing most emphasis, and there is a trend to place a newcomer, IKEDA Isato, in this job. However, a non-party man, HAMAGUCHI Ohiko)President of the Tokyo Bank), is considered an influential candidate.

Commerce and Industry Minister: This ministry will be dissolved and expanded into the Trade and Industry Ministry in the near future. The most likely party candidate to lead the ministry is OYA Shinzo, and if the post goes to the Democratic Party, HORI Shigeru will probably get it.

Agriculture and Forestry Minister: All indications point to the final choice of MORI Kotaro. But if the post goes to the Democratic Party, a hope is expressed that it be given to HORI Shigeru.

Transportation Minister: MURAKAMI Giichi is a strong candidate (Ryokufukai of the House of Councillors), while there is some support for TAMURA Bunkichi for the post. In addition, there are some who want OZAWA, present Transportation Minister.

Communication Minister: ONOKI Suejiro is influential (House of Councillors), but if YAMAGUCHI Kikuichiro enters the cabinet there is a possibility that he will be given this seat.

Education Minister: KIMURA Seiichi is practically certain to get this post. YAMAZAKI Takeshi is also a candidate.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 1 (Continued)

Welfare Minister: The reappointment of the present Welfare Minister, HAYASHI, is considered most likely.

Labor Minister: The present Labor Minister, MASUDA, is the most likely candidate. If he is given the post of Chief Cabinet Secretary, however, the newcomer, YOSHITAKE Keiichi (former Vice-labor Minister), may be considered for the post.

Construction Minister: MASUTANI Hideo is favored. But if he is given the post of Attorney General, then it is likely that OZAWA Saeki will get the post.

Economic Stabilization Board: Premier YOSHIDA wants someone from outside of the party. The Democratic Party also desires this, and if INAGAKI Heitaro enters the cabinet he will likely get this post. Among party candidates, SUDO Hideo and AOKI Takayoshi are said to be top favorites.

Attorney General: Demands for the reappointment of UEDA Shunkichi are strong, while among party members, MASUTANI is favored.

In addition, HOSHIJIMA Jiro, YAMAGUCHI Kikuichiro, HONDA Ichiro, and HIGAI Senzo are listed as candidates for State Ministers-Without-Portfolio.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 14 Enforcement of Administrative Adjustment First - Jiji Shimpo - 14 Feb 49.
Translator: S. Katagiri. (GS)

401-1

Full Translation:

The Administrative Reorganization Council, which had been working since the end of last year, adopted, at its last meeting on 10 February, a conclusive paln to be submitted to the Premier. It is said that the essential points of the plan are the reduction of the administrative structure by about 30 percent and reduction of government personnel by more than 30 percent.

The readjustment plan seems very drastic. However, it is not to be compared with the administrative readjustment plan of the UNITED STATES.

In order to study the administrative reorganization problem, Congress the year before last established a committee, with former President HOOVER as its chairman. The committee has recently concluded that the 68 existing government organizations should be reduced to one-third that number in order to lighten the President's burden in respect to complicated business and to retrench the expenditures by several billion dollars. It also concluded that the cessation of duplication and the establishment of closer liaison among government organizations would be realized through the unification of mutually connected functions.

The Lower House, on the evening of 7 February, approved by an overwhelming majority a bill empowering President TRUMAN to reform the administrative structure in accordance with the committee's recommendations.

Japanese government organizations do not show sufficient efficiency, in spite of the large number of government employees. This constitutes a heavy burden on the people and makes more stringent the financial conditions of the State and local public entities.

On this point, JAPAN cannot be compared with the UNITED STATES. Even the US is going to carry out a drastic administrative readjustment, as recommended by the Hoover committee. On this occasion, the Japanese Government must not hesitate to execute administrative readjustment, as advised by the council.

Needless to say, the first move in administrative readjustment is not necessarily the mass discharge of government employees. However, in our country, where the government structure has continued to expand since the surrender, despite the decline of national power, administrative readjustment must be accompanied by a reduction of government personnel.

One aim of administrative readjustment is to reduce State expenditures. On the other hand, the National Public Service Law guarantees government employees sufficient allowances to maintain an appearance which is appropriate to their positions. Therefore, personnel retrenchment will be unavoidable.

However, the reduction of government personnel does not necessarily mean unemployment. If private enterprises had to reduce their operations because of excessive production, as occurred during Hamaguchi regime, the reduction of government personnel would mean unemployment. However, present conditions in our country are somewhat different than those

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 14 (Continued)

existing during that regime. In other words, Japanese economy is now pressed by the necessity of increasing productive capacity to maintain itself on a self-sustaining level. If the people make earnest efforts to realize the self-sufficiency of Japanese economy, private enterprises will be able to employ more persons than at present. Without this, the self-sufficiency of Japanese economy would be impossible.

Administrative readjustment and the rationalization of private enterprises may, in the transitional stage, create mass unemployment. However, it will promote a kind of job conversion.

As measures for the aforementioned transitional unemployment, the council recommends the granting of retirement allowances, absorption of the unemployed into public construction works, credit extension for self-sustenance and reconstruction, guarantee of retired persons' minimum living standard, and vocational education.

In order to make the projected personnel retrenchment a kind of job conversion, the Government should carry out the projected administrative readjustment without hesitation. On the other hand, existing economic controls must be rationalized in order to carry out administrative readjustment effectively under the present circumstances.

The so-called nine economic principles mean the strengthening of economic controls. The words, "economic controls" do not mean controls for controls' sake, but are interpreted as controls indispensable to the self-sustenance of Japanese economy. As asserted by the council, administrative business concerned with controls and supervision should be curtailed as much as possible. The Democratic Liberal Party preached administrative readjustment during the campaign period and won by a landslide in the r-ecent general election.

In view of this public promise, the new Yoshida Cabinet should carry out administrative readjustment as recommended by the council. However, administrative readjustment is very likely to end as a half-way measure because of strong opposition from bureaucratic circles. The newly projected administrative readjustment will also meet with opposition from the public employees' unions and from radical parties supporting the unions.

Without firm resolution the Government would be unable to accomplish the task effectively. A cabinet founded on a weak basis cannot achieve this purpose. Fortunately, however, the new Yoshida Cabinet holds an unprecedented sound political foundation in the Diet. It has the support of an absolute majority of the people. We hope the Yoshida Cabinet will carry out a thoroughgoing administrative readjustment, right from the beginning of its powerful administration.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 19 Significance of Single-party Regime Studied - Nihon Keizai - 10 Feb 49.
Translator: M. Yasutake. (ELE)

401.1

Full Translation:

With the convention of the special Diet session near, the Democratic Liberal Party is now pushing through the selection of members of the next cabinet on a single-party cabinet basis.

It is true that the opposition of conservative and progressive parties, based on parliamentary democracy as in ENGLAND, is an ideal form of politics, but if we forget the historical and social background of the English system and try to introduce it into JAPAN hastily, it will bring undesirable effects. The Democratic Liberal Party should be praised for its common sense because it, in accordance with intra-party sentiments and the opinions prevailing outside the party, decided to leave the problem of conservative coalition or unity alone for a while and form a unified single-party cabinet.

The Democratic Party, which decided to co-operate with the next cabinet without joining it, is a leading opposition party numerically. It is in a position to come to power when the next cabinet collapses, but it stands on a weaker foundation than the Liberal Party of ENGLAND. Before the Labor Party came to power, the British Liberal Party had the support of British labor unions and progressiveness was its traditional character. Moreover, it later participated in two coalition cabinets with the Labor Party.

The Democratic Party of JAPAN pretends to be progressive by raising the banner of revised capitalism, but it stands aloof from labor unions. It is essentially no different from the Democratic Liberal Party on the point that it is a capitalistic and conservative party. Aside from the question of whether the Democratic Party will disappear through conservative merger or whether it will participate in a coalition regime, it seems certain that the party will follow, as a transitory existence, the same destiny as the British Liberal Party at least for some days to come.

With the attainment of an absolute majority by the Democratic Liberal Party, the Democratic Party, bearing a similar character, has become a leading opposition party. Aside form sentiments and feelings among parties, this phenomenon, seen objectively, has a significance in a sense as a transitory form of politics in JAPAN which aims at the attainment of economic self-sufficiency during the coming several years.

In the first place, as proved by the recent general election, the present conditions of JAPAN are still premature for the opposition of two big parties of democratic and mild character, which is the ideal of parliamentary politics. As a result, the advocates of mild social democracy, who are expected to stand in opposition to the conservative elements, have made a big retreat. Instead, the radical elements denying the principles of parliamentary politics have shown an advance. The nucleus of a sound opposition party has disappeared.

Secondly, the party based on mild socialism has a weak foundation as a practical party, unlike the British Labor Party. It has no power to form a strong single-party cabinet. It will take some time for progressive elements to gain experience and grow sufficiently to operate the two-party system smoothly.

Thirdly, as a conclusion, if a coalition regime should be formed by the Democratic Liberal and Democratic Parties, socialism and capitalism would lie far apart and entail the danger and unreasonableness of too big a change in actual policies accompanying the change of power. If these situations should be adjusted gradually during the transitory period when the Democratic Party stands in opposition, it would be good for JAPAN's politics and the Democratic Party as well.

The conditions of respective eras have much to do with the development of politics and the rise and fall of parties. Certain conditions must be met and the task assigned to each era must be fulfilled before democratic politics based on the two big-party system takes an ideal form. The realization of democratic politics is possible only when we reflect upon the necessity of gradual approach to the goal and make steady steps along this line. In this sense, the formation of a single-party cabinet by the Democratic Liberal Party should be one of the stages leading to the establishment of new democratic politics.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 19 Pros and Cons of Un-Japanese Activities Committee - Dai Ichi - 22 Feb 49. Translator: E. Okajima. (ELE)

Full Translation:

An un-Japanese activities committee is about to be set up under vigorous pressure from Premier YOSHIDA. It is already clear that the intention of the Premier in setting up the un-Japanese activities committee lies not so much in opposing communism as in annihilating communism. We are not opposed to that. Premier YOSHIDA and his Cabinet are at liberty to set up the committee. However, the problem lies in whether it is necessary to establish the committee in present-day JAPAN. To take a wider view of things, the existence and activities of such a committee may be extremely dangerous.

Freedom of speech, thought, and political activity and the social guarantees thereof have been secured since the termination of hostilities in JAPAN. Many Japanese are not yet fully accustomed to such freedoms. In other words, neither individuals nor the people as a whole fully understand even the principles of democracy. Herein lies the problem. This constitutes the great difference in social conditions in the UNITED STATES and JAPAN. The US people have for centuries experienced complete freedom of thought and political activities and have become skillful in the practice of democracy. Even though they have set up an un-American activities committee for the security of the nation and society, it is not likely that it will ever become so fascistic as to threaten and suppress freedom of individual thought and political action. We believe that the democracy of which the US is proud is not jeopardized even slightly by the committee.

However, what is the situation in JAPAN? While democracy has not yet sunk deep among the Japanese, there still remains in JAPAN deep-rooted feudal vestiges, semi-feudalistic tendencies, bureaucratic flunkeyism, and old-time nationalistic ideologies. Under these circumstances, we cannot help feeling an anxiety over the un-Japanese activities committee such as we never do over the un-American activities committee.

Even if the un-Japanese activities committee does not try to carry out direct suppression of any other ideologies and political activities than one specific political ideology, there are ample reasons to fear that the committee will wither JAPAN's democracy in the bud under the current c rcumstances. This is rather an obvious fact. In short, whatever the intention of the un-Japanese activities committee, it is possible that the activities of the committee will prove the attempted remedy to be worse than the evil itself.

Further, if the social tendency which will possibly result from the activities of the committee further stimulates existing social reaction, it will mean a suicidal action for JAPAN which is now being democratized. It is our desire, therefore, to give a patriotic warning to Premier YOSHIDA and his government in regard to the establishment of the un-Japanese activities committee.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 19 Administrative Retrenchment Becomes Urgent - Asahi - 20 Feb 49.
Translator: U. Futonaka. (WM)

Full Translation:

401.1

Administrative retrenchment is a very important test for the Yoshida Cabinet. This problem, which all the regimes since the surrender have tackled but with makeshift expediency, must now be solved at the risk of the Cabinet's honor.

The Democratic Liberal Party has been contending for a 30 percent curtailment since its opposition days. In addition, the nine economic principles call for the retrenchment of national finance and the compilation of a balanced budget. Because of these factors, a great slash in administrative structure and unnecessary personnel has now become a national demand. Accommodation of this national demand and social policies for unemployment are now great challenges to the Yoshida regime.

The total 1948 budget called for 125,200,000,000 yen for direct personnel expenditures. If the 1949 payrolls for government and public service employes are figured on the assumption of the 6,307

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 19 (Continued)

yen wage base, the total need will amount to 190,000,000,000 yen, with 70,000,000,000 yen for the general account and 120,000,000,000 yen, for the special accounts. Addition of burdens upon local finance and of wage raises during the course of the current fiscal year will raise the total payroll to more than 300,000,000,000 yen.

The 1949 general account budget must be kept to 600,000,000,000 yen. The need for securing an independent profit system in the railway and communications special accounts and for covering consequent deficits of 50,000,000,000 yen and 15,000,000,000 yen in railways and communications respectively, makes administrative curtailment imperative.

As matters now stand, neither the national nor local finances can afford to meet the payrolls of employees in the government and public service. In other words, 3,000,000,000 public servants, both central and local, will face starvation under present conditions.

Recently the Administrative Structure Reform Council recommended to the Government its final proposal, replacing the Iwamoto plan which aimed at slashing 600,000 actual personnel---a revision of the DLP plan providing for a 30 percent curtailment at the source.

A study of the foregoing transition indicates that emphasis is shifting from the original plan concentrated upon a personnel cut to a line of personnel cut pursuant to the reform of administrative machinery. Comments made by some ministers of the new regime have made it clear that the regime is pursuing the policy of executing structural simplification first and then slashing personnel correspondingly.

Concentration upon personnel curtailment, though admissible in itself, does not warrant an equal, indiscriminate slash for all ministries and agencies. Recognition of this irrationality is deserving of admiration. This prompts us to demand deep reflection by responsible officials upon the adverse effect which imprudent claims for dismissal will have upon immediate adjustment.

Just as inflation has reached the stage of final adjustment, the ever-mounting postwar inflationary spiral has reached the stage of adjustment. To put it in extreme terms, the postwar administrative structure, both central and local, has expanded by leaps and bounds, and has, in a sense, led to the solution of unemployment by the nation's taxpayers.

Lack of co-ordination among government agencies and of administrative control by which to unify them has been the rule. This has allowed them to concentrate upon separate expansion.

Last year, the National Administrative Organization Law came into existence to establish a major principle for government work, but this law has not yet been put into practice. Furthermore, following the enactment of the National Public Service Law, the Personnel Commission attempted to rationalize official efficiency on the basis of job classification. This attempt was futile, and no functional divisions have come into being. In this situation, the urgent need for administrative adjustment has emerged as a financial requirement. Now is the time for a drastic measure to be introduced, notwithstanding the flood of difficulties. The people are also urged to realize the severity of the situation open mindly.

Simplification of ministerial structure and adjustment of local agencies, as recommended by the Administrative Structure Reform Council, are well and good, and have long been favored. The only point to be considered is that such measures have not been translated into practice.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 19 (Continued)

The idea of structural contraction and personnel retrenchment has always been opposed vigorously by bureaucrats. It has been their usual practice to replace every slash by some means.

If the Yoshida regime is to carry out the curtailment of administrative machinery and personnel, it must first gain a powerful political force in an effort to control bureaucratic influences. Success or failure for administrative adjustment hinges entirely upon the political power of the Cabinet.

Administrative curtailment will inevitably call for unemployment measures. Such measures include retirement allowances on a par with those of private businesses, allowances for job shifting, revision of the unemployment insurance system, and a raise in protection payments under the Livelihood Protection Law. Execution of such measures may render it impossible to see satisfactory results in personnel adjustment under the budget for this fiscal year. However, this cannot constitute the basis for opposition to administrative retrenchment.

Presumably, we must expect the realization of budgetary economy and administrative adjustment next year and afterward. Even then, the nation must employ every possible means of salvation for victims of this major national aim. Thorough execution of measures for unemployment and reassignment is a major prerequisite for carrying out administrative curtailment.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 11 People Favor Administrative Reform, Survey Shows - Mainichi - 13 Feb 49. Translators: F. Mitsuhashi and M. Ota. (TK)

Extracts:

It is considered certain that the new Yoshida Cabinet, charged with the important mission of enforcing the nine-point Economic Stabilization Program, will reduce government personnel as a follow-up to the enforcement of the 48-hour work-week system.

Even in the UNITED STATES the ratio of government officials to the total population is one to 28, but in defeated JAPAN an average of six persons is supporting one government official and his dependents. This fact has been criticized widely by the public. Every cabinet which has appeared since the termination of the war has planned to reduce personnel, but has been unable to realize the plan.

The next government will try to accomplish a 30 percent reduction of government personnel and readjust on a large scale local agencies of central government offices. However, government and public employees have been loudly charging, "The 48-working hour system is the first step towards dismissal and low wage policies." As the plan for dismissal of about 600,000 employees materializes, a serious disturbance will inevitably occur, it is believed.

With this big problem facing the nation the Mainichi Shimbun Public Opinion Survey Department conducted a nationwide public opinion survey on government and public officials on 26 and 27 January, in order to determine people's opinions regarding administrative reform, the 48-hour work-week system and on the question of whether or not government and public officials have become real public servants. The results have made it clear that the people's antipathy against govern ment and public officials is still deep-rooted.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

POLITICAL

ITEM 11 (Continued)

In conducting this survey, a regional random sampling method was adopted. The 1948 census of the population with permanent domiciles as a basis. In accordance with the above survey technique 100 cities and 192 towns and villages were selected from population tables (In the six largest cities, a ward was regarded as a unit.); a district in each of these cities, towns and villages was selected; and from these districts the people to be surveyed were selected.

Questionnaires sent out totaled 3,504. Out of this, 275 were not valid for use in the survey. Sixty nine questionnaires went to persons absent, 64 to those who had moved, 61 to those traveling, 36 to sick persons.. Eight forms were declared invalid because the sex of the person involved could not be determined and 32 others could not be used for other reasons.

The results of the survey follow:

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

Question I Are you satisfied with the recent performance of government and public office employees?

Classification according to male occupation	Very satisfied	Satisfied	Rather satisfied	Just tolerant	Unsatisfied	Very unsatisfied	Do not know	Others	Fail to answer	Total
Public servants	3.1	10.2	17.3	31.1	27.6	4.6	3.1	1.0	2.0	100.0
Salary men	0.5	5.4	12.7	19.5	44.4	12.7	3.4	0.5	0.9	100.0
Workers	1.4	3.3	9.0	19.0	43.1	14.7	9.0		0.5	100.0
Merchants and Industrialists	1.4	3.3	12.7	21.9	42.9	13.9	3.0	0.6	0.3	100.0
Farmers and Fishermen	1.2	6.9	15.9	22.7	34.7	8.9	8.3	1.1	0.3	100.0
Others	2.1	4.1	13.8	15.4	45.7	9.7	8.2	0.5	0.5	100.0
Male total	1.5	5.6	14.1	21.9	38.8	10.6	6.2	0.7	0.6	100.0
Female total	1.2	6.8	14.5	20.2	27.6	6.9	21.3	0.6	0.9	100.0
Grand total	1.4	6.1	14.2	21.1	33.9	9.0	12.8	0.7	0.8	100.0

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775 015

ITEM 11 (Continued)

Q II What do you think of 48-hour work week now in effect in Government and public offices?

		Favor it	Cannot be helped	Ask consideration of seasonal factors	Somewhat unfair	Object	Consider efficiency rather than hours of work	Others	Do not know	No answer	Total
Male (regional classification)	Rural districts	62.8	2.8	2.2	2.4	11.0	6.4	2.2	5.5	4.7	100.0
	Urban districts	56.4	0.9	1.8	4.1	21.1	6.2	1.5	5.0	3.0	100.0
	Principal cities	54.0	5.6	2.0	4.8	14.4	8.8	0.8	5.2	4.4	100.0
(classification of occupation)	Public servants	36.7	4.6	4.1	8.2	29.6	11.7	1.0	1.0	3.4	100.0
	Salary men	61.0	1.5	1.9	1.9	16.6	8.3	1.0	1.9	5.9	100.0
	Workers	66.4	0.9		2.4	15.6	5.2		6.2	3.3	100.0
	Merchants and Industrialists	70.4	4.4	4.4	2.5	8.3	3.3	3.1	2.5	1.1	100.0
	Farmers and fishermen	62.2	2.5	1.2	1.7	10.2	5.8	2.8	8.6	5.0	100.0
	Others	52.8	2.6	1.0	5.1	11.3	10.8	0.5	7.2	8.7	100.0
Male	Total	60.4	2.8	2.1	3.0	13.4	6.7	1.9	5.4	4.3	100.0

Q II (Continued)

		Favor it	Cannot be helped	Ask consideration of seasonal factors	Somewhat unfair	Object	Consider efficiency rather than hours of work	Others	Do not know	No answer	Total
Female	Urban districts	50.7	2.0	3.9	2.9	9.3	4.7	1.0	16.9	8.6	100.0
	Rural districts	47.0	2.0	2.0	3.2	10.7	2.8	2.1	19.3	10.9	100.0
	Working women	47.1	3.3	3.3	5.9	22.8	5.9		6.5	5.2	100.0
Female Total		48.1	2.1	2.7	3.4	11.6	3.7	1.5	17.2	9.7	100.0
Grand Total		55.0	2.5	2.4	3.2	12.6	5.4	1.7	10.6	6.6	100.0

(Note: Principal cities include the six major cities and SAPPORO, SENDAI, FUKUOKA, NIIGATA, and HIROSHIMA.)

Q III Do you think there are too many or too few government offices?

	Too many	Status quo is satisfactory	Too few	Do not know	No answer	Total
Total	49.1	29.1	2.5	18.5	0.5	100.0

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDC # 775 015

Q IV It is said that 30 percent of government and public office employees will be reduced. What do you think of this?

	Favor	Too much	Not enough	No need for reduction	Do not know	Others	No answer	Total
Rural districts	54.9	17.8	4.4	11.5	9.7	1.1	0.6	100.0
Urban districts	49.9	17.5	4.7	15.1	9.2	2.1	1.5	100.0
Principal cities	49.2	14.0	5.6	16.0	12.4	2.0		100.0
Male Total	53.2	17.4	4.6	12.8	9.9	1.4	0.7	100.0
Female Total	32.2	12.5	3.2	17.9	31.8	1.8	0.6	100.0
Grand Total	43.9	15.2	4.0	15.0	19.6	1.6	0.7	100.0

Q V How do you want government and public office employees to act?

	With more courtesy and kindness	To simplify routine procedures	Be more responsible	Don't misuse privileges	Be more diligent	Be more realistic	Others	No answer	Total
Total	32.1	6.7	1.5	3.2	6.1	1.6	7.3	41.5	100.0

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775 015

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 23 Have Faith in Return of Free Enterprise - Jiji Shimpo - 17 Feb 49.
Translator: U. Futonaka. (FLE)

401.1

Full Translation:

The Yoshida Cabinet's greatest asset lies in support endorsed by the absolute Diet majority that was gained in the recent general election. It may be said that the excitement over the coalition, occurring as a side issue, has lessened the moral authority of the Cabinet in no small measure. Nonetheless, this does not affect the status of the Cabinet which has been authorized by popular mandate.

The Cabinet is supported by the people's will. The support comes from neither artifice nor trick. In other words, the support is a crystalized mass of individual judgments, passed by the free will of a free people. This support underlies that political authority which is found in democratic government of the people, for the people, and by the people. The third Yoshida regime is indeed the first to be clothed with this authority--the greatest asset possessed by the Cabinet, as already asserted.

It should be noted, however, that assets invariably go with liabilities in ordinary life. This is applicable to the Yoshida regime. The new regime should be reminded of the existence behind its asset of as great a liability--political responsibility accompanying an absolute majority--which is too well known to need mentioning.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 23 (Continued)

This responsibility does not necessarily mean the fulfillment of public promises as discussed by the public. The responsibility may involve this, but, what is even more important, the new regime should not betray the valuable trust which the people have placed in it. To put it in detail, the Cabinet should make the best use of the political authority given it in the election in order to make popular expectations and desires a reality.

After an elapse of three years since the surrender, JAPAN's economy is now about to attain a phase of stability through the execution of domestic control as well as through material aid from the UNITED STATES. Predictions of economic crises, which were voiced fanatically at one time and like a catchword at another, have finally gone out of existence.

This may be interpreted as a general success for the measures of previous administrations under GHQ's guidance. Needless to say, there has been a great deal that could not escape criticism, politically and economically. It is noted, however, that there have been hardly any noticeable faults in the sphere of economic measures. This is evidenced by the actual economic stability.

Recognition of this point is necessary. The reason is that, viewed from another angle, the controlled economy since the wartime has, in a sense, achieved its objectives and has reached the stage of heading for gradual adjustment and alleviation. This holds good with those economic measures which the Katayama and Ashida cabinets took up.

It may be recalled that the removal of controls on fruit by the Katayama Cabinet and the mitigation of controls on matches and electric bulbs by the Ashida Cabinet have recorded good results, giving proof that the lifting of controls was not accompanied by the slightest confusion.

These tests are deserving of respect, and trends of this nature should be pushed forward. This belief has already been justified by the past record, and, in addition, it is in accord with the policy for the imminent establishment of a single exchange rate.

The explanation is that the establishment of a single exchange rate means the linking of domestic and foreign markets and, in the natural order of things, compels transition from artificial price to free, natural price.

A reconsideration of the Yoshida regime's mission from this viewpoint will indicate that the course to be taken by the regime is in evidence. It may be that outsiders are committing a blunder if they make guesses in regard to the great swing to the DLP of the popular will that was demonstrated by the polling. However, it is probably beyond dispute that voters at the polls pinned great hope on the liberalist policies pledged by the Democratic Liberal Party. At least the DLP and the Yoshida Cabinet should accept this interpretation and bear responsibility for making the recovery of free enterprises their task. This means nothing but furthering vigorously that which was accomplished by the Katayama and Ashida Cabinets.

In some quarters, opposition to free enterprise is being voiced on the grounds that the so-called nine-point economic rehabilitation program contains a clause emphasizing the tightening of controls on current commodity prices. However, it cannot be that the nine economic principles demand the mainterance of controls which are useless at present and the reversal of relevant policies. Nor is it the strengthening of control to expand the range of price control, or to complicate procedures.

On top of this, the single exchange rate evidently calls for

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 23 (Continued)

recovery from isolated economy to international economy. It should be remembered that this need cannot be met by complicated controls.

The Yoshida Cabinet is urged to be confident of its public promises and strenuous in realizing its convictions with earnestness and determination. This is the best response to the popular mandate granted through the election.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 The Reason Why Premier Yoshida Avoided Inukai - Seikei Joho (Newsletter) - 6 Feb 49. Translator: N. Tachibana. (TK)

Full Translation:

401

Why did Premier YOSHIDA, who had been so anxious to form a coalition cabinet with the Democratic Party, several times break his promise to hold a talk with INUKAI? In order to answer this question it is necessary to touch on the "cat-and-dog" relationship between the Premier and ASHIDA.

If INUKAI had shrewdly discerned how the Premier feels toward ASHIDA and had taken positive action accordingly, he would have succeeded and not be dubbed "the unavailing president". INUKAI still lacks experience as a politician.

Yoshida's Contempt for Ashida.

Premier YOSHIDA has much contempt for ASHIDA. Some of the main reasons are:

(1) ASHIDA's treachery of having gone over to the Progressive Party toward the closing days of the first Yoshida Cabinet and organizing the Democratic Party.

(2) ASHIDA's base deed of having pushed aside his senior, SHIDEHARA, and grabbing the party presidency himself when the Democratic Party was organized.

(3) The harlot character of the so-called "middle-road politics" under the Katayama and Ashida cabinets.

(4) The unpleasant plot which handed the premiership from KATAYAMA to ASHIDA, and kept the same group in power.

(5) The Showa Denko scandal and ASHIDA's plutocracy.

Here are two examples illustrating Premier YOSHIDA's irreconcilable antipathy toward ASHIDA: On the day the second Yoshida Cabinet was formed last autumn, Premier YOSHIDA strongly demanded of ASHIDA, "Vacate the foreign minister's official residence today, for I will move in there immediately." Thus ordered ASHIDA was compelled to comply. However, YOSHIDA did not move in immediately, saying, "I will not move in while the place still smells of ASHIDA."

Again, when YOSHIDA was taking over the premiership from ASHIDA, the press photographers made a variety of requests for different poses. ASHIDA, trying to be pleasant to the new premier, said interc edingly, "The news-photographers are a demanding lot, aren't they?". However, YOSHIDA did not even crack a smile and finished the transfer of business. The photograph shows ASHIDA smiling, but YOSHIDA had a sour face as if he considered it beneath his dignity to be in ASHIDA's company.

In this manner, there is no love lost between the two. Premier YOSHIDA is aiming at the formation of a conservative union cabinet as a prelude to the eventual establishment of a two-party system of one major conservative and one major progressive parties. However, he had no intention of collaborating with the Democratic Party while it still includes the hateful ASHIDA or NARAHASHI, one of the central advocates of middle-road politics.

Inukai's Failure

Since he had already told INUKAI how he felt, YOSHIDA expected that if INUKAI wanted to participate in a coalition regime he would "come over after clearly breaking off all relations with ASHIDA and NARAHASHI." Nevertheless, whether it was due to inexperience or irresolution, INUKAI hesitated to perform this surgical operation on his party, although he knew what Premier YOSHIDA expected of him. Therefore, the Premier concluded that it would be futile to hold a meeting with INUKAI, despite the latter's entreaty, and YOSHIDA has been resolutely avoiding him.

Thus viewed, it appears that the fault lies with President INUKAI. At a general meeting of Democratic Party Dietmen on 3 February, INUKAI was abused to his face by youthful Dietman NAKASONE (Ashida faction), who said, "President, you've been rejected twice already. Do you mean to say you still intend to go to see YOSHIDA?"

The next day, INUKAI was again rebuffed by Premier YOSHIDA for the third time. At this, the Ashida faction gleefully screamed, "Look we told you so!" INUKAI completely lost his prestige.

Being in the Democratic Party has become uncomfortable for President INUKAI, as if he were staying at a stranger's home, INUKAI cannot but choose between ousting ASHIDA and NARAHASHI or letting the matter drop and seeing his own faction decline. It may be said that INUKAI has failed in his first step taken as president. Political circles must be extremely rough for "hothouse-bred" INUKAI.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 23 Stop Bluffing - Tokyo Shimbun - 12 Feb 49. Translator: K. Ueda. (ELE)

Full Translation:

401

In his first statement after the cabinet formation, Premier YOSHIDA clarified his determination to attach first importance to the enforcement of the nine economic principles, to maintain fiscal balance, renovate and adjust the administrative setup, and establish anti-Communist policies so that politics may be stabilized for a long time to come. Although he said nothing about the abolition of the Transaction Tax, rescission or improvement of control methods, reopening of restaurants, free sales of staple food after the completion of food collection, and other public promises which his party made while in opposition, we believe that he cannot have forgotten them. We do not know whether he considered it needless to reiterate them or whether he saw no sense in asserting the promises over again because early fulfilment of them could not be hoped for. If he thought that the execution of the nine economic principles was so imminent that difficulties were expected in the way of keeping the promises, he should have frankly revealed what he thought to the public. If he had willfully withheld it because it was against the interests of the party he leads, we must regret his attitude as one quite contrary

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 23 (Continued)

to the spirit of democratic politics.

The Socialists apparently expect that YOSHIDA's new cabinet will shortly be deadlocked because of irreconcilability with the actual circumstances and that it well lose the confidence of the public and be forced to follow the path of the middle-of-the-road regimes. The Yoshida Cabinet seems to regard this a servile attitude and does not try to hide its contempt toward it. Let the premier and his ministers think as they like, we think that they are already possessed of self-contradiction, seeing that they evaded reference to their old public promises.

The international situation surrounding the nation is far more rigorous than the people imagine. The call for the nation's self-support and the enforcement of the nine economic principles is not mere literature; it demands that we reflect deeply on ourselves and endure hardships with national survival in view.

During the two years of their opposition role, the Democratic Liberals' primary concern has been how to pull down the government and how to win the majority in the event of a general election, and we may safely suppose that they are not sufficiently equipped for the perfect understanding of the austere environment and reality of the nation. It is high time for them to abandon the attitude of an opposition party and cool their ecstasy of victory. All of the 269 new electees should face the national situation firmly and meditate deeply on the course which lies before the nation. Realizing that the last hope of the people, driven to the wall, is pinned on the third Yoshida Cabinet, all the members of the party should become sufficiently modest to renew their start in politics.

The Communists anticipate that the cabinet's policies to dismiss government employees for administrative adjustment and to revise labor legislation will drive labor to make a great offensive against the government and it will have to resign before long. On the other side, both Premier YOSHIDA and Chief Secretary HIROKAWA of the party have repeatedly emphasized their determination to crush the Communist camp, but we doubt whether the government can subdue labor's offensive by its determined attitude alone. Since the 300 seats in the Lower House are no more than a numerical superiority, it is highly probable that the Yoshida Cabinet's faith will end in over-confidence based merely on numbers. The confidence of the government and its supporting party will be nothing more than bluffing unless they cooperate most closely on a scientific and rational basis not only in policies but in daily political activities, with the aim of stifling Communist propaganda and promoting the welfare of labor.

Let us take the instance of administrative adjustment. If it is executed in the scale the government seems to intend, hundreds of thousands of government employees, most of whom are of the intelligentsia, will be thrown out of their jobs.

We know of no cabinet which has dealt with such a large number of this type of unemployed. The Central Employment Stabilization Committee has advanced to the government its decision on unemployment relief measures, saying: "The Government should give serious consideration to this question and take appropriate measures." This shows that even the Committee has not hit upon any satisfactory policies.

We believe that this will also be the case with the government. More than 2,000,000 unemployed can neither go back to farming nor can they resort to blackmarketing. What is worse, enterprise adjustment has already been commenced. We wonder how they can sustain themselves.

Without even considering this, the government and its supporting party pretend to be able to force administrative adjustment. It is nothing more than a mere show of courage. We repeat that the Democratic Liberals should conduct self-reflection.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 25 Establish Public Order - Jiji Shimpo - 18 Feb 49. Translator: S. Katagiri. (EIE)

Full Translation:

401.1

Premier YOSHIDA, in his first press conference after the formation of his cabinet, admitted that public order is being affected by poor liaison between the national police and the local autonomous police and stated that he would consider measures for the improvement of the present police system. It is less than a year since the new decentralized police system was put into operation on 7 Mar 48. Nevertheless, unfamiliarity with the new system still impedes its smooth operation. We believe the system leaves much room for improvement. However, the current disorder is not attributed only to such a transitional phenomenon. The now Yoshida Cabinet should not merely adjust the liaison between the national police and the autonomous police but should also take every possible measure to establish internal peace as a whole. Maintenance of public order is a prerequisite to the enforcement of the nine economic principles and the introduction of foreign capital which invariably seeks an atmosphere of safety and profit. Moreover, the sound development of democratic thoughts and politics is impossible in a disordered society where the lives of peaceful people and the expression of free will are disturbed by crimes and violence.

Since the surrender, public peace has gradually recovered from the menace of crimes and violence. The current social conditions are far brighter than those at the end of 1945 when social unrest reached the high-water mark. However, murders, assaults, robberies, and thefts still occur in all parts of the country day and night. Violence and intimidation are not yet exterminated. Daily newspaper reports prove this. Violations of economic control laws and offences against public morals are too numerous to detail. We can hardly consider present-day JAPAN an orderly society, and it is still problematical whether or not the habeas corpus law enforced last autumn is taking actual effect. In short, the prevailing social unrest is attributed to the weakness of our police force which is incapable of maintaining public peace. Our police force is not only weak but also corrupt and some policemen have been involved in crimes. Scandals regarding the collusion between the police and gangs have often been reported since last year. It is no exaggeration to say that the prestige of the police is gone. The incompetency of the police and the government has thrown the people into despair. It may be said that this despair has caused the rampancy of robberies and violence and undemocratic discussions within labor unions.

Therefore, any government must not neglect to improve the internal order. Preceding cabinets since the surrender have hesitated to solve difficult problems because of their weak foundations or have been unable to take drastic measures to restore peace due to internal troubles resulting from coalition. The new Yoshida Cabinet rests on a firm political basis, since it has recently won the support of an absolute majority of the people. Moreover, a conservative cabinet is most suitable for the task of maintaining legal order in the country. We believe the majority of the people tacitly looked to the Democratic Liberals for the maintenance of public peace. It seems that Premier YOSHIDA intends to establish sound democratic politics, but this is impossible in a disordered country. Therefore, the third Yoshida Cabinet should take drastic measures to establish public peace. If it takes drastic measures to strengthen the police force and to establish public order, left-wing political parties and labor unions will surely denounce the measures as reactionary. If the government fears this, it cannot do anything. Of course, JAPAN cannot strengthen its police force at its own discretion, but, it can increase the efficiency of its police even within narrow limits. It may also be able to realize its desire to expand the limits. We hope the new cabinet will make strenuous efforts to maintain public peace. At the same time, we urge the DLP to reconsider its past character, because some party members are said to have been connected with local gangsters.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 21 Premier Yoshida's Un-Japanese Activities Committee - Tokyo Times - 20 Feb 49. Translator: E. Okajima. (WM)

Full Translation:

Rumors have been current about the establishment of an un-Japanese activities committee. Premier YOSHIDA has often revealed his positive intention to set up the committee. Although the plan has not yet been made public, it can be presumed that its main objective is the unearth and prevent violent intrigues to overthrow the government and to sell out the nation.

The character of the projected committee can be imagined from the fact that the United States Army recently unfolded the true story of the Sorge spy ring as well as from Premier YOSHIDA's ideological tendencies. The general public is keenly interested in this issue.

Moves to sell out the nation cannot be regarded as helpful to the reconstruction of our country, on whatever ideology or principle they may be based. We believe that the majority of the Japanese are instinctively inclined to repel such actions. If there are signs of anti-Japanese actions, it is desirable that the un-Japanese activities committee move to disclose their illegality and to sternly warn the nation accordingly.

But we are not at all anxious about the establishment of the committee. Admitting that the committee will serve to rectify excessive act on the part of ultra-leftists, there are possibilities that it will also allow the ultra-rightists to revive. Some conservatives may interpret the establishment of the un-Japanese activities committee by Premier YOSHIDA as signalling the return to the old system. Every possible caution should be exercised in the establishment of the committee.

The United States Un-American Activities Committee can be used as a model in establishing the Japanese counterpart. We must first consider the fact that the Un-American Activitis Investigation Committee was set up in 1938 to attack both the extreme rightists and the extreme leftists who were running counter to American democracy. Along with investigations into Communism, the Committee engaged in unearthing Naxism and Fascists before the War. The Un-American Activities Committee does not intend to formulate any restrictive measures nor does it act to expel questionable people by misapplying laws. The sole purpose is to protect democracy. The United States is a young country without feudalistic coloring. However, the situation in JAPAN is completely different. There is the danger that some unexpected situation will result if the un-Japanese activities committee copies only the anti-Communistic tendencies of the Un-American Activities Committee.

The screening of public officials has been conducted since the end of the war as a means to ban from public posts those who are unfavorable to national reconstruction. It has been carried out in accordance with the Potsdam Declaration in preference to the national Constitution. However, the projected un-Japanese activities committee is fundamentally different in that it will function in accordance with and within the limits of the Constitution. In principle, we welcome the establishment of the un-Japanese activities committee. It is important, however, that it be set up to function justly and that it control both the extreme right and the extreme left so that it will not be charged with being reactionary. It is imperative that the Un-Japanese Activities Committee functions protect the independence and welfare of democratic JAPAN.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 30 Monopolistic Capital Getting Ready for Kill - Akahata - 19 Feb 49.
Translator: J. Aomi. (WM)

401.1

Full Translation:

Monopolistic capital is greeting the advent of the reactionary third Yoshida Cabinet with enthusiasm. To prove this, we may cite the following statement made by President ICHIMADA of the Bank of JAPAN: "In the future, banking control will assume a quantitative as well as qualitative character." (ASAHI).

However, the industrial capitalists, who are not so completely tied up with the Yoshida Cabinet as the monopolistic capitalists and whose opinions are more or less at variance with the government policies as regards the exchange rate issue and banking problems, are somewhat afraid that the Yoshida Cabinet will take ultra-reactionary policies to the advantage of the monopolistic capitalists. For instance, the Thursday issue of the ASAHI reports that there is fear that "since the Yoshida Cabinet is subject from the outset to the strict limitations set by the nine economic principles, it will end by losing popular support and thus give way to the Communists, unless it succeeds in achieving brilliant results in its administration." It further reports that most of the industrial capitalists are now very anxious, because the Yoshida Cabinet has little connection with the leading figures in the business world, except OYA Shinzo, OKANO Seizo, ASO Takakichi, etc.

This is a highly significant fact insofar as it shows that very few of these industrial capitalists know YOSHIDA's personal connection with IKEDA, YUKI etc, which was reported in yesterday's issue of the AKAHATA. The monopolistic capitalists sometimes clashed with the industrial capitalists with whom they had no close connection. This has been proved in regard to the much debated re-estimation of assets and the establishment of an exchange rate. While monopolistic capital, which places considerable emphasis upon the preservation of banking capital, is opposed to endless lowering of money value, the industrial capitalists prefer to profit by the rise of prices. Accordingly, the former insists upon a high-yen rate and moderate re-estimation of assets, and the letter upon a lower-yen rate and maximum re-estimation.

As regards domestic policies, it is the industrial capitalists that are in a direct position to deal with the workers and the masses. Therefore, they do not like to see undisguised reactionary policy adversely affect production by provoking the worker's resistance. This is why the industrial capitalists are watching the moves of the Yoshida Cabinet with some apprehension.

However, the interests of these industrial capitalists are now being utterly ignored by the monopolistic capitalists. The latter are ready to sell the industry of their own country to foreign capitalists in order to protect their selfish interests. All that the monopolistic capitalists desire is to become agents of foreign capital, which will pour into the country to seek big profits. If necessary, they will not hesitate to destroy smaller enterprises as well as the nation's capital, to dismiss many workers, and compel the people to live a life hardly worthy of human beings. This is shown by the fact that Premier YOSHIDA told foreign newsmen that he was planning to sell the railways and the monopoly of tobacco to foreigners.

This is why the monopolistic capitalists are carrying on personal transactions with Premier YOSHIDA without even the industrial capitalists knowing about them. Can the people, including conscientious industrial capitalists and smaller

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 30 (Continued)

entrepreneurs, shut their eyes to this fact? Definitely no! We cannot in any way tolerate such shady deals. The quantitative control over loans advocated by President ICHIMADA of the Bank of Japan is the first step toward this treacherous plot. According to him, "the banking control will be carried on quantitatively as well as qualitatively." This means three things: In the first place, it means that, because in the past the qualitative control has not been supplemented by quantitative control, funds have often been appropriated for unimportant purposes and that for this reason a quantitative control should be adopted and no loan should be extended to enterprises which are to be "retrenched." But that will be the result? Conscientious industrial capitalists and smaller entrepreneurs will collapse, giving way to a close tie-up between monopolistic capital and foreign capital. In the second place, the financial difficulties of the farmers will become hopeless. In the third place, the workers will suffer bitterly from low wages and unemployment arising from enterprise retrenchment.

Thus, monopolistic capital, with the aid of the Yoshida Cabinet and the absolute majority of the Democratic Liberals, is planning to commit such atrocious things. All the people, including the workers, farmers, smaller merchants and industrialists and conscientious entrepreneurs, should co-operate in the fight against these traitors and nationalize the banks and place them under popular control. Otherwise, the people's livelihood, the nation's capital, and the independence of the country will be lost.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 10 Govt Plans Revision of Ordinance 101 to Combat Reds - Asahi - 19 Feb 49. Translator: K. Higashikawa. (ELE)

401.1

Full Translation:

In order to checkmate all undemocratic activities, the Government contemplates a revision of Imperial Ordinance No 101 which was promulgated on the basis of the Potsdam Declaration, a revision of the present Constitution, and the establishment of an Un-Japanese Activity Committee in the Diet similar to the Un-American Activities Committee in the US Congress, it was learned.

It may be recalled that in his first statement upon the formation of the third Yoshida Cabinet Premier YOSHIDA declared that he would eliminate by all means any and all destructive elements. It may also be recalled that the Premier touched on the subject of the establishment of an Un-Japanese Activities Committee at his first press conference following the formation of his Cabinet. Present indications are that his ideas for checkmating undemocratic activities have been taking definite shape, with the aid of the attorney general's office and other interested government machinery, since the days of the second Yoshida Cabinet. Latest developments point to the possibility that what may be termed "an anti-Communist measure" may be enforced in parallel with the execution of the nine-point Economic Stabilization Program as one of the basic policies of the new government.

Attaching great importance to the remarkable advance made by the Communist Party in the last general election, Premier YOSHIDA holds the view that the Communist advance implies a much graver significance than is possible to gauge by the mere numerical gains made by the Communists in the Diet. Moreover, he is of the opinion that the large political strides made by them owe much to their "undemocratic daily activities," including an anti-tax movement and a red movement among teachers. On the basis of this viewpoint the Premier has decided to take up the control of "destructive and undemocratic organizations and their activities" as one of the important missions of the new cabinet.

Four anti-undemocratic activity measures are said to be now under contemplation. They are as follows:

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 10 (Continued)

(1) A wholesale revision of Imperial Ordinance No 101 which was promulgated on the basis of the Potsdam Declaration and which relates to the prohibition of organization of political parties, associations, and other groups, so that the formation of undemocratic organizations and their development may be banned. It has not yet been decided whether or not Communist organizations should be at once branded as "undemocratic" organizations. It is, however, generally believed that the operations of the proposed Un-Japanese Activities Committee will be aimed at Communist activities.

(2) A revision of the present Constitution in view of the decision made by the Far Eastern Commission in 1947.

(3) The establishment of a committee similar to the Un-American Activities Committee in the US Congress. At present the opinion to install the committee in the administrative setup rather than in the Diet is predominant.

(4) The establishment of an enlightenment and propaganda agency for the purpose of revealing the true nature of Communism.

Revision of Imperial Ordinance No 101

The chief objective of revising Imperial Ordinance No 101 relative to prohibition of formation of political parties and other organizations is to stipulate clearly in Article 1 that the ordinance prohibits "the formation or direction of undemocratic organizations." At the same time, the entire text will be revised and the appelation of the law will be revised to read "Regulations Relative to Organizations," it is said. The revision of the Imperial Ordinance, however, has not yet been finally decided. The Government hopes to be able to enforce the proposed revision either in the latter part of this month or in the early part of next month. There are indications that the Government has not as yet formulated any plan for the application of the revised law. It also remains to be seen what interpretation will be made of the term "undemocratic organizations."

Imperial Ordinance No 101 was put into effect on 4 Jan 1946. Since then partial revisions have been made several times. The following is an outline of the ordinance:

Article I. The formation of political parties and any other organization the objective and the conduct of which comes under the following clauses is hereby prohibited:

(1) Resistance and opposition to the Occupation Forces and their commands.
(2) Acts supporting and justifying aggressive military operations against foreign nations.
(3) Expression of opinion and views that JAPAN is the leader of other races.
(4) Policies and plans backed by brute force.

Article V. The formation of any and all organizations which recommend candidates for public offices and/or organizations which resort to acts which are calculated to affect the policies of the Government, local governments, and public organizations shall be registered with the municipal, ward, town and village chiefs.

Clause 3 of Article V. Executive members of the disbanded organizations shall be excluded from public offices, and furthermore, Clause 4 of Article V stipulates that the Purge Directive will be applied to them.

Article VI. Those who have violated the stipulations contained in this Ordinance shall be sentenced to imprisonment of not more than 10 years or fined not more than 75,000 yen.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 10 (Continued)

Un-Japanese Activities Committee

The establishment of an Un-Japanese Activities Committee is now being formulated under the leadership of Premier YOSHIDA and Attorney General UEDA, according to present indications. The following three plans are reportedly under present contemplation:

(1) The establishment in the Diet of a committee similar to the Un-American Activities Committee in the UNITED STATES.

(2) The establishment of a private publicity organ for the purpose of enlightening the people with the ultimate objective of revealing the true picture of Communism.

(3) The establishment of an Un-Japanese Activities Committee in the administrative system or in the cabinet in a position like that of the attorney general's office.

The Government is now studying various data concerning the Un-American Activities Committee. At the request of the Government, TSUNASHIMA Masaoki, a former representative and lawyer, and TANABE Tadao, onetime professor of Tokyo University, are reportedly studying concrete measures for the establishment of the proposed committee.

Revision of Constitution

The Far Eastern Commission in March 1946 decided to have the Japanese Diet review conditions pertaining to the Constitution at a time not earlier than the lapse of one year but not later than the lapse of two years from the date of enforcement of the constitution. The period mentioned falls in May this year. As the first step toward the proposed revision of the Constitution, the Government contemplates formulating a law for putting the revision to a referendum stipulated in Article 96 of the Constitution. It may be recalled that in the days of the Ashida Cabinet last August the Government planned to inaugurate a Constitution Revision Research Committee in the Diet at the proposal of Attorney General SUZUKI, but the plan did not materialize. Paragraph one of Article 96 reads:

"Amendments to this Constitution shall be initiated by the Diet, through a concurring vote of two-thirds of all the members of each House, and shall thereupon be submitted to the people for ratification, which shall require the affirmative vote of a majority of all votes cast thereon, at a special referendum or at such election as the Diet shall specify."

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 24 Dark Future for Democracy in Japan - Dai Ichi - 16 Feb 49.
Translator: J. Aomi. (WM)

401.1

Summary:

Despite the unequivocal outcome of the latest general election, our political situation still remains in confusion. This state of affairs is a result of the Yoshida-Inukai coalition plan.

YOSHIDA and INUKAI say that true political stability is needed in order to tide over the present crisis and that such stability in turn is possible only under a conservative coalition. Moreover, the leaders of the Democratic Liberal Party have already stated that such a coalition will eventually develop into a merger. But it is doubtful whether political stability really requires a conservative coalition.

It is rather strange, considering that the Democratic Liberals have secured an absolute majority in the Diet. Even if we admit the necessity of coalition, the unification of the conservative front contemplated by YOSHIDA will be practically meaningless if it embraces only a part of the Democratic Party.

The question, then, is whether or not it is permissible under democracy for a few individuals to insist on their own personal positions to such an extent. It is undeniable that up to the present President YOSHIDA's whims have been obeyed without resistance. This, however, is a matter for serious reflection, for wherever men respond to a single powerful person the danger of fascism is already present.

The personal good faith of President YOSHIDA has nothing to do with the issue. What is to be questioned is the attitude of YOSHIDA who is unwilling to listen to the opinions of the masses. Let us quote here a statement he made while talking with UP Manager HOBERECHT: "JAPAN is now under occupation. But the people naturally dislike to do everything under foreign guidance. I have done all I could to co-operate with SCAP. But, on the other hand, in enforcing my policies I have always respected this popular psychology."

This statement shows that he has taken advantage of this psychology to cater to the people. This is one of the reasons for YOSHIDA's popularity, which carried considerable weight in the latest election.

The overwhelming victory of the Democratic Liberals and their plan to unify the conservative front by absorbing the Democrats have dimmed the prospects for Japanese democracy. The Democratic-Liberal cabinet is planning to set up an "Un-Japanese Activities Committee." It was reluctant to establish the Illegal Property Transactions Committee. Further, it has revived the Purge Appeals Committee. For what purpose? We cannot be too careful about the party's future movements.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 5 On the Administrative Reform - Chuka Nippo - 10 Feb 49. Translator: S. Yokoyama. (TY)

401/1

Summary:

Despite the long recognized necessity for a drastic administrative readjustment, successive postwar cabinets have not dared to take any steps for fear the resulting confusion might undermine the foundation of government.

Now that the Democratic Liberal Party has gained an overwhelming majority in the House of Representatives, it is incumbent upon it to translate its public pledges into actual administrative measures. It is presumed that the Administrative Reform Council established by the Yoshida Cabinet will recommend a reduction in public service personnel by reducing expenditures by 30 per cent in the general accounts and 20 per cent in the special accounts.

It is well known that Japanese bureaucracy is strongly bound together to protect its long established privileges and high social status. We have often pointed out that the existence of such a bureaucracy is the greatest obstacle to national democratization. The fact that the National Communications Workers Union, the All-Government and Public Office Workers Union, and the Government Railway Workers Union are the strongest unions of the nation is not so much due to their democratic development but to their traditionally strong unity as officials. This fact should be especially remembered at this juncture, because both the union members themselves and the people are under the illusion that their effort to democratize their unions is at the same time contributing toward democratizing the nation.

In spite of the fact that almost all officials with whom we have constant contacts at government offices are union members, they are as arrogant and as irresponsible as the old line officials. The sight of young officials criticizing the reactionary and boss-like character of their senior officials, while being entertained by entrepreneurs at illegal restaurants is incongruous. The people should realize that such a situation will have a close bearing upon the coming personnel reduction in the Government offices.

Needless to say, a strong determination and comprehensive plans are necessary for the Government to carry out drastic administrative reforms, even though the urgent necessity of such a reform is indisputable. At the worst, however, the existence of the cabinet itself might be endangered.

At this juncture, it is earnestly hoped that the Government will be firmly determined to enforce its plan of administrative reform at any cost. The officials should realize that the discharge of superfluous personnel is now inevitable and that the people desire it. As long as officials attempt to hamper its enforcement, social confusion will be aggravated. Inasmuch as officials are the servants of the people, the welfare of the people is the first consideration.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 3 The Two-party System - Tokyo Times - 15 Feb 49. Translator: M. Ohno. (TK)

401:1

Summary:

DLP President YOSHIDA made public his hope for the realization of parliamentary government under the two-party system. His statement carries weight and suggests possibility of execution since he is president of the conservative party commanding an overwhelming majority in the Diet. As obvious from maneuvers actively conducted among the Democratic and the Democratic Liberals to consolidate the conservative front, the possibility of realizing the two-party system looms before the nation.

Not only Premier YOSHIDA but many would welcome a two-party system. Such a system formerly functioned in this nation. The BRITISH EMPIRE and the USA still maintain it. As desirable as this system is, the problem is whether or not it can be realized as easily as Premier YOSHIDA asserts.

Generally speaking, parliamentary politics under a two-party system require that the opposing platforms have something in common, that economic conditions be such as will permit the existence of the two parties, and that the general public be enlightened politically.

If the two parties completely differ, the people's livelihood and society will be hard hit whenever the transfer of administrative power takes place. Under such a situation the two-party system cannot exist. This system is possible in JAPAN when the conservative party concentrates its efforts on implementing socialistic policies, while the Socialists attempt to promote democracy with progressive and moderate policies and abstain from radical moves. In other words, it is recommended that the Socialist Party follow the example of the British Labor Party.

The Socialist Party suffered a disastrous defeat in the recent general election, for its leftist supporters entered the Communist fold. The Socialist Party must win back those who swung toward the extreme left. However, this is a task of utmost difficulty.

In the light of the present economic situation of the nation, it is also questionable whether or not the Socialist Party, which was intimate with the Conservative Party, can satisfy the general public in the future. In view of this fact the Premier's expectation to support the Socialist Party and realize a two-party system becomes difficult.

The Democratic Liberal Party is now maneuvering to absorb the Inukai faction of the Democratic Party with a view to labeling the new Cabinet as "a conservative single-party cabinet." However, if the Tomabechi faction of the Democratic Party stands opposed to the Democratic Liberal Party, the "conservative single-party cabinet" will inevitably become mere pretense. Such being the situation, it is evident that the desire for the two-party system is merely an impractical ideal.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 4 Fascism Rears its Head - Magazine: Choryu (Monthly) - Feb 49.
Translator: M. I. Suzuki. (MJF)

Summary:

A poster announcing a movement to retain the Emperor was seen on the large TORII of a shrine in Ehime Prefecture recently. It was initiated by the Kikuhata Brotherhood, one of the typical ultra-rightist organizations remaining in JAPAN, with headquarters in KUMAMOTO. There is something anachronistic and comical in the existence of such an organization but it is not to be dismissed lightly.

The following words appear in the prospectus of this organization. "The day of the Exalted Revolution has arrived. This Exalted Revolution is possible only through purity of youths' attitude toward JAPAN." The phrase "Exalted Revolution" is similar in concept to the "Imperial Standard Revolution" and "Showa Restoration." It goes on to say, "Sacred Mt Fuji and human Emperor, please keep these beautiful isles the world's everlasting paradise and, under the Emperor, make this an eternally neutral and exalted nation at which the world will wonder." It speaks of Mt Fuji and the Emperor as though they were symbols of the people.

If these phrases were for the purpose of attracting tourists, they might be tolerated, but the following statement reveals a serious aspect, too grave to be laughed off. "Youth, overthrow everything which hinders the revolution! Crush and obliterate the fascistic Communist Party which denies our national polity and supports only class struggle! Youth, uphold our nation's pure traditions, history, and spirit!" According to them this movement is "based on the fundamental which embraces all things and self-unification of absolute contradiction", suggesting NISHIDA's philosophy and the ideas of INOUYE Nissho.

To quote again from them, "The aggressive Communist Party blindly believes in Lenin-Marxism and has sinister designs to make JAPAN a SOVIET colony." We have heard of Marx-Leninism but not of Lenin-Marxism nor of the SOVIET's exploiting a colony. They continue: "The aggressive Communist Party blindly judges the Emperor system with unscientific, materialistic ideas. The aggressive Communist Party distorts Japanese history and frequently acts rebelliously against the Imperial Family." To them the Emperor is all important so they denounce the Communist Party in order to uphold the Emperor system. Confusion and contradiction of ideas are of little importance to them.

To cite extracts from the 1 June declaration: "Efforts to establish powerful anti-Communist fractions within organizations of the masses..." "Speed up the disruption and destruction of the Communist Party by activity of Kikuhata cells and fractions within the Communist Party...." "Even since re-establishment of the Communist Party in October 1946, members of our brotherhood have filtered into the Communist Youth Association and the Communist Party. This has caused terror and far within the Communist Party." It goes on to give the number of members who have infiltrated into the Communist Party.

These activities remind us of the secret police, but, unlike the latter, the numbers they give are fabricated and imaginary. They are supposed to have a chairman of the central committee, central committee members, central committee member candidates, a secretarial bureau, a political bureau, and an organization bureau. In the application for membership it is necessary to insist military service and special ability, a reminder of the Ex-service Men's Association. We discover here the same significance as the study of infantry drill regulations by a reader's club in a certain private university.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 11 Behind the Scenes of Coalition Maneuvers - Asahi - 11 Feb 49. Translator: K. Murakami. (UG)

40 1-1

Summary:

Owing to the great tenacity of the leaders, YOSHIDA and INUKAI, the stalemate between the coalitionists and no-coalitionists was broken on the eve of the premier designation vote, and the plan to form a conservative coalition cabinet, which had once been given up, began to make headway.

The situation was so unfavorable to the coalition until then that even YOSHIDA had apparently lost hope. Yet, faced by extremely difficult problems, his desire for a coalition has not been abandoned. He knows it will require great power in the Diet to accomplish the grave task of economic reconstruction confronting the next cabinet and to fight successfully against the extraordinary influence of the Communist Party.

Moreover, he is not certain that he can keep his own partymen in line. These are the factors which compel him to look for additional strength.

INUKAI believes that it will be to his advantage to join a coalition. He is not certain that he can long maintain his dominant position in the party; moreover he dislikes the prospect of a lengthy tenure in opposition.

Thus, he let it be known to YOSHIDA on 7 February that he is even willing to risk a split to join the coalition. YOSHIDA, after receipt of this message, gained new determination to work for a conservative coalition.

Meanwhile, the leaders of the Democratic-Liberal Party were excitedly maneuvering for cabinet posts. However, YOSHIDA himself took no notice. He only watched INUKAI's moves.

Finally, the two leaders, convinced that they could form a coalition, took the decisive step of visiting General MacARTHUR. Thus, their plan went smoothly.

However, there is still strong feeling against INUKAI in the Democratic-Liberal Party, and the Anti-INUKAI faction of the Democratic Party is also recovering from its discouraging situation.

A tory coalition appears to be in the making. But the difficulties to be overcome by YOSHIDA and INUKAI are still tremendous.

ITEM 7 A Convincing Administrative Readjustment Needed (Sub-Editorial) - Tokyo Shimbun - 18 Feb 49. Translator: M. Minato. (TY)

40 1-1

Full Translation:

In his first statement after the formation of his third cabinet, Premier YOSHIDA promised the enforcement of administrative readjustment. Since the government must abide by the nine-point economic program, this is perfectly justified. Recently, the Administrative Readjustment Council recommanded to the Government that 700,000 government employees be dismissed. The Democratic Liberal Party also made a similar an earlier pledge.

When we consider that the national appropriations demanded by various ministries have amounted to an enormous sum of 1,000,000,000,000 yen, we are at a loss to judge whether government officials are employed for the interests of the people or the people work to support government officials.

Although administrative readjustment is immediately associated with the discharge of government workers of lower ratings, drastic dismissal of high officials should be carried out in a like manner. There are too many high officials in present-day JAPAN. The appointment of a Chief Justice of the Supreme Court means the creation of one more position of premier rank. Upon adding judicial officials of the Supreme Court and neutral members of the Central Labor Committee, persons of the cabinet minister rank are as common as dirt.

The monthly allowance of a Diet representative including that of his secretaries is 60,000 to 70,000 yen. Therefore, the annual allowances for 466 Representatives total around 400,000,000 yen. In view of the fact that such an enormous amount is being defrayed, further exertion in the right direction is requested of the representatives.

Needless to say, such indolent government employees who start the morning off by playing ping-pong should be dismissed without mercy. At any rate, we earnestly hope for the enforcement of an administrative readjustment whereby government business can be managed speedily by few capable officials.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 7 Communists Flay Activities-Committee-In-IPTC-Out Policy - Akahata - 23 Feb 49. Translator: N. Kobayashi. (GS)

401

Full Translation:

Premier YOSHIDA is said to have decided to push his plan for creation of an un-Japanese activities committee through the Diet, at the outset of the resumed Diet session, on the strength of his Democratic Liberal Party's absolute majority in the national legislature. President WATANABE Tetsuzo, of the Toho Motion Picture and Theatrical Company, and two ex-Communists--SANO Gaku and NABEYAMA Sadachika--are reported to be taking part in working out the plan for the un-Japanese activities committee.

The objectives of the projected committee, though they have been kept in strict secrecy, are understood to lie in exposing the activities of the Communists, the idea being to make the general masses lose faith in the Communists.

Premier YOSHIDA intends to establish an un-Japanese activities committee on the pretext of controlling subversive activities by undemocratic bodies, attempting thus to suppress the Communists. Outline of the plan is said to have been prepared by YOSHIDA and Attorney General UEDA.

The plan for creation of the committee is apparently being supported and advised by various quarters, and Premier YOSHIDA is reported to be strongly confident of the success of his plan and to be determined to push it through the Diet on the strength of his party's absolute majority in the national legislature, at the outset of the resumed Diet session.

The objectives of the planned committee, though they have been kept in strict secrecy so far, are understood to be "to expose the activities of the Communists in order to cause the general masses to lose faith in the Communists." For this purpose, the projected un-Japanese activities committee, it is said, will take up the following matters for investigation:

1. Suspected accounts of labor unions, such as, for example, that of the All Japan Communications Workers Union, which was suspected of dishonesty at a recent meeting of the union's Central Committee, held at UJIYAMADA, will be taken up for investigation in order to probe whether or not any fund of labor unions has been diverted to the Communist Party.

2. The labor struggles which have been fought vigorously in the past will be taken up as so-called subversive activities detrimental to public order, in order to investigate how the Communists have attempted to disrupt public peace and order. For

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 7 (Continued)

this purpose, the Yomiuri Shimbun strike, the Toho Studio strike, the abortive 1 February general strike, and other strikes are said to have been earmarked for investigation.

3. Activities of the Communists within government offices will be investigated.

Especially noteworthy is the fact that WATANABE Tetsuzo is taking a leading part in the task of working out the committee plan. To devote himself to this task, he is said to have refrained from joining the Yoshida Cabinet. Two ex-Communists--SANO Gaku and NABEYAMA Sadachika--are said to be participating in the task in close connection with WATANABE. They had become acquainted with the latter through the good offices of a certain influential anti-Communist newspaper.

It is said that the projected un-Japanese activities committee will obtain necessary information from the police. Attorney General UEDA intimated that "I have full confidence in successful collection of information." It is also apparent that there are many within the Democratic Liberal Party who are taking a conservative attitude toward the plan, saying that "the projected committee, contrary to the aims of its creation, may serve to make the Communist Party even more a topic of popular conversation and, consequently, without becoming an 'Illegal Property Transactions Committee' against the Communist Party, it may instead serve to make public the true posture of the Communist Party and enhance the people's confidence in the Communists."

Communists Urge Reactivation of IPTC

The Communist Party is urging the activation of the Illegal Property Transactions Committee, while the Democratic Liberal Party is maneuvering to prevent this because of the fear that the committee will unearth the corrupt and scandalous actions of the party members.

The conservative political forces, which made Premier Yoshida announce the creation of an un-Japanese activities committee, are now intending to eliminate the Illegal Property Transactions Committee of the Diet, if they can, because they fear the committee will expose their own corrupt actions. Accordingly, the Communist Party has decided to step up the activation of the committee by appealing to various parties and factions within the Diet.

Communist Representative HAYASHI Hyakuro, at the inter-party conference of the House of Representatives last Saturday, asked representatives of the DLP if the latter intends to continue the IPTC. In reply to this, Democratic Liberal Representative ISHIDA Hirohide requested the Communist to present the issue again to the House Steering Committee after the Diet resumes its session next month. As a result, the Communist Party is now making preparations for presentation of its resolution, calling for reopening of the IPTC, to the House Steering Committee shortly after the resumption of the Diet session. It has decided to seek the co-operation of various parties and factions within the Lower House in this move.

The IPTC has been re-established as a special committee of the Lower House in each Diet since the second, and its achievements in cleaning up the nation's political world have been acknowledged by United States Army authorities, as reported in a UP dispatch dated 29 January.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 7. (Continued)

Nevertheless, the DLP, which contains a number of suspects involved in the State Coal Control Scandal and other illegal transactions, and which perpetrated more unlawful actions in the last general election than all other parties, is understood to be intending to hush up the problem of reopening the IPTC due to its fear of sustaining serious wounds in case the committee is reactivated.

Democratic Liberal Representative KAJI Ryosaku, who is regarded as a candidate for the next chairmanship of the IPTC, said last Saturday: "It is not clear whether the Democratic Liberal Party will agree to reactivate the IPTC or not. Since the opinion is gaining momentum within the DLP that reactivation would be meaningless if the committee remains as it has been, the IPTC may not be established in the current Diet session, unless certain circumstances make its establishment imperative."

The only ones hoping for the re-establishment of the IPTC at present are the Communist and Worker-Farmer parties, which are the real parents as well as the foster parents of the IPTC. Both the Democratic and the People's Co-operative parties have, of course, a conservative attitude toward this issue. The Japan Socialist Party has not clarified its attitude as yet. Even Socialist Representative MUTO Unjuro, former chairman of the IPTC, mumbled, "If the IPTC should be reactivated, the Communist Party would be delighted...." The Socialist Party apparently will not be opposed to it.

The Secretariat of the IPTC continues its existence on the pretext of winding up remaining business, and it is in a position to reactivate the committee whenever necessary. However, if the Lower House should fail to approve its reactivation before the end of March, the IPTC is doomed to be dissolved without settling a number of unsolved problems which have piled up before the committee.

Most Issues Left Unsettled

Cases which have been taken up by the IPTC for investigation and which have not yet been settled, or whose investigation has not yet been started, include the following:

The State Coal Mine Control case; the Showa Denko bribery-loan case and other cases relative to illegal Reconstruction Finance Bank loans, the Chiba Mutual Credit Association case; the leather blackmarketing case in NARA and other large-scale blackmarketing cases; the Nishimura hoarded goods case in SAITAMA Ken; the Textile Bureau case and the Silk Yarn Control Association case; the warships dismantling case; the materials and equipments illegal disposition case in the Transportation Ministry; and other corrupt actions by government officials.

The committee's investigations into the Tsuji case, the Sasebo case, the political donations' case involving building contractors, and others are said to have been temporarily concluded, but it is apparent that they have not yet been settled completely. The Communist Party is advocating that the IPTC should naturally take up for investigation a number of illegal acts, committed for the most part by the Democratic Liberal candidates in the last general election.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 4 Administrative Reform to Be Conducted in Two Phases - Yomiuri - 23 Feb 49. Translator: J. Wada. (GS)

Full Translation:

301-1

State Minister HONDA, at a cabinet meeting yesterday evening, explained the Government plan for government structural reorganization and personnel reduction (20 percent of the operative workers and 30 percent of the administrative workers).

State Minister HONDA submitted this reorganization plan so that the business of reorganization can be pushed in line with the formulation of next year's budget. HONDA's plan is based on the recommendation of the Administrative Structure Reform Committee, which called for a 30 percent reduction in the size of each government ministry or office, and more than a 30 percent cut in personnel thereof. Ministries have been speeding up the drafting of plans, by order of the Cabinet.

With the formulation of next year's budget within sight, the Government is determined to carry out administrative reorganization as the first step toward executing the nine-point Economic Stabilization Program.

In realizing the plan, the Government will not adopt the usual method of horizontal reduction but will resort to a two-phase measure, dealing with the Ministry Establishment Law and the Fixed Personnel Law separately. In this case, the administrative structures will first be re-examined and reduced in size; then the resulting excess of personnel will be subject to dismissal. Since the coming fiscal year is to see a large-scale reform in the entire administrative structure, the following points have already been projected:

1. Creation of a Trade and Industry Ministry--With the purpose of promoting foreign trade, the existing Commerce-Industry Ministry, Board of Trade, and Smaller Enterprise Bureau will be merged into a Trade and Industry Ministry, consisting of the foreign trade, promotion, enterprise, machinery, chemistry, textile, iron and steel, and other bureaus, and the secretariat.

Matters concerning coal, electric power, and mining, which are now under the jurisdiction of the Commerce-Industry Ministry, will be transferred to a Resources Board. The Board of Industrial Technology and the Patent Bureau, which are attached offices, will be maintained as such. Local-level agencies will be called Local Trade and Industry Bureaus.

2. The ESB's Executive matters will be transferred to ministries as much as possible, and the structure will be simplified. The Board will be connected directly with the Cabinet and will function as an over-all planning body.

3. The Ministry of Transportation--Operative departments will be separated from the administrative departments, and a Japan State-owned Railways Company (tentative name) will be established on an independent commercial basis.

4. The Ministry of Communications--The Ministry will be divided into the postal administration and telecommunication ministries. An Electric Wave Control Board will be created as an attached agency.

5. The Finance Ministry--The Monopoly Bureau will be separated as a Monopoly Corporation in order to put operative departments on an independent commercial basis.

6. Creation of a Board of Local Self-government--The Local Finance Committee and the Premier's Office Self-government Section will be merged, and a Board of Local Self-government will be created in order to put local finance on a firm basis.

7. The Ministry of Education--Subsequently, upon the establishment of the Board of Education, the Ministry will be reduced to six bureaus, not including the secretariat. Administration of matters under its jurisdiction will be conducted with the approval of the Board of Education.

8. The Attorney General's Office--The existing system of five assistants and a secretary-general will be replaced by a system having three assistants (legislation, civil affairs, and penal affairs) and a secretary-general. Besides, the existing 16 bureaus will be reduced to 12.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 10 The Need for a People's Government (Matsuda Tokiko) - Magazine: Jimmin Sensen (Monthly) - Feb 49. Translator: M. I. Suzuki. (TK)

4011

Summary:

About a month ago a community kitchen was started with five families, consisting of 20 people, participating. The aim was to give the women more spare time to participate in various gatherings, to read and to work outside of the home. At the same time, it was intended to aid unmarried people including students enduring the inconvenience of eating poor and expensive meals at meal ticket restaurants. It is hoped that in the future the community kitchen can prepare more abundant and nourishing meals than those in individual homes.

Delay or lack of rations are the biggest obstacles to group on community kitchens. That is why I am astonished at those who accept ration delays as a matter of course, just as they do the four seasons. This attitude must be attributed to the fact that they are able to purchase blackmarket rice and do not feel the pinch so to speak. This is a selfish and vain attitude. These people acquiescinglyresign toward delayed rations with the words, "Well, it can't be helped. JAPAN's been defeated." Their attitude of resignation is the very thing feared for the influence it will have on society.

Yesterday at the public bathhouse I witnessed a child of about five laboriously leading a blind, crippled old woman who walked with difficulty. If this were a nation with healthier customs, it is certain that this little child would not have had to bear the heavy burden of such an old woman.

Some people seeing the two and the innocent face of the child, remarked, "What a thoughtful and admirable child!" Yes, she was, but if society were to only praise the child and leave it at that, then society itself is blind.

It was reported recently that our ward had gathered 1,700,000 yen more than the estimated amount in metropolitan and ward taxes. When the question of how to dispose of this sum came up in the ward assembly, it is said the ward chief and chairman of the ward assembly each declared that they wanted private cars, while the majority of the ward assemblymen declared they would like to receive now the retirement allowance which would become due at the end of their four year term.

To this, only one person, a Communist assemblyman, argued that this money should not be used for selfish purposes since it was the cause of much sacrifice by the ward people, and that it should be disposed of only with their consent. When one steps to think of similar, selfish actions being openly practiced not only by the wards but by higher and more complex metropolitan and state governments, the necessity for a people's government is understood more than ever.

Grievances against the government can be heard no matter where one goes -- on the streets, in queues at food ration centers, at public baths, etc. But it is clear that the present government is not one which would give any consideration to them. It is said that the "Give us bread" movement by the French housewives, who were harassed by the lack of bread, led to the French Revolution. We must therefore utilize the grievances of the people as the force for establishing a people's government.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 Local Retrenchment Awaiting Government Plan - Osaka Asahi (Mie Ed) - 9 Feb 49. Translator: F. Noda. (JJY)

Full Translation:

401-1

Along with the anticipated full-scale personnel cut in the business world, retrenchment of the administrative structure and staff of local branch offices and agencies of the Central Government is also expected in the very near future. Already in several districts, government and public employees unions have started movement to fight this threat.

The situation common throughout the various prefectures of the Kansai district at present is that local administrators have not been able to map out any definite plans yet since the Government's own plans are still undecided. Their concern is directed on what standard to base their readjustments and what percentage of emplyees to drop from their payrolls.

Since the prefectural offices had heretofore refrained from taking on new employees because of vicious inflation, the number of persons actually employed has been 10 to 20 percent less than the number of employees authorized by the budget. Accordingly, it is believed that even if a 20 to 30 percent cut is decided, the percentage of employees actually released will be about 10 to 20 percent.

Tokushima City Office was the first to cut personnel. Mayor HARA, soon after he took office, ordered the release of 150 employees. His action created considerable stir. However, he settled the question by reinstating five of the 150, and with the surplus of 7,000,000 yen realized through the cut, he announced a cut in next year's city residence tax from the current 675 yen per household to 450 yen.

Recently, the Kochi Prefectural Assembly passed a resolution for a 35 percent cut in personnel employed by the Prefectural Government and demanded the governor to execute the measure. However, the governor was strongly opposed by the emplyees union. Caught in a dilemma, he sought volunteers for retirement by offering double the regular retirement allowance. However, no one has applied. Thus, the Prefectural Government is compelled to dismiss about 250, or 30 percent of the employees in March, the end of the 1948 fiscal year.

In view of the fact that persons of special skills are expected to be newly employed, the actual number of personnel to be cut is estimated at about 170-200. It is said that by this the Prefectural Government can save 14,000,000-15,000,000 yen.

With a view to executing a personnel cut as soon as the Central Government's plan is announced, the Kagawa Prefectural Government has already begun to find new jobs for employees it expects to release. Although the Maizuru City Office drew up a plan to drop 30 percent of its employees from the payroll, the action was halted because it found it did not have funds to pay retirement allowances. In the meantime, the citizens are charging that there are too many policemen and firemen. This matter of their dismissal is to be studied at a meeting of the Public Safety Commission, which is scheduled to meet shortly. Moreover, most of the 800-odd employees of the Repatriates Relief Bureau are to be dismissed upon completion of the repatriates relief work.

The Tottori Prefectural Government, in compiling the 1949 budget, had planned to effect a total saving of about 62,000,000 yen by dropping 137 (20 percent) general employees and 1,030 teachers. However, most of the savings will be in government subsidies, and the action will consequently result in increasing prefectural expenditures, instead of reducing, by several ten-millions.

A personnel cut of about 20 percent will leave SHIGA, NARA, ISHIKAWA, and FUKUI prefectures and KYOTO, NARA, KANAZAWA, and FUKUI cities untouched because they had resolutely refrained from filling vacancies in anticipation of a retrenchment. Shiga and Ishikawa prefectural governments have been operating at 25 percent under budget-authorized strength; and NARA Ken, 23 percent. For earthquake-stricken FUKUI Ken, which needs about 400 extra employees for reconstruction, administrative readjustment is out of the question.

In KYOTO Shi, the City Employees Union and the City Council Employees Union have launched a joint drive to make KYOTO a special municipality by annexing parts of OTAGI and OTOKUNI Guns. Such being the case, even with the accompanying transfer of personnel from the Prefectural to the City Government, an increase rather than a decrease in city employees seems inevitable.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 2 Fascism and Democracy (Oka Kunio) - Magazine: Jinmin Sensen (Month Feb 49. Translator: K. Sugasawa. (JJY)

401.1

Summary:

Totalitarianism is a political system which was called fascism in prewar days, when it was commonly acknowledged that JAPAN was also a totalitarian nation. It was, furthermore, believed that her state system was fundamentally contradictory to such a socialistic state as the SOVIET UNION. However, since last year strange to say, the USSR has often been branded as a totalitarian country.

Democracy and totalitarianism are in essence direct opposites, and since JAPAN has advanced into a democracy, any country in opposition to her would be considered a totalitarian state. Yet since there is no evident change in the political system of RUSSIA from prewar years, there is no reason the USSR should be branded a totalitarian state.

In postwar JAPAN, the labor unions and their federations have been extensively organized to protect the rights and livelihood of the working people. These are clearly democratic organizations. However, at the same time, movements to destroy or split these organizations are becoming evident, and they are known as movements for the democratization of labor unions. The fact that the two contradictory movements are known as "democratic," is an incomprehensible phenomenon.

Despite the obvious fact that the labor unions of today are democratic organizations, those who are behind the movement to split them maintain that the unions are antidemocratic and totalitarian. It is quite unreasonable that two opposing movements should be classed under the same nomenclature.

With the people in the depths of mental confusion and with the existing state of economic confusion, an unreasonable and confused interpretation of democracy and totalitarianism, which exerts a big influence upon the people, cannot be permitted. True interpretations of these terms must be clarified by all means.

Although the term "democracy" was adopted by the Japanese everywhere immediately after the war, it is doubted whether its true significance was understood, due to the fact that the Japanese people have never had the opportunity to experience democracy. Originally, it is a political system, but its significant characteristic lies in the fact that it is founded on production. Democracy is not characteristic of capitalism. For instance, the birth of a modern and typical democracy in AMERICA was attributable to the fact that her productive power was rapidly increased. Backed by the rapid development of her productive power since the Civil War, AMERICA was able to establish a political foundation for this democracy.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

POLITICAL

ITEM 2 (Continued)

A new democracy is being created at present through the struggles of the working people to protect their livelihood, and through their constructive efforts for the restoration of production. There are no two different types of democracy. Just as the ardent desire for democracy was maintained by the Puritan pioneers in AMERICA, who extended the western frontier in the initial stages of American capitalism, it is at present maintained by the Russians, who are working to develop their country into the largest productive state in the world.

Another characteristic of democracy lies in its antifascistic spirit. We consequently do not believe in such a "democracy" as is advocated today by those who were the apostles of fascism during the war years. We must regard them with hostility and fight against them. With this in mind the meaning of the term "democracy" must be clarified once and for all.

The Japanese in general in observing the political situation, claim that regardless of who assumes the reins of government, the result will be the same. They have, however, mistaken the politics of today, which is backed by monopolistic capital and aims at protecting their interests alone, for politics in the original sense of the word. They neither believe nor expect that true democratic politics will be realized by breaking down or sweeping away monopolistic capital and its domination. No matter how earnestly a government may advocate democracy, it cannot but side with the reactionaries and fascists as long as the capitalistic class exists.

It is now discussed in the National Diet that in the near future the labor laws will be revised adversely for the worker. The capitalists are plotting the split of the workers' organizations and adopting methods of oppressing the activities of labor unions striving for true production rehabilitation.

Under this situation, it is feared that in spite of the recent remarkable development, all labor unions in our country will soon degenerate into organizations no better than the former Patriotic Industrial Association. The capitalistic class is making every effort to lower the living standard of the masses to the minimum.

The people, firmly believing that a true democracy can be created through the production of the working people and their struggles, must courageously fight all opposition and violence.

ITEM 5 Third Economic White Paper Seen - Kogyo Shimbun - 23 Feb 49.
Translator: T. Mitsuhashi. (TK)

461.1

Full Translation:

The Government expects to issue the third Economic White Paper this month in order to acquaint the people with the economic conditions of JAPAN under the Nine Point Economic Stabilization Program and to impress them with the need for austere living for the time being.

The first economic white paper was issued in July 1947 by the Katayama Cabinet and the second in May 1948 by the Ashida Cabinet. This will be the third since the end of the war.

The present white paper, unlike the preceding two which gave a full description of the then prevailing economic conditions, will point out only the essentials in line with the Nine Point Economic Stabilization Program. It will not take the form of a theoretical treatise with general and subordinate chapters as was seen in the previous two, but will take the form of a story. It will stress the need of a life of austerity in the interests of JAPAN's self-sufficient economy in the future...

The paper will compare the favorable factors, such as increased production, improved food situation, and slackened inflation, with the various unfavorable factors accompanying the faithful enforcement of the Nine Point Economic Stabilization Program.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 29 What Is "Un-Japanese"? - Tokyo Shimbun - 25 Feb 49. Translator: J. Aomi. (WM)

401

Full Translation:

It is reported that the Government is contemplating the establishment of an "Un-Japanese Activities Committee." Though we do not yet have a clear idea of the details of this plan, it is at least that the projected committee will be similar in purpose and composition to the un-American Activities Committee which was in the UNITED STATES in 1938.

The plan itself is not a novelty. It has been repeatedly suggested since the time of the Ashida Cabinet. Then why could it not be realized sooner? We must point out here that in dealing with this plan we are confronted with a number of extremely difficult problems.

In the first place, what is meant by "un-Japanese"? In the UNITED STATES, the Dies Committee defined un-American activities as "rightist and leftist movements and individual behavior incompatible with the principle of American democracy." According to this definition, the Un-American Activities Committee had a fairly clear-cut mission to fulfill. Just at that time, the Nazi fifth column was beginning its activities, and in order to keep military and diplomatic secrets, it was urgently necessary to investigate the activities of antinational elements. Accordingly, the notion of un-American activities was a well-defined category. Later, since the Thomas Committee set up in 1947, the emphasis shifted from the right to the left wing through a series of events, such as the Canada Incident, the investigation in Hollywood etc.

This transition, whether it was effected consciously or unconsciously, seems to have been a natural phenomenon. In JAPAN, however, what shall we designate as the objective of "un-Japanese activities"? Unless the people in general have a clear idea of what this term means, the projected investigation will be impossible, or, if attempted at all, will certainly end in failure.

It is generally supposed that the object of this plan is to investigate the subversive activities of the Communists. The object Premier YOSHIDA has in view will probably be similar. If so, it will be necessary to clarify the fact that there are dubious points in the activities of the Communists and that, therefore, steps should be taken to investigate these points with a view to preventing subversive movement. If, without clarifying these points, the Government takes advantage of the ambiguity of the term "un-Japanese," it will be extremely difficult to establish such a committee. Even if

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 29 (Continued)

such a committee is established, it will be unable to discharge its functions satisfactorily.

The Communist Party is strongly opposed to this plan, which it criticizes as being "an attempt to revive militarism." But it will not be advisable for the Government to form a committee of a neutral and vague character in order to appease the Communists.

In this country, rightwing activities can be completely suppressed with Potsdam Ordinances and other measures. Therefore, nowadays, everybody knows that it is important to check the subversive movements of the leftwing camp. However, since the freedoms of the leftists are protected by the Constitution, it is very difficult to judge how far the Government should be allowed to investigate their activities.

The Sorge Case, as far as the results are concerned, offers an example in this respect. Whether or not the investigation may be carried out to such an extent is a question which must be answered first of all.

Further, it is doubtful whether our existing political parties are really able to conduct, with a small staff, investigation activities as efficiently as the US Un-American Activities Committee. Moreover, can they come up to the Lower House Diplomatic Committee in the discharge of their functions? If the Diet is unable to conduct the investigation, the task must be undertaken by the Government.

However, there is the danger that prosecution and police forces will be employed for investigation purposes. Such a state of affairs is questionable from a juristic viewpoint, inasmuch as the Constitution does not permit the use of procuratorial power without due authorization. In this connection, it must be noted that the Mundt-Nixon Law, which was one of the conclusions of the Un-American Activities Committee, was rejected by the Senate as being unconstitutional.

On the other hand, however, it is certainly necessary to eliminate unbridled Communist activities, which often seriously hamper the reconstruction of JAPAN. But, since these are for the most part merely actions that hamper economic rehabilitation, we should stop to reconsider the propriety of indiscriminately calling them "un-Japanese." As long as the Japanese nation, which is still in its formative years as a newborn nation, has no established national traditions, it is only natural that nobody should be in a position to determine to exact meaning of "un-Japanese."

ITEM 3 People's Convention Held in SAPPORO - Akahata - 22 Feb 49.
Translator: S. Emoto. (MJF)

401.1

Full Translation:

SAPPORO - A convention to rouse the working people of HOKKAIDO was held under the auspices of the Hokkaido Democratic Council at the Sapporo Central Civic Auditorium on 16 February. Six hundred persons attended.

Resolutions were passed against malrevision of the labor laws and the rice-delivery system of making light demands on rich farmers and heavy demands on poor ones. It was also resolved that the labor-farmer front should unite and that taxation on medium and small enterprisers should be further democratized. An urgent motion opposing establishment of an un-Japanese activities committee, proposed by the Government Railway Workers Union, carried unanimously.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 6 Administrative Reform a First Necessity (Letter to the Editor) - Asahi - 7 Feb 49. Translator: H. Furukawa. (TK)

401

Full Translation:

At a round-table discussion of political party representatives held by ASAHI SHIMBUN a few days ago, Mr HIROKAWA, secretary-general of the Democratic Liberal Party, stated that his party would cut down administrative personnel by 30 percent to fulfill its pledge to the nation.

We have no objection to administrative readjustment, but believe there is something to be considered before its enforcement. That is, the increased official business due to the ill-schemed postwar administration necessitated an increase in administrative personnel. The Government should consider the conditions of lower officials, as well as the so-called bureaucrats who rank high in the central offices and receive high salaries.

As the position of the officials has changed drastically since the war and has been reduced to the status of public servants, much difficulty is encountered in fulfilling duties, for the people are not yet enlightened about democratic government. Furthermore, the Government continuously makes useless laws and regulations which harass and place a cumbersome burden on the lower officials.

As to local governments, they are burdened with the affairs of the central government as well as their own, resulting in repetition in the nature of their work. Consequently the local government offices are short of hands. The taxation offices, both local and national, can hardly manage their affairs with their fixed personnel, because the present taxation system is extremely complicated. On the other hand, there is no doubt that the lower officials will be sacrificed by administrative readjustment.

With conditions as they are, the Government should first of all carry out a thorough reorganization of the inefficient administrative structure. For this purpose, the readjustment of official businesses, such as the abolition of useless laws and regulations and the merger of local and national organizations, is most necessary. The surplus personnel should be absorbed in fields of production. The politicians who curtail personnel only to save face or balance the budget should be dismissed in the next election.

(ITO Suekichi, local official, SHIBATA, NIIGATA-Ken)

ITEM 28 Un-Japanese Activities Committee - Nichi Nichi - 26 Feb 49. Translator: J. Aomi. (WM)

401

Full Translation:

We first thought that Premier YOSHIDA was speaking merely on the spur of the moment when he remarked that he was planning to set up what would amount to an "un-Japanese activities committee." To our astonishment, however, the Premier seems to be really anxious to materialize this idea. Premier YOSHIDA, who is well versed in foreign affairs, must be well aware of the fact that the Un-American Activities Committee of the US Lower House began first with the Dies Committee, which investigated the activities of the Nazis and Fascists, and then gradually concentrated its attention upon Communist movements. At the same time, he must know how much caution has been used by the Lower House in running this committee.

But, even apart from these considerations, it is extremely difficult for us to grasp what the Premier means by un-Japanese activities. It is a good thing for Premier YOSHIDA and his Democratic Liberal Party to engage in an active anti-Communist movement. However, considering that JAPAN is now under Allied occupation and is barely making ends meet with the aid of EROA and GARIOA funds, the Government might do well to avoid being presumptuous about setting up such a committee. We may be justified in suspecting that some gross misunderstanding may have crept into this plan.

If Premier YOSHIDA desires to set up an anti-Communist committee, he might do so with impunity, provided that all the relevant provisions of the Constitution are fully respected. But if he identifies "un-Japanese activities" with Communism or confuses the two issues, he will not only be interfering with the life of the people, but also sowing seeds of future trouble. Besides, it would be foolish as well as dangerous for a nation which has just been initiated into the first principles of democracy to ape the manners of grown-up nations. This is the point which we must bear in mind when we consider the question of an "un-Japanese activities committee."

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 21 What Is Desired of Administrative Reform - Mainichi - 26 Feb 49.
Translator: S. Higashi. (ELE)

4011

Full Translation:

Administrative reform has become the most important policy of the Yoshida Cabinet. To date, the center of debates has been the question of cutting down government personnel. But, at the Cabinet meeting on 25 February administrative reform took on a dual character--- the reorganization of administrative structure and the retrenchment of personnel. In addition the deadline for the enforcement of these reforms was set as 1 June. Administrative reform is the first test of the Yoshida Cabinet and by its success or failure the nation will be able to judge the ability of the Cabinet to carry out the nine-point Economic Stabilization Program. In other words, the fate of the Yoshida Cabinet hangs upon this experiment.

It is natural that administrative reform should be carried out parallel with personnel retrenchment and reorganization of administrative functions. Despite the fact that JAPAN shrank in size as a result of the war, the administrative and personnel structure has increased. Recently the number of ministries has grown and, unnoticed by the people, attached bureaus equalling ministeries in size have sprung up like bamboo sprouts after a spring rain. In addition, administrative organs have become ridden with sectarianism, while bureaus and sections have tended daily to become more specialized and have been divided into smaller and smaller units. This is at complete variance with the spirit of public service and must be regarded as a symptom of the ideology of "government first." Government officials are reaching the stage where they consider the convenience of the general populace as secondary and tertiary matters. Thus, in order to obtain a single permit for some affair private individuals must make a pilgrimage to three to four sections and bow numerous times.

However, if sections and bureaus are merged, the resulting convenience to the general populace will be immeasurable. In addition, personnel duplication can be drastically retrenched. The long-pending question of doing away with representative organs of the central government in the districts will, in all probability, be carried out soon. But, these organs also are the products of sectarianism. The Cabinet plan calls for a 30 percent reduction in the scope of departments and bureaus, but the Government should carry out not so much the reduction of personnel but rather adjustive mergers. The co-ordinated plans for the concrete adjustment of administrative organs should be formulated conscientiously by each respective government organ and should be studied with care by the Cabinet. Unless the Cabinet has sound plans in carrying out its administrative reform, it will not be able to achieve the effects that it desires in face of the fanging up of bureaucrats.

With regard to the adjustment of personnel, the expected figures of 30 percent in the general account and 20 percent in the special account were recognized. In addition, a law stipulating the fixed number of personnel for each government organ is to be formulated and to be put into effect on 1 June. Viewed in the light of the present condition of national finance, retrenchment in government personnel is absolutely indispensable. If the families of government officials are also included, one in every eight of the nation's population is being fed and clothed by taxes, a situation where government officials are eating the country to death. But, if even the slightest mistake is made in the method and the procedure of reducing government personnel, then the reform of the administrative structure may have been accomplished but unemployed will fill the streets. If such happens, although government offices and enterprises may become "rationalized," the nation itself will become "unrationalized."

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 21 (Continued)

At the demands of the Democratic Liberal Party, expenditures for public works have been increased to the sum of 90,000,000,000 yen, while funds for unemployment measures and unemployment insurance have been budgeted at 15,000,000,000 yen. When we think that the adjustment of private enterprises will be carried out on the heels of administrative reforms, the above budget is totally inadequate. According to the estimates of the Labor Ministry, the army of 1,800,000 unemployed will be absorbed completely without question. However, when we think of the economic changes that will be brought about as a result of the execution of the nine-point Economic Stabilization Program and the establishment of a single exchange rate, we cannot allow ourselves to trust such optimistic estimates.

The Government itself declares that, unless a reserve fund of 10,000,000,000 yen is set aside in addition to the above, a complete guarantee cannot be provided. We feel that it is unreasonable to expect too great a savings in the budget in the initial year as a result of the administrative reform. If the worries of government organs and private enterprises over the question of superfluous personnel merely become anxieties about the creation of a vast army of unemployed, the whole thing would have no meaning from the standpoint of the nation as a whole. If such a situation should arise, the critical social situation will be dangerously aggravated. The retrenchment of personnel cannot be accomplished by half-way measures, and the Cabinet must also formulate drastic policies with regard to the budget. Unless it does so at the present time, a question will arise in the future that will not allow for solution by budgetary means.

The delay in the payment of Goverment accounts is not limited to public works engineering firms alone. In the process of drawing up numerous documents the Government is prone to let favorable opportunities slip by. And it is not in the least new to find that six months are needed before final decisions on government personnel questions are reached and the orders are issued. If the same sort of haphazard handling of personnel matters is repeated in the pending dismissal of more than 570,000 government workers, the matter will not only become a grave responsibility of the Cabinet but also a grave humanitarian question. Even if a government worker is given a retirement allowance of 50,000 yen or 100,000 yen, it goes without saying that he cannot live on that sum for any great length of time. The Cabinet decision to the effect that after 1 June "personnel over the fixed number can be kept on for a considerable length of time," is a measure that takes into consideration a certain amount of delay in the enforcement of unemployment measures. In sort, unless an honest and blunt stand is taken with regard to administrative adjustment both in the field of policies and money matters, good results are not to be expected. At the same time, an all-out paternal feeling of kindness is necessary.

ITEM 16 Cabinet Ministers Call on Whitney of Govt Section - Nihon Keizai - 26 Feb 49. Translator: T. Fukushima. (ELE)

401.1

Full Translation:

State Minister HONDA and Chief Cabinet Secretary MASUDA called on Chief WHITNEY of Government Section, GHQ, at 1630 hours yesterday and discussed the administrative adjustment problem.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 Ikeda, Kiuchi Discuss Cabinet Financial Policy - Jiji Shimpo - 22 Feb 49. Translator: T. Hemmi. (TK)

Full Translation:

401/1

The following is a dialogue arranged by Jiji Press between Finance Minister IKEDA and KIUCHI Nobutane, managing director of the Japan Economic Rehabilitation Council and critic, on 21 February to discuss the new economic policy of the Government, the official pledges of the Democratic-Liberal Party and its assertions for a laissez faire economy.

KIUCHI: I understand that the draft of the 1949 main budget is to be submitted to the Diet by 10 March. Can we expect any further changes?

IKEDA: Although slight changes may have to be made on some of the figures which were compiled quite some time ago, the total amount will remain approximately the same, probably under 600 billion yen. The main budget is slated to be introduced to the Diet by 10 March, upon revenue, expenditure and other key items being approved by the Cabinet.

KIUCHI: We appreciate your rushing it, but we are afraid that, in your haste, you may fail to manifest your policies in the budget.

IKEDA: The official pledges of our Party, including the abolition of transaction tax and enforcement of administrative adjustment, are all manifested in the budget so there is no worry on that count.

Effect of Single Conversion Rate

KIUCHI: In connection with the budget compilation, do you agree that the settlement of a single conversion rate will affect production cost, price structures, and subsidies?

IKEDA: That would seem a logical result, but I want to cut subsidies only to the extent that they will not affect the general commodity price. This problem can definitely be solved. However, I am not considering the single conversion rate as yet and intend to wait until it is actually established before studying these problems.

KIUCHI: Some feel that the suspension of subsidies will certainly raise production costs and various other expenses, which, in turn, will cause the undue raising of taxes. Have you considered this?

IKEDA: I don't intend to suspend subsidies entirely, but only to reduce them to the extent where the prices of secondary and tertiary products will not be affected.

KIUCHI: Then, do you predict the rationalization of enterprises?

IKEDA: Yes, business rationalization is necessary. The slashing of subsidies may also lessen profits on secondary and tertiary products.

KIUCHI: I wonder if secondary and tertiary products have a large enough margin to withstand a cut.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 (Continued)

IKEDA: I think so. Unprofitable enterprises will have to go since we are no longer interested in the heretofore cost price principle.

KIUCHI: Won't such a policy eventually enable the lifting of control?

IKEDA: That would be quite a different matter.

KIUCHI: I disagree. Won't the market principle, namely the price law, in which prices are determined not by cost-price but by the demand, automatically lead to a laissez faire economy?

IKEDA: The cost-price principle will not be abandoned entirely, just the past method of fixing prices according to maximum cost price.

Effect of Budget on Tax

KIUCHI: How will the 600 million-yen national budget reflect on taxes?

IKEDA: Frankly, I am for reducing taxes.

KIUCHI: Do you mean that you want to but there are no such prospects?

IKEDA: For example, the repeal of the transaction tax and the enforcement of administrative readjustment may momentarily reduce taxes. However, the independent accounting system will require additional revenue, and the public tax burden will remain the same. At any rate, I would like to bring down taxes below last year's.

KIUCHI: If this year's taxes were to be as large as last year's, they would still constitute an unreasonable burden. There is also much doubt regarding the method of calculating the national income, which I understand is deduced by multiplying the 1946 national income by the rates of increase in prices and production. Even if the 1946 national income were correctly computed, the use of such a calculation method is highly questionable. The total of proceeds may increase along with greater production and inflating prices, but where is the assurance that profits have also increased proportionately?

IKEDA: I believe that the current method of calculating the national income is adequate. However, it would be fallacious to compare the public tax rates of 30 percent in the UNITED STATES, and approximately 20 percent, including local taxes, in JAPAN and conclude that the Japanese can bear additional taxes, because the more even distribution of wealth in JAPAN is lowering the people's tax-bearing capacity.

KIUCHI: I agree. Most of the current taxes are of the type that drain capital. The calculation of the actual national income does not include amortization. I feel that the method of computing the national budget should be made public and revised according to public opinion.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 (Continued)

IKEDA: Tax imposition is definitely a problem. The propriety of taxing profits resulting from inflation is controversial. Such profits should be assessed, but an overly drastic tax rate will result in the draining of capital. The difficulty lies in drawing the line at the proper place. This would be the case in any country amidst an inflation, during which no one actually profits.

KIUCHI: This problem is linked with the accumulation of capital. The method of calculating the national income is based on profits resulting from inflation, which would be the draining of capital.

IKEDA: Assets revaluation will solve the problem.

Tightening of Bank Credit

KIUCHI: The nine-point economic stabilization program is generally believed to call for the tightening of bank credit. However, the loan clause of the program provides that loans should be restricted only to enterprises which truly contribute to JAPAN's economic rehabilitation. Since nearly all of JAPAN's industries fall into this category, how can this clause possibly be interpreted as requiring tighter credit.

IKEDA: The tightening of bank credits simply means that only essential funds will be provided. Essential enterprises will be selected according to the degree of their contribution to JAPAN's economic recovery, since all enterprises contribute somewhat to economic rehabilitation. The forming of hasty conclusions is perhaps a trait of the Japanese people, so the denial of nonessential funds is promptly interpreted as tightening of credit.

KIUCHI: But, the fact remains that credit is being tightened.

IKEDA: The major reason for this is that financiers are reluctant to extend credit unless the future economic picture is clarified. Since the nine-point economic program provides that only necessary funds should be provided, financiers have difficulty co-ordinating banking with industrial recovery. Although the tightening of bank credit in advance of personnel readjustment is putting the cart before the horse, personnel readjustment is necessary in both the Government and commercial industries. Not a single large company in JAPAN has collapsed since the war's end. Economic rehabilitation cannot be speedily effected with such favorable conditions existant. The panic following World War I was the typical postwar economy.

Toward a Laissez Faire Economy

KIUCHI: From a social viewpoint, rationalization of industries should be voluntary instead of by pressure from financial circles. I believe that the Democratic-Liberal Party's policy is to bring about a laissez faire economy. At any rate, I hope that you will continue with your policy toward decontrol.

IKEDA: One phase of the policy will be the slashing of subsidies, which will cripple some and benefit others.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 (Continued)

KIUCHI: Although there is much more to be desired, I am convinced that your course generally points toward a lissez faire economy and sincerely hope that you will succeed in realizing it.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 Administrative Retrenchment Plan Wins Cabinet Approval - Tokyo Shimbun - 26 Feb 49. Translator: N. Kobayashi. (1)

401.1

Full Translation:

The Government, at its Cabinet meeting yesterday, formally approved its plan for carrying out an overall adjustment of its administrative structure and personnel on 1 June, instead of 1 April as originally planned. The number of government employees, who will be dismissed as a result of administrative adjustment, is estimated by the Finance Ministry at slightly less than 570,000.

The administrative adjustment plan calls for a 30 percent reduction in the scale of the administrative set-up as well as in the fixed number of the administrative personnel. It features also the division of the Communications Ministry into two new Ministries of Postal Administration and Telecommunications and reorganization of the Government railway and monopoly enterprises into "kosha" (public corporations) effective 1 June.

The adjustment plan was worked out by the Government after it had made assiduous and careful deliberations on administrative adjustment, an issue which constitutes the mainstay of public promises

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 1 (Continued)

made by the Democratic Liberal Party. The final plan is almost an entire adoption of the tentative plan drafted earlier by State Minister IWAMOTO Nobuyuki, but the enforcement date is delayed two months for technical reasons. While the Iwamoto plan estimated the number of government discharges at 570,000, the formal plan calls for the dismissal of slightly less than that, according to Finance Ministry's estimates.

Adjustment by a Law or Administrative Ordinance Likely

It is expected that the administrative adjustment will be carried out on the basis of a law or an administrative ordinance to be promulgated shortly, instead of Article 78 of the National Public Service Law reportedly being planned by the Government.

President ASAI and Administrators UENO and YAMASHITA of the Personnel Commission yesterday morning called on Blaine HOOVER, chief of the Civil Service Division, Government Section, SCAP, at GHQ, and conferred on special measures relative to administrative adjustment. As a result, it is understood that the enforcement of the administrative adjustment on the basis of Article 78 of the NPS Law was held to be improper.

Since it has been confirmed that the administrative adjustment is an emergency measure and that it is improper to carry it out on the basis of regulations of the Personnel Commission, apart from technical methods of enforcement, President ASAI yesterday afternoon informed Chief Cabinet Secretary MASUDA Kaneshichi to this effect.

Gist of Administrative Adjustment Plan

1. Administrative structure:

a) Departments and bureaus of the ministries and government agencies shall be abolished, reduced or merged with the object of reducing the scale of their structures by roughly 30 percent. Ministries and government agencies shall present their respective bills calling for establishment of the ministry or the agency as well as bills for revision of their organizations to the Cabinet by 15 March.

b) The laws for establishment of the ministries and government agencies shall be put into effect 1 June.

c) The laws for establishment of the Postal Administration Ministry and the Telecommunications Ministry as well as the State Railway "Kosha" Law and the Monopoly "Kosha" Law shall be enforced from 1 June.

d) Agencies of the ministries and government agencies in the prefectures shall be abolished in principle, and businesses under their jurisdiction shall be transferred to respective prefectural governments.

2. Adjustment of Personnel:

a) The fixed number of government employees paid from the General Account shall be reduced roughly by 30 percent. This policy, however, shall not be applied to the police, prosecution, prison and school personnel.

b) Government employees paid from the Special Accounts (such as the State Railways and the Monopoly "Kosha") shall be cut by 20 percent.

c) Employees of agencies acting for the Government, such as various "Kodan" (government corporations), whose wages are paid from the National Treasury, shall be retrenched by 20 percent.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 1 (Continued)

3. Bills calling for fixed numbers of employees in the ministries and government agencies shall be presented to the Cabinet by 15 March to be enforced from 1 June. However, the ministries and agencies may retain some of their surplus employees over the new fixed numbers during a certain period after 1 June, pending completion of personnel adjustment.

4. Co-operation shall be sought from the National Diet, the courts of law, the Board of Audit, the Personnel Commission, local public entities and others in carrying out simplification of the administrative set-up and adjustment of administrative personnel.

5. Retirement conditions and unemployment policy, which will become necessary as a result of the administrative adjustment, shall be decided separately.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 6 Gov't Sets Policy for Transfer, Abolition of Agencies - Jiji Shimpo - 28 Feb 49. Translator: N. Matsumura. (GS)

401-1

Full Translation:

The basic policy of government reorganization will follow lines suggested in a report by the Administrative Structure Reorganization Council. The Cabinet adopted this policy at its meeting last Friday. The reorganization will reportedly include the following:

Premier's Office--The Pensions Bureau will be shifted to the Personnel Commission. The statistics bureaus of the Premier's Office and of each ministry, and the Statistics Commission attached to the Premier's Office will be consolidated into one Statistics Board. The Bureau of Decorations will be made an integral part of the Premier's Office, as will the Central Liaison and Co-ordination Office. The Local Affairs Office will be shifted to the provinces, while the Reparations Board, Prisoner of War Information Bureau, and Special Procurement Board will be attached to the Foreign Ministry. The Imperial Household Office will become the Imperial Household Board, but it will remain attached to the Premier's Office. The Economic Stabilization Board will be reduced to a pure planning agency, at the bureau level. In consequence, the Central Economic Investigation Board will be abolished, and the planning and legislation functions of the Price Board will be merged. The Local Finance Commission and the Local Self-Government Section will be combined to create a Local Self-Government Board.

Foreign Ministry--The Public Relations and Special Records Divisions will be abolished.

Finance Ministry--The Public Monopoly Corporations Law will split off the Monopoly Bureau.

Attorney General's Office--The legislation Bureau and Research and Opinion Bureau will be amalgamated.

Welfare Ministry--The Social Affairs Bureau will absorb the Children's Bureau, and the Medical Affairs Bureau will include the Pharmaceutical Bureau. The Public Sanitation and Disease Prevention Bureaus will merge.

Construction Ministry--The Highway Bureau will be transferred to the Transportation Ministry. Erosion Control Functions and Land Development Bureau of the Agriculture-Forestry Ministry and part of the Electric Power Bureau of the Commerce-Industry Ministry will merge to form one bureau in this ministry. Local construction offices will be closed.

Commerce-Industry Ministry--The new Trade-Industry Ministry will be created out of this ministry, the Board of Trade, and certain sections of the Foreign Ministry. The Coal Board will absorb part of the Electric Power Bureau and the Bureau of Mines.

Agriculture-Forestry Ministry--Fusion of the Food Bureau and the Food Control Bureau will result in a Food Board. Either the General Affairs Bureau or the Research and Statistics Bureau will be liquidated. The Fisheries Board will be reduced to bureau status.

Labor Ministry--Personnel only will be retrenched.

Transportation Ministry--The National Railway Law will remove the Railway Board and Maritime Board from this ministry.

Communications Ministry--Division of this ministry under a Postal Ministry Law and a Telecommunications Ministry Law has been contemplated. However, further study will be undertaken, since it is felt that such a split up may not be in the best interests of administrative retrenchment.

Education Ministry--The Textbook and Research Bureaus will go out of existence. A School Affairs Bureau, Arts and Sciences Bureau, and Culture Bureau will replace the School Education, Social Education, and Scientific Education Bureaus.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 Appeal to Inukai's Intelligence - Shin Yukan - 2 Feb 49. Translator: I. Kuniko. (SS)

Y01-1

Summary:

It is desirable for Democratic President INUKAI to disregard Democratic Liberal President YOSHIDA's bid and the political desires of rank and file Democrats and make a staunch stand as an opposition party leader. It is absolutely necessary for the Democrats to retain their party independence as the only sound political party among those which have lost their ideals since the end of the war and prepare themselves for the next government.

A conservative front merger to bring about a two-party system is advocated by some, but the unnatural union of the Democratic Liberals and the Democrats cannot bring about a democratic government. We doubt whether the present national election system is suitable for developing democratic government and whether it can really represent the will of the people effectively. A long time will probably elapse and many Diet dissolutions will have to take place before an effective and ideal two-party government can be realized.

One may argue that things should not be done so leisurely, and this view may be partially correct. By mistaking democracy for politics by the majority, if one should demand that conservative leaders such as YOSHIDA, INUKAI, ONO and TOMABECHI unite as quickly as possible to stabilize the political situation, there would be no greater fallacy. If incompatible conditions are forcedly combined, the political situation, far from being stabilized, will become more confused. One may further argue that it is urgent for conservative forces to form a common front against the Communists. There is no assurance that some Democrats are using such arguments in their search for ministerial posts.

If the Democratic Liberals and the Democrats wanted to merge, why are they maneuvering to do so at this late date, instead of having united before the general election? Since they did not do so then, it is advisable for both to wait for a favorable time to consolidate on a sound basis.

INUKAI is one of the rare intellectuals in modern political circles. Therefore, we believe that he will not fail to settle the political situation and develop the democratization of JAPAN. President INUKAI can rationalize the nation's party politics only by taking an opposition stand and preparing himself for the next government.

ITEM 5 Separate Law for Administrative Reorganization - Jiji Shimpo - 27 Feb 49. Translator: J. Wada. (GS)

Y01-1

Full Translation:

The Government Saturday decided to deal with the projected administrative reorganization by enacting "a separate law concerning administrative reorganization." This was the result of consultations held with the Personnel Commission. Previously, at Friday's cabinet meeting, the Government had decided upon the plan for reorganization.

Article 78, Item 8 of the National Public Service Law provides that whenever a change in the government organization or a reduction in the budget results in the elimination of positions, or in an excess of personnel, public servants may be dismissed against their will. In this case, dismissal must be effected according to the procedure provided by the Personnel Commission Regulations.

The Government's interpretation is that the projected reorganization can be effected according to that provision. However, ASAI, president of the Personnel Commission, issued a notification Friday to the effect that the provision was not applicable to the proposed administrative reorganization. As a result, the Government studied the existing legislation from various angles and reached the conclusion that "a separate law relative to administrative reorganization" will be enacted.

The main points of the proposed law are: 1. Time of the proposed reorganization; 2. who will be dismissed; 3. how much will be paid as retirement allowances; and 4. how dismissal will be effected.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 13 The Significance of a Conservative Coalition - Provincial Paper: Chuka Kokusai Shimbun (Osaka) - 12 Feb 49. Translator: T. Kaji. (MJF)

401.1

Summary:

Prime Minister YOSHIDA conferred twice with Democratic Party President INUKAI on the subject of a conservative coalition. True, the Democratic Liberal Party secured an overwhelming majority in the general election and is now in a position to form a single-party cabinet. However, in view of the present political situation in which the distribution of political power is not necessarily stabilized, with numerous splinter parties in existence, a conservative coalition is apparently not absurd. Actually, it is only natural for Prime Minister YOSHIDA to have a keen desire for such coalition since he has long advocated a two-party system. However, is such a conception constitutional?

The distribution of political power is always greatly altered after a general election. This is considered natural for JAPAN's political circles, where development of constitutionalism is behind times and where there are many aspirants who hold the illusion that to be a cabinet minister is to be a success. It is, nevertheless, essential for politicians to respect the voters' wishes. The Japanese people cast their ballots in the belief that the Democratic Liberal Party was different in character from the Democratic or Socialist or Communist parties. However, for the two parties to begin sudden co-operation immediately after the general election shows utter defiance and contempt of public opinion.

Some may contend that JAPAN now has only the task of faithfully implementing the nine economic principles, and that all political powers should be concentrated toward achieving this end. Yet, even the Communist Party agrees to this nine-point program. The people realize that the nine principles should be carried out at all costs, but they voted as they did because they foresaw possible discard among the parties over the measures for implementing the program.

If both the Democratic Liberals and Democrats feel free to rescind their pre-election policies and deliberate a verger or a coalition, now that election is over, what great contempt of the electors can be shown?

We cannot believe that Prime Minister YOSHIDA, with his strong political beliefs, has lost the courage to form a single-party Cabinet, nor can we see the necessity for Democratic President INUKAI's stressing a coalition even at the expense of splitting his party. The Democratic Liberal Party should have been left to organize a single-party Cabinet and to practice its policies freely. Shouldn't the Democrats have supported the Democratic Liberals as the Opposition, since it embraced the same policies? These are the wishes of the people as manifested in the general election.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 8 Shady Coalition Maneuvers - Hochi - 14 Feb 49. Translator: S. Yokoyama. (MJF)

401-1

Summary:

YOSHIDA has been designated Premier as expected. Still he persistently seeks to form a conservative coalition cabinet, defying intra-party opposition to such a step. YOSHIDA is advocating the formation of a homogeneous conservative coalition, based on the conservative front. At this juncture he intends to lay the foundation for establishment of a two-party system, which he deems as the ideal form of democrative parliamentalism. Needless to say, there is nothing culpable in his advocacy.

The question now concerns whether or not he is justified in his recent maneuvers to realize this aim. Actually he did emphasize the importance of conservative co-operation and amalgamation throughout the recent election period. However, it is also true that he advocated such principles as a preliminary means of seeking Democratic co-operation in case his party failed to gain the majority. If conservative amalgamation were his real objective, he should have made it clear to the public prior to the election.

Now that the Democratic Liberal Party has gained an overwhelming majority, the attitude of YOSHIDA who is conferring secretly with Democratic President INUKAI to form a conservative coalition, in disregard of the opposition from the rank and file of his party, is indeed incomprehensible. The people have seen the Democratic Liberal and Democratic Parties engage in mud-slinging political strifes throughout the past Diet sessions. Thus, they may suspect that YOSHIDA and INUKAI are motivated by some ulterior political purposes in their persistent attempts to form a conservative coalition at this time. Herein lies the chief reason why the Democratic Party members are, by and large, so adamantly opposed to INUKAI's plan for participation in a cabinet headed by the Democratic Liberal Party. If the two parties are truly similar ideologically, their amalgamation is, of course, natural and unobjectionable. However, the people cannot approve the current attitude of YOSHIDA and INUKAI, now engaged in behind-the-scene trading to form a coalition cabinet with no explanation of their motives.

We have repeatedly insisted in this column that the Democratic-Liberal Party should form a single-party cabinet, because it is in line with the people's will as expressed in the election results. The problem of conservative unification should be distinguished from cabinet formation. Conservative amalgamation must be carried out upon approval of the members of both parties. Only in this way will the advocacy of YOSHIDA and the nations politics become clearly understood.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 17 What is Required of Conservative Regime - Sekai Keizai - 13 Feb 49.
Translator: Y. Takahama. (ELE)

401

Summary:

Premier YOSHIDA is sticking to his view for a conservative merger, aiming at the formation of a two-party-conservative and radical-form of government. He wants to promote healthy democratic politics by following the pattern of ENGLAND's bipartisan parliamentary setup. We have already experienced the evils of having the political world broken up into minor parties. This situation has always beclouded the political picture. Furthermore, in view of the growth of the Communists, Premier YOSHIDA keenly feels that a conservative co-operation is necessary to cope with the current situation. However, since the Democratic Party advocates modified capitalism and the "middle road" theory, it is only natural that trouble should arise before the Party co-operates with the Democratic Liberal Party. There are some elements in the Democratic Party which do not fit in with the Party's response to YOSHIDA's move and, as long as such factions remain in the party, a merger as solid as YOSHIDA desires could never be formed.

An over-all conservative merger, including the middle road faction, should be attempted after first watching the future development of the Democratic Liberal Party's policy to see if it is at all possible, because even a joint conservative cabinet will not be able to carry out its policy without applying modified capitalism in some form or other. The Democratic Liberals cannot be blind to this fact. Only when this is realized can there be a merger as strong as YOSHIDA advocates.

Secretary of the Army ROYALL emphasized in his address at the US Chamber of Commerce in TOKYO the basic principles for the benefit of all classes, not just for labor or for any other single class alone. He commented that businessmen were apt to forget the formation of an aristocracy--that is, a propertied aristocracy or a businessmen's aristocracy--is the most effective way of destroying democracy. This is the spirit of the "fair deal" advocated by President TRUMAN which holds that all American citizens and individuals in evey field have the right to expect a fair deal from their own government. At present JAPAN must make economic stabilization and the achievement of independence her chief goal. The efforts of the new government must be focused upon this. If the new conservative cabinet forgets the words of Secretary of the Army ROYALL, it will have a difficult time fulfilling its mission of defending the nation from Communism.

We must be prepared to endure a life of shortages with hopes for a bright future. But, if the efforts and burden are not shared equally by the people, Communist influence, which aims at destruction and confusion, will be given an opportunity to worm itself in. We, therefore, are keenly desirous that the conservative Government reach the stage where it will be able to embrace the middle road faction and build up a base for a sound conservative regime which can fulfil the mission of defending the nation from Communism.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 11 Rehabilitation Does Not Mean a Return to the Old - Shin Tokyo - 28 Feb 49.

4011

Summary:

People are hoping for early rehabilitation of the nation; they are also wishing for the successful implementation of the nine-point economic stabilization program and subsequent stabilization of national economy. Rehabilitation, however, does not mean a revival of old world capitalists as some seem to think.

The ultimate objective of the nine-point economic stabilization program is the reconstruction of a new JAPAN as a democratic state and with a stabilized economy at the earliest possible date. To attain this goal, Current economic conditions, where inflation and blackmarket transactions prevail, must be abolished. A tighter economic organization with conditions whereby the people can anticipate brighter future in spite of their present impoverished state must be established. Economic controls must be maintained and national livelihood stabilized. Above all, it is essential to enable the working people to maintain the minimum standard of living.

It is a grievous misconception for the Government and the majority of the capitalists to think that national rehabilitation must be achieved by rehabilitating the capitalists. It seems that the dream of the prosperous capitalistic age of the prewar period is still precious to them, in spite of the fact that the nation was ruined by the powerful ZAIBATSU class which grew by exploiting the masses.

The Government's intention to revive the old capitalistic setup is clearly revealed by the way it compiled the budget for the 1949 fiscal year. The tax revenue is estimated at about 600,000,000,000 yen. The money will undoubtedly be spent nominally for national reconstruction, but the Government does not seem to have any intention of appropriating an adecuate sum for public welfare. The appropriations for the unemployment fund, for example, amounts to only 15,000,000,000 yen. Even if the appropriations for the public works and disaster restoration fund were added, the total appropriations would amount to only 75,000,000,000 yen. The price adjustment fund, however, which the Government claims to have cut drastically because of the possibility of a single exchange rate in the near future, amounts to 70,000,000,000 yen.

This fact proves that the Government places little importance on public welfare. The appropriations for cultural funds, including the fund for preservation of national treasures, are insignificant. We can find no appropriations for public health facilities, the necessity of which is very evident in JAPAN where the number of invalids is high.

If the administration continues along such lines, early rehabilitation of JAPAN cannot be expected. The capitalists' endeavor to revive the old economic setup is appearing in various forms. The revision of labor regulations is one example. It is reported that some capitalists have demanded that labor unions negotiate new labor contracts, in which the workers' rights are almost completely disregarded. Reopening of drinking and eating establishments and restoration of assignation houses are but other examples. Premier YOSHIDA's plan to revive the TOKKO (TN: Thought Police) administration under the name of "un-Japanese activities committee," and the capitalists dream of large scale rehabilitation of a textile industry maintained by cheap labor are more examples.

The textile industry is one of the big hopes of JAPAN's foreign trade. However, its rehabilitation through the use of cheap labor will not only be detrimental to the workers but will also arouse severe criticisms abroad.

National rehabilitation must not merely be a return to the old aggressive age. A new JAPAN must be established.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 4 Administrative Readjustment - Dai Ichi - 27 Feb 49.

401.1

Summary:

It is indeed unfortunate that the new Yoshida Cabinet has to undertake the task of administrative readjustment. We say this because not only JAPAN but even the UNITED STATES, BRITAIN, and other senior democratic nations have recently been suffering from growing bureaucracy. Furthermore, even in SOVIET RUSSIA where all possible means are being taken to prevent restoration of a class nation, the people are now being subjugated by the newly risen privileged bureaucrats. Undeniably the politics of every country in the world have become more and more bureaucratic since World War II.

In JAPAN, where a truly representative government has not as yet been established, fascism was once enforced by the militarists and the bureaucrats, the elements who eventually led JAPAN into a reckless war. Even in these post-surrender days, Japanese politics are still dominated chiefly by bureaucratic forces. In reality, then, true administrative reform has still not been carried out effectively in JAPAN.

For example, although the former YAMAMOTO Cabinet revised the Civil Service Appointment Law, it failed to slash the Government personnel. The KATO Cabinet also attempted to streamline the administrative structure, in conformity with the armaments reduction immediately after the Washington Conference, but failed. Later, Premier HARA, the first to form a party cabinet, undertook administrative readjustment under the slogan "Positivism," but it served only to increase the quantity of Government officials. This was inevitable because HARA himself was an ex-bureaucrat. An expert on administrative reform named INOUYE Junnosuke, of the Hamaguchi and the Wakatsuki Minsei-to Cabinets, also tried to retrench as many government offices as possible, however, because he was bitterly criticized by government officials, he did not go farther than to dissolve the Overseas Affairs Ministry. The failure of these cabinets was due entirely to the fact that the premiers, intent only on the outward appearances of administrative reform, did little to establish unemployment policies.

The third Yoshida Cabinet, with its absolute majority in the Diet, is advocating a 30 percent slash in government personnel. This is well and good, but if it does not establish unemployment countermeasures as carefully as possible, there is danger of its being overthrown by the aggravation of social unrest. Administrative readjustment is a great test for the Democratic Liberal Cabinet in establishing party politics, but, at the same time, we advise it to observe prudent enforcement of this measure.

ITEM 9 The Un-Japanese Activities Committee (Subeditorial) - Tokyo Shimbun - 28 Feb 49.

401.1

Full Translation:

The Government is reportedly contemplating the establishment of an Un-Japanese Activities Committee, with a view to curb the activities which interfere with the Occupation, impede the country's reconstruction, and destruct social order. The nature and function of the US House Committee on Un-American Activities are familiar to the Japanese through the "Kosenkina case," which was reported by a United News newsreel.

Dr WILLIAMS of GHQ, SCAP, once mentioned the necessity of creating this sort of committee in JAPAN. Lt Gen EICHELBERGER, while on duty in JAPAN, also stressed that JAPAN should have a special organ with which to preserve peace and order. He pointed out that JAPAN today relies on a police force of 125,000 men armed with 12,000 pistols for maintaining internal order. It needs no explanation that the backing of the Occupation Army enables this meager police force to fulfill its duty.

We cannot feel secure, however, with such a police force. Lt Gen EICHELBERGER continued to point out that the real danger lies not in boyish JAPAN, but in the giant which is waiting behind JAPAN. He also stressed that JAPAN must have a lightly-armed constabulary force running well over 100,000 in number, to maintain her economy, check Communist uprisings, and safeguard the fairly elected Government. His statement indicates that JAPAN will encounter numerous problems in preserving peace and order after the withdrawal of the Occupation Army.

Although the concrete plan for the establishment of the Un-Japanese Activities Committee is yet obscure, we hope that the committee will be managed in conformity with actual circumstances.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 4 Elasticity in Administrative Readjustment - Shin Yukan - 26 Feb 49.

401.1

Summary:

Administrative readjustment, an issue inseparable with the budget, has come to the fore with the problem of compiling the budget for the next fiscal year.

Administrative readjustment, the first test of the Yoshida Cabinet, has seldom been carried out successfully by the preceding cabinets. Yet, it should be easier than personnel retrenchment by private employers. The budgetary personnel of the government offices is usually 20 to 30 percent more than the actual payrolls, as was once revealed in the Diet. Hence, the flexibility of the government workers' pay.

Irrational as the system may appear to the people, it has been a common practice in officialdom. Therefore, if only the bogus personnel is dropped from the budgetary payrolls, a 20 to 30 percent personnel curtailment can be effected.

On the other hand, it is also common knowledge that the annual natural decrease of government officials tops 20 percent provided no vacancies are filled. Even if the new budget adjustment eliminates the present "ghost" personnel, the law of natural decrease under a no-recruiting policy will permit similar 20-30 percent leeway by the end of next year. Inasmuch as certain causes must underlie this bureaucratic practice, apart from its propriety, and inasmuch as it involves general problems, fundamental reforms at the present moment are impracticable.

Meanwhile, the proposed negative or natural method of administrative readjustment must necessarily entail rational structural reorganization or closing of bureaus and sections because the number of high-ranking officials will be strictly limited.

While it is imperative that administrative readjustment be carried out as the first problem on hand, it is none too difficult if properly attended to by the afore-mentioned means. We earnestly hope for its success and urge the Government to pursue a flexible policy to attain the goal.

ITEM 3 Administrative Readjustment (Letter to the Editor) - Asahi - 25 Feb 49.

401.1

Full Translation:

On the basis of the recommendation from the Administrative Structure Reform Council, the Government will shortly carry out the administrative readjustment. It is highly doubtful, however, whether we can expect real reform of the administrative structure and increase of business efficiency in the event that the projected readjustment is simply carried out with the idea of attaching the main emphasis to the slashing of the national budget.

Because of the controlled economy since wartime, Japanese administrative affairs represented a confused and wasteful organization which included various control business and subsidiary and supervisory affairs. Furthermore, it must be pointed out that sectionalism practiced by the bureaucrats is only serving to make the situation worse. For instance, some time ago, the Transportation and the Commerce-Industry Ministries were on unfriendly terms for about three months, over a dispute on jurisdiction on some rubber goods. The unyielding authorities of both ministries made desperate efforts to win the jurisdiction. Though the conclusion was quite obvious to a third party.

On the other hand, the Economic Stabilization Board, the alleged mediator, prolonged the solution of the issue because of its peculiar stand as being the agency representing the interests of all ministries. By so doing not only is the ESB not fulfilling its duty as the collective planning agency but is producing ill effects comparable to"carrying coals to Newcastle."

The bureaucrats' sectionalism such as seen in the present irrational administrative structure gives rise to numerous problems. These problems are combined with the bureaucrats' egoism. Therefore, if the projected readjustment aims at mere reduction of administrative organizations either in size or personnel, the aforesaid problems will not be settled. It is feared that an administrative readjustment neglecting these points is liable to invite further inefficiency in government business.

In my opinion, this is an issue which cannot be solved unless the administrative structures themselves are reformed in conformity with the right status of government officials.

KANAMORI Kiichi, news reporter,
KANAGAWA Ken)

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 19 Give Us a Sense of Stability - Sekai Keizai - 2 Mar 49.

401.1

Summary:

We must overcome a number of contradictions and difficulties to implement the nine-point Economic Stabilization Program. Uneasiness and agitation are expected to arise due to a feeling of inequitable distribution of the sacrifices involved. We, therefore, emphasize the need to give the nation a sense of stability first of all.

If all social phenomena moved in strict accordance with stern and rational judgments either in economy or in politics, all would be comparatively simple. But such is never the case. Because of the influence of emotional distortions and coercive pressure exercised either individually or collectively, events are often been carried forward in unexpected directions. Particularly, in the wave of inflation, effects of the feeling of instability will be strong.

What should be done under such circumstances to effectuate government policies which will give the nationa a sense of stability? No strong sense of stability will arise simply from an absolute majority in the Diet. The Democratic Liberals' victory in the recent elections is partly due to their being outside the corrupt coalition Cabinet and partly to the trend of national sentiment called forth by the strong personality of President YOSHIDA. Although the nation is seeking a sense of stability in the Yoshida Cabinet, it is not necessarily being given it.

A sense of stabilit will arise form combined satisfaction in the rationality of our intellect and in impartiality in our sentiments.

A balanced budget and maintenance of the price level constitute the pivot of the implementation of the nine economic principles. To realize a balanced budget, it is of prime importance to adjust expenditures in the administrative reform in such a way as to curb personnel expenses, curtail price adjustment subsidies, and promote enterprise rationalization, and, simultaneously, to secure necessary revenues through a wise adjustment of the tax system so as to lighten the nation's burden and make it properly balanced.

At the same time, the existing price level should not be changed. If a balanced finance is only nominal, worked out through the manipulation of figures with a resultant recoil on commodity prices, there is no true balance in finance. Notwithstanding, in carrying out such important policies the Government has so far failed to give the nation even a rough idea of the burden to be borne by different classes. Herein lies the root of the sense of instability.

The Government declaration on carrying out administrative reform spurred enterprise adjustment in private industries and already there have been some unjustifiable dismissals, non-payment of wages, and factory shutdowns. Thus, working masses are overawed by the power of management.

It is said that around 1,300,000 jobless will be absorbed through public works expenditures of 75,000,000,000 yen and unemployment-countermeasures expenditures of 15,000,000,000 yen. However, the task of enterprise adjustment has already been started. Moreover, this kind of countermeasure is apt to be abused by bureaucrats and bosses without functioning where needed.

What elaborate plans has the Government in this connection? If the Covernment happens to ive the nation the feeling that sacrifices are to be borne solely on the shoulders of the working masses, the nine economic principles will be construed as beneficial only to the Yoshida group and no one can guarantee that such a state of affairs will not result in furnishing the Communist Party ammunition for attacking the Government.

The same may be said of the curtailment of subsidies. If it goes hand in hand with the resolution of enterprise rationalization, it will give rise to unreasonable discharges and a recoil on prices, accompanied by the transfer of sacrifices to the livin expenses of the working classes. It is also possible that such a curtailment will call for harder work. Actually, such uneasiness has gradually been deepened. Policies centering around the implementation of the nine principles are fraught with many difficulties and the Government must always see to it that the nation's rationality and sense of impartiality are fully satisfied by clarifying the distribution of sacrifices. Otherwise, the country will be exposed to a serious danger. It is now high time for the Yoshida Cabinet to show the nation, which supported the Democratic Liberal Party in expectation of the sense of stability given them by the party, a scrupulous program whereby a strong sense of stability is given the nation.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 2 The House Committee for Un-Japanese Activities - Seiji - 22 Feb 49.
Translator: T. Horikawa. (TK)

401.1

Summary:

Anti-Communism is the outstanding plank of the Democratic-Liberal Party, which now commands an absolute majority in the Lower House. Party Secretary-general HIROKAWA declared that "we will fight the Communists to the bitter end, for it is the most important of all our party commitments." How this will be translated into action remains to be seen. However, judging from HIROKAWA's and Chief Cabinet Secretary MASUDA's statements, the creation of a House Committee for Un-Japanese Activities seems to be a pre-arranged project.

The creation of the committee was originally conceived by former Premier ASHIDA when the Communist strength was yet insignificant. It is proper that the anti-Communistic Democratic-Liberals most enthusiastically desire its realization in view of the recent marked Communist advance in the Diet. If one recalls that the US House Committee for Un-American Activities prevented leakage of national secrets by exposing such major espionages as the Eisler and the Condon cases after World War II, the proposal for the Committee is indeed significant.

However, it must be noted that the original objectives of the US Committee, established in 1938 and allegedly the model for the proposed Japanese Committee, were to investigate and accuse any collective or individual leftist or rightist activities detrimental to American democracy and, when necessary, urge the Attorney general to initiate action rather than pursue merely an anti-Communist policy. Since the war's end the Committee has been preoccupied with the investigation of Communist activities, but formerly it thoroughly examined Nazi and Fascist maneuvers. Far from being utilized as a tool to further any partisan interest, the Committee has been conceived in the ideal of democracy, the backbone of the American spirit.

Democratization is the national goal of postwar JAPAN. Yet our democracy is still in infancy while that of the US is backed by its history of 170 years since its independence. Naturally, the once predominating feudalistic and absolutistic influences are yet deep-rooted everywhere in this country. Their maneuvers may be more detrimental to the democratic spirit of the new Constitution than legitimate Communist activities. If such a situation exists, the task of the Committee would be to investigate and expose both extremes.

We will accuse the Communists without hesitation if their activities violate the spirit of the new Constitution. Caution must be exerted, however, in enforcing anti-Communist policies so that the legitimate activities of the Communist Party, which is a lawful political organization guaranteed of its being by the new Constitution, may be nowise infringed upon; otherwise the result would be an unintentional denial rather than defense of the new Constitution.

ITEM 5 Cabinet Sets Administrative Reorganization Headquarters - Yomiuri - 4 Mar 49.

401.1

Full Translation:

The Government, at its regular cabinet meeting today, will reach a formal decision on the establishment of an Administrative Reorganization Headquarters. The line-up of the structure will be as follows:

President -- State Minister HONDA; Vice-president -- Deputy Chief Cabinet Secretary KORI and Deputy Chief CNO of the Administrative Reorganization Board. Other ARH executives will be selected from among ministry leaders when administrative adjustment begins.

Adjustment of opinions of ministries on such issues as structural reorganization, fixed budgetary number of government employees, unemployment measures, severance pay, measures concerning public corporations and the disposal of local branches, will be made at a meeting of the vice-ministers Council.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 3 Reaction to Administrative Reform Move Varied - Nihon Keizai - 27 Feb 49.

401.1

Full Translation:

The following are the views held by political, financial and labor circles on administrative reform and personnel curtailment program approved by the cabinet on 25 February.

Financial Circles:

The Japan Federation of Management Organizations fully approves of the Government's administrative program, and believes that the introduction of administrative reforms - a job which preceding governments consistently eschewed - will increase public confidence in the Democratic Liberal Party. The present program calling for a blanket 20 percent reduction in operative workers and a 30 percent in non-operative workers involves the questions of how much the 1930-34 conditions, on which the production rehabilitation program is based, will be considered and whether administrative controls will be re-examined at this juncture.

Administrative retrenchment should not be tackled from the angle of effecting personnel reduction on a strict percentage basis but rather from the angle of effecting a reasonable trim in personnel following reorganization. Moreover, unemployment measures must be based on a wide-angled perspective, which considers such factors as the introduction of foreign capital and the promotion of export trade. The Japan Industrial Council, the Tokyo Chamber of Commerce and Industry and the Federation of Economic Organizations hold similar views.

Political Circles:

ASANUMA, Secretary General of the Socialist Party stated: "The present administrative reform program is designed to slash government expenditures through personnel cutbacks and thus will necessitate rationalization in private enterprises. Our party is opposed to any financial retrenchment move which disemploys workers since an administrative reform, not accompanied by an effective unemployment policy, will produce unnecessary social unrest."

KONNO, member of the Political Bureau of the Communist Party, stated: This proposal for the reduction of government workers will seriously affect private enterprises and boost the unemployment figure. Surveys conducted by our party refutes the need for personnel curtailment in enforcing administrative reorganization inasmuch as operative government agencies are shorthanded. A mass discharge of personnel will paralyze government administration, railway and communications enterprises.

"Although the unemployment relief fund in the 1949-50 budget is about 40 billion yen greater than last year's, 430 billion yen will be needed for the planned relief of 450,000 unemployed since only seven percent of the public utility fund is diverted to personnel expenses.

Labor:

The National Congress of Industrial Unions, the Japan Federation of Trade Unions and the Japan Congress of Labor Unions are expected to reveal their definite policies regarding the proposed administrative reform in March.

SATO, chairman of the National Council of Government Employees Unions stated: "The government dismissal program will serve neither to streamline the administrative structure nor to economize on expenditures. The number of lower grade officials is not excessive, and personnel expenses represent only 10 to 12 percent of the entire budget. Our union will fight for wage increase and oppose dismissals.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 21 Policymaking Weaknesses - Tokyo Shimbun - 2 Mar 49.

401.1

Summary:

Politics and economy are closely and complexly interrelated. The establishment of a sound State finance is not only a political issue but an economic problem and has much to do with prices, production, labor, and exchange rates.

The complicated relationship between politics and economy and the differentiation between them are a result of the development of a social organization, whereby the people can enjoy a more comfortable way of life with less effort.

The abolition of some public corporations, for example, will result in complicating the distribution system; and yet the people rather welcome the plan. What is the reason? Is it because the people cannot keep up with systematization and regimentation? Is it because the public corporation system is not suited to our national character?

Perhaps neither is correct. Systematization is apt to be attended by new evils. Actually, bureaucracy, inflexibility, and inefficiency have often been pointed out. Measures to eliminate these evils should be constantly devised, materialized, and introduced into new systems.

If JAPAN, in these postwar days, wants to maintain the control system which was established during the war, new and better measures should naturally be taken. Nevertheless, temporary and self-complacent expedients alone were adopted, and the system was complicated and specialized.

Those in charge of politics and economy must respect the people's intuition. It is wrong to consider complication or specialization as being inevitable, refined, and advanced. For instance, the Economic Stabilization Board is trying to test the effects of the proposed establishment of a single-exchange rate through Project R and Project Z. However, we are afraid that the results will be so at variance with reality that the readjustment of government subsidies and prices will be a mere desk plan. We do not believe that the exaltation of labor's will to work, the intensification of management's consciousness, and the influence of international economy will be incorporated in the projects of the Economic Stabilization Board.

The present grave situation requires good sense to distinguish between right and wrong, a strong insight, and determination. Nevertheless, these points are being virtually disregarded. No positive effort in being exerted to dispel the people's dissatisfaction with their lot. This being the case, the people cannot be happy. Those who are in a position to direct politics and economic policies must consider their viewpoint.

ITEM 15 Gov't Plans Agency to Execute Administrative Reform - Mainichi - 2 Mar 49.

401.1

Full Translation:

The Government is contemplating the creation of a central organ to enforce the epochal administrative reform, it was revealed yesterday. The Government called the general affairs section chiefs of the ministries to the Premier's official residence yesterday at 1400 hours. Vice Chief Cabinet Secretary KORI explained the Government's administrative reform program and gave directions concerning its enforcement.

According to KORI, the Government is planning to set up an administrative readjustment headquarters or an inter-ministry liaison council as a central organ to carry out the epochal government reform. The ministries were required to submit their streamlining plans by 15 March to State Minister HONDA. These plans will be adjusted with programs to be prepared by the Administrative Supervision Board and then will be presented to a Cabinet conference for final approval.

The Government's administrative streamlining policies presented yesterday to the general section chiefs are as follows:

(1) Controls that have proved to be superfluous shall be abolished in an effort to consolidate the government machinery. In this connection, a survey shall be made promptly to detect useless business in government agencies. At the same time, the control business of the public corporations shall be critically reviewed.

(2) Unnecessary or non-urgent business and regulations shall be disposed of. Simultaneously, affairs requiring official authorization or permission shall be cut in number.

(3) Joint business between ministries shall be curtailed and simplified as far as possible. Relations between the Economic Stabilization Board and other government agencies shall be readjusted.

These policies will be transmitted officially in the near future.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 9 Unstable Character of the New Government - Shin Tokyo - 20 Feb 49.
Translator: E. Sato. (MJF)

Summary:

401.1

Already the public is wondering whether or not the third Yoshida Cabinet will be able to stabilize the political situation for a long period. Some, like Secretary-General TOKUDA of the Communist Party have predicted that the new cabinet's administrative policies will fail within a few months. At any rate, judging from its plans to implement the nine-point economic stabilization program, its impracticable public pledges, and the complicated circumstances within the Democratic Liberal Party, it is clear that the new Government is unsteady. When a party commands an absolute majority in the Diet, the Government it forms is supposed to be stable. However, the people do not have this feeling about the new administration. Needless to say, this conservative, reactionary Government will undoubtedly carry out the nine-point economic program at the sacrifice of the laboring masses. Consequently, labor will stage a vigorous offensive against it.

The same can be said of its public promises. With enforcement of the Government's economic policies, the impracticability of the pledges will gradually be exposed, and, as a result, the medium and small enterprisers and farmers will present a united opposition front.

The Democratic Liberal Party had much internal trouble in forming the new cabinet. Since there are many factions within the party, the task of keeping its greatly expanded membership under control will require far more ability at management than in the days when the party membership was only about 150. In forming his cabinet, Premier YOSHIDA assumed a wayward attitude, collaborating with the Democrats in defiance of the wishes of most Democratic Liberals. This gave the people the impression that he is an autocrat. That he will always be able to lead the Democratic Liberals by the nose, is questionable.

The situation within the Democratic Liberal Party no longer tolerates continuance of this despotic attitude. Bitter complaints are being voiced by some Democratic Liberals against their president who appointed two Democrats to the posts of cabinet ministers. How will the dissatisfaction affect the various factions within the party? How will the party leaders smooth over the prevailing charges against President YOSHIDA? How will the dissatisfaction of those who were put up as candidates for cabinet ministers, but ultimately left out in the final selection, develop hereafter? There is strong possibility that the antagonism and friction within the party may become further intensified. In view of these conditions within the Democratic Liberal Party, it can be concluded that the new Government is not very stable.

ITEM 3 Shiga-led Communist Group Quizzes Masuda on Retrenchment - Nihon Keizai - 4 Mar 49.

401.1

Full Translation:

Six Communists including SHIGA Yoshio met with Chief Cabinet Secretary MASUDA yesterday morning at the Premier's official residence to exchange opinions on the administrative readjustment issue. After the meeting, SHIGA stated:

(1) It is said that administrative readjustment will be made for the purpose of reducing the burden of taxes. However, the strengthening of police and tax collection agencies will, conversely, increase taxes.

(2) It is reported that unemployment allowances are estimated at 1,400 yen per capita a month. According to our calculation, however, the allowance will reach only 200 yen. This calculation is made on the assumption that the unemployed will number 1,600,000. If the submerged unemployed are added, the actual unemployed will total approximately 10,000,000.

(3) The basic objective of the administrative readjustment is to weaken labor unions. The perfunctory reorganization of field agencies will result in the protection of local bosses.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ADMINISTRATION

401.1 The Administrative Reform Council yesterday called for a 30 percent cut in both the personnel and operational structures of government agencies. ARC members, who have been seeking a formula to simplify administration since late last year, also announced their recommendations for adjusting prefectural and central government authority and for curbing unemployment. (b)

Demands have sharpened for the establishment of a new ministry to carry out public works. Proponents of the plan, foreseeing the need of co-ordinated steps against unemployment, want the new ministry to take over the natural resources and construction divisions of the Commerce-Industry, Agriculture-Forestry, and Construction ministries. (b)

11. FEB.

INVESTIGATIONS

401.1 The entire Democratic Liberal Party favors establishment of an un-Japanese activities committee, Chief Secretary HIROKAWA stated yesterday. But he added that it had not been decided whether the committee would be an administrative organization or a government agency. HIROKAWA also declared that continuation of the Illegal Property Transactions Committee is not justified if it operates as it has in the past, duplicating the work handled by the courts. (b)

16. FEB.

401.1 JIJI SHIMPO asked the Government to carry out administrative adjustment to cut national expenditures and help realize JAPAN's economic self- sufficiency. It was hoped that the Yoshida Cabinet would utilize its absolute majority power effectively despite opposition.

401.1 Details of the administrative program will be worked out by the Democratic Liberal Party whose leaders will start conferring today to draft implementing measures for the nine economic principles and to appoint Diet standing committee chairmen, parliamentary vice-ministers, and party officers. Though its 269 Lower House seats give it firm control of the Diet, the DLP may dissipate its strength in intraparty squabbles. YOSHIDA's decision to include the Democrats in his Cabinet has already touched off dissent within the DLP. (a)

17. FEB

401.1 YOMIURI criticized the Government for its lack of a sharlply defined budget policy, considering the total envisaged in the tentative budget draft entirely too high. While the people will be forced to endure hardships, the paper declared, still the Government must endeavor to curtail taxes as much as possible and give more serious thought to its price, administrative retrenchment, and other financial policies. Underlining the need for administrative adjustment, NIHON KEIZAI pointed out that mere personnel cuts must be accompanied by a corresponding slash in government agencies. The Government must also drastically simplify administrative procedures, it asserted. Elimination of unnecessary economic controls was also felt to be a method of getting rid of administrative deadwood.

12. FEB.

401.1 While establishment of an un-Japanese activities committee is welcome in principle, TOKYO TIMES stated yesterday, still it must be created to function justly lest it be charged with being reactionary. Today's JIJI SHIMPO, however, emphatically opposed such a committee. If the Cabinet hopes to combat the Communists, the journal asserted, "it should exert efforts to execute honestly, steadily, and successively the policies which it pledged to the public." "To do so is to execute the most effective anti-Communist policy," the paper concluded.

27. FEB.

Miscellaneous

401.1 Without clearly defining the term "un-Japanese," TOKYO SHIMBUN remarked that the projected investigation of subversive Communist activities by an un-Japanese activities committee "will be impossible, or if attempted at all, will certainly end in failure." Considering Communist activities as merely actions that hamper economic rehabilitation, the daily felt that as long as JAPAN is still a newborn nation without national traditions, "nobody should be in a position to determine the exact meaning of un-Japanese."

24. FEB.

INVESTIGATION

401.1 Sharp differences have emerged between the Cabinet and the Diet on who should supervise the projected subversive activities committee. Cabinet promoters of the new committee believe that its logical place is under the legislature. But Lower House Speaker SHIDEHARA, the committee's chief backer in the Diet, feels that it should function as an arm of the Cabinet. He contends that the committee could operate more effective if it drew its authority from the Cabinet. (c)

28. FEB.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 6 Political Corruptions (By Nakano, Yoshio, Professor at Tokyo University) - Dai Ichi - 10 Feb 49. Translator: T. Horikawa. (TK)

401.1

Summary:

JAPAN's postwar democratic development is making a rather poor showing. We were especially disappointed by the series of scandalous affairs in the Diet. First, we witnessed blackmarket transactions in political power. Then the Showa Denko case and other scandals were unearthed. On top of these, the comic Izumiyama incident occurred toward the year-end.

Once when I turned on the radio I heard maniacal uproars which I learned was a discussion on the coal mine state control law bill in the House of Representatives. For the most striking revelations of the current parliamentary procedures, read TOKUGAWA Musei's on-the-spot report in the year-end number of the SUNDAY MAINICHI!

Disgusted with such a Diet and Dietmen, some people began to condemn democracy itself. However, it is one of the blessings of democracy and parliamentary politics that these sad facts are bared to the public as they are.

Corruptions are not a new postwar phenomenon in JAPAN. They were just as rampant during the war, with the military engaged in shady connection with the munitions companies and the economic control officials receiving grafts. Nevertheless, these were hushed up under threat of arrest and torture, though they were still whispered. If we were still under fascism, the majority of the bigwigs who are in the Kosuge Detention House would be free. But the people today are rightfully entitled to expose corruptions relentlessly.

In this light, the ignominious status quo everywhere is a progressive and promising sign, for unearthed ugliness can be redeemed, but not the hushed-up vice. In short, democratic government is a government which bravely pushes self-purgation when necessary. Faults may be found here and there, but the whole will make a history of progress and purification.

The British parliamentary politics in the 18th century was as corrupt as those of JAPAN today and that of the US has been no cleaner than BRITAIN's and JAPAN's. The point which should not be overlooked is that in those countries the corruptions were simultaneously exposed and attacked.

It was for the better that the scandalous conditions in the Diet were exposed instead of concealed by power, for this would have been far more alarming despite its fine outward appearance.

ITEM 8 Gov't-Diet Disagree on Function of Un-Japanese Committee - Jiji Shimpo - 28 Feb 49. Translator: K. Sato. (KM)

Full Translation:

401.1

Premier YOSHIDA is intent on creating an Un-Japanese Activities Committee as part of the Government's anti-Communist measures. The Government and the Diet, which are both studying the problem in compliance with the Premier's wishes are showing marked contrast in their programs of the committee's character and functions.

On the part of the Government, the Research Bureau of the Attorney General's Office and the Prosecution Affairs Board have been mapping out a plan based on the data furnished by the Research Bureau of the Foreign Ministry. The Attorney General's Office believes that the new committee should naturally be placed under the legislature, but that it has no plans about the administration taking the initiative in suppressing communist activities by revising the Constitution and Potsdam Ordinance 101.

On the other hand, Lower House Speaker SHIDEHARA, in the name of the Diet, is preparing a plan on the principle that the Government itself should tackle this task. He gives the following reasons:

1. A more research organ such as the Illegal Property Transactions Committee is not sufficiently empowered to function properly and timely.

2. The duty of the Diet, in accordance with the Constitution, is to curb extreme policies of the Government. Therefore, it is improper for the legislature to bear this kind of responsibility. The Government should introduce a bill itself in order to carry out effective measures.

Thusfar, no concrete plans have been drawn up. However, both the Government and the Diet agree that the general situation favors the creation of an Un-Japanese Activities Committee no matter what its structure. Both are expected to continue positive investigations.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

401.1

ITEM 5 Main Point of Administrative Readjustment - Seiji - 23 Feb 49.

Summary:

A drastic administrative readjustment plan to discharge nearly 1,000,000 public officials out of the approximately 3,000,000 was recommended to the Government by the Administrative Reform Committee. After on-the-spot surveys by each ministry, the plan will be codified into the ministry establishment bill and the ministry personnel bill and be presented to the Diet in March. Deputy Premier HAYASHI declared in this connection that a 30 percent personnel retrenchment would be effected in April.

Assuming each government employee is supporting two or three dependents, the project will threaten the livelihood of 3,000,000 to 4,000,000 persons. On the other hand, only public works and special loans to start businesses are being considered as countermeasures.

In 1931, the government enforced a five percent personnel cut with a view to save 10,000,000 yen annually and was bitterly criticized from various circles for inadequate unemployment relief measures. Nevertheless, with the dismissal allowances granted at the rate of half-a-month's pay per service year, the victims were able to make a new start because of the cheap commodity prices then. Under the present changed circumstances, even the meager retirement allowances will not be paid in a lump sum, while the projected personnel retrenchment is of such a great magnitude. Hence, the core problem of the proposed administrative readjustment is not the firing but the relief of the discharged workers.

The worried public officials will oppose the plan by all possible means; The Socialist, the Communist, and other minor political parties will launch bitter struggles against the retrenchment in the Diet. Nevertheless, the Yoshida regime is confident to circumvent the former with the no-strike provision of the revised National Public Service Law and override the latters' opposition with its two-third majority in the Diet.

The Administration maintains that the administrative readjustment is practicable and in concert with the nine-point Economic Stabilization Program, which calls for a balanced state finance. However, we fear grave social unrest may ensue from an administrative retrenchment without pertinent unemployment measures.

It is recalled that the mass unemployment immediately after the war's end through sudden closure of many munitions workshops caused rampant vicious crimes to a point where walking alone in lonely places became dangerous even in the daytime. Now three and a half years thence, vicious crimes occur only at night. However, this situation may retrograde in the absence of adequate unemployment measures.

With the dismissal allowances roughly estimated at 30,000,000,000 yen on top of huge expenses for public works and various structural administrative reforms, the administrative readjustment as a means to reduce national expenditure will not be effective for several years to come. But we welcome the readjustment nonetheless. We know that Japanese officialdom is overmanned, that many Central Government offices and their local agencies should be closed or drastically readjusted as a result of the defeat or otherwise; and that officialdom alone has swollen unreasonably after the war's end while private firms refrained from increasing personnel.

The objectives of the administrative readjustment should be the correction of bureaucratism and elevation of efficiency. Caution must be exerted so as not to lower efficiency instead. Let the Government understand that the drastic reform would become meaningless unless higher wage and higher efficiency are realized, together with the streamlining of bureaucratic structure.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 2 Democratic Theory, Man Is Naturally Bad (ISHIKAWA Tatsuzo) - Magazine: Kaizo (Monthly) - Feb 49.

401.1

Summary:

A lawyer once told me that "the fundamental concept of democracy is that no one trusts the other person, since all men are considered bad. Democracy is the last form of government which saves society, a gathering of such bad men, from corruption. If a dictator such as HITLER should appear to control the government as he pleased, people would have to pay dearly for it. Statesmen cannot be trusted, consequently it is advisable to set up a parliament in which many people gather and discuss all problems. Even if one should attempt an evil action, others will check it through this system and a safe course can be taken. But, in this case, if members of the parliament gather at their own choice, people possessed of the same ideas might join together in conspiracy. For this reason, they must be chosen by the people through the polls.

"Cast aside the class system and let all people have an equal share of rights and duties, so that the evils of the upper class may be held in check. This is the fundamental idea of equality. Men are all dissipated, selfish, and irresponsible; they are liable to commit mistakes anywhere at any time. So let the women participate in politics, too; give them the right to possess their own property and let them claim their due share when divorced. Then men's dissipation and irresponsibility can to some extent be controlled. This is the idea of equal rights for men and women. In short, people do not trust their neighbors in a democracy; they are all believed to be swindlers or thieves."

I was amazed to hear such a thing, as I had believed otherwise. Of course, all that the lawyer said cannot be dismissed for there are many facts in society which endorse the above theory that man is naturally bad, and there are quite a number of unreliable neighbors. This all makes democracy more difficult. But the fact is, not that democracy is based on this theory, but that it is fighting the forces which it describes. I believe that, in order to realize an ideal democracy, people must advance in their culture and morals to a stage where they can trust their neighbors. If they cannot trust their neighbors, how can they trust the government and the parliament? The result will be that they will evade taxes, neglect their duty of going to the polls, and proceed down the path of moral corruption. Then, in order to maintain order, a powerful control becomes necessary, and eventually the Government and the police will resort to coercive measures upon the people, the end product being a bureaucratic dictatorship.

To avoid such a cirsis, the people must maintain order on their own initiative and set up a government of their own, hence democracy. Democracy is an ideal, or rather an idealistic form of government. It can only be realized when the people are trained morally as well as politically to near perfection.

ITEM 3 Control of Undemocratic Organizations Urged - Yomiuri - 9 Mar 49.

401.1

Full Translation:

Recently there has been a widespread tendency for crime prevention associations and police supporters' associations to trespass unwarrantably on the rights of citizens through pressure exerted on police and public prosecutors in collusion with local bosses. The Free Human Rights Society made the following resolution on 8 March and submitted it to the Attorney General, the Public Prosecutor General, and the Diet as well as to the public safety committees:

1. To establish in the Diet a permanent body similar to the Human Rights Protection Committee, which will specialize in cases involving violations of human rights by undemocratic organizations and government authorities.

2. To have the personal histories of the officials of the crime prevention associations, the police supporters' associations and other similar organizations publicized, and the incomes and expenditures of such organizations reported.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 10 Significance of Administrative Reform Clarified - Provincial Paper: Sangyo Keizai (Osaka) - 24 Feb 49.

401.1

Summary:

It is believed that if controls are strengthened administrative affairs will increase and this will be incompatible with the projected administrative readjustment. We have also frequently stressed that administrative readjustment cannot be effective unless it is accompanied by adjustment of controls and simplification of the administrative structure. Hence, the problem of adjusting the relationship between administrative readjustment and strengthened controls arises. Administrative reform must, by all means, be carried out which fact even opposition parties cannot deny.

The Nine-point Economic Program calls for the strengthening of controls which are necessary for economic rehabilitation. It does not, however, demand strengthening of all controls. The Government must, therefore, completely abolish all controls which impede rehabilitation in order to strengthen the necessary controls in line with administrative reform. The Katayama and Ashida Cabinets announced time and again that only necessary controls are being retained and unnecessary ones have been abolished. There should be no unnecessary control left at present, but the people are not convinced.

The Government's administrative reform plan calls for a 30 percent cut in government offices and a corresponding retrenchment in personnel. About 500,000 or 600,000 persons will, under this plan, become unemployed. If this figure is broken down, 150,000 employees out of 490,000 who are listed under the general account budget, and about 30 percent of the 1,200,000 listed under the special account budgets; (620,000 in Government railway 420,000 in communication offices, and others) will lose their jobs. It is absurd to enforce a 30 percent cut uniformly in all fields. It is necessary, from a practical standpoint, to put greater emphasis on the retrenchment of non-operative staffs than on operative staffs. It is generally recognized that non-operative staffs can be reduced drastically; but there actually is a necessity for increased operative staffs. There is no doubt that the reduction of policy, prison, tax-office, school and hospital personnel is almost impossible. On the contrary, the number of police officials must be increased as possible in view of internal and external conditions of the country.

As for the Government railway, the number of employees amounts to 620,000, or about three times that of the 1934-36 period, while railway mileage and volume of transportation have almost reached the level of the same period. This might be an indication that railway personnel can be slashed drastically. It must be considered, however, that the Government railway today supplements the shortage of equipment by increased manpower. Moreover, because the employment of youths and women workers is restricted by the Labor Standard Law, there may even be a need for an increase in personnel, but, generally, it can be said that the present Government railway is overstaffed. It is necessary for the Government railway to rationalize its management, in order to become an independent enterprise.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIAL

ITEM 10 (Continued)

Because of the nature of their work, police and prison officials, and Government railway and communication workers must bear greater burdens than other officials. It is recommended, therefore, that the number of these officials and workers be maintained above the minimum level. As a result, the number of officials and employees in other fields must be curtailed more drastically. This will materialize the effects of the 48-hour system which was recently enacted.

As for the financial effect of the proposed administrative reform, it is expected that 5,000 or 6,000 million yen will be saved in the general and special account budgets in the 1949-50 fiscal year. The saving will increase to 30,000 million yen in the 1950-51 fiscal year and thereafter. The saving is small during the first year because of payment of retirement allowances. Since administrative retrenchment will also be applied to local governments, the people's economic burden will be considerably alleviated by its enforcement.

There is an opinion that administrative readjustment will not mitigate the Government's obligations because it will require increased appropriations for unemployment relief. The Government has already decided to appropriate 15 billion yen for unemployment relief during the 1949-50 fiscal year in addition to the public works' appropriations. This appropriation is to be used for productive and construction projects, and we must understand its constructive character.

We must not overlook the fact that administrative reform will not only mitigate personnel expenses but also the cost of supplies and miscellaneous expenses. It is generally said that one employee needs miscellaneous expenses almost equal his salary. The administrative reform will therefore save twice the amount estimated in the budget. For these reasons, we must anticipate a great deal from the administrative reform which will be enforced shortly.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 6 Administrative Adjustment Bill Ready by 20 March - Tokyo Shimbun - 8 Mar 49.

Full Translation:

401.1

The Administrative Adjustment Board, which was inaugurated last Friday, is expected to hold its first meeting either today or tomorrow to study the ministry establishment laws and the ministry fixed personnel laws. The Board also intends to draw up an outline of the projected administrative adjustment bill by 20 March, at the latest. It is expected that the bill will include clauses providing for efficiency in the administrative adjustment process.

In line with the foregoing schedule, a government agency, headed by State Minister HONDA and Chief Cabinet Secretary MASUDA, yesterday began a practical study of the various ministries on the basis of recommendations submitted by the Administrative Policy Council.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITR 12 With the Beginning of 1949 - Akahata - 1 Jan 49. Translator: E. Okajima. (GS)

401.1

Full Translation:

Three years have elapsed since the war's end, and JAPAN's foremost problem is the reconstruction of her economy. It is generally believed that 1949 should see a real start on this task.

There are various forms of reconstruction. Although the reconstruction of GERMANY, which had lost World War I, was carried out according to the Dawes and Young plans, German imperialism enforced the aggressive policies of Nazism based upon this groundwork.

The Potsdam Declaration is different from the Versailles Treaty. The former is significant in that it has promised the World to reconstruct imperialistic JAPAN into a peace-loving; independent, and democratic country. It follows, therefore, that JAPAN's economic reconstruction should serve as the ground work for peace, independence, and democracy.

Furthermore, it is incumbent upon the Japanese people to consider, on this New Year's day, what is expected of JAPAN's economy by the various nations who suffered from the Japanese imperialistic aggression, as well as by the world's democratic influences.

This means, first of all, that JAPAN's economy should be reconstructed to the highest level, aided by peace-time industries, so that there will be no danger of her becoming a menace to perpetual peace.

This has become clear recently, although it had been generally believed dangerous, until last year, to restore the Japanese economy to a higher level than that of any other Asiatic Nation.

Secondly, popular democracy should be utilized as a principle of JAPAN's politics. In prewar JAPAN, the Emperor's army, police, courts, and jails absolutely deprived the masses of their rights. This tendency developed into war and created a fascistic structure in JAPAN. The objective is to make certain that no such system will again attempt to conquer and colonize ASIA and the Pacific Area.

We should watch the world situation as it develops so that we can intelligently reconstruct our national economy and politics in 1949.

The domestic market will become increasingly restricted and the "social dumping" will again become a reality if JAPAN's economy continues to reap monopolistic profits by exploiting the workers and farmers, as was the case in prewar days. The restricted domestic market and the "social dumping" have always constituted reasons for JAPAN's aggression in modern history.

In order to carry out the Potsdam Declaration, it is absolutely necessary to change the prewar "colonial" livelihood standard of the workers and farmers.

What have the wage struggles from 1945 to 1948 taught the Japanese working masses? They have taught them that, unless a minimum wage system is established, the workers' wages will be substantially lowered and that, if their livelihood is lowered, production increase will be only temporary, regardless of what measures might be taken.

The only true road to the restoration of Japanese economy is to establish a minimum wage system, fix a reasonable rice price, revise the Tax Law, and make available funds and materials for the smaller enterprises.

We, the Japanese Communists, should lead the working people with the firm conviction that 1949 is the year in which to

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 12 (Continued)

create a peace-loving, independent, and democratic JAPAN. All of the democratic popular forces of JAPAN should protest against whatever reactionary measures the Japanese Government may take in opposition to the opinion of world-wide democratic influences.

The workers, farmers, and city dwellers have begun, enthusiastically, to call for Communist leadership. With the Socialist Party beginning to disintegrate, sincere members have sought the party of Marx-Leninism and are joining in large numbers.

The Communist-Socialist merger will be realized with the enlightenment of the masses, the corruption of the Socialists, and the self-criticism of the Communists. The merger is the result of a popular movement and it cannot be successfully realized by mere talk between a few persons. The policies and guidance of the Communist Party--the party of a revolutionary proletariat--will be supported by a large number of people, headed by the workers.

Unification of the masses will cause a great many people to join the Communist Party.

The establishment of a democratic popular front involving millions of people, and the democratic popular reconstruction of Japanese economy will become possible when the popularization and bolshevization of the Communist Party is attained.

There is an urgent necessity for us to surmount, as soon as possible, the mistaken theory of some of our party members which calls for the voluntary reconstruction of Japanese economy without class struggle. This is a postwar version of the patriotic "autocracy" theory of the war days.

In order for the masses to reconstruct the Japanese economy, Communist Party members should achieve the Communist-Socialist merger by leading the laboring masses in their daily struggles, by enhancing the prestige of the Communist Party through the coming general election campaigns, and by expounding the popularization and bolshevization of the Communist Party.

Through these struggles the various traditions of the Communist Party should be completely renovated and all "wait-and-see" theories repugnant to world revolutionary views should be surmounted. Only thus can the Communist Party become the vanguard of a popular democratic revolution, with a membership of one million.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 11 Year of the Thorny Path - Mainichi - 1 Jan 49. Translator: Y. Takahama. (WM)

4014

Full Translation:

The year 1949 will probably be a bitter one for JAPAN. In spite of the defeat in war, JAPAN has received a sort of compensation and spent a comparatively easy three and a half years, although she has suffered from inflation.

But it is not probable that she will enjoy such benefits for very much longer. The economic independence of JAPAN means the resumption of her power to purchase necessities for livelihood without aid from outside. The word "independence" is likely to suggest the illusion of hopeful events in the future. From a high standpoint, independence is really a desirable thing. For awhile, we shall be making every effort to win our independence in the face of all kinds of difficulties. The masses, however, will complain as soon as they encounter difficulties. Nineteen hundred forty-nine is the first year of the independence program.

Although JAPAN does not yet have the power to act independently, she must prepare herself for independence now. The directive on the establishment of the single exchange rate has been issued. Inflation must be stopped. Enterprises without sufficient funds may be forced to close.

Administrative readjustment is also expected, and in its wake private enterprises will also readjust themselves. A certain big company has decided to close about 20 of its 40 factories. This naturally will cause considerable unemployment. But we have not yet heard of any countermeasures to cope with this; it may be impossible. Of course, no one can figure out a way to raise relief funds equivalent to the salaries of those who are fired. At present all the people in this country are making a livelihood of an equally low standard. Common sense dictates that the discharge of employees will do little to help the economic condition of the people. It will, therefore, be concluded that we cannot depend on the Government's plans for unemployment relief.

Export trade is now being specially encouraged. Although the export of raw silk, bamboo ware and other special products of this country will have little effect upon the national livelihood, there are heavy demands for reconstruction materials such as iron and cement. In the present state this country will suffer from a shortage of commodities because of exports, no matter what may be exported. The promotion of foreign trade may give us the impression that JAPAN is approaching its independence. But it must be mentioned, on the other hand, that the people will suffer seriously from the export of commodities for which the people at home are in dire need. The money in circulation may increase but commodity prices will go up as a preparatory measure for fixing the exchange rate. We cannot deny that there will be further aggravation of the tight money situation. Red figures in their household budgets drove workers to resort to labor disputes to gain more wages. The expenses for the elevated wages were paid either directly by the national treasury or by the Reconstruction Finance Bank. But now this way has been closed. The measure which was formerly considered unreasonable is now going to become reasonable, so this is undoubtedly a step toward the economic independence and stabilization of this country. But since it had heretofore been convenient for the

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

EDITORIALS

ITEM 11 (Continued)

measure to be considered unreasonable, we shall experience much more suffering.

Probably neither the farmers nor fishermen will enjoy a favorable year. They had been living off the blackmarket, but official prices have now approached blackmarket prices. Farmers and fishermen can no longer make easy money. And what is worse, the tax rates have multiplied. Farmers will share the larger part of the present enormous national expenses until the commerce and industry of this country have been restored. Farmers shared the profits of traders and industrialists for nearly 20 years since the middle of the Taisho era. But now they must pay not only their own part but also share the expenses of traders and industrialists. Furthermore, the burden of saving money for national reconstruction rests upon them. They may complain that "farmers only" are shouldering the burden. There is, however, no other way to reconstruct JAPAN at the present stage. Thus, it seems that this year will not be a very good one for either the workers in cities nor the farmers and fishermen.

What is going to become of the two-world issue? No matter how it develops it will have a great effect on this country. The effects are already being felt here. The development of the Chinese political issue has considerably affected JAPAN's five year plan for independence. And what will have more effect is the Chinese civil war, which has a thought problem in the background. The thought problem in postwar JAPAN seemed about to be settled at one time. But this is not a question that can be settled so easily. Extremely hard times are expected. The population is too large. The fight to live will become desperate. This is common within both of the two worlds.

Even if one world apparently overwhelms the other, this issue will not be settled. It will only grow more serious. Since the termination of war the Japanese have become accustomed to think about themselves only. And they are apt to think that JAPAN will resume her prewar standard in due course. They don't realize the truth. The ration of staple foods has increased from 2.1 Go to 2.7 Go. The Japanese people rejoice to think that they can now obtain anything they want if they can afford to pay for it. They think that, at this rate, the good old days will come back in due time. However, this is not true. We recall the words "thorny path" which were often used soon after the termination of the war. We have not yet walked along a real "thorny path". We are afraid that we may this year.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 18 Year of Confusion and Difficulties - Dai Ichi - 4 Jan 49. Translator: N. Satake. (WM)

401.1

Summary:

The year 1948 has been a year of serious difficulties for the Japanese because of bankruptcy, heavy taxes, strenuous efforts for increased production, and frequent strikes. Though confronted with the wave of inflation, the people were tired of relying on the Government and politicians. They had no one to lead them, and yet they did nothing to improve the situation themselves.

The vear 1949 will bring still greater trials. Gen MARQUAT referred to this year as a promising year for JAPAN's economic rehabilitation, but we must not forget that such economic rehabilitation is possible only if the Japanese prove themselves equal to meet the difficulties before them.

Needless to say, JAPAN's economic self-sufficiency and security have comprised the greatest task for her since the surrender. Success in this matter depends, internationally on how and how much UNITED STATES aid will be offered for 1949 and, domestically, whether we will have the necessary political power to effect the measures for economic security here. These two factors are included in the nine economic principles. Whether US aid will be granted or not will depend upon whether JAPAN makes and executes plans for her own economic stabilization.

Dr FINE stated that we can hardly expect further reconstruction funds unless the Japanese Government draws up in the immediate future stabilization measures which are more satisfactory and more practical than any that have been made before.

This directive, forwarded to the Japanese Government, points to an early establishment of the single exchange rate, and, through this establishment, JAPAN's participation in international economy; the nine principles are the concrete plans for the readjustment of the domestic economic structure. The goal has now been set and the only problem for us is how to produce the required political power and solve the resultant confusion and lessen sacrifices.

Establishment of the single exchange rate and enforcement of strong measures to make the establishment feasible must be achieved in 1949, though JAPAN's economy will have to experience severe trials and pay a high price. Unless the Japanese nation stands greater privation and is earnestly desirous of economic reconstruction, JAPAN will lose her opportunity to rebuild her economy. We must remember that a true reconstruction is hidden behind the privation and sacrifices which loom in 1949, the initial year of JAPAN's Five Year Economic Rehabilitation Plan. We must proceed along a thorry path, but there is a light visible in the distance.

ITEM 1 Administrative Structure Reform Committee Set Up - Mainichi - 6 Jan 49. Translator: A. Kawamura. (JTK)

401.1

Full Translation:

To reform the administrative structure to conform with the nine-point Economic Reconstruction Program, the Government, at a Cabinet meeting on 4 December, established the Administrative Structure Reform Committee.

The Government decision includes the following points:

(1) In order to streamline and rationalize the administrative structure and to raise administrative efficiency, the Administrative Structure Reform Committee will be set up provisionally within the Cabinet to study the problem.

(2) The Committee will be composed of a chairman and several commiteemen. The Premier will be chairman and he will appoint committeemen from among Cabinet Ministers and men of learning and experience.

(3) The committee will submit to the Premier a report by 1 February 1949. On the basis of this report the Cabinet will draft bills covering the establishment of ministries and their personnel, reduction of personnel and other matters that should be put into law. The specific matters which the Government intends to refer to the committee will be readied by the Government soon after 10 January, it is reported. (NOTE: This committee is a de facto committee and no steps to establish it by legislation will be taken).

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 8 Equipment Fund Priority to Be in Three Grades - Nihon Keizai - 11 Jan 49. Translators: K. Ueda, S. Ota, H. Nakayama, (GS)

401.1

Full Translation:

Through the joint effort of the three-man committee and the Cabinet conference, the Government decided to revise the priority order for financing industries at the end of last year. Since final negotiations between the ESB and the Finance Ministry have ended, the result was announced yesterday and immediately went into effect.

The prominent features of the present revision are that the progress of the economic reconstruction program is taken into consideration, importance is attached to the export and basic industries and industries related thereto, and that equipment funds are to be allocated by the priority orders of A, B and C, in place of the former A1, A2, B and C.

As to operating funds, the priority order, according to industries, is being considered only secondarily. Primary consideration is given to the method and manner of financing and to the purpose for which funds are to be financed; for instance, financing by means of various bills and notes, financing of funds necessary to liquidate these bills and notes, and financing of funds necessary to collect goods according to the designations made by the Finance Minister. These points of revision may be said to point but the direction to be taken in executing financial control.

Generally speaking, the revision has been rather lenient.

In equipment funds, 23 industries have been raised to A from B, 44 to B from C, and three to A from C.

In operating funds, 34 industries have been raised to A from B, 42 to B from C, and 11 to A from C.

In equipment funds, 13 industries have been lowered to B from A, and 27 to C from B.

In operating funds, 25 industries have been lowered to B from A, and 27 to C from B.

The question will arise regarding the relationship to the nine economic principles, but the ESB is of the opinion that the continuation of the existing financial control measures by the present

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 8 (Continued)

revision of the priority order will be in accord with the aim of the principles. The important points in the revised priority order for financing, enforced yesterday, follow:

1. Basic policy:

As regards equipment funds, revision will be made in the existing order of priority, classified according to industries.

As regards operating funds, the priority order will be made out, in principle, according to the method and manner of financing and the purpose and nature of funds. The existing order of priority, classified according to industries, will be revised sufficiently to apply in cases where the new order of priority can not be applied.

2. Outline:

a. Object--In view of the fact that the objective and processes of economic reconstruction are now taking shape, as seen in the economic rehabilitation program, the revision will be so organized as to work out a well-balanced order of priority, with importance being given to the following industries, as well as the annual production program and the materials supply and demand program:

(1) Export industries; (2) Industries related to key industries; (3) Industries which can secure a resumption or increase of production with imported materials; (4) Industries related to daily necessaries.

Consideration will be given so that operating funds, in connection with the production or moving of commodities through normal channels, may be smoothly supplied by encouraging credit transactions.

b. As to equipment funds, the order of priority will be graded A, B, and C, and will be adjusted according to the said objective.

c. As to operating funds, the order of priority will be graded A, B, and C.

Under grade A will come financing with commercial bills eligible for Bank of Japan re-discounting, similar bills acceptable to the Bank of Japan, Bank of Japan stamped bills, trade bills, distribution bills, public corporation stamped bills, agricultural bills, public corporation certified bills, and delivery-certified bills.

Under grade B will come financing which will be required for the settlement of said bills.

The financing designated by the Finance Minister as being necessary for the collection of materials will come under grade A or B.

Financing which is difficult to achieve according to the above order of priority will be subject to the order of priority, classified according to industries, with necessary adjustment made in consideration of the above objective and in accordance with the grades A, B, and C.

In addition to the revised priority order list, as it appeared inthis paper on 27 and 28 November of last year, the banking priority order has been changed for the following industries or enterprises (the first letter within the bracket indicates that for equipment funds, while the second indicates that for operating funds).

Tungsten mines (BB); Molybdenum mines (BB); iron pyrite mines (AA); platinum (removed from the list); production of outdoor telephone and telegraph apparatus (removed from the list); manufacturing of communication apparatus (BB); lumber and wood-working tools (BA); manufacturing of mechanical apparatus for production of fertilizer and dyestuffs (BA); production of glass (CB); production of non-organic fibers (CB); production of gun powder and dynamite (AA); processing of rice-bran oil (BA); production of ammonium phosphorate; production of those goods classified in the miscellaneous sub-section of the

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 8 (Continued)

spinning industry (BB); electric wiring enterprise (BA); warehousing of fruit (CB); breeding of hares and other animals for fur (BB); discounting business for designated distribution bills; enterprises for promoting physical education, culture, charity, and social welfare (BB); exhibitions (BC).

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 3 The True Meaning of National Polity - Magazine: Kokutai Sensen (Monthly) - Jan 49. Translator: M. I. Suzuki. (SS)

401.1

Summary:

In postwar JAPAN, there has been widespread criticism of national polity, which reveals that many regard national polity only as an authoritative power or as something superhuman. National polity does not mean a system or a belief in a god, but refers to the permanent society which is the foundation of JAPAN. It is a fact of Japanese existence and points to a society which used to regard the Emperor as the nucleus of the people's heart and life, in contrast to that of a national based on rights, authority, laws, a ruler and a government.

State institutions (sovereignty, authority of the sovereign people's rights, etc,) are established by the ruler of the time and are therefore altered with a change in rulers. Our national polity was not established by the power of any one ruler but by the people themselves and was determined naturally by society. By "naturally" is meant the fact that our national polity had its beginning in times so old that it is difficult to explain the origin. In our national polity, there is no enactment or revision; it exists and rules the people naturally.

It is the basic truth (standard or law) for the Japanese people. In national political science, this is known as a factual example. For instance, there are many stipulations concerning the parent and child in the national laws, and it goes without saying that one must observe them.

A parent and child, however, are not established by a government or born from it. Regardless of state institutions, they exist naturally. There are certain basic laws and truths related to parent and child. For a parent to love his child and a child to love his parent is natural and is not brought about by any national law. Therefore, it can be said there is a truth far deeper in life than any law. The facts and standards concerning a parent and child, are facts inherent in the fundamental existence of humans, which even a powerful government power can do nothing about.

This applies to our national polity. It is a fundamental entity far deeper than any state or ordinary society.

ITEM 7 People's Political Strength (Sub-Editorial) - Asahi - 2 Feb 49. Translator: H. Furukawa. (TK)

401.1

Full Translation:

A government of the people, by the people and for the people was LINCOLN's statement, but a government by the people is seldom realized. In present-day JAPAN, the political parties represented in the Diet are engaged in shady maneuvers to gain power and concentrate on partisan or personal problems instead of working for the people. It has been customary in JAPAN for politicians to change their party affiliations after the general election disregarding the will of their electorates. Such practices have alienated the people from politics, and a government by the people cannot be realized under such circumstances.

In the latest general election, however, the people realized that they were able to exert considerable influence. The newspapers, and the people themselves, had not expected that the general election would cause a drastic change in party line-up. The result was a severe blow to those who had been in power and misgoverned the nation. Although there were individual offenses, the election was generally conducted fairly without interference by money or power.

The LONDON TIMES said that the emergence of the Democratic Liberals and the Communists is an expression of popular discontent toward the US occupational policy. We think, however, that it ..... reflects the people's dissatisfaction with the maladministration of the coalition cabinets composed of the Democrats, Socialists, and People's Co-operatives, which lasted nearly three years. The people only desired, we believe, to renovate politics according to democratic principles, and the result cannot be regarded as an expression of the people's inclination toward the dictatorship of ultra-conservatives or Communists.

The people are certain to have realized their influence upon politics, and the political parties also must have realized the people's strength. This is a course leading to confidence in democracy.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 5 Rally of Intellectuals against Fascism Held - Akahata - 23 Jan 49.
Translator: C. Akashi. (JJY)

401.1

Summary:

A rally of intellectuals against fascism was held at 1400 hours 21 January at Kyoiku Hall, KANDA, under the joint sponsorship of the Japan Democratic Culture League, the Democracy Protection League, and the Association for the Protection of Japanese Culture. More than 500 intellectuals and students, including KURAHARA Koreto, SONOBE Saburo, UCHIDA Iwao, GOSHO Heinosuke, HANI Setsuko, and NOMA Hiroshi, participated in the rally, which was presided over by MATSUMOTO Masao and TANAKA Hajime of the Japan Democratic Culture League.

SONOBE Saburo, music critic, first took the rostrum and spoke for the elimination of all remnants of fascism and the abolition of the system of mass taxation which is hampering the development of culture. AKAIWA Sakae, pastor of the Japan Church of Christ, a religious critic, who expressed his determination to join the Communist Party that day, warned that JAPAN will collapse unless fascism is eliminated from this country by an intellectual movement.

Meanwhile, FUSE Tatsuji of the Liberal Bar Association spoke on the people's review of the Supreme Court judges on 23 January. KONNO Yojiro, Central Committee member of the Communist Party, appealed to those present at the rally to proceed courageously, joining hands with the masses of the people at this time when all old things are rapidly collapsing before the rise of new political, economic, and cultural forces.

Following this, UCHIDA Iwao, painter, GOSHO Heinosuke, Toho movie producer, and HANI Setsuko spoke. Lastly, KURAHARA Koreto read an appeal to intellectuals the world over which was unanimously endorsed by the rally.

Furthermore, three proposals-opposition to mass taxation, movement of intellectuals toward merger of the Communist and Socialist parties, and unification of the intellectual front-were passed unanimously. It was also decided to hold similar meetings regularly in the future.

GOSHO Heinosuke, in his address, stressed the importance of the co-operation of all working people in order to promote culture. HANI Setsuko pointed out the necessity of removing the livelihood uncertainly of so many and urged the unification of the women's and children's front as well as the intellectual front so as to establish a bright, well-educated country from which all feudalistic elements, now showing signs of revival, will be eliminated.

The appeal unanimously passed at the rally reads:

"To intellectuals the world over:

"We the intellectuals of JAPAN are now fighting against fascism which threatens to control this country again. Our aspiration is to remake this country into a truly democratic, self-sustaining nation, which will contribute to the achievement of world peace and human progress. We herewith pledge our close collaboration with you, our comrades throughout the world, hoping that you will extend your friendly hands to us.

21 Jan 49 Rally of Intellectuals against Fascism"

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

401.1

ITEM 8 Political Problems of the New Year - Shin Yukan - 1 Jan 49. Translator: S. Yokoyama. (TK)

Summary:

The New Year is expected to be a year of endurance. We should realize that JAPAN this year must be rehabilitated not only domestically but internationally. In this connection, the following three points should be given due consideration.

First, with the enforcement of the general election in the near future, the possibility of bringing changes in the political situation is being envisaged. It is still questionable whether the democratization of the nation's politics is being developed in the proper direction and whether the people have actually seized the power to control politics. If we lack the power to democratize national politics by ourselves, JAPAN's restoration of international relations will be obstructed. Without being thoroughly democratized, JAPAN can never be truly rehabilitated, no matter how much aid the Allied Nations may extend to us.

The second question is how to carry out the nine-point economic stabilization program suggested by the US Government. It is imperative for JAPAN under the Allied Occupation to carry out the program faithfully and vigorously. Not only the Government and its agencies but all economic organizations should endeavor to work along this line. Above all it is important to adjust politics so that the program can be easily enforced. All the political parties except the Communist Party will doubtlessly support the Government in carrying out the nine-point program. The question is how to remove the obstacles standing in the path of economic recovery. The foundation of the nation's politics will be firmly laid only when this task is accomplished.

Third, JAPAN's position in the world should be made clear this year. In view of the current situations in CHINA, KOREA, INDIA, and SOUTHEAST ASIA, we should realize that postwar conditions of our country are liable to become hotbeds of Communist ideology, which can be labelled as new totalitarianism. We should endeavor to foster an ideology and political philosophy which is above Communism and which is based on the actual situation of ASIA as well as JAPAN. The germ of such a political philosophy can already be seen not only in academic circles but in labor unions. It is a big task imposed upon us to cultivate such an ideology.

From the above considerations, it is clear that 1949 is a year of endurance for the Japanese. We should do our best in order to become capable of rejoining international society by democratizing ourselves thoroughly.

ITEM 3 Kyoto NCIU, GPWU Sponsor Current Affairs Talks - Provincial Paper: Yukan Kyoto (Kyoto) - 18 Jan 49. Translator: A. Kido. (TY)

Full Translation:

401.1

HIRANO Yoshitaro, chairman of the China Research Institute; HANI Goro, member of the House of Councillors; KAN Makoto, chairman of the National Congress of Industrial Unions, and ASAI Kiyonobu, a professor at the Ritsumei University, spoke before the Kyoto Congress of Industrial Unions and the local regional conference of the Government and Public Workers Unions on 16 January. The lecture meeting on current affairs, to which the four above named persons were invited, was held at Kacho Hall.

With Kyoto NCIU Chairman ASAKAWA Susumu as chairman of the meeting, the various lecturers took the podium. Mr ASAI, speaking on the recent political situation of our country, called for the defeat of the forces turning JAPAN fascist; Mr HANI, elaborating on the circumstances through which the NPSL revision bill passed the House of Councillors, called for the protection of fundamental human rights; Mr KAN talked on the labor dispute at NOBEOKA of the ASAHI Synthetic Company and on the prospects of the Japanese labor world; and Mr HIRANO spoke on victories of the people's liberation army in CHINA and on the democratic racial front in our country.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 2 Public Poll Shows Single Party Cabinet Preferred - Tokyo Shimbun - 29 Jan 49. Translator: J. Ide. (WI)

401.1

Summary:

Under such circumstances as the landslide of the Democratic Liberal Party, the collapse of centrist groups and the remarkable advance of the Communist Party, the third Yoshida Cabinet will come into existence in the near future. What hopes do the electorate entertain from the Democratic Liberal Party to which they entrusted the political situation? Which will the people prefer as the form of the next Cabinet, a single Democratic Liberal Party Cabinet or a conservative coalition? What hopes do those who preferred the Communists to the Socialists entertain from the progressive front? From these angles, this paper conducted a public opinion survey yesterday throughout TOKYO in collaboration with the Association for Public Opinion Science. In short, most voters demand fulfillment of public pledges of the conservative front while calling for the progressive front to assume a sound attitude on the basis of its fundamental stand. It can be said therefore, that most of the electorate are seeking stabilization in both political and economic fields.

First Question: Composition of the next cabinet:

Single Democratic Liberal Party Cabinet	57.8	* ± 3.4
Conservative coalition	17.4	± 2.7
Desire neither	5.3	± 1.6
Anything all right	1.3	± 0.8
Don't know	15.6	± 2.5
No answer	2.6	± 1.5

*(Percentage of possible error)

Second Question: What attitude should political parties take in the future?

A. Conservative parties		
Fulfill public pledges	9.8	± 2.0
Cling to fundamental policies	7.4	± 1.9
Adopt progressive policies without swinging to extreme right	6.6	± 1.8
Stabilize economy and livelihood	3.7	± 1.3
Purify politics	3.3	± 1.3
Enforce nine-point economic principle	1.8	± 0.9
Realize free economy	1.3	± 0.8
Others	11.8	± 2.2
No hope	34.2	± 3.2
No answer	21.9	± 2.7

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

ITEM 2 (Continued)

B. Progressive parties	10.4	± 2.1
Cling to fundamental policies	7.5	± 1.9
Be sound without conducting strikes and agitations	3.5	± 1.4
Watch conservative parties	2.5	± 1.1
Watch Democratic Liberal Cabinet	2.3	± 1.0
Realize what they pledged	1.4	± 0.9
Compromise with conservative parties	1.3	± 0.8
Take nationality into consideration	10.8	± 2.2
Others	37.6	± 3.0
No hope	24.2	± 2.8
No answer		

Third Question: What policy do you hope from the next Cabinet?

Economic Stabilization	17.2	± 2.5
Curtailment of taxes	11.2	± 2.2
Improvement of rationing	9.9	± 2.1
Prevention of inflation	9.1	± 2.0
Realization of Public Pledges	8.3	± 1.9
Rationalization of taxation	7.4	± 1.9
Abolition of controls	7.2	± 1.8
Abolition of bad taxes	6.6	± 1.7
Establishment of clear political and social life	2.8	± 1.2
Administrative adjustment and business adjustment	2.5	± 1.1
Others	24.1	± 2.8
No hope	9.8	± 2.0
No answer	7.9	± 1.8

Fourth Question:

(A) Do you think that the names, policies, and personal records of the candidates were thoroughly understood by the public?

Yes	21.4	± 2.7
No	45.2	± 3.4
Can't decide	24.2	± 2.9
Don't know	7.6	± 1.9
No answer	1.6	± 1.1

(B) Upon what basis did you decide your ballot?

Radio	44.9	± 3.4
Newspapers	42.9	± 3.4
Election gazettes	24.8	± 3.0
Joint Speech Meetings	10.4	± 2.1
Street Speeches	12.2	± 2.2
Post cards	0.2	± 0.4
Aquaintances	7.1	± 1.8
Others	9.6	± 2.0
No answer	1.8	± 0.9

(C) What should be revised in the present election law?

Names and platforms of candidates should be published fully	4.2	± 1.4
Election laws and regulations should be revised	3.5	± 1.3
Election laws and regulations should be left untouched	3.4	± 1.3
Speech campaigns should be held more frequently	3.1	± 1.1
Propaganda should be carried out more fully	2.9	± 1.2
Public management of election should be abolished	2.6	± 1.1
Newspapers and radio should be utilized	1.8	± 1.2
Broadcasting by candidates should be done more frequently	1.0	± 0.6

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 775015

NEWS

ITEM 2 (Continued)

Others	9.8	± 2.0
None	37.7	± 2.9
No answer	21.8	± 2.5

Appendix: Who do you like best among current Japanese statesmen?

YOSHIDA Shigeru	14.6	± 2.5
KATAYAMA Tetsu	4.0	± 1.4
NOZAKA Sanzo	3.5	± 1.4
INUKAI Ken	2.9	± 1.2
OZAKI Yukio	2.6	± 1.2
TOKUDA Kyuichi	1.4	± 0.8
MATSUOKA Komakichi	1.0	± 0.7
ASANUMA Inajiro	0.7	± 0.6
HIROKAWA Kozen	0.5	± 0.5
KAZAHAYA Yasoji	0.5	± 0.5
Others	6.0	± 1.7
None	52.3	± 3.3
No answer	16.2	± 2.2