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possessions, are their stock-holdings. Together, the Imperial Princes owned a total of 89,545 shares in 38 corporations and banks with a market value in August 1940 of from 5,000,000 to 7,000,000 yen. (See Table VI for detailed tabulation). The only large investment, however, was in the South Manchurian Railway, and considering the size of that company the holdings of the Imperial Princes were quite small. In general, it may be said that the Princes appeared more willing to invest in industrial corporations, particularly in the newer and more speculative enterprises. In some of the new army-sponsored exploitive companies, such as the North China and Central China Development Companies, token shares have apparently been bought by the Imperial Princes for propaganda purposes.

I. Effect of the War on Imperial Household Property.

Since 7 December 1941, prices of all commodities have been steadily rising in Japan so that all Imperial Household properties other than bullion, specie, currency and bonds have been increasing in monetary value. Production in forests, particularly, has been accelerated to meet demands of war industries, and profits of industrial companies have risen sharply. The heavy crown stockholdings in banks and commercial companies have probably reflected this in the form of higher dividends and market prices. National, municipal, prefectural and corporate bonds, on the other hand, since they have a fixed nominal value and interest rate, have actually declined in real value.

The destruction caused by the war and military occupation, the disappearance of wartime markets after hostilities, the enforced closing of certain industries, and the removal of Manchuria, Korea, Formosa and the Mandated Islands from the Japanese Empire, are all expected to counteract the temporary wartime increase in the value of crown properties. Except in the event of a strong inflationary movement, it is possible that the value of the property of the Imperial Household will be less than it was in 1940.

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III. ADMINISTRATION OF IMPERIAL HOUSEHOLD PROPERTY

A. General

Over-all administrative direction of the crown properties is exercised by the Emperor, with the advice of the Privy Council, through the Imperial Household Department (Kunai-sho) headed by the Imperial Household Minister (Kunai Daijin). Within the Department and under the supervision of the Minister, responsibility for the management of the crown properties is divided according to the class of property, as follows: for specie, bullion, currency, negotiable instruments, government bonds and other intangibles - the Imperial Treasury Bureau, (Naizo-ryo); for farms, forests and associated properties - the Imperial Forests and Estates Bureau (Koshitsu Rinya-kyoku); for motor vehicles and livestock - the Imperial Mews Bureau (Shuma-ryo); for other miscellaneous crown property - each bureau for property relating to its special functions; and for the property of the Imperial Princes - each of the fourteen princely houses (miya). Over all of these managerial functions, the Board of Imperial Auditors (Koshitsu Kaikei Gisa-kyoku) has general auditing responsibilities. Two "inter-bureau" committees. within the Imperial Household Department, the Imperial Household Economic Committee and the Budget Committee, tender advice to the Emperor and the Minister with regard to property management. General accounting functions are carried on by the Imperial Treasury Bureau, except for the special accounts in which case the Imperial Treasury Bureau merely inspects the balance sheets and budgets.

B. The Emperor and his advisers

The Emperor, as the head of the Imperial Family, controls the property of the Imperial Household. In theory he has almost absolute control, being limited only by the Imperial House Law (Koshitsu Tempan) and the other laws relating to crown property, all of which he can change if necessary. In practice, he lays down general policy with regard to crown property and directly appoints the higher officials who administer it, but bothers little with the actual administrative details except to (a) designate Imperial Hereditary Property; (b) approve the annual budget and the audit of Imperial Household accounts; (c) approve the establishment of and expansion of Princely estates; (d) appoint special judicial functionaries to settle litigation between members of the Imperial Family, and (e) pronounce legal incapacity of members of the Imperial Family and appoint guardians for them.

In questions of general policy, the Emperor may call on the Privy Council for advice. 1/ The Imperial House Law specifically

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1/ See Civil Affairs Handbook, Japan Section 2A, National Government for composition and duties of the Privy Council.

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charges the Privy Council with the responsibility for advising the Emperor with respect to the designation of Imperial Hereditary Property (Article 46) but consideration and advice concerning other aspects of crown property are forthcoming only at the Emperor's request. The Emperor, in like manner, may call on the Lord Privy Seal for advice on crown property although no law makes specific provision to that effect. The Imperial Household Minister, whose powers and functions are discussed below, however, is likely to be the Emperor's closest advisor on matters of Imperial Household property. It is significant that the Emperor's principal property advisers and officials are generally chosen for their knowledge of and ability in national and international affairs, and that property problems constitute only a small part of their field of action.

C. The Imperial Household Department (Kunai-sho)

The Imperial Household Department, an organization originally established for the carrying out of court functions and rituals, has, with the enormous growth of the crown properties, become in large part a business organization for the management of extensive financial, commercial and real interests. As the personal secretariat of the Emperor, it is not a regular cabinet department and does not fall under the supervision of the Premier or any parliamentary organ nor does the Minister's tenure correspond to the life of the cabinet in power. It is staffed by regular civil service employees. Since its property administration is an outgrowth of its ceremonial functions, supervision of crown properties is scattered throughout its various sections in the manner indicated below. (See Figures II and III)

1. The Minister of the Imperial Household (Kunai Daijin) is appointed directly by the Emperor and is charged with the responsibility of assisting in all affairs of the Imperial Household. The selection of the minister is usually determined by political considerations and his ability to advise the Emperor in political matters rather than on the basis of his ability to manage the Imperial Household. Nevertheless, in practice, almost all of the Emperor's authority concerning property matters is deputized to the minister. In both organization and personnel he has broad general powers; he lays down procedural regulations with regard to property and appoints in the name of the Emperor most of the middle and higher officials in the Department. He also has a number of specified duties:

a.) All Imperial announcements, in lieu of registration, concerning designation of Hereditary Property and the creation of rights in rem with respect to Hereditary Property are made by him.

b.) The Minister or his deputies represent the Imperial Household in legal actions.

c.) The Minister designates expenditure items in the reserve funds, appoints the Budget Committee, and approves the annual budget of the Department.

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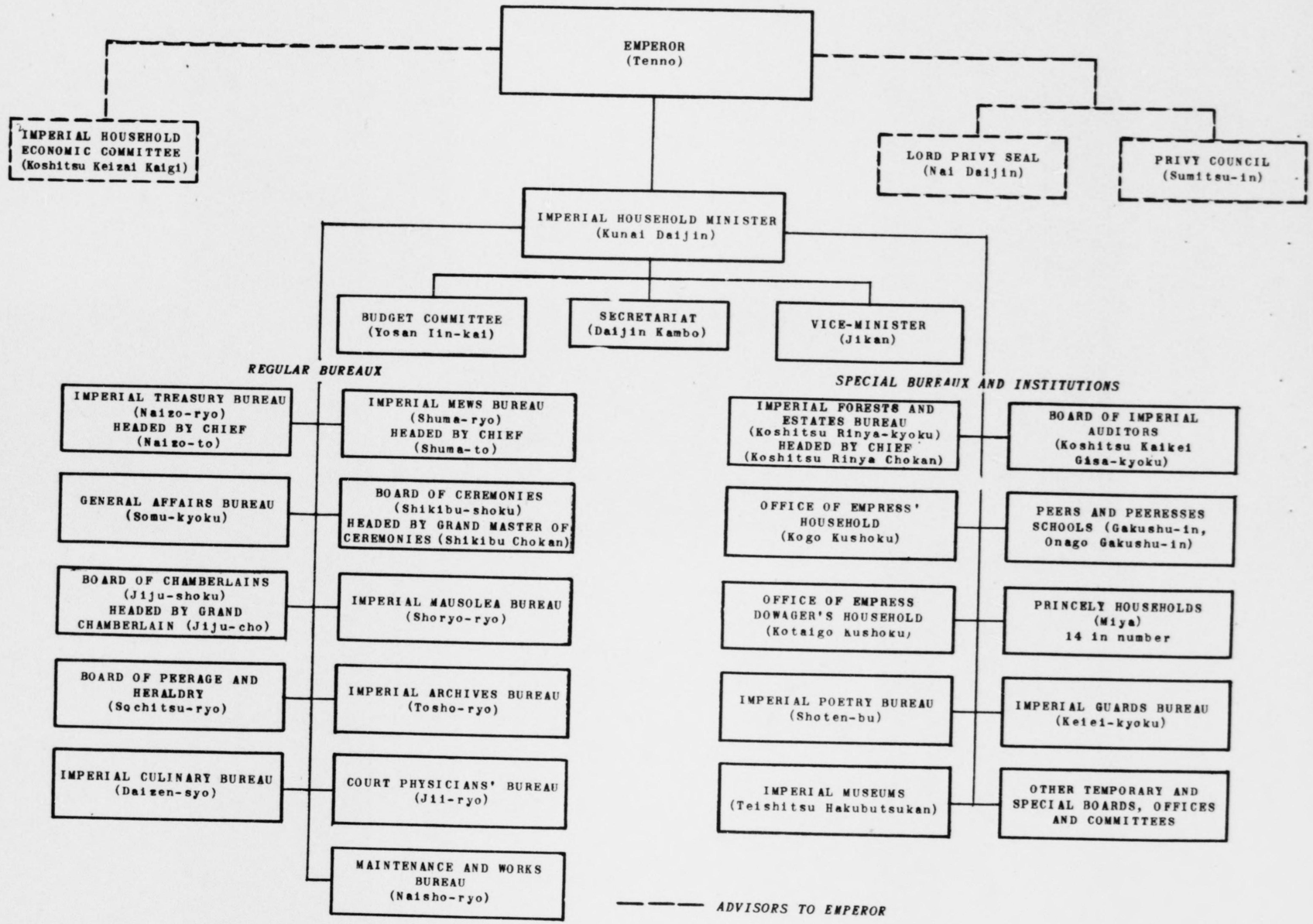
FIGURE II

ORGANIZATION OF THE IMPERIAL HOUSEHOLD, JULY 1943



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d.) He determines the sales price of land, buildings and other Imperial real property, and designates cases of sales of timber, agricultural produce and other products of Imperial Household property in which private contracts may replace public bidding.

e.) He designates banks of deposit and other outside financial institutions through whom the Imperial Household deals.

f.) He appoints examiners to inspect the books of the Officials in charge of Receipt and Disbursement of Funds (Suito Kanri), and determines whether they should be held personally responsible for any losses which occur.

g.) He acts as a general supervisor and executor of princely estates (miya). For example, he establishes or alters the estates of the princely houses and sets forth the accounting regulations thereof, announces the declaration or termination of legal incompetency or quasi-incompetency of members of the Imperial Family, manages princely estates until succession is acknowledged, liquidates princely estates with no successors, and with Imperial Sanction decides the division of princely estates when disagreement as to inheritance arises.

h.) He sits on the Imperial Household Economic Committee.

2. The Imperial Treasury Bureau (Naizo-ryo) is entrusted with supervision of liquid assets and investments, with general accounting and drawing up the annual budget for the Department, and with the purchase of supplies. It is headed by a Chief (Naizo-to) in whose name all registered bonds and negotiable instruments are held. The Bureau Chief sits in an advisory capacity on the Imperial Household Economic Council and is usually a member of the Imperial Household Administrative Review Committee (Kunai-kan Kosa Iin-ka). The Imperial Treasury Bureau consists of three sections with jurisdictional responsibilities as follows:

a.) Finance Section (Zaimu-ka) - Accounting and custody of the Imperial Capital Accounts (Gyoshi Kaikei); receipt, expenditure and custody of bullion, specie, currency and specially guarded moneys; matters relating to the Imperial Household Economic Council; bonds and other securities; accounting journal; revenues and disbursements other than those provided in the budget; and guarding of "chops" or seals.

b.) Accounts Section (Shukei-ka) - Records of budget estimates and closing entries; ledgers; expenditure or transfer of reserve funds; carrying forward fixed amounts; charge of the Ordinary Accounts (Tsujo Kaikei) and their analysis; and inspection of balance sheets of special accounts.

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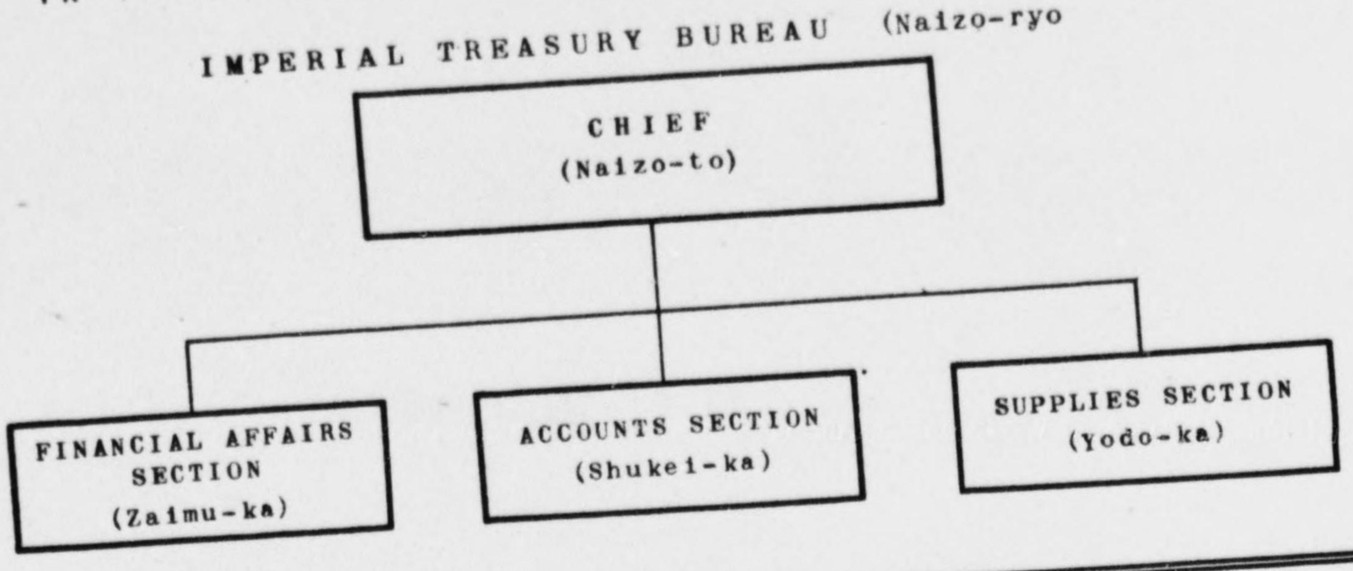
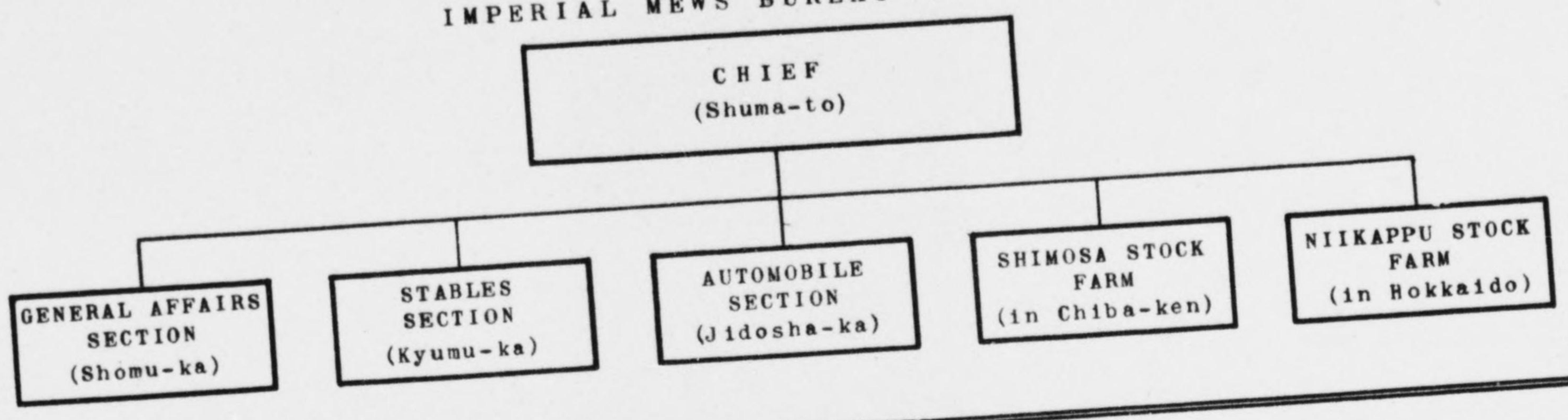
FIGURE II

ORGANIZATION OF BUREAUS WITH SPECIAL PROPERTY FUNCTIONS IN THE IMPERIAL HOUSEHOLD DEPARTMENT, JULY 1943

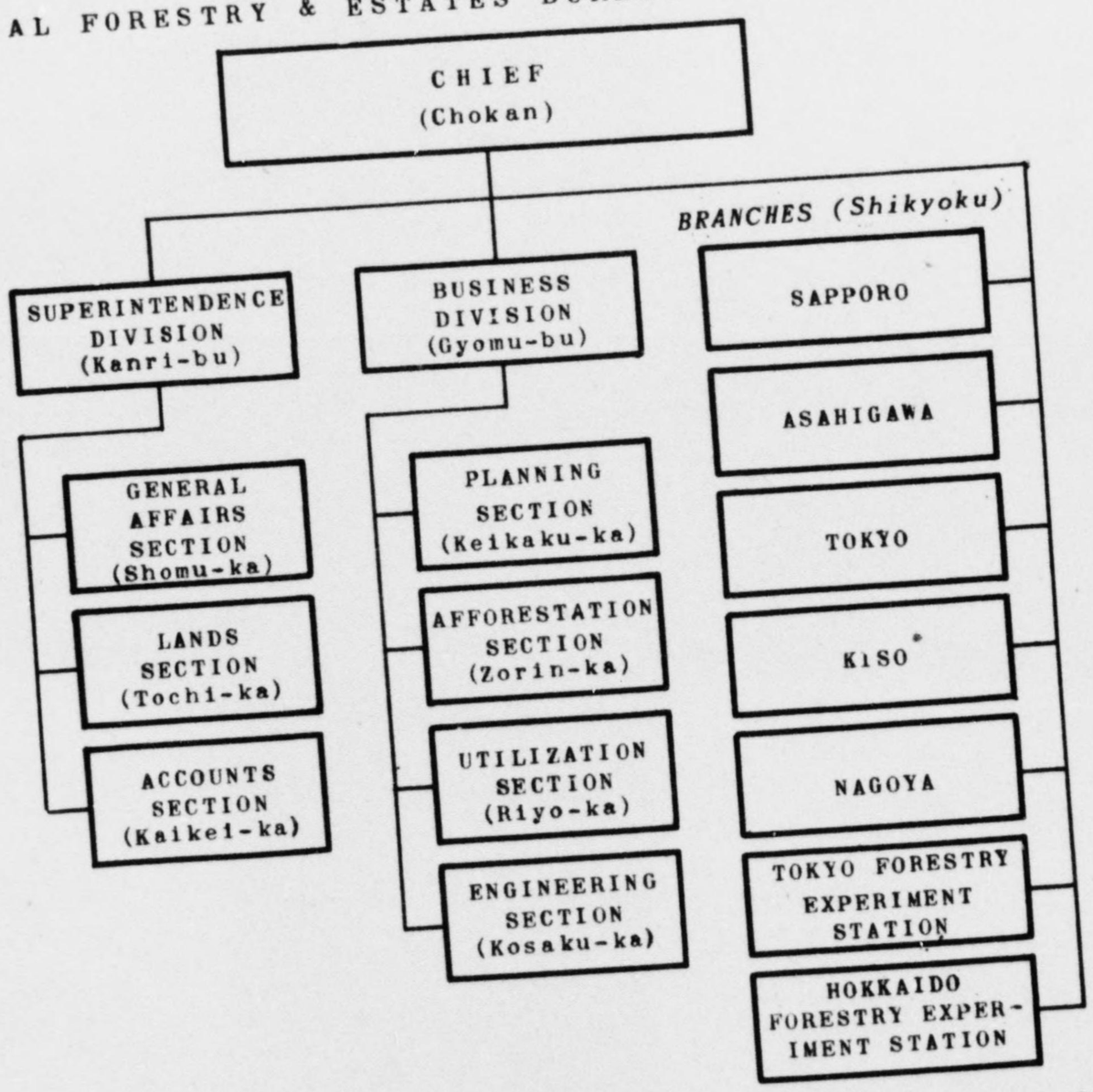
IMPERIAL TREASURY BUREAU (Naizo-ryo



IMPERIAL MEWS BUREAU (Shuma-ryo)



IMPERIAL FORESTRY & ESTATES BUREAU (Koshitsu Rinya-kyoku)



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c.) Supplies Section (Yodo-ka) - Purchase, custody and expenditure of supplies; hiring, management and supervision of servants; telephone exchange; cleaning and management of buildings; and disposition of used goods.

3. Imperial Forestry and Estates Bureau (Koshitsu Rinya-kyoku) has general jurisdiction of forests, farms and other Imperial estates. It is set up independently of the regular bureaus of the Imperial Household Minister but is under his control. In accounting and administration it is almost entirely independent of the remainder of the Department. Because of the extent and location of the crown forests, this bureau has five branches, sixty-three stations and an experiment station in addition to its Tokyo headquarters, and in 1939 employed a total of about 900 regular employees about one-third of the entire staff of the Imperial Household Department. The headquarters of the bureau is headed by a bureau chief (kyoku chokan) and consists of two divisions and seven sections with responsibilities as follows:

a.) Superintendance Division (Kanri-bu)

i. General Affairs Section (chomu-ka) - Documents; seals; correspondence; compilation and custody of documents and maps; statistics; establishment, abolition and changes in branches, stations and experiment stations; police affairs; lawsuits and money grants.

ii. Land Section (Tochi-ka) - Purchase, sale, exchange or transfer of land; establishment, alteration or extinction of real rights; renting and use of land; extraction of earth, clay, stone, or mineral ores; and registration and custody of land titles, maps and records.

iii. Accounts Section (Kaikei-ka) - Special forestry accounts; bureau budgets; income and expenditures; contracts and purchases; disposal of unused goods; hiring and management of forest workers; construction, and repairs; management, acquisition and disposal of buildings; registration and custody of building titles, maps and records.

b.) Business Division (Gyomu-bu)

i. Planning Section (Keikaku-ka) - Examination, revision, compilation and custody of administrative bills and proposals; establishment of reserved forests and separated forests; water utilization; boundaries and surveying; custody of boundary charts and surveying records.

ii. Afforestation Section (Zorin-ka) - Tree planting, protection, nurseries and restoration of damage to forests.

iii. Utilization Section (Riyo-ka) - Disposition of forest products and stored timber; cultivation of agricultural land; stockherding; and aquatic enterprises.

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iv. Engineering Section (Kosaku-ka) - Construction and management of special forestry railroads; construction and repair of forest roads and paths; irrigation and dikes; custody of records and plans of special forest railroads, tramways, rolling stock, roads and paths.

In each of the five Branch Bureaux (shikyoku) a similar but simpler administrative organization has been set up consisting of a Superintendence Section (Kanri-ka) and a Business Section (Gyomu-ka) with functions comparable to the headquarters organization. (See Appendix A for list of Imperial Forest Branches and Stations)

4. Imperial Mews (Shuma-ryo) is a third bureau within the Imperial Household Department which has jurisdiction over a special category of Imperial Household property. It is responsible for all vehicles and livestock, except stock farms under the Imperial Forestry and Estates Bureau. It is headed by the Chief of the Imperial Mews (Shuma-to) and has three sections and two stock-farms as follows:

a. General Affairs Section (Shomu-ka)
b. Stables Section (Kyumu-ka)
c. Automobile Section (Jidosha-ka)
d. Shimosa Stock Farm (in Chiba-ken)
e. Niikappu Stock Farm (in Hokkaido)

In 1939 the Imperial Mews had 125 regular employees.

5. Other Regular Bureaux have special limited administration of crown property in connection with their special functions, e.g., the Imperial Culinary Bureau (Daizen-ryo) is in charge of the court kitchens. Only a few cases are specially worthy of note.

a.) Bureau of Libraries (Tosho-ryo) keeps the register of Imperial Hereditary Property.

b.) The Nara and Tokyo Imperial Exhibition Halls have custody of the Imperial Art Treasures.

c.) The Peers and Peeresses schools with their buildings and grounds are separately administered.

6. The Imperial Princes (Miya) have administrative supervision over the property of their houses. Their accounts must be kept in accordance with the regulations set down by the Imperial Household Minister and are believed to be subject to inspection by the Board of Imperial Auditors. In 1943 the princely houses were as follows:

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1. Chichibu
2. Takamatsu
3. Mikasa
4. Kanin
5. Higashi
6. Fushimi
7. Yamashina
8. Kaya
9. Kuni
10. Nashimoto
11. Asaka
12. Higashi Kuni
13. Kita Shirakawa
14. Takeda

7. Board of Imperial Auditors (Koshitsu Kaikei Gisa-kyoku) consists of a Chief (Chokan), a Chief Secretary (Jimukan) who is also an auditor, three other auditors (gisa-kan)2/ and two assistant auditors (gisa-kampo). They are under the direct supervision of the Imperial Household Minister and their function is to audit the accounts of all bureaux and other institutions in the Imperial Household Department. Each year, by August 31, the Board receives the annual budget for audit. The Board also makes a special inspection of the books of the Officials in charge of Receipt and Disbursement of Funds (Suito Kanri) and determines strict accountability, i.e., personal responsibility, for any lost sum. The Chief of the Imperial Auditors Board sits in an advisory capacity on the Imperial Household Economic Council.

8. Special Committees. There are two significant special committees with considerably different functions:

a.) The Imperial Household Economic Council (Koshitsu Keizai Kaigi) was set up by the Imperial Household Property Law (Articles 80-85) and consists of the Lord Keeper of the Privy Seal, the Imperial Household Minister, and not more than seven Advisors. The Vice-Minister of the Imperial Household (Kunai Jikan), Chief of the Imperial Treasury Bureau, Chief of the Imperial Forestry and Estates Bureau, and the Chief of the Board of Imperial Auditors sit in a consultative capacity.

This Council, with Imperial Sanction, sets general policy for the Department on the budget, on reserve disbursements and extra-budgetary disbursements, on designation of Hereditary Property and creation of rights in rem with respect to such property, and on profit and loss of investment and properties.

b.) The Budget Committee (Yosan Iin-kai) was established by the Imperial Household Accounting Law (Articles 38, 39) and consists of a Chief and six members chosen annually with Imperial Sanction by the Imperial Household Ministers from among the higher civil officials of the Department. It has the technical task of reviewing

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2/ The Imperial Family Ordinance No. 10 of Oct. 1921, which established this Board called for five auditors, but in July 1943 only four auditors were listed in the Government Register (Shokuin-roku).

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the budgets presented by the various bureaus and the Imperial Treasury Bureau and submitting them to the Imperial Household Minister and the Emperor.

9. Personnel. The entire personnel of the Imperial Household Department in 1939 consisted of about 2,800 officials and regular employees. It is impossible to tell how many of them were engaged in property administration or management but about 900 were in the Imperial Household and Estates Bureau. A small number, only 27, were listed in the Imperial Treasury Bureau, and the Imperial Mews had 112.

A survey of the higher officials of the Imperial Household Department indicates that most of them have had straight civil service backgrounds with no direct outside connections. The present (June 1945) Imperial Household Minister, Sotaro ISHIWATA, is typical of this element having held such posts as Chief of Regional and national tax and revenue bureaus, Vice-Minister of Finance, Minister of Finance, and Councillor to the Finance Minister. A number of the higher officials, however, have been abroad, either as students or diplomats, with pre-war connections to Axis or Allied countries equally numerous. The Imperial Household Minister from March 1936 until June 1945, Tsuneo MATSUDAIRA, was Ambassador to the United States from 1925 to 1928 and Ambassador to Great Britain from 1929 to 1936, and is generally considered to lean towards the peaceful imperialist policy of the moderate business elements. On the other hand, Viscount Kimitomo MUSHAKOJI, the Director of the Bureau of Peerage and Hereditary (Sochitsu-ryo) was Ambassador to Germany and concluded the German-Japanese Anti-Comintern Pact in November 1936. A small number have held high positions in the military forces. Admiral Hisamori FUJITA, who is now Grand Chamberlain (Jiju-cho), was formerly Vice-Minister of the Navy, Commandant of the Kure and Yokosuka Naval Bases and war councilor. Takeo YAMAGATA, the Deputy Grand Master of Ceremonies (Shikibu Jikan) was the secretary to the Navy Minister and naval attache to the Embassy in Italy.

In general it may be said that the Emperor chooses his higher officials for their political abilities and devotion to the throne rather than for technical administrative capacities. Except in the middle and lower ranks, the officials with authority over the crown properties administer their official duties as an honor and as a minor part of their job. Their principal function is to act as political advisers to the Emperor.

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IV. ACCOUNTING AND RECORDS

A. General

In the management of property so valuable and diverse as that of the Imperial Household, accurate accounts and records are essential. Fortunately, all accounting has been centralized and made uniform by the Imperial Household Accounting Ordinance (Koshitsu Kaikei-rei) and the Rules for the Application of the Imperial Household Accounting Ordinance (Koshitsu-Kaikei-rei Shiko Kisoku). Other property records, however, still reflect the situation when crown properties were considered primarily an adjunct of court functions and supervision was apportioned among the various officials entrusted with those functions. In determining property holdings, the accounts will be most useful to Military Government unless they have been removed or destroyed, in which case other types of records will have to be used by MG officers.

B. Accounts

1. Responsible officials. The Chief of the Imperial Treasury Bureau (Naizo-to) has general supervision of all accounts. He holds the position of Managing Director (Shukan Bukyoku Chokan) of the Imperial Capital and Ordinary Accounts, while each of the Special Accounts has as its Managing Director the Division (bu) or Bureau (kyoku or ryo) Chief concerned. The Managing Director appoints the subsidiary officials attached to his Account or Accounts as follows:

a.) Officials in Charge of Receipt and Disbursement of Funds (Suito Kanri) have direct custody of specie, currency and negotiable instruments for purposes of receipt or disbursement. These officials are chosen with care, their books are inspected from time to time by the Board of Imperial Auditors, and they are personally responsible for any losses incurred in their handling of funds.

b.) Assigned Accounts Officials (Bunninkan) are accountants who are in charge of any segment of the work which the Managing Director may assign to them. They assist in drawing up contracts and budgets, as well as keeping the accounts.

c.) Deputy Assigned Accounts Officials (Bunninkan-no dairi) assist the Assigned Accounts Officials and are appointed by them.

In addition to these officials the Budget Committee and the Board of Imperial Auditors have special responsibilities with regard to accounts which are described in Chapter III.

2. Form of Accounts. In accordance with the Imperial Household Accounting Law, all Imperial Household accounts are divided into three categories: Ordinary Accounts, Imperial Capital Accounts, and Special Accounts.

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a.) Ordinary Accounts (Tsujo Kaikei) are substantially current accounts and relate to the day-to-day functioning of the court. They contain entries for income from the Civil List, the sale of land, miscellaneous income and surplus funds transferred from Special Accounts. Expenditures listed are those for purchase of food or other goods, construction work, wages and salaries, and, in fact, all expenses not belonging to other accounts. Surpluses are transferred to and deficits are made up from the Imperial Accounts.

b.) Imperial Capital Accounts (Gyoshi Kaikei) relate to the great bulk of the wealth, other than forests and estates, owned by the Imperial Household. They are divided into two sections plus a fund as follows:

i. The Main Fund Section includes the bullion, registered bonds, negotiable instruments, and the greater part of the specie and currency owned by the Imperial Household. Capital funds from Special Accounts are kept in the Main Funds Section. At the end of the fiscal year, any deficits in the Receipts and Disbursements Section are made up out of the Main Fund Section and, contrariwise, any surpluses are transferred to the Main Fund Section.

ii. The Receipts and Disbursement Section includes, among its receipts, income from investments (listed in the Main Fund), surplus funds transferred from the Fund for Reserve Supplies and from the Ordinary Accounts, funds transferred from the Main Fund Section to make up deficits and miscellaneous income. Expenditures listed include expenses connected with the Main Fund Section, and funds transferred to the Ordinary Accounts and to the Fund for Reserve Supplies.

iii. The Fund for Reserve Supplies is set up to provide for the purchase of supplies not to be used currently and therefore not posted in the Ordinary Accounts. In general, only two types of supplies are included in this fund, i.e., construction and repair materials, and special foods and articles needed for Imperial banquets and gifts. Surplus supplies may be sold and income therefrom is indicated in the Receipts and Disbursement Section.

c.) Special Accounts relate to enterprises not directly involved in the functioning of the court, such as the Peers' and Peeresses' Schools, the Empress Dowager's Household and so forth. Capital funds of the Special Accounts are usually kept in the Main Fund Section of the Imperial Capital Accounts. By far the most important enterprise among the Special Accounts is the Imperial Forestry and Estates Bureau, whose accounts are kept by a separate Accounts Section (Kaikei-Ka) within the Bureau. All business receipts and expenditures are shown in this Account. Annual surpluses in Special Accounts are transferred to and funds to meet deficits transferred from the Ordinary Accounts.

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3. Accounting Procedures. In general, the Imperial Household is believed to use the double-entry bookkeeping system used in the United States, with the usual Japanese modifications. Transfers from one fund to another, or from one category of accounts to another is usually accomplished by check.

The calendar year is taken as the fiscal year, and the books must be closed and balanced by March 31 of the following year. The year in which revenue falls is determined by the date of the receipt, the date of notice of payment due, or date of collection, in that order of preference, except that the allotment for the Civil List is allocated nine-twelfths to the current government fiscal year and three-twelfths to the preceding government fiscal year. The year into which expenditure falls is determined by the date of payment, the date of fulfillment of a contract (where disbursements are based on contracts), or the year scheduled for payment (in the case of fixed payments such as pensions, grants, allowances, etc.).

4. Budget.

a.) Compilation and approval. Receipts and expenditures of the Imperial Household are planned in advance by an annual budget system. Each year budgetary estimates for the succeeding year are made by the Assigned Accounts Officials and the Bureau or Division Chiefs in Charge of Special Accounts. Upon the basis of these estimates, the Chief of the Imperial Treasury Bureau (Naizo-to) draws up the main budget for all accounts except the Main Fund Section and the Fund for Reserve Supplies of the Imperial Capital Accounts. This budget is submitted before October 31 to the Minister of the Imperial Household, who sends it immediately to the Budget Committee which in turn is required to approve or disapprove the items listed within 15 days. The budget is then submitted to the Emperor by December 31, and, after the deliberation of the Imperial Household Economy Council receives Imperial sanction. Supplementary budgets are drawn up and approved in much the same manner as the necessity for them arises.

b.) Balancing the books and auditing. At the end of the fiscal year, the Chief of the Imperial Treasury Bureau drafts the settlement or balance sheet for those revenues and expenditures provided for by the budget for the year past, and also presents a balance sheet for the accounts not included in the budget. These drafts, accompanied by monthly and annual statements of receipts and disbursements made by the Assigned Accounts Officials, the Officials in charge of Receipt and Disbursement of Funds, and the Managing Directors in charge of special accounts, are submitted with relevant documents by August 10 to the Emperor, at which time the Board of Imperial Auditors is notified. The latter are charged with finding losses of specie, bullion, currency or negotiable instruments and fixing responsibility on the officials concerned.

c.) Form of the budget. The budgets for the Ordinary and Special Accounts are divided into two sections, a working budget and

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an emergency budget, and contain preambles explaining the year's accounts and comparing them with the preceding year. Provision for two reserve funds are made in each of these budgets. The First Reserve Fund is intended to supplement unavoidable deficiencies in items listed in the budget while the Second Reserve Fund provides for necessary expenses arising outside the budget. Items of expenditure in the First Reserve Fund are designated by the Minister of the Imperial Household at the beginning of the fiscal year. All other emergency expenditures are handled by the Second Reserve Fund, or where it is insufficient, by supplementary budgets.

5. Receipt and Disbursement of Funds. Subject to the supervision of the Imperial Household Minister, the custody, receipt and disbursement of funds are managed by the Chief of the Imperial Treasury Bureau, his appointees (particularly the Officials in charge of Receipt and Disbursement of Funds), and banks or trustees designated by him. Detailed forms and procedures to be used by them in transactions involving the expenditure or receipt of funds are laid down by the Imperial Household Accounting Ordinance and the Rules for the Application of the Imperial Household Accounting Ordinance.

a.) Receipts. Notices of payment due are sent to the payor ten days in advance. Payments must generally be made in specie or postal savings transfers to the Official in charge of Receipt and Disbursement of Funds or to a designated deposit bank. Receipts are issued by such officials or by the Chief of the Imperial Treasury Bureau. (In 1928, the Bank of Japan was designated as the official deposit bank for the Imperial Household).

b.) Disbursements. Except in special instances, disbursements are made in the form of checks drawn upon a deposit bank by the Chief of the Imperial Treasury Bureau, the Managing Director or the Assigned Accounts Official concerned. Funds may be transferred to a local bank on which a check may be drawn for the convenience of the payee. In every case a receipt must be collected or a disbursement affidavit made out by the official concerned.

c.) Advance payments. Although generally disbursements are permitted only after goods have been delivered, contracts fulfilled or work performed, limited exceptions are made to this rule when circumstances warrant, e.g., expenses paid before an Imperial visit, travel expenses, tuition and allowances for persons ordered abroad on official missions or for study.

d.) Borrowing. Loans from outside sources may be made with Imperial Sanction after consultation with the Imperial Household Economic Council. Loans among the various Imperial Household accounts require no such sanction but must be paid back within the year.

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6. Contracts. Aside from work done by regular employees, all materials purchased and work performed for the Imperial Household Department is arranged on a contract basis. Contracts are normally awarded after competitive bidding, the procedure for which is outlined in great detail in the Imperial Household Accounting Ordinance (Articles 77-81) and the Rules for the Application of the Imperial Household Accounting Ordinance (Articles 98-119). Private contracts may be made for purchases of goods for less than 3,000 yen or buildings and enterprises for less than 5,000 yen, and also in a number of special cases such as extreme urgency, purchase of goods from abroad, arrangements for transportation, purchases in connection with an Imperial visit, or transactions in bullion and negotiable instruments. Where the products of Imperial Household forests and farms, or crown land and buildings are sold by private contract, the price is determined by the Minister of the Imperial Household. Otherwise the subsidiary official concerned is responsible.

C. Records

Records other than accounts relating to the property of the Imperial Household are scattered throughout the offices of the Imperial Household Department which have had jurisdiction over the property concerned. The central repository for records is the Archives Bureau (Tosho-ryo) located in the Imperial Palace, but many of the relevant records are not located there. In general, the central property records for each of the bureaux handling property are believed to be located in the Imperial Palace in Tokyo, while records relating to transactions of branch offices will be found at the branches. Certain types of records are worthy of special mention:

1. Deeds, titles, maps of agricultural and forest land are located in the office of the Lands Section, Superintendence Division, Imperial Forestry and Estates Bureau at 1-chome, Marunouchi, Kojimachi-ku, Tokyo or in the Superintendence Sections of the Branches. (See Appendix A for a list of branches and stations of the Imperial Forests and Estates Bureau.)

2. Deeds, titles, plans of building, if connected with the Imperial Forestry and Estates Bureau, are located in the offices of its Accounts Section, Superintendance Division located as above. Building plans of other buildings may be found in the Superintendance Section, Maintenance and Work Bureau (Naisho-ryo) in the Imperial Palace, Tokyo.

3. Hereditary Property Records are kept in the Archives Section (Tosho-ka), Archives Bureau (Tosho-ryo), Imperial Palace, Tokyo.

4. Records of stocks of bullion or specie on deposit in the Bank of Japan are probably kept in the headquarters of the Bank of Japan in Tokyo.

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V. PROBLEMS AND COURSES OF ACTION

A. Necessity for Military Government Control of Imperial Household Property.

In order to prevent activity inimical to the security of the Military Government and the occupying forces on the part of the Imperial Household, its officials or employees; in order to insure the final disposition of Imperial Household properties (in accordance with policy to be determined later); in order to facilitate the utilization of such properties for furthering the immediate purposes of the Military Government; and in order to preserve works of art and other cultural materials, it will be necessary for the Military Government to place Imperial Household property under its control.

1. Preventing hostile activities

The vast extent and value of the crown fortune makes it particularly susceptible of use in a manner prejudicial or hostile to the occupying forces and the Military Government. Of its estimated total value of about a billion yen, perhaps as much as several hundred million yen will be in the form of bullion, specie and currency or negotiable instruments and other liquid assets readily convertible to cash. It is the direct concern of the Military Government to prevent the use of such assets to finance the activities of hostile groups, whether political or military in nature. Furthermore, the Imperial Household, through its shareholdings in certain Japanese companies and banks, may occasionally be in a position to use its voting privileges to obstruct special Military Government policies. This is particularly true in the case of the Yokohama Specie Bank and the Japan Mail Steamship Line (Nippon Yusen Kaisha), even where special MG controls are set up over such companies.

2. Insuring final disposition

For the reason that the maintenance of immense wealth in the hands of the Imperial Household may very well hinder the democratization of Japan and for the purpose of utilizing crown properties for reparations or restitution, the nationalization, transfer or other disposition of the Imperial Household properties may ultimately be required. In the absence of any clear statement of policy on this subject and for the period of the belligerent military occupation of Japan, Military Government will not be expected to implement final disposition of the property of the Imperial Household. When such policy is stated final disposition of the Imperial Household properties will be in order.

Until such time, the principal duty of the Military Government will be the prevention of the alienation, secret or "above-board", or the destruction of Imperial Household properties. This will be particularly true with regard to liquid assets of which no public

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record has been made and of which little is known at present. In the very first period after occupation, it is most likely that the Imperial Household, its officials or agents, will attempt to conceal such assets in order to avoid the possibility of eventual fines, penalties or seizures. It will be the responsibility of the Military Government to keep such properties intact and available for future disposition so far as possible.

3. Furthering the purposes of MG

Particularly with respect to forests, farms, livestock and motor vehicles, it may be necessary for the Military Government to utilize Imperial Household property to carry out its programs and further the military administration of Japan. For example, in the event that lumber is needed as building material for military purposes, use of the resources of the crown forests might be required. It will be essential that all peoductive and usable facilities needed in connection with these programs be administered or managed by persons known to be willing to cooperate in attaining MG objectives.

4. Protecting Works of Art and other cultural materials.

In the event that Imperial palaces, exhibition halls or estates are abandoned, and in view of the fact that such abandoned property is specially liable to damage or looting, it will be a responsibility of MG to secure such property in order to preserve law and order and prevent pillage. Such protection, however, should not have priority over the security of certain other classes of property such as those owned by United Nations nationals, but is especially indicated where such works of art may be used for the ultimate purpose of restitution or compensation.

B. Methods of Control

In general, two effective methods of control of crown properties are available to MG:

1. Splitting up of crown properties by category with management of each category and personnel appertaining thereto transferred from the Imperial Household Department to the suitable national government departments.

This method would divorce property control from policy concerning the status of the Emperor and his high officials, and would remove crown properties from the jurisdiction of officials who might reasonably be expected to be particularly hostile to MG and loyal to the Imperial House. It also would help prevent the reconstitution of the wealth of the Imperial Household after the termination of occupation. However, it would entail considerable administrative difficulty and complexity, at least initially, and might interfere with disposition of the property if policy to that effect were to be applied during the period of MG.

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2. Management of Imperial Household properties as a unit through the Imperial Household Department.

This method is most convenient because it would retain the old, rather efficient organization with a minimum of administrative shifts and with a direct line of authority. It would also make disposition of crown property a relatively simple matter at any time. However, the retention of the old organization intact carries with it a serious danger of sabotage of MG objectives by the old officials (particularly those appointed by the Emperor), who might be expected to be loyal to the Emperor and hostile to MG. Effective control of the Department can be established only through the substitution of an MG officer or officers for the Imperial Household Minister and Vice-Minister and by a thorough-going removal of all doubtful personnel from positions of authority within the Department. On the assumption that such actions are in accord with over-all policy, this method is recommended.

C. Degree of Supervision

While the MG authorities will be expected to take over control of the crown properties, the extent and varied nature of the properties will make it impossible for detailed supervision to be carried on over all categories of crown properties by MG officers. Generally speaking, crown properties will fall into four classes, each requiring a different degree of supervision by MG, as follows:

1. Bullion, specie, currency, negotiable instruments, and other intangibles are liquid assets and may be easily availed of for promoting activities hostile to MG. They are also easily transferred fraudulently or clandestinely to "dummies" or otherwise concealed to evade possible eventual seizure and disposition of United Nations authorities. On the other hand, they present no managerial problems. Such properties should therefore be seized and turned over to the financial section of MG.

2. Forests, farms, livestock and productive estates will present primarily a problem of management for the purposes of maintaining the value of the properties and utilizing them most fully in connection with other MG programs. Since such properties cannot be easily utilized to support hostile activities they will not require detailed MG supervision, and since they are not particularly susceptible to pillage, no special MG protection will be needed. As a rule, it will be most desirable to leave the management of such properties to Japanese officials subject to the direction of MG officers.

3. Living quarters, furnishings and personal property needed for the day-to-day existence of the Emperor and his immediate family.

This category of crown property will be quite small in amount and will not be specially liable to looting or susceptible to hostile use. Neither will it be of any particular use in MG programs. It will, therefore, require no outside management and might quite safely be left to the management and use of the Imperial family within the

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limits imposed by MG policy towards the Emperor and his immediate family.

4. Museums, exhibition halls and abandoned palaces and estates will require no control other than sealing and guarding.

D. Recommended Program

1. Appointment of a Crown Property Custodian

a. The value, extent and variety of the crown properties, as well as the importance of controlling them effectively, make it necessary to centralize all responsibility for control of such properties in one office. Therefore, a Crown Property Custodian should be appointed from the staff of the Military Government to exercise general control of the properties of the Imperial Household. If an MG officer is placed in charge of the Imperial Household Department as a whole, he might well serve concurrently as Crown Property Custodian or else exercise general supervision over the Crown Property Custodian. In any event, the actions of the Crown Property Custodian should be in conformity with general MG policy towards the Imperial Household.

b. In general, the Crown Property Custodian should actively aassume all the former functions of the Emperor and the Minister of the Imperial Household with respect to crown property. He should be the representative of the crown properties in legal action and his duties should include the promulgation of such detailed measures as will be necessary to apply the Military Government property control program, the maintenance of records, and the receipt and inspection of accounts, balance sheets and such other reports as might be required from Japanese officials appointed by MG

c. It may be desirable for the Crown Property Custodian to vest title to the crown properties. Such vesting would facilitate the management of the crown properties by enabling the Crown Property Custodian to dispose of properties when circumstances so dictate, e.g., when maintenance costs of property are too high, when retention is otherwise uneconomical, or when needed to pay the salaries of employees engaged in managing or otherwise working on the properties. Vesting would automatically prevent any subsequent alienation of property or withdrawal of bank deposits without the specific direction of the Crown Property Custodian and would therefore make blocking procedures unnecessary. If it is not considered necessary to vest title, the Crown Property Custodian should assume a "custodial" title so that transfers might be made when dictated by considerations of sound management.

d. The Crown Property Custodian should have the authority to suspend and amend such portions of the Imperial Household Property Ordinance (Koshitsu Zaisan-rei), the Imperial Household Accounting Ordinance

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(Koshitsu Kaikei-rei), the Rules for the Application of the Imperial Household Accounting Ordinance (Koshitsu Kaikei-rei Shiko Kisoku), and such other ministerial ordinances as may be necessary to apply effective controls.

e. The Crown Property Custodian should set up a regular liaison with other MG agencies to facilitate cooperation in MG programs other than that of property control.

2. Invalidation of transfers

a. After vesting of title to the Imperial Household properties by the Crown Property Custodian, no subsequent transfers of title would be valid unless made by the Crown Property Custodian. However, if it is decided not to vest title in the Crown Property Custodian, all Imperial Household property, including bank accounts, will have to be blocked except for transactions licensed by the Crown Property Custodian.

b. All transfers of title which were made prior to vesting and which took effect on or after 7 December 1941 may be presumed to have been made for the purpose of evading or contravening MG controls and should be declared invalid, unless they were made for the purchase of necessities of life for the Emperor and the Court, for salary payments to regular employees of the Imperial Household Department or for customary property maintenance.

c. With the same exceptions, all transfers of title to property in the yet unoccupied zone made subsequent to assumption of control be declared invalid.

d. All transfers, even those taking effect prior to 7 December 1941, should be declared invalid if made for the purpose of evading or defeating MG controls.

3. Inventory of Imperial Household Properties

a. The description of crown properties given in this report is necessarily incomplete, out-of-date and in insufficient detail. As soon as possible, therefore, Imperial Household properties in the occupied areas should be listed. This listing need not be in great detail at first but should be made for the purpose of indicating the properties over which MG control will be placed. As the zone of occupation expands, additional crwon properties should be added. As soon as convenient, a detailed listing should be obtained or compiled. The customary records and accounts, which are indicated in Chapter IV above, may be helpful.

b. As more detailed listings are possible, all properties bearing prima facie evidence of having been looted from China,or other areas occupied by Japan, should be sequestered.

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4. Removal of untrustworthy officials

As has been indicated above, the control of Crown properties through a relatively intact Imperial Household Department organization, would confirm in large measure the authority of the incumbent officials of the Department. Since such officials will probably be loyal to the Imperial House and reluctant to harm its interests through certain of the MG property control measures, close supervision of their activities will be essential to the attainment of the MG objectives. But, however close such supervision might be, the advantages conveyed to hostile officials by their familiarity with the workings of the department and the continuance of their authority over their subordinates will make it possible for them to intrigue against MG controls. It is therefore recommended that those officials who by their past records are most likely to be hostile to MG or especially loyal to the Imperial House should be ruled ineligible to hold positions of authority with respect to crown properties. It is suggested that the following persons be considered ineligible:

a. All Japanese who actively participated, in a responsible capacity, in the formulation or execution of Japanese imperialistic policies prior to 7 December 1941, or in the prosecution of the Pacific War since that date.

b.. All appointees of the Emperor himself, i.e., those holding shinnin or chokunin rank. As of July 1, 1939, there were 94 officials (4 shinnin and 70 chokunin)of such rank holding office in the Imperial Household Department, but only ten of these held positions of authority with respect to crown properties: the Imperial Household Minister, the Imperial Household Vice-Minister, one Counselor (Sanji-kan) of the Ministry, the Chief of the Imperial Treasury Bureau, the Chief of the Imperial News Bureau, the Chief of the Board of Imperial Auditors, and the Chief, the Chief Secretary and two Technical Experts (gishi) of the Imperial Forestry and Estates Bureau.

5. Civil List

a. The Civil List was voted the Emperor for the maintenance of the Imperial Court and the Imperial Household. On the assemption that the Imperial Court, together with its rituals and functions, will be suspended during MG, and since the major portion of the Imperial Household expenses have been incurred through the management of crown properties which will be under the control of MG and not theEmperor, it is recommended that the Civil List be terminated. The day-to-day living expenses of the Emperor and his immediate family, however, should be considered as a legitimate governmental expense to be paid out of governmental revenues.

b. The pre-war income from the crown properties was more than adequate to pay for their maintenance and for the salaries of the regular employees of the Imperial Household Department who managed them.

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The proceeds of the crown properties, therefore, should be used to pay for such maintenance and salaries during the period of MG.

6. Bullion, specie, currency, negotiable instruments and other intangibles

a. All stocks of gold and silver bullion, specie, currency and all realizable securities, including corporate stocks, short-term commercial paper and national, prefectural, municipal and corporate bonds, should be seized, listed and turned over to the financial section of MG, with the exception of such liquid assets as are necessary to administer the crown forests, farms, stock farms and other crown properties which are to be operated or maintained under Military Government.

b. Lists of bullion, specie, currency and intangibles owned by the Imperial Household together with their location may be found in the Imperial Capital Account or other records kept by the Imperial Treasury Bureau. Records of short-term commercial paper will also probably be found in the Ordinary Account kept by the Imperial Treasury Bureau. The Bank of Japan, as the official deposit bank for the Imperial Household, may have been custodian of a good part of the bullion, specie and currency, and in the course of the reorganization of the Bank of Japan by MG, such stocks will probably be registered.1/

c. No cash should be paid out, except that for salaries of regular Imperial Household Department employees and for maintenance of properties.

7. Productive forest and farms

a. Management of forests, farms and livestock should be continued in the Imperial Household Forestry and Estates Bureau, as is or in some modified form, under the supervision of the Crown Property Custodian. This Bureau was relatively autonomous within the Imperial Household Department and it may easily be utilized by the Crown Property Custodian as a unit. To insure effective supervision, it may be desirable to appoint an MG officer to take charge of this Bureau under the supervision of the Crown Property Custodian.

b. Some of the crown forests are likely to fall into MG hands before crown property in any other categories, particularly if the occupation of Japan proceeds from the north. If, as is likely, crown forests come under MG control before the central office of the Imperial

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1/ See Civil Affairs Guide: Control and Use of The Bank of Japan during The Period of Military Government.

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Household Forestry and Estates Bureau can be taken over, some of the five branch offices and the sixty-three stations may be available to MG for management purposes. As a rule, it will probably be most convenient for the Crown Property Custodian to work through the highest administrative office of the Bureau available to him. If two or more branch officer are in the occupied zone, the Crown Property Custodian might set up a skeleton central office to be combined with the regular central Bureau office when the latter falls under MG control.

c. In most cases, the customary management procedures should be continued. For security reasons and for the convenience of the Crown Property Custodian, all communications, including reports and directives, between stations, branches and the central Bureau office should be made in parallel Japanese and English texts and duplicates filed with the Crown Property Custodian.

d. Through a regular liaison between the Crown Property Custodian and other MG agencies concerned, the crown forests should be enlisted in any production program deemed essential by MG to the security of the occupying forces or the tranquility of the civil population. It is worthy of note that a similar arrangement between the Imperial Household Department and the Department of Agriculture and Commerce has already been used with success by the Japanese.

e. While little is known about the crown farms, on the basis of other Japanese experience, it is likely that they are operated independently by tenants with a minimum of supervision or assistance by the Imperial Household. Consequently, few problems of direct farm management may be expected to face the Crown Property Custodian, whose duties will probably be restricted largely to the collection of rents. It is possible that temporary dislocation due to the war, such as lack of fertilizer, breakdown of irrigation, interference with cultivation by military movements, the obligation of the peasantry to harbor homeless relatives from devasted urban areas, etc. may compel some tenants to forego payment of the customary rent. Since eviction of the tenant under such conditions would interfere with the production of food and since such eviction might well contribute to agrarian unrest, it is recommended that evictions from crown lands for non-payment of rent be suspended until normal conditions are restored. This would be consistent with customary Japanese practise which is to evict the tenant only after it became clear that he will be unable to pay his accumulated back rent at any foreseeable time in the future. Rents collected beyond the amount needed for administration should be transferred to the MG finance section.

f. Stock-farms will probably be handed most conveniently in the same manner as the forests.

8. <u>Palaces, estates, museums, and exhibition halls</u>

As indicated above, the small part of these properties in actual use by the Emperor and his immediate family as living quarters might be

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left to the management of the Emperor. All others should be subjected to a quick inventory when convenient and then sealed. The necessary police measures should be taken to prevent pillage. If necessary, the palaces and estates might be made available for billeting of military forces.

9. Motor vehicles and similar facilities

All transportation facilities should be reported immediately by the Chief or the highest remaining official of the Imperial News Bureau to the Crown Property Custodian. These facilities are subject to seizure. They may be of use in assisting military movements and should be made available to the occupying forces as soon as possible.

10. Accounting and Records

a. A notice forbidding destruction or removal of records and accounts relative to Imperial Household properties should be issued. 2/

b. As a result of measures taken by MG with respect to Imperial Household properties, the accounting thereof will have to be modified:

i. Following the seizure of all bullion, specie, currency and intangibles and their transfer to the financial section of MG, the Imperial Capital Account will no longer be necessary and might well be closed. All the items in the Main Fund section of the account will have been seized, and income and disbursements relative thereto will have disappeared. Any income from crown forests and farms normally transferred to the Receipts and Disbursements section of the Account might be kept in the Special Forestry and Estates Account or transferred to the financial section of MG. The Fund for Reserve Supplies might be transferred to the Ordinary Account.

ii. The Ordinary Account should be retained to keep accurate record of the remaining crown properties not kept in special accounts.

iii. Certain of the Special Accounts might be closed for the period of occupation if the relevant properties are sealed by MG.

iv. Other of the Special Accounts should be retained for institutions which may be permitted to operate, possibly the Empress Dowager's Household, or the Peers' school. In such cases, the accounts should be kept by the institutions concerned. In particular, the accounting of the crown forests, farms and stock farms, should be kept in the Special Forestry and Estates Account by the Accounts Section (Tokei-ka) of the Imperial Household and Estates Bureau, or by whatever agency succeeds it.

c. It will probably be most convenient to assign all budgetry and accounting functions, other than Special Accounts, to the Imperial

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2/ See Civil Affairs Guide on Preservation of Key Records in Japan.

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c. It will probably be most convenient to assign all budgetary and accounting functions, other than Special Accounts, to the Imperial Treasury Bureau, which may be retained possibly in a modified form. If it is decided to dissolve that Bureau, the Crown Property Custodian should make use of its experienced personnel.

d. In general, customary accounting and budgetary procedures should be retained as far as possible for convenience of MG. The detailed balance sheet and other important documents should be drawn up in parallel Japanese and English texts.

11. Auditing

Auditing formerly carried on by the Board of Imperial Auditors should be similarly assigned to a board of auditors, appointed by the Crown Property Custodian. This board should consist of carefully screened Japanese with a knowledge of English and adequate technical training.

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APPENDIX A. TOTAL FOREST AREA AND CROWN FORESTS 1914-1939 1/
(in cho)

A. By year

Year	Total Forest Area	Crown Forests
1914	21,033,600	1,942,800
1915	22,279,800	1,488,500
1918	22,292,800	1,391,800
1921	22,042,700	1,420,800
1924	23,215,200	1,376,000
1927	22,902,700	1,361,100
1930	23,203,000	1,444,600
1933	23,842,800	1,425,700
1936	24,186,400	1,380,100
1939	24,079,800	1,334,600

B. By prefecture, 1939

Prefecture	Total Forest Area	Crown Forest	Prefecture	Total Forest Area	Crown Forest
Hokkaido	6,576,037	901,229	Shiga	158,853	-
Aomori	624,514	21,101	Kyoto	319,158	-
Iwate	1,078,957	43,632	Osaka	32,510	-
Miyagi	443,104	-	Hyogo	449,210	-
Akita	762,562	-	Nara	178,417	-
Yamagata	632,443	-	Wakayama	311,757	-
Fukushima	997,613	1,809	Totteri	203,990	-
Ibaraki	223,365	-	Shimane	410,976	-
Tochigi	411,005	16,543	Okayama	415,833	-
Gumma	402,035	14,540	Hiroshima	495,105	-
Saitama	120,220	-	Yamaguchi	333,432	-
Chiba	153,724	637	Tokushima	327,989	-
Tokyo	77,686	1,355	Kagawa	94,359	-
Kanagawa	120,425	7,414	Ehime	305,679	-
Niigata	697,955	-	Kochi	444,585	-
Toyama	210,638	-	Fukuoka	218,476	-
Ishikawa	172,561	-	Saga	107,015	-
Fukui	238,817	-	Nagasaki	146,191	-
Yamanashi	334,328	3,359	Kumamoto	402,754	-
Nagano	1,033,979	161,684	Oita	447,596	-
Gifu	759,264	57,264	Miyazaki	572,390	-
Shizueka	439,844	83,837	Kagoshima	473,310	-
Aichi	256,687	14,098	Okinawa	130,363	-
Miye	327,081	5,870			

1/ Source: Norinsho Tokei-hyo (Statistics of the Department of Agriculture and Forestry) 1939 p. 167.
Note: 1 cho equals 2.45 acres

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APPENDIX B. TIMBER PRODUCTION OF CROWN FORESTS 1/

A. By year

	Coniferous		Broad-Leafed		Total	
	Quantity (cu. meters)	Value (yen)	Quantity (cu. meters)	Value (yen)	Quantity (cu. meters)	Value (yen)
1929	822,653	7,411,187	376,587	1,791,252	1,199,240	9,202,439
1930	779,389	5,204,868	259,801	923,067	1,039,190	6,127,935
1931	916,007	4,376,202	322,853	848,330	1,238,860	5,224,532
1932	944,501	4,079,861	412,723	998,839	1,357,224	5,078,700
1933	940,851	7,178,853	364,537	1,793,485	1,305,388	8,972,338
1934	935,013	7,931,812	339,697	2,162,100	1,274,710	10,093,912
1935	1,012,579	8,207,409	391,600	1,847,690	1,404,179	10,055,099
1936	869,604	7,438,190	438,991	2,560,358	1,308,595	9,998,548
1937	943,610	11,786,911	519,538	4,171,773	1,463,148	15,958,684
1938	863,929	13,580,600	548,211	4,972,070	1,412,140	18,552,670
1939	942,065	17,533,988	705,552	6,571,235	1,647,617	24,105,223

B. By Forestry District, 1939

Sapporo	164,155	2,133,199	307,139	3,044,947	471,294	5,178,146
Asahigawa	189,394	2,607,622	278,821	2,893,567	468,215	5,501,198
Tokyo	45,002	458,580	17,128	98,672	62,130	557,252
Nagoya	179,296	3,884,617	50,637	271,322	229,933	4,155,939
Kiso	357,468	8,363,913	51,767	262,372	409,235	8,626,285
Experiment Station	6,750	86,057	60	346	6,810	86,403

1/ Adapted from Norinsho Tokei-hyo (Statistics of the Department of Agriculture and Forestry) 1939 p. 280

APPENDIX C. STOCK-HOLDINGS OF IMPERIAL HOUSEHOLD AND THEIR ESTIMATED VALUE [1] (in August 1940)

Corporation	No. of Shares [2] Held by Imperial Household	Par Value	Market Value Per Share [3]	Market Value Total Holdings
Banking				
Sumitomo Ginko (Sumitomo Bank)	3,000	¥100	¥156.50	¥ 469,500.00
Sanwa Ginko [4] (Sanwa Bank)	800	50	73.15	58,520.00
Jugo Ginko (No. 15 Bank)	3,055	100	104.10	318,025.50
Dai Ichi Ginko (No. 1 Bank)	6,000	50	89.15	534,900.00
Taiwan Ginko (Bank of Taiwan)	7,566	100	124.05	938,562.30
Chosen Ginko (Bank of Chosen)	2,600	100	118.60	308,360.00
Chosen Shokusan Ginko (Chosen Colonization Bank)	9,000	50	79.20	712,800.00
	9,000	25	41.80	376,200.00
Nippon Ginko (Bank of Japan)	70,426	200	551.50	38,839,939.00
	70,426	100	402.50	28,346,465.00
Nippon Kogyo Ginko (Japan Industrial Bank)	22,725	50	61.10	1,388,497.50
	22,725	12.5	15.80	359,055.00
Nippon Kangyo Ginko (Hypothec Bank of Japan)	12,750	50	92.55	1,180,012.50
Mitsui Ginko (Mitsui Bank)	4,500	50	85.75	385,875.00
Mitsubishi Ginko (Mitsubishi Bank)	4,500	100	158.00	711,000.00
Hokkaido Takushoku Ginko (Hokkaido Colonization Bank)	3,000	50	64.65	193,950.00
Yokohama Shokin Ginko (Yokohama Specie Bank)	224,912	100	194.25	43,689,156.00
Total				118,810,817.80
Trust Companies				
Mitsubishi Shintaku KK (Mitsubishi Trust Co.)	5,000	50	25.65	128,250.00
Total				128,250.00
Insurance				
Tokyo Kaijo Kasai Hoken KK (Tokyo Maritime and Fire Insurance Co.)	3,000	50	143.00	429,000.00
Total				429,000.00

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APPENDIX C. (cont'd)

Corporation	No. of Shares Held by Imperial Household	Par Value	Market Value Per Share	Market Value Total Holdings
Railroads [5/]				
Rumae Tetsudo KK (Rumae Railroad Co.)	1,000	¥50	50.00	50,000.00
Oikawa Tetsudo KK (Oikawa Railroad Co.)	18,000	50	22.00	396,000.00
Minami Manshu Tetsudo KK (South Manchuria Railway Co.)	37,500	50	72.55	2,720,625.00
Yubari Tetsudo KK (Yubari Railroad Co.)	5,000	30	35.00	175,000.00
Total				3,341,625.00
Steamship Lines				
Osaka Shosen KK (Osaka Commercial Ship Co.)	6,423	50	92.60	594,769.80
	6,422	25	63.20	405,870.40
Nippon Yusen KK (Japan Mail Steamship Co.)	161,100	50	94.50	15,223,950.00
Nissei Kisen KK (Sino-Japanese Steamship Co.)	216	50	67.00	14,472.00
Total				16,239,062.20
Mining				
Hokkaido Tanko Kisen KK (Hokkaido Coal Mining and Steamship Co.)	79,888	50	75.66	6,044,326.08
	79,888	12.5	19.00	1,517,872.00
Total				7,562,198.08
Paper				
Oji Seishi KK	31,034	50	92.90	2,883,058.60
	31,034	25	58.30	1,809,282.20
Total				4,692,340.80
Sugar				
Taiwan Seito KK (Formosa Sugar Refining Co.)	19,300	50	111.30	2,148,090.00
	19,300	20	55.30	1,067,290.00
Total				3,215,380.00

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APPENDIX C. (cont'd)

Corporation	No. of Shares Held by Imperial Household	Par Value	Market Value Per Share	Market Value Total Holdings
Utilities				
Tokyo Dento KK (Tokyo Electric Light Co.)	23,972	¥50	¥62.35	¥ 1,494,654.20
Tokyo Gasu KK (Tokyo Gas Co.)	11,275	50	71.50	806,162.50
	6,637	25	36.50	242,250.50
Total				2,543,067.20
Colonization				
Toyo Takushoku KK (Oriental Development Co.)	25,000	50	66.25	1,656,250.00
Total				1,656,250.00
Hotels				
Teikoku Hoteru KK (Imperial Hotel)	14,700	50	56.75	834,225.00
Total				834,225.00
GRAND TOTAL				¥159,452,216.08

1/ Source: Hikiu Shoken Kaisha Kyokai, Kabushiki Kaisha Nenkan (Corporation Yearbook) Tokyo, 1941.
2/ In cases where the particular denominations held were not clear, the best guess based on the limited evidence available was made.
3/ Market value is average of high and low for August 1940.
4/ Held by the Imperial Household Department Mutual Aid Society.
5/ Holdings in this company are as of 1933, as no later information was available. In the absence of 1940 market value, par value was used. Source: Ginko Kaisha Yoroku (Roster of Banks and Companies) Tokyo, 1934, "Tokyo" section p.104.

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APPENDIX D INCOME OF IMPERIAL HOUSEHOLD FROM STOCK-HOLDINGS 1/

Corporation	No. of Shares	Par Value (in yen)	1938 Dividend Rate (in percent of par)	1938 Dividend (in yen)	1939 Dividend Rate (in percent of par)	1939 Dividend (in yen)
Banking						
Sumitomo Ginko	3,000	100	8.0	24,000	8.0	24,000
Jugo Ginko	3,055	100	no dividend	no dividend	3.5	10,692
Dai Ichi Ginko	6,000	50	8.0	24,000	8.0	24,000
Taiwan Ginko	7,566	100	5.0	37,830	6.0	45,396
Chosen Ginko	2,600	100	5.0	13,000	6.0	15,600
Chosen Shokusan Ginko	9,000	50	9.0	40,500	9.0	40,500
	9,000	25	9.0	20,250	9.0	20,250
Nippon Ginko	70,426	200	10.0	1,408,520	10.0	1,408,520
	70,426	100	10.0	704,260	10.0	704,260
Nippon Kogyo Ginko	22,725	50	6.0	68,175	6.0	68,175
	22,725	12.5	6.0	17,043	6.0	17,043
Nippon Kangyo Ginko	12,750	50	10.0	63,750	10.0	63,750
Mitsui Ginko	4,500	50	8.0	18,000	8.0	18,000
Mitsubishi Ginko	4,500	100	8.0	36,000	8.0	36,000
Hokkaido Takushoku Ginko	3,000	50	7.0	10,500	7.0	10,500
Yokohama Shokin Ginko	224,912	100	10.0	2,249,120	10.0	2,249,120
Trust Companies						
Mitsubishi Shintaku KK	5,000	50	7.0	7,550	7.0	7,550
Insurance						
Tokyo Kaijo Kasai Hoban KK	3,000	50	16.0	24,000	16.0	24,000
Utilities						
Tokyo Dento KK	23,972	50	8.0	95,888	8.0	95,888
Tokyo Gasu KK	11,275	50	8.0	45,100	8.0	45,100
	6,637	25	8.0	13,274	8.0	13,274

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APPENDIX D (cont'd)

Corporation	No. of Shares	Par Value (in yen)	1938 Dividend Rate (in percent of par)	1938 Dividend (in yen)	1939 Dividend Rate (in percent of par)	1939 Dividend (in yen)
Railroads						
Oikawa Tetsudo KK	18,000	50	2.0	18,000	2.0	18,000
Minami Manshu Tetsudo KK	37,500	50	8.0	150,000	8.0	150,000
Yubari Tetsudo KK	5,000	30	5.0	7,501	5.0	7,501
Steamship Lines						
Osaka Shosen KK	6,423	50	6.5	20,904	7.5	24,120
	6,422	25	6.5	10,467	7.5	12,073
Nippon Yusen KK	161,100	50	6.0	483,300	7.5	604,128
Nissei Kisen KK	216	50	no dividend	no dividend	no dividend	no dividend
Mining						
Hokkaido Tanko Kisen	79,888	50	8.5	339,524	9.0	359,469
	79,888	12.5	8.5	76,692	9.0	89,474
Paper						
Oji Seishi KK	31,034	50	10.0	155,170	10.0	155,170
	31,034	25	10.0	77,585	10.0	77,585
Sugar						
Taiwan Seito KK	19,300	50	12.0	115,800	12.0	115,800
	19,300	20	12.0	46,320	12.0	46,320
Colonization						
Toyo Takushoku KK	25,000	50	6.0	75,000	7.0	87,500
Hotels						
Teikoku Hoteru KK	14,700	50	4.5	33,075	6.5	47,775
GRAND TOTAL				6,530,098		6,736,533

1/ Source: Hikiu Shoken Kaisha Kyokai, Kabushiki Kaisha Nenkan (Corporation Yearbook), Tokyo, 1941.
2/ For translation of company names, see Appendix A.

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APPENDIX E. IMPERIAL ESTATES IN 1935

Estate	Area (in cho)	Location
I. Hereditary Estates	578.38	
A. Palaces	475.29	
1. Imperial Palace	212.31	Kojimachi-ku, Tokyo-shi, Tokyo-fu
2. Akasaka Detached Palace	61.86	Akasaka-ku, Tokyo-shi, Tokyo-fu
3. Hama Detached Palace	25.16	Kyobashi-ku, Tokyo-shi, Tokyo-fu
4. Kyoto Palace	90.23	Kamikyo-ku, Kyoto-shi, Kyoto-fu
5. Nijo Detached Palace	27.68	Nakakyo-ku, Kyoto-shi, Kyoto-fu
6. Katsura Detached Palace	4.39	Ukyo-ku, Kyoto-shi, Kyoto-fu
7. Shugakuin Detached Palace	28.08	Sakyo-ku, Kyoto-shi, Kyoto-fu
8. Hakone Detached Palace	13.66	Moto Hakone-mura, Ashigara Shimo-gun, Kanagawa-ken
9. Takanawa Imperial Estate	11.92	Shiba-ku, Tokyo-shi, Tokyo-fu
B. Building land	38.99	
1. Shosoin Treasury	1.72	Nara-shi, Nara-ken
2. Ueno Imperial Estate	10.64	Shitaya-ku, Tokyo-shi, Tokyo-fu
3. Minami Toshima Imperial Estate	26.63	Shibuya-ku, Tokyo-shi, Tokyo-fu
C. Miscellaneous Land	64.10	
1. Aoyama Imperial Grounds	.67	Akasaka-ku, Tokyo-shi, Tokyo-fu
2. Minami Toshima Imperial Estate	63.43	Yotsuya-ku, Tokyo-shi, Tokyo-fu, and Sendagaya-machi, Tokotama-gun, Tokyo-fu
II. Ordinary Estates		
A. Palaces and Villas		
1. Kasumigaseki Detached Palace	NA	Kojimachi-ku, Tokyo-shi, Tokyo-fu
2. Muko Detached Palace	NA	Kobe-shi, Hyogo-ken
3. Hayama Imperial Palace	NA	Hayama-cho, Kanagawa-ken
4. Tateishi Rest House	NA	Nishiura-mira, Kanagawa-ken
5. Numazu Imperial Villa	NA	Agehara-machi, Numazu-shi, Shizuoka-ken

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APPENDIX E (cont'd)

Estate	Area (in cho)	Location
6. Nikko Imperial Villa	NA	Nikko-machi, Kami Tsuga-gun, Tochigi-ken
7. Tamozawa Imperial Villa	NA	Nikko-machi, Kami Tsuga-gun, Tochigi-ken
8. Shiobara Imperial Villa	NA	Shiobara-machi, Shioya-gun, Tochigi-ken
9. Nasu Imperial Villa	NA	Nasu-mura, Nasu-gun, Tochigi-ken
10. Ikaha Imperial Estate	NA	Ikaho-machi, Gumma-gun, Gumma-ken
B. Imperial Stock Farms and Game Preserves		
1. Shimosa Stock farm	NA	Toyama-mura, Ichihara-gun, Chiba-ken
2. Niikappu Stock farm	NA	Shizunai-machi, Shizunai-gun, Hokkaido
3. Edogawa Hunting Preserve	NA	Chiba-ken
4. Edogawa Hunting Preserve	NA	Saitama-ken
5. Nagaragawa Fishing Preserve	NA	Gifu-ken
6. Jintsugawa Fishing Preserve	NA	Toyama-ken
7. Imperial Fish Hatchery	NA	Chuzenji-ko, Nikko-machi, Kami Tsuga-gun, Tochigi-ken

NA = Not Available; 1 cho = 2.45 acres

Sources: "Seiden Goryo-ni kansuru tochi-no shozai chiban chimoku oyobi menzoku" (Location, number and area of land belonging to hereditary Imperial Estates), Gendai Horei Shuran, Koshitsu-hen, Koshitsu zaimu, Vol. I p. 237; Koshitsu Keigo Benran (Imperial Household Handbook) Tokyo 1940 pp 3-16; Japan-Manchoukuo Year Book 1940 p.48.

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APPENDIX F. STOCK HOLDINGS OF IMPERIAL PRINCES IN JAPANESE CORPORATIONS (Aug. 1940)

Company	No. of Shares Held by Imperial Princes	Par Value Per Share (in yen)	Market Value Per Share (in yen)	Market Value Total Max. (in yen)	Market Value Total Min. (in yen)
Chosen Shokusan Ginko (Chosen Development Bank)	3,730	50; 25	79.2; 41.8	295,453	155,951
Dai Nippon Denryoku KK (Great Nippon Electric Power Co.)	4,625	50; 25	64.9; 34.65	308,172	161,156
Hodogaya Kagaku Kogyo KK(Hodogaya Chemical Industries Co.)	1,000	50; 25	67.5; 38.9	67,500	38,900
Hokkaido Takushoku Ginko(Hokkaido Colonization Bank)	9,080	50; 12.5	64.65; 17.35	587,022	187,538
Kita Shina Kaihatsu KK(North China Development Co.)	70	12.5	16.4	1,148	1,148
Koito Seisaku-sho (Koito Engineering Works)	300	50; 25	64.75; 41.25	19,425	12,375
Kyoto Gasu KK (Kyoto Gas Co.)	400	50; 30	70.35; 41	28,140	16,400
Manshu Dengyo KK(Manchuria Electric Co.)	600	50; 37.5	58.2; 44.4	34,920	26,640
Manshu Denshin Denwa KK (Manchuria Telegraph and Telephone Co.)	1,200	37.5	43.95	52,740	52,740
Meidensha (electric machinery manufacturing)	2,600	50; 35	83.5; 63.25	217,100	164,450
Meiji Seito KK (Meiji Sugar Manufacturing Co.)	345	50; 30	108.35; 68.50	37,308	23,642
Mitsukoshi (building)	280	50; 20	81.90; 36.50	22,932	10,220
Minami Manshu Gasu KK (South Manchuria Gas Co.)	300	50	74	22,000	22,000
Minami Manshu Tetsudo KK (South Manchuria Railway Co.)	15,185	50	71.95	1,092,560	1,092,560
Mitsubishi Ginko (Mitsubishi Bank)	2,570	100; 25	158.5; 47.45	407,345	122,717
Naka Shina Shinko KK (Central China Development Co.)	30	12.5	19.65	589	589
Nambei Takushoku KK (South American Colonization Co.)	100	17.5	9.75	975	975
Nippon Aruminiumu KK (Nippon Aluminum Co.)	1,000	50; 37.5	73.40; 59.35	73,400	59,350

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(Appendix F - cont'd)

Company	No. of Shares Held by Imperial Princes	Par Value Per Share (in yen)	Market Value Per Share (in yen)	Market Value Total Max. (in yen)	Market Value Total Min. (in yen)
Nippon Ginko (Bank of Japan)	200	200; 100	551.5; 502.5	110,300	100,500
Nippon Kangyo Ginko (Hypothec Bank of Japan)	3,993	50; 12.5	92.55;26.95	369,552	107,611
Nippon Kogyo Ginko (Industrial Bank of Japan)	9,600	50; 12.5	61.1; 15.8	586,560	151,680
Nippon Koshuwa Jukogyo KK(Japan High Frequency Heavy Industry Co.)	2,000	30	58	116,000	116,000
Nippon Satekkogyo KK (Japan Sand Iron and Steel Co.)	1,000	50; 25	71.5; 43.5	71,500	43,500
Nippon Seitetsu KK (Japan Iron and Steel Manufacturing Co.)	4,440	50; 37.5	62; 47.3	275,280	210,012
Nippon Yusen Kaisha (Japan Mail Steamship Line)	244	50; 37.5	94.4; 78.85	24,058	19,228
Oji Seishi KK (Oji Paper Co.)	1,580	50; 25	92.9; 58.15	236,642	202,825
Rikken Korandamu KK (Rikken Carborundum Co.)	2,000	50	60.5	121,000	121,000
Sankyo KK (Sankyo Co.,-chemicals)	375	50	50; 72.80	34,090	34,090
Sanwa Ginko (Sanwa Bank)	2,200	50; 25	73.15; 35.85	160,930	78,870
Showa Chisso Hiryo KK (Showa Nitrogen Fertilizer Co.)	600	50; 37.5	91.3; 77.65	54,780	46,590
Showa Denko KK (Showa Electric Industries Co.)	100	50; 25	58.5; 30.7	5,850	3,070
Showa Hikoki Kogyo KK (Showa Aircraft Industries Co.)	2,000	12.5	20.2	40,400	40,400
Taiwan Denryoku KK (Taiwan Electric Power Co.)	1,460	50; 12.5	61.95; 19.6	90,447	28,616
Toho Tanko KK (Eastern Colliery Co.)	3,000	50; 12.5	43.55; 12.2	130,650	36,600
Toyo Hatabako KK (Oriental Leaf Tobacco Co.)	500	50; 32.5	98.4; 77.9	49,200	38,950
Toyo Kogyo KK (Oriental Industries Co.)	1,000	50; 12.5	70.25; 32.2	70,250	32,200
Toyo Takushoku KK(Oriental Colonization Co.)	5,000	50; 37.5	66.25; 52.3	331,250	236,500
Yokohama Shokin Ginko (Yokohama Specie Bank)	5,838	100	194.1	1,132,155	1,132,155
TOTAL	89,545			7,279,623.	4,929,748

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APPENDIX G. BRANCHES AND STATIONS OF THE IMPERIAL FORESTRY AND ESTATES BUREAU (July 1939)

Sapporo Branch - 1, Nishi, Kita Sanjo-cho, Sapporo-shi, Hokkaido

1. Hakodate Station - Shiomi-cho, Hakodate-shi, Hokkaido
2. Esashi Station - Esashi-machi, Hiyama-gun, Hokkaido
3. Tomakomai Station - Tomakomai-machi, Yubutsu-gun, Hokkaido
4. Niikappu Station - Shizunai-machi, Shizunai-gun, Hokkaido
5. Sapporo Station - 1 Nishi, Kita Sanjo-cho, Sapporo-shi, Hokkaido
6. Yodoyama-kei Station - Toyohira-machi, Sapporo-gun, Hokkaido
7. Yubari Station - Yubari-machi, Yubari-gun, Hokkaido
8. Oyubari Station - Yubari-machi, Yubari-gun, Hokkaido
9. Iwamisawa Station - Iwamisawa-machi, Sorachi-gun, Hokkaido
10. Kami Ashibetsu Station - Ashibetsu-mura, Sorachi-gun, Hokkaido
11. Shimo Ashibetsu Station - Ashibetsu-mura, Sorachi-gun, Hokkaido

Asahigawa Branch - Kagura-machi, Kamikawa-gun, Hokkaido

1. Fukagawa Station - Fukagawa-machi, Uryu-gun, Hokkaido
2. Rurumoppe Station - Rurumoppe-machi, Rurumoppe-gun, Hokkaido
3. Haboro Station - Haboro-machi Station, Tomamae-gun, Hokkaido
4. Furano Station - Furano-machi, Sorachi-gun, Hokkaido
5. Asahigawa Station - Kagura-machi, Kamikawa-gun, Hokkaido
6. No. 1 Shibetsu Station - Shibetsu-machi, Kamikawa-gun, Hokkaido
7. No. 2 Shibetsu Station - Kami Shibetsu-mura, Kamikawa-gun, Hokkaido
8. Nayoro Station - Nayoro-machi, Kamikawa-gun, Hokkaido
9. Shimogawa Station - Shimogawa-mura, Kamikawa-gun, Hokkaido
10. Teshikaga Station - Teshikaga-mura, Kawakami-gun, Hokkaido

Tokyo Branch - 1 chome, Marunouchi-cho, Kojimachi-ku, Tokyo-shi, Tokyo-fu

1. Toyozumi Station - 1 chome, Toyozumi-cho, Fukagawa-ku, Tokyo-shi, Tokyo-fu
2. Noechi Station - Noechi-machi, Kamikita-gun, Aomori-ken
3. Morioka Station - Hikagemon Sotokoji-koaza, Nio-oaza, Morioka-shi, Iwate-ken
4. Tono Station - Tono-machi, Kami Hei-gun, Iwate-ken
5. Utsunomiya Station - Hanahada-machi, Utsunomiya-shi, Tochigi-ken
6. Maebashi Station - Kuruwa-cho, Maebashi-shi, Gumma-ken
7. Yokoyama Station - Yokoyama-mura, Minami Tama-gun, Tokyo-fu
8. Odawara Station - Odawara-machi, Ashigara Shimo-gun, Kanagawa-ken
9. Numazu Station - Sembon-cho, Numazu-shi, Shizuoka-ken
10. Tenjo Station - Kami Kano-mura, Takata-gun, Shizuoka-ken
11. Kawazu Station - Kami Kawazu-mura, Kamo-gun, Shizuoka-ken

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(Appendix G - cont'd)

Nagoya Branch - 1 chome, Buhei-cho, Higashi-ku, Nagoya-shi, Aichi-ken

1. Atsuta Station - Atsuta Nishi-cho, Atsuta-ku, Nagoya-shi, Aichi-ken
2. Osaka Station - 4 chome, Temmabashisuji, Kita-ku, Osaka-shi, Osaka-fu
3. Senzu Station - Kami Kawane-mura, Haibara-gun, Shizuoka-ken
4. Kakegawa Station - Kakegawa-machi, Ogasa-gun, Shizuoka-ken
5. Keta Station - Keta-mura, Sochi-gun, Shizuoka-ken
6. Hamamatsu Station - Taka-machi, Hamamatsu-shi, Shizuoka-ken
7. Toyohashi Station - Nakahachi-cho, Toyohashi-shi, Aichi-ken
8. Shinshiro Station - Shinshiro-machi, Minami Shitara-gun, Aichi-ken
9. Aichi Station - 1 chome, Buhei-cho, Higashi-ku, Nagoya-shi, Aichi-ken
10. Nakatsu Station - Nakatsu-machi, Ena-gun, Gifu-ken
11. Tsukechi Station - Tsukechi-machi, Ena-gun, Gifu-ken
12. Osaka Station - Osaka-machi, Masuda-gun, Gifu-ken
13. Takayama Station - Hanazato-oaza, Takayama-shi, Gifu-ken
14. Gero Station - Gero-machi, Masuda-gun, Gifu-ken
15. Oda Station - Furui-machi, Kamo-gun, Gifu-ken
16. Kyoto Station - Yamato Daiji Higashi-iri, Shichiji-dori, Higashiyama-ku, Kyoto-shi, Kyoto-fu

Kiso Branch - Fukushima-machi, Nishi Tsukuma-gun, Nagano-ken

1. Kamimatsu Shipping Station - Kamimatsu-machi, Nishi Tsukuma-gun, Nagano-ken
2. Suwa Station, Kami Suwa-machi, Suwa-gun, Nagano-ken
3. Ina Station - Ina-machi, Ina-gun, Nagano-ken
4. Iida Station - Hamai-cho, Iida-shi, Nagano-ken
5. Narai Station - Narakawa-mura, Nishi Tsukuma-gun, Nagano-ken
6. Yabuhara Station - Kiso-mura, Nishi Tsukuma-gun, Nagano-ken
7. Fukushima Station - Fukushima-machi, Nishi Tsukuma-gun, Nagano-ken
8. Otaki Station - Otaki-mura, Nishi Tsukuma-gun, Nagano-ken
9. Miura Station - Otaki-mura, Nishi Tsukuma-gun, Nagano-ken
10. Kamimatsu Station - Kamimatsu-machi, Nishi Tsukuma-gun, Nagano-ken
11. Nojiri Station - Okuwa-mura, Nishi Tsukuma-gun, Nagano-ken
12. Midono Station - Yamikaki-mura, Nishi Tsukuma-gun, Nagano-ken
13. Tsumakago Station - Azuma-mura, Nishi Tsukuma-gun, Nagano-ken
14. Yufunasawa Station - Misaka-mura, Nishi Tsukuma-gun, Nagano-ken

Forestry Experiment Station - Yokoyama-mura, Minami Tama-gun, Tokyo-fu

Source: Shokuin-roku (Government Register) July 1939 Part IV pp. 21-25

16-008 P61 bu

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

(Appendix G - cont'd)

Definition of geographical terms used:

aza - hamlet, subdivision of oaza
cho - precinct
fu - urban prefecture
gun - county
ken - rural prefecture
ku - ward
machi - urban township, or precinct
mura - rural township
oaza - hamlet, sometimes subdivision of shi
shi - city

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

OCT 25 1945

In reply refer to
ES

My dear Mr. Gaynor:

Acknowledgment is made of the receipt of the report entitled "Working Conditions other than Wages and Hours in Japan" which you so kindly furnished this Division.

Sincerely yours,

Seymour J. Rubin
Chief
Division of Economic Security Controls

894.504/10-2545

ITP
DCT Unit
Trans. L △ K
Rev. go
Cat. Ed
Dist.

Mr. Constance G. Gaynor, Chief,
Project Control Staff,
Foreign Economic Administration,
Washington, D. C.

CR
OCT 24 1945 P.M.

A true copy of the signed original
CS/VJ

ES:SJRubin:MF 10-23-45

SJR

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

DIVISION OF
CENTRAL SERVICES
TELEGRAPH SECTION

ACTION COPY

DEPARTMENT OF STATE

INCOMING TELEGRAM

ACTION: ITP
INFO:
S
U
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A-C
A-D
FE
DC/L
FC
DC/R

DVF-G
Paraphrase before communicating to anyone.

3691

Shanghai via Navy

Dated January 4, 1946

Rec'd 12:50 p.m., 11th

SECRET

Secretary of State

Washington

4, January 4, 10 a.m.

Commander Oliver Ramsey, Industrial Relations, Navy Department visited Shanghai this week to ascertain availability of Chinese labor for construction work in Guam. Ramsey is touring Pacific area for data on available migratory labor. He has already discussed matter with Philippine officials but does not desire to use Philippine labor. He has not explored availability of Korean labor in areas now under Navy's jurisdiction or other sources of labor in areas under Army or Navy control. He intends to visit Japan. Ramsey states that he will return Washington first week February to make recommendations to Navy Department and discuss matter with State Department.

Consulate assisted Ramsey make contact with Chinese officials for information purposes only. Lu Ching Shih Minister Social Affairs thought that such labor is available and government would be favorably disposed. He suggested that Friedman take up subject with Minister during visit

SECRET

DEPARTMENT OF STATE
File
JAN 14 1946
INTERNATIONAL LABOR, SOCIAL AND HEALTH AFFAIRS - ILH
P.B.S.

ITP/D
ILH Action
Information:
ITP ✓
CP ✓
ILH ✓
IR ✓
LA ✓
PED
JAN 14 1946

MJF 1-14-46 no diff

JAN 23 1946

894.504/1-446

Confidential File

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

during visit to Chungking.

Sent to Department as Shanghai serial number 4; repeated to Chungking as number one, January 4, 10 a.m.

We mentioned informally to Ramsey such matters as international labor standards, international supervision and inspection, as well as use of foreign labor while Philippine labor is available.

JOSSELYN

WTD

NOTE: Delay due to original message being undecipherable.

SECRET

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

DIVISION OF JAPANESE AND KOREAN ECONOMIC AFFAIRS DEPARTMENT OF STATE FEB 11 1946

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

OFFICE OF THE UNITED STATES POLITICAL ADVISER

Tokyo, Japan, January 18, 1946

No. 211

DEPARTMENT OF STATE JAN 30 1946 INTERNATIONAL LABOUR, SOCIAL AND HEALTH AFFAIRS - ILH

RECEIVED DEPARTMENT OF STATE 1946 JAN RECORDS BRANCH

Subject: Transmitting Copy of Welfare Ministry Ordinance Forbidding Discrimination Against Workers.

The United States Political Adviser has the honor to transmit copies of Welfare Ministry Ordinance No. 2, promulgated and enforced as of January 10, 1946, penalizing employers who discriminate against their employees because of their nationality, religion, or social status.

Enclosure:

Copy of Welfare Ministry
Ordinance No. 2

Original and hectograph to Department.

850.4
JSService:jwb

DIVISION OF JAPANESE AFFAIRS FEB 4 1946 DEPARTMENT OF STATE

DOR - ITP Unit
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HECTO SENT TO SR

894.504/1-1846 CS/LE

FEB 27 1946

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

Enclosure to Despatch No. 211 of January 18, 1946 from the United States Political Adviser, Tokyo, Japan on the subject "Transmitting Copy of Welfare Ministry Ordinance Forbidding Discrimination Against Workers."

Welfare Ministry Ordinance No. 2,
promulgated 10 January 1946.

Under Imperial Ordinance No. 542, of 1945, the employment and terms of labor for workers are prescribed as follows:

10 January 1946.

Hitoshi Ashida,
Minister of Welfare.

Welfare Ministry Ordinance No. 2

Article 1. No proprietor of a factory, plant, or other working place shall give any discriminative treatment concerning wages, salaries, working hours, or other terms of labor either for or against workers in his service because of their nationality, religion or social status.

Article 2. The local governor or Chief of the Labor Office is authorized to require a report from persons concerned, if deemed necessary for the enforcement of the present Ordinance.

The local governor or Chief of the Labor Office is authoried to have an inspection made by competent officials of the conditions of labor, books, and other documents, as well as other relevant matters, by paying a personal visit to the factory, plant, or other working place, if he deems it necessary for the enforcement of the present Ordinance. In this case, the competent officials shall carry with them the credentials shown on the annexed sheet indicating their official status.

Article 3. Any person who has contravened the provisions of Article 1 shall be liable to a fine not exceeding 3,000 yen.

Article 4. Any person who has failed to submit the report specified in paragraph 1 of Article 2, made a false entry in his report, or refused, impeded, or evaded an inspection by competent officials as provided for in paragraph 2 of the same Article shall be liable to a fine not exceeding 500 YEN.

Article 5. In case the representative of a juridical person, or an agent, employee, or other worker of a juridical person or individual has acted in violation of Article 3 or the first clause of the preceding Article with respect to the business of the said juridical person or individual, the said juridical person or individual shall be liable to the fines as provided for in the preceding two Articles in addition to the person at fault.

Supplementary Provisions

This Ordinance shall come into force as from the day of promulgation.

Annexed sheet (omitted)

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

EMBASSY OF THE
UNITED STATES OF AMERICA

Bogotá, January 24, 1946.

OFFICE OF THE UNDER SECRETARY
FEB 20 1946
DEPARTMENT OF STATE

DEPARTMENT OF STATE
FEB 14 1946
DIVISION OF INTERNATIONAL LABOR, SOCIAL AND HEALTH AFFAIRS - ILH

No. 1331

UNRESTRICTED

DEPARTMENT OF STATE
FEB 12 1946
DIVISION OF FOREIGN REPORTING SERVICES

SUBJECT: Transmitting Article from Diario Popular Concerning Japanese Labor Movement.

SHIPPING DIVISION
FEB 18 1946
DEPARTMENT OF STATE

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to transmit herewith, in copy and translation, an item that appeared in the local Communist organ, Diario Popular, concerning the Japanese labor movement. The Department will note that the article in question is stated to have been written in Moscow and sent to the newspaper by cable service.

Respectfully yours,

John C. Wiley

Enclosures:

1. From Diario Popular, January 23, 1946.

2. Translation of above Article.

DIVISION OF JAPANESE AFFAIRS
FEB 15 1946
DEPARTMENT OF STATE

Original and hectograph to Republics

850.4
AMBentley/mn

AMERICAN REPUBLICS AREA
DIVISION - (ADA)
FEB 21 1946
Department of State

FILED
FEB 26 1946

894.504/1-2446

DECLASSiFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

"DIARIO POPULAR.
January 23/46.

DIARIO POPULAR
1-23-46

El Imperialismo Nipón Controlaba, con sus Agentes, el Movimiento Sindical

Impedía todas las huelgas diciendo que eran provocadas por agitadores

EXIGIA DIRECTIVAS ADICTAS AL EMPERADOR

RESURGE LA ORGANIZACION OBRERA LIBRE

POR V. RIBAKOV

Moscú, enero de 1946. —(Servicio de cable, especial para **DIARIO POPULAR**).

Los sindicatos verdaderamente li bres están llamados a desempeñar un papel importantísimo en la de mocratización del Japón. Al contribuír al renacimiento político, económico y cultural del país, esos sindicatos podrían dar a los trabajadores nipones un arma de lucha para mejorar su situación política y material.

Como consecuencia de la política represiva del gobierno imperial que veía en las organizaciones bbreras libres una amenaza al régimen fascista militar, los sindicatos carecieron siempre de fuerza. En 1937, por ejemplo, 973 sindicatos sólo tenían 665.000 afilia es decir, cerca del 7 por 100 de obreros y empleados. Después del ataque del Japón contra la China, en 1937, los sindicatos nipones fue ron disueltos y una parte considerable de sus dirigentes encarcelados.

CONTROL SINDICAL FASCISTA

En 1938, el gobierno nipón creó u sociación fascista, controlada por él, según el tipo del "Frente de Trabajo" nazi, obligando a obreros y empleados a afiliarse a la de legación industrial patriótica, nom bre del organismo mencionado. A través de ella, la camarilla gober nante fascista hacía propaganda patriótica con el fin de forzar a los obreros a trabajar sin protestas por el "Gran Japón".

Después de la capitulación, el go bierno japonés se vio obligado tam bién a disolver esa organización fascista. Como consecuencia de cierta atenuación de la arbitrariedad política, han comenzado a constituírse rápidamente sindicatos en Tokio, Koge, Osaka, Nogaya. Este proceso continúa. El parlamento nipón reunido después de la guerra, se vio obligado a apro bar una ley concediendo a los obreros japoneses el derecho a agruparse en sindicatos.

EL MOVIMIENTO ACTUAL

Actualmente existen en el Japón unos 70 sindicatos, con 140.000 afiliados. Sin embargo, es preciso tener en cuenta que en 1944 había en el país unos 12 millones de obreros y empleados, de modo que la cifra señalada es más que modesta. La asociación más importante es la federación general de obreros del transporte, que cuenta con 60.000 afiliados, que reúne preferentemente a los obreros del transporte municipal de Tokio, Osaka, Kove y Nagoya. La federación del transporte es una organización reaccionaria de poca importancia, fundada en 1945 por elementos gubernamentales. Propaga la necesidad de conservador el poder del emperador y lucha contra los sindicatos libres.

También la "Asociación obrera" es gubernamental y reaccionaria; según ella, persigue el objetivo de "liquidtr" el paro forzoso entre los obreros no calificados. Se hallan al frente de esta organización Kowai y Kano. El primero es perito financiero de varias compañías industriales, y en 1943, era al calde de Tokio. El segundo es exgobrenador de Toyama.

AGENTES PATRONALES

Los medios gubernamentales del Japón se esfuerzan por controlar el creciente movimiento obrero. Tratan de impedir la formación de sindicatos verdaderamente libres que puedan convertirse en un baluarte de la auténtica democracia del país. El gobierno y los representantes de los monopolios emplean diversos métodos para conseguir sus fines. Los industriales clausuran empresas y despiden obreros. Las huelgas que estallan con este motivo son—según versión oficial—, consecuencia de la labor de "elementos disolventes" que dominan en los sindicatos.

Las reivindicaciones de los obreros que buscan aumento de salarios para equilibrar la elevación de los precios—resultado directo de la especulación—, también son atribuídas a disolventes. En mítines obreros, aparecen muy a menudo provocadores de la "Asociación de Obreros", que exhortan al desorden, al saqueo de los almacenes, etc.

Los elementos obreros conscientes que se agrupan paritcularmente en torno a la organizacion progresista, la "Liga de la Liberación del pueblo", oponen a esa política la tarea de constituir lo más pronto posible sindicatos de masas que puedan convertirse en órganos efectivos de lucha contra las manio bras de los reaccionarios nipones.

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

THE NIPPONESE IMPERIALISM, THROUGH ITS AGENTS, WAS CONTROLLING THE LABOR MOVEMENT

It was preventing all strikes, saying that they were provoked by agitators.

Directives attached to the Emperor were demanded.

Revival of the free working organization.

By V. Ribakov

Moscow, January, 1946 (Cable service, especially for Diario Popular).

The really free syndicates are called upon to play a most important part in the democratization of Japan. In contributing to the political, economic and cultural rebirth of the country, those syndicates would be able to give the Japanese workers a weapon to better their political and material situation.

Because of the repressive policy of the imperial government, which saw in the free working organizations a threat to the Fascist military regime, the syndicates always lacked strength. In 1937, for example, 973 syndicates only had 665,000 members, that is, about 7 per cent of all workers and employees. After Japan's attack against China in 1937, the Japanese syndicates were dissolved and a large part of their leaders were jailed.

Fascist Syndical Control

In 1938 the Japanese Government created a Fascist association, controlled by the Government, following the lines of the Nazi 'Labor Front', obliging all workers and employees to join this Patriotic Industrial Delegation, the name of this organization. In this way, the Fascist governing body was issuing patriotic propaganda with the idea of forcing the laborers to work without protest for 'Great Japan'.

After the surrender, the Japanese was also obliged to dissolve that Fascist organization. As a consequence of a certain attenuation of the political arbitrariness, syndicates have rapidly begun to spring up in Tokio, Kobe, Osaka, and Nagoya. This growth is continuing. The Japanese parliament, which met after the war, was obliged to approve a law granting the Japanese workers the right to form syndicates.

The Present Movement

There now exists in Japan some 70 syndicates, with about 140,000 members. However, it must be remembered that, in 1944, there were in the country some 12 million workers and employees, thus making the forementioned figure extremely modest. The most important association is the General Federation of Transportation Workers, with about 60,000 workers, which has its principal strength among the municipal transportation workers of Tokio, Osaka, Kobe, and Nagoya. The

Transportation

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Transportation Federation is a reactionary organization of little importance, founded in 1945 by elements of the Government. It propagandizes the necessity to conserve the power of the Emperor and struggles against the free syndicates.

The 'Working Organization' is governmental and reactionary; according to its statements, it pursues the objective of 'liquidating' the forced strike among non-qualified workers. Kowai and Kano are at the head of this organization. The former is a skilful financier of several industrial companies, and, in 1943, was mayor of Tokio. The latter is ex-Governor of Toyama.

The Governing circles of Japan are gathering strength in order to control the growing working movement. They are trying to prevent the formation of really free syndicates that might be converted into a bulwark of the authentic democracy of the country. The Government and the representatives of the monopolies are using various methods to achieve their ends. The industrialists are closing businesses and discharging workers. The strikes that occur because of this are -- according to the official version -- caused by the work of 'dissolving elements' that dominate the syndicates.

The revindications that are seeking salary increases to meet the rise in prices -- a direct result of speculation -- are also attributed to the same elements. In workers' meetings, there very frequently appear agitators from the 'Workers' Association' that preach disorder, the looting of stores, etc.

The conscientious working elements, that are privately forming the progressive organization, the 'League for the Liberation of the People', are opposing to that policy the task of forming the greatest possible number of mass syndicates, that may be converted into effective organizations to fight the maneuvers of the Japanese reactionaries.

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

INFORMATION ONLY

DCR
File

DEPARTMENT OF STATE

Memorandum of Conversation

DATE: February 20, 1946

SUBJECT: Meetings with Members of Labor Commission to Japan

PARTICIPANTS: Members of War Department (Civilian) Labor Commission to Japan including the Chairman, Dr. Eberling, Mr. W. H. McPherson and others, and Messrs. Holland, Ross, Swayzee, Fishburn and Sullivan of ILH

COPIES TO: ITP - Mr. Wilcox
JA
JK
ILH - Mr. Mulliken
Mr. Holland
Mr. Ham

OFFICE OF INTERNATIONAL TRADE POLICY
MAR 5 1946
DEPARTMENT OF STATE

894.504/2-2046

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800.5043

Four members of the War Department (Civilian) Labor Commission to Japan, including the Chairman, Dr. Eberling, and Mr. W. H. McPherson met with Messrs. Holland, Ross, Swayzee, Fishburn and Sullivan at 2:00 p.m. on Wednesday, February 6 for a discussion of problems relating to Japanese labor and the projected WFTU Commission visit to Japan. After a preliminary talk in Mr. Holland's office the meeting moved over to Mr. Mulliken's office where the members of the Commission were briefed in respect to current labor developments in Japan. State Department opinion in regard to some of the provisions of Japan's new Trade Union Law and other current labor problems was explained. We were encouraged to learn that the Commission has now been authorized to include consideration of labor legislation matters as well as their three original functions of social security, wage and employment stabilization. Though the labor movement and trade unionism are still not specifically listed as matters directly concerning them, it would seem that they must deal somewhat with problems of this nature incidental to their work on labor legislation.

894.504/2-2046 FILED
MAR 12 1946

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Two important aids to us may flow from this meeting. First, the Commission realizes State's interest in this field, and are informed of our views relating to specific problems. Second, arrangements have been made so that we may hope to receive from the Commission a flow of materials relating to labor developments there.

Mr. Mc Pherson spent most of February 11 in ILH perusing files of materials dealing with labor developments in Japan. Copies of ILH memoranda on these developments were given him for use of the Commission.

Philip B. Sullivan

P.B.S. TWT
ILH:PBSullivan:md
2/20/46

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

RESTRICTED

FEB 26 1946

No. 96

To the Acting United States Political Adviser
to the Supreme Commander for the Allied Powers,
Tokyo.

The Secretary of State transmits a copy of a memorandum from the Acting Chief of the Division of International Labor, Social and Health Affairs to the Chief of the Division of Japanese and Korean Economic Affairs with respect to the status of Japanese governmental plans for handling labor matters. In view of the conflicting reports which have been received, the Secretary of State requests the best judgment of the Acting Political Adviser on the situation before taking any action through formal channels to the Supreme Commander for the Allied Powers.

894.504/2-2646

G/SC

Enclosure:

Memorandum dated January 31, 1946, on
"Ministerial Control of Labor Affairs in Japan"

OR
FEB 25 1946

A true copy of the signed original

JK:EMMartin:lmc 2-21-46

(Cleared by ILH and JA on draft of 2-13-46.)

894.504/2-2646

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

No.

To the Acting Political Adviser,

Tokyo.

The Secretary of State transmits a copy of a memorandum from the Acting Chief of the Division of International Labor, Social and Health Affairs to the Chief of the Division of Japanese and Korean Economic Affairs with respect to the status of Japanese governmental plans for handling labor matters. In view of the conflicting reports which have been received, the Secretary of State requests the best judgment of the Acting Political Adviser on the situation before taking any action through formal channels to the Supreme Commander for the Allied Powers.

Enclosure:

Memorandum dated January 31, 1946, on "Ministerial Control of Labor Affairs in Japan"

FEB 18 1946

JK:EMMartin:lmc 2-13-46

G.M.S.
ILH
JA

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND # 760050

OFFICE OF THE UNITED STATES POLITICAL ADVISER

Tokyo, Japan, March 23, 1946

No. 319

SUBJECT: Suggested Legal Justifications for Labor's Assertion Of Managerial Powers in Japanese Labor Disputes

RECEIVED DEPARTMENT OF STATE 1946 APR 2 4 36 REPORTS & MAIL BRANCH

DEPARTMENT OF STATE APR 8 1946 INTERNATIONAL LABOR, SOCIAL AND HEALTH AFFAIRS - ILF

P.35

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to transmit herewith a memorandum prepared by a member of the staff of this Office, entitled "Suggested Legal Justifications for Labor's Assertion of Managerial Powers in Japanese Labor Disputes."

A number of recent labor disputes in Japan have been accompanied by the seizure and exercise of managerial controls by workers. While the forms and degrees of control have varied, in most instances such actions have been denounced by employers as illegal. No judicial or police support of employers has yet been noted, although the Japanese Government on February 1 stated an intention to prosecute further infringements on "the rights of ownership".

Labor groups and labor sympathizers, especially the Communists, have attacked the February 1 statement of policy on various grounds, perhaps the most interesting being a defense of the legality of labor's exercise of managerial powers, which was made by Dr. SUEHIRO Izutaro, a well-known member of the Faculty of Law at Tokyo Imperial University, in an article appearing in the Mainichi on February 7 and 8, 1946. The opinions expressed therein (and by Dr. SUEHIRO personally in a discussion with Mr. Durgin and Mr. Blakemore of this Office) form the basis of this memorandum.

Admittedly Dr. SUEHIRO's legal theories are controversial, and it is not the purpose of this memorandum to speculate on the validity or likelihood of their ultimate acceptance. His arguments themselves, however, may be regarded as an ingenious effort to justify a form of trespass, and the publicity afforded them is evidence both of an intellectual interest in labor problems and a public concern over matters of legality.

Respectfully yours,

Max W. Bishop
Foreign Service Officer

Enclosure:

894.504/3-2346 CS/LF

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

Enclosure:

Memorandum, as stated.

Original and hectograph to Department
Copy to General Headquarters, SCAP

850.4
TLBlakemore:jwb

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

Enclosure to despatch No. 319 dated March 23, 1946, from the Office of the United States Political Adviser, Tokyo, Japan, on the subject "Suggested Legal Justifications for Labor's Assertion of Managerial Powers in Japanese Labor Disputes".

Suggested Legal Justifications of Labor's Assertion of Managerial Powers in Japanese Labor Disputes

BACKGROUND:

Among the issues involved in recent labor disturbances in Japan, that of labor's exercise of managerial controls has frequently appeared. Ten of the one hundred and thirty-nine labor disputes which occurred in January, 1946, resulted in labor's assumption of some form or degree of control over company or plant management. The most publicized instances have been the Mitsubishi Coal dispute in Hokkaido, the Yomiuri-Hochi Newspaper dispute in Tokyo, and the Keisei Densha (Keisei Electric Railroad) dispute in Saitama. The Yomiuri-Hochi difficulty arose in November over the refusal of employees to accept the management of editor-owner SHORIKI Masutaro. After several weeks of staff operation, an interim agreement was reached whereby the management was made subject to the approval of employees. In Hokkaido, a worker's committee has operated the Mitsubishi Miuta coal mine since January. Continued participation in management was not an issue in the Keisei Densha dispute, but those company directors whose resignations had been requested by workers, on the ground of "war guilt", were forced out of office in January.

Apparently disturbed by labor's repeated exercise of managerial controls and seizure of property, the Ministers of Home Affairs, Commerce and Industry, Justice, and Welfare, on February 1 made reference to these cases in the following joint statement of the policy of the Japanese Government:

> "While the development and activity of labor unions is to be hoped for, the Government regrets to see that cases of violence, coercion, and infringement of the rights of ownership (underscoring added) have of late taken place in labor disputes. Such practices should never be resorted to by workers conscious of their responsibility for rebuilding a new Japan. The Government will be obliged to take decisive measures respecting such unjust and lawless actions. The Government earnestly desires that workmen will exercise full caution lest they should commit such misconduct."

This declaration aroused considerable criticism from labor sympathizers, mainly on the ground that employers, through their refusals to increase plant production in the face of current business uncertainties, were engaging in "sit down" strikes, and that temporary exercises of managerial controls by labor were acts in the national interest. (Red Flag, February 5 and 9; Asahi, February 8; Yomiuri, February 3. All of these papers consistently follow the Communist "party line".)

As a

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

As a result of such protests, the government's policy was reconsidered at a Cabinet meeting on February 8. No agreement was reached, and press comment indicated that a deadlock had arisen over the question of the legality of labor's use of managerial powers. Members of the cabinet who were inclined to sympathize with labor's position were reportedly met with the firm insistance of government lawyers that such labor controls over management are definitely illegal. (Tokyo Shimbun, February 14, 1946.) No government modification of its policy has been announced as of the date of this memorandum.

On February 7 and 8 a two article series entitled "The Legality and Limitations of Labor's Exercise of Managerial Controls" appeared in the Mainichi. The author, SUEHIRO Izutaro, is one of the best known legal scholars in Japan. He is a professor and former Dean of the Law Department of Tokyo Imperial University, and at present is actively engaged in drafting labor legislation for the Ministry of Welfare. For more than twenty years his jurisprudential essays and discussions of current legal problems, usually written with a liberal point of view, have been widely publicized in both legal and popular periodicals.

The following description of Dr. SUEHIRO's theories concerning this particular phase of Japanese labor law is submitted after a discussion with Dr. SUEHIRO and after a study of the Mainichi articles referred to above. No opinion is offered of the intrinsic value of Dr. SUEHIRO's arguments, which he himself feels may be somewhat too progressive to be accepted by the present Cabinet. Rather, this description is made for the following reasons:

(1) The theoretical basis of this approach to labor problems indicates that the labor movement in Japan has a certain active intellectual support.
(2) A significant popular concern over matters of legality may be reflected in the fact that a newspaper of no especial leftist leanings (Mainichi) allocates front-page space to a lengthy, legalistic discussion of this nature.
(3) SUEHIRO's original and ingenious legal defense of a form of labor conduct which is particularly difficult to justify on conventional grounds may be of interest to appropriate agencies of the Government.

THE VIEWS OF DR. SUEHIRO IZUTARO ON THE LEGALITY AND LIMITATIONS OF LABOR'S EXERCISE OF MANAGERIAL CONTROLS

Dr. SUEHIRO specifically excludes from his consideration of the legality of labor's assertion of managerial powers those non-legal justifications which usually have been presented by labor sympathizers. As a lawyer, he wishes to deal with legalities alone, not with equities such as social or economic considerations.

The basic concept of Dr. SUEHIRO's argument is that labor now possesses a "right of dispute" (sogiken), as a result of the enactment of the new Labor Union Law (Rodo Kumiai ho). This

right

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

right also will be recognized in the Labor Disputes Arbitration Law (Rodo Sogi Choteiho), the preliminary draft of which is now being revised in the special Labor Legislation Committee appointed by Prime Minister SHIDEHARA.

Article 1 of the Labor Union Law provides:

"The object of the present act is to raise the status of workers and thereby contribute to economic development, through the guarantee of the right of organization (Danketsuken) and the protection and promotion of the right of collective bargaining (Dantai Kosho ken).

"The provisions of Article 35 of the Criminal Code shall apply to collective bargaining and other proper (seito) acts (underscoring added) of labor unions which are performed for the attainment of the objective of the preceding paragraph."

(NOTE: Article 35 of the Criminal Code provides: "Acts which are performed in accordance with law or proper (seito) business shall not be punishable.")

In recognizing collective bargaining, the above article makes it perfectly clear, says Dr. SUEHIRO, that those legal objections which formerly were made to the organization of labor are no longer valid. Heretofore the contract of employment between each laborer and his employer was regarded as giving rise to certain rights and duties which would be illegally disturbed through collective bargaining. Laborers, acting through their unions, now are expected to bargain collectively. Both labor unions and employers are given equal "rights of dispute", and in the exercise of these rights, as in any true bargaining transaction, each party is free to use arguments, inducements, and pressures in seeking to prevail. After a free process of bargaining has occurred, presumably agreements will be reached and contracts will result.

In past labor struggles, both employers and laborers have applied a variety of bargaining pressures. Employers have resorted to lockouts, blacklists, have refused to deal with unions, and have invoked police and judicial assistance. Workers, in turn, have organized strikes, slow-downs, demonstrations, boycotts, have picketed and committed acts of violence, etc. Recently labor has developed this new method of seizing managerial controls.

Some of the above-mentioned methods (or weapons of dispute) are illegal, while others are within the law. Dr. SUEHIRO believes that labor use of violence, blackmail, coercion, and damage of plant property are clearly and unquestionably illegal. Acts such as these are crimes under the Criminal Code and are subject to punishment. The prosecution of individuals committing such crimes is just and proper. However, such crimes have not occurred in recent labor disputes involving the exercise of managerial powers. In implying that they have (see ministerial statement of February 1), Dr. SUEHIRO claims that the government is deliberately obscuring issues.

The test

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The test of legality of a weapon of labor used in collective bargaining is stated in Paragraph 2 of Article 1 of the Labor Union Law (quoted above). Acts which are "proper" must be accepted as legal. This standard of legality is vague, and in certain situations there will be differences of opinion. It would seem evident that acts which constitute crimes are improper. On the other hand, those which are specifically provided for in labor laws, certainly must be in the "proper" category. Labor's right to strike, and its right to negotiate (Article 10 of Labor Union Law) are examples of "proper", hence legitimate acts.

How does a temporary assertion of managerial controls by labor meet the above standard of legality? Dr. SUEHIRO sees at least two possible arguments in favor of the acceptance of such an action as proper, and thus legal. The most cogent is an analogy. Under present law, labor is given the right to strike--a powerful weapon which can work great damage upon employers. Yet, damaging though this may be, it is perfectly "proper". Therefore, is it not logical to regard as equally acceptable a much weaker weapon (from the standpoint of labor) --one which brings much less pressure to bear upon the employer, namely the temporary assumption of managerial controls?

Another possible support of the legality of labor's use of managerial powers might be found in the provisions of Articles Nos. 691-702 of the Civil Code, which concern "business management" (Jimu Kanri).

(NOTE: "Business management" is a relationship known to Roman Law as Negotiorium Gestio. It arises when one person, without previous authority, and without a legal duty so to do, manages the affairs of another person. A common illustration is the assumption of control over the property of a friend during his absence. Upon the creation of the relationship, the person assuming managerial powers is charged with various duties, such as using good care, "acting in accordance with the wishes of the principal if he knows or is able to conjecture them" and continuing his management until such time as the principal is in a position to act for himself.

In such a situation, the "consent" of the principal to this safeguard of his interests is presumed at law. To apply this theory of business management to labor's exercise of managerial powers in cases where employers have vigorously and specifically protested labor controls would appear to be improper and unwarranted.)

Both of these justifications of the "propriety" of labor's managerial acts can be countered by arguments based on the conventional theories of property rights. The accepted concept is that ownership confers unlimited powers of management, and that infringements of non-owners, such as laborers, is illegal.

Thus, it appears that acts which could be justified as proper in one sphere of law might be regarded as improper upon the application of the concepts of another. How should the conflict in interpretations be settled?

Dr.

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Dr. SUEHIRO suggests that the existing property concepts, rather than the new labor legislation, are unrealistic and should be modified. As a practical matter, he says, aren't there three factors in modern business--capital, labor, and management? Although the present corporation law may still regard as supreme the control of owners over management, actually labor unions (backed by the Labor Union Law) are now bargaining with owners on an equal footing. Both may legitimately make demands concerning the conduct of business. In a going concern, therefore, the factor of management is distinct from ownership. It lies somewhere in between ownership and labor and is responsive to pressures from both.

Therefore, in event of a conflict of standards of propriety, those indicated in the new labor legislation ought to prevail over those of older fields of law, which are based on outmoded concepts of business operations. Dr. Suehiro concludes that temporary acts of management by workers, if unaccompanied by conduct otherwise of a criminal nature, should be regarded as lawful and should not be subject to punishment.

Obviously the distinction between temporary and permanent assertions of managerial control is vital in Dr. SUEHIRO's analysis. While temporary controls, coming as an incident in a labor dispute and used by labor simply as another weapon, may be justified, Dr. SUEHIRO admits that any permanent participation of labor in management must be with the consent of owners. In certain cases the dividing line between permanent and temporary may be hard to draw, although usually it is clear. Whenever labor finds it necessary to engage in financial transactions on behalf of the plant or company or to contract for services or supplies, it is getting into the realm of permanent management. As a practical matter, temporary management usually would consist of continuing plant operations with existing stocks of raw materials.

Labor aspirations for a share in management are perfectly legitimate, but any enduring rights of this nature must come from agreements with employers. Already in one company, Hitachi, owners have agreed to allow a union a certain voice in managerial matters. However, since under existing corporation law management is made an exclusive right of ownership, this participation of unions in management may be difficult to arrange. A revision of corporation law to facilitate labor contracts may prove desirable.

Thomas L. Blakemore

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Appendix

The Legality and the Limitations of Labor's Exercise of Management Controls

by SUEHIRO Izutaro

(Mainichi Shimbun, February 7, 8, 1946)

As much discussion as has been aroused by the recent actions of labor in asserting controls over the management of businesses, a sound analysis of the legal position of these acts has not yet appeared. The recent declaration of four Government ministers (to the effect that illegal acts of strikers would be punished) not only obscured the issues, but fostered public hostility to labor through its misrepresentations. Actually the government's denunciation of violence, coercion and the damage to property was a "red herring". Of course such actions are illegal. They were not present at all in the recent labor disputes which led to labor's assumption of controls over management.

At the outset, a clear distinction must be made between labor's right of dispute (Sogiken) and the various means and methods used by labor in the implementation of that right. A further difference must be recognized between acts of control over the management of a plant or industry, which result incidentally or temporarily from labor's exercise of its right of dispute, and the right of participation in management which labor hopes (ultimately) to gain through collective bargaining. Failure to grasp these distinctions has lead to many unfortunate misunderstandings between labor and owners.

Sometimes the opinion is voiced that labor has no right of dispute at all. This opinion applies to labor disputes the principles of private law which pertain to contracts between individuals. A contract of employment--so the argument goes--imposed upon the laborer (as a party to the contract), certain obligations. Any evasion of these duties, through collective bargaining, is illegal.

If such a concept of law were applied, labor again would be completely subject to the arbitrary and unilateral acts of employers. But it is perfectly clear that the analogy to private contracts is bad. Both the Labor Dispute's Negotiation Law (Rodo Sogi Choteiho) and the Labor Union Law (Rodo Kumiai ho) are predicated on the right of labor to dispute. With the development of labor unions, it is safe to predict that decisions in the form of labor contracts, based on collective bargaining (Shudanteki Torihiki) will replace the unilaterial decisions of employers. In collective bargaining naturally points of view vary, and disputes arise. In capitalist countries, no more is done than to put pressure on both parties to negotiate and settle disputes which are harmful to the public interest. The settlement must be by the free will of both sides. Therefore,

it is clearly

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it is clearly erroneous to regard the right of dispute had by a workman as being contrary to his duties under a labor agreement. Everyone must see this. It logically follows that employers also have rights of dispute: these must be recognized.

In any dispute, each side seeks to persuade or force the other to yield. Both laborers and employers have used a variety of methods in the past, and new techniques can be expected. Employers have used the weapons of lockout, refusal to deal with organizations, blacklist, police power, and judicial power. Laborers have used general strikes (Domei Higyo), slowdowns (Taigyo), demonstrations, boycott, picketing, acts of violence, etc. The latest method is exercise of control over the management of plants.

It is difficult to lay down any single rule which indicates which acts or methods are legal and which are illegal. Article 1, Paragraph 2 of the Labor Union Law, however, is an important indicator. It provides that labor unions may make "proper acts", in accord with the spirit of Paragraph 1 (the basic statement of objective of the law). Such "proper acts" are not subject to punishment.

Opinions naturally will vary as to the propriety of acts. Certain categories--such as acts of violence, property theft, destruction, and intimidation--are clearly illegal and should be punished as crimes. On the other hand, a general strike which interferes with the operation of a factory and likewise damages the owner, is not a crime. Nor is a demand on the part of labor representatives to confer with company officials, which is recognized under article 10 of the labor union law as a valid exercise of the power of negotiation. There is no such crime as that of "forcing an interview".

The issue of the legality or illegality of labor's exercise of managerial powers is completely different from that of the legality or illegality of acts which are incidental to the exercise of managerial controls. Examples of illegal means of obtaining management control would be the locking out of company officials, or the disposition of company property. Quite rightly, acts of this nature are crimes, and could be prosecuted as false arrest, embezzlement, or theft.

However, such acts did not occur in the recent Yomiuri Press and Keisei Electric Railroad disputes. Throughout the difficulty, good order was preserved and advice was taken from managers as to things which had to be done. No acts occurred which can be regarded as illegal. In the Yomiuri incident, the leader of the employees was given notice of dismissal, but continued to come to work. The president of the company then sought to bring charges of trespass under Article 130 of the Criminal Code which penalizes an act of unlawful entrance and refusal to leave.

This act of an employer in attempting to prevent labor from organizing was in direct violation of the spirit of Paragraph 2 of Article 1 of the Labor Law. Therefore, the employee's ignoring of the attempt at dismissal was quite proper.

In contrast

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In contrast to this relatively simple solution of the legality of acts committed incidentally in the assertion of managerial powers, the legality of the control over management itself is more difficult. Legal scholars may disagree, but there are two or three theories which can be advanced to uphold the legality. Non-legal arguments, such as are now heard to the effect that employers are sabotaging the national effort through inaction and that national interests require positive steps to restore production, are not considered here.

The most cogent argument in support of the legality of labor's control over management is this. Harmful though a strike is to national and public interests, it nevertheless is a legally recognized weapon of labor. Assertion of managerial powers are far less injurious than strikes, and in public utilities are preferable. If the stronger solution is legal, the lesser should be acknowledged as legal also.

Another theory is that labor's assertion of management powers during a dispute is justified as an assumption of business custody under the provision of Article 694 of the Civil Code.

Both of these theories run headlong into conventional and deep-seated concepts of property rights, and definitions of infringement. The conventional view is that the owner of property has unqualified powers of management, which are not affected by labor disputes. Therefore, labor's exercise of managerial controls constitutes an infringement. Labor must not lay a finger on property without the consent of the owner.

Modern scholars are tending to take a different view of the right of management, feeling that the old conceptions of property are not in trend with the times. As a practical matter, the capitalist now merely contributes ownership to the business: this is combined with labor in general, and with management to result in operations. Although commercial law still recognizes the supreme power of a stockholder's assembly over management, labor law now casts doubt on this authority. Under the new labor law, capital and labor are on an equal footing. Both have a right to engage in disputes. Management is caught between two fires.

Labor now uses the temporary control over management as a method of prevailing in disputes. On the basis of the labor law, the owners' assertion of claims of property infringement, and their appeals to government authorities are most inequitable. Labor is doing no more than making use of an additional weapon in pressing its legitimate right of dispute and as such, the acts are "proper" within the meaning of Paragraph 2 of Article 1 of the Labor Union Law. They are covered by Article 35 of the Criminal Code (which forbids punishment for lawful acts).

The government would make a grave mistake in applying former concepts of private law to the present situations. But also labor must use great care not to use improper measures in pressing claims.

A permanent

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A permanent participation of labor in management, or a permanent exercise of rights of management is quite another matter. The scope of labor's rights of participation in management, even if secured through labor contract, is exceedingly circumscribed under existing law. Managerial powers stem from stockholder's assemblies, and to provide for labor participation a revision of Company law would be necessary.

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DIVISION OF JAPANESE AND KOREAN
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Tokyo

Dated: April 22, 1946

Rec'd: May 7, 1946
11:12 a.m.

Secretary of State,

Washington, D. C.

A-30, April 22, 1946

Reference Department's airmail instruction No. 96, February 26, 1946, enclosing a memorandum from the Acting Chief of the Division of International Labor, Social and Health Affairs to the Chief of the Division of Japanese and Korean Economic Affairs on the subject of Ministerial Control of Labor Affairs in Japan.

Reliable information indicates that a Labor Ministry will be formed in due course, particularly now that Socialists have as result of election acquired a strategic political position. Idea of transfer of labor functions of Welfare Ministry to Home Ministry was originally proposed by latter. Proposal was disapproved by SCAP, and since purge directive of January 4, Home Ministry, which was heavily affected, has not been in position to push the matter.

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : ILH - Mr. Ham

DATE: July 17, 1946

FROM : ILH - Philip B. Sullivan

SUBJECT: SCAP's Report on Implementation of SWNCC 92, "Treatment of Japanese Workers' Organizations".

The attached SCAP report, (a copy of which was brought from Japan by W. H. McPherson) was obtained by me through the Far Eastern Commission, which recently received permission from the War Department to circulate it to the member nations of the Commission.

The report itself consists of a detailed summarization of the steps taken by SCAP to implement the provisions of SWNCC 92, "Treatment of Japanese Workers' Organizations". A study of the document indicates that a high degree of implementation has been achieved, a record warranting a statement made by Mr. McPherson that the SWNCC labor directive has been carried out more completely than any of the others of a long-range reform nature.

In view of this it is interesting that the sharpest exchanges between the American and Soviet representatives on the Allied Council in Tokyo have developed over a labor program submitted by the latter. I have suggested to JA, JK and ADO that publication of a report similar to the attached portraying the achievements in this field would be a more conclusive answer to the Soviet statements than openly stating (as we have done) that the Soviet action is "propaganda". Officers of all three of the above Divisions believe this a good idea, but JK and JA (out of bitter experience) hesitate to make any suggestions to SCAP. I hope to have an opportunity to suggest the same informally to my contacts in General Hilldring's office. At the moment it would appear that the labor issue bids fair to become the chief bone of contention between Soviet Russia and our Government in the general area of the administration of Japan. Communist influence in the trade unions, present and potential, is of course an underlying issue here, hence the problem would appear to be one of lasting significance.

Enclosure:
SCAP Report C4-009/4, July 10, 1946.

P.B.S.
ILH:PBSullivan:md

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Moscow

Dated July 30, 1946

Rec'd 5:30 p.m., 30th

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July 30 press published NY despatch citing NY POST and CHICAGO SUN in criticism of Atcheson's attitude toward Soviet proposals for Japanese labor legislation. SUN was quoted demanding removal of Atcheson for anti-Soviet attitude.

Sent Dept 3033; repeated SCAPPOLAD Tokyo 63.

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UNITED STATES POLITICAL ADVISER
FOR JAPAN

Tokyo, August 6, 1946.

No. 545

SUBJECT: Functions and Responsibilities of Japanese Police in Labor Disputes.

The United States Political Adviser has the honor to enclose
1/ five copies of a memorandum dated July 15, 1946 prepared by the Labor Division, Economic and Scientific Section, General Headquarters, Supreme Commander for the Allied Powers, and addressed to Military Government Labor Officers. This memorandum encloses copies of instructions that have been issued since last November by the Japanese Home Ministry to Prefectural Governors on the subject of prevention and control of "illegal actions accompanying labor disputes".

The most recent instruction, dated June 22, 1946, reflects instructions from General Headquarters, SCAP, to the Home Ministry and "earnestly requests" local Metropolitan Police Boards and Prefectural Governors to "pay special attention to dealing with the attitude of the policemen toward labor disputes and the movements of laborers".

Enclosure:

1/ Memorandum, "Instructions of Home Ministry Concerning Functions of Police in Labor Disputes," dated 15 July 1946."

Original and hectograph to Department.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section

15 July 1946

MEMORANDUM:

FOR : Military Government Labor Officers

SUBJECT : Instructions of Home Ministry Concerning Functions of Police in Labor Disputes

1. Attached herewith are instructions issued by the Home Ministry to Prefectural Governors covering the subject of police functions and responsibilities with regard to labor disputes.

2. For your information.

THEODORE COHEN
Chief, Labor Division

3 Inclosures

1 - Cpy of Translation; No. "Ko" 140, issued from the Police Affairs Sect of the Police Bureau, Home Ministry, dtd 6 Nov 45, subj; "Control of the illegal action, accompanied with mass movements."
2 - Cpy of Translation, dtd 8 Feb 46, subj: "Prevention & Control of Illegal Actions Accompanying Labor Disputes."
3 - Cpy of Translation, dtd 22 Jun 46, subj: "Paying Special Care to the Policemen's Attitude Toward Labor Disputes and the Movement of Laborers."

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COPY OF TRANSLATION

No. "KO" 140, issued from the Police Affairs Section of the Police Bureau, Home Ministry.

November 6th 1945.

From : Director of the Police Bureau of the Home Ministry.

To All the Prefectural Governors.

Subject: Control of the illegal action, accompanied with the mass movements.

Although, perhaps, you might have been already informed of the above-mentioned subject by the joint announcement of the Home and the Justice Ministries through the newspapers, the Government has decided, in the recent cabinet council, the control policy with "re Control concerning the mass movements", which is attached hereto.

By this step, however, we do not aim, as rumored, at oppressing the freedom of speech, meeting, and associations, or legal, social and political movements, and opposing unlawful restrictions upon them or enacting new control measures about them. We merely tried to clear up our intention that in case of the riotous actions, such as agitation, violence or bloodshed caused by the mass movements, we resolutely enforce control by putting the rules now in existence in action. You must, therefore, pay regard to the above circumstances, and must be careful to give justice and order to the mass movements, and maintain the public welfare, under the agitated conditions, resulted from the change of the social situation.

I may add that in the actual control and guidance, please keep in mind the following items:

I. a. 1. In the items of the second measures of the articles decided at the cabinet council, it is stated, "Dispatching considerable number of police officers for the inspection of the situation". By this it is meant to station proper number of police officers in order to inspect, according to the circumstances, lest there should be any illegal action, instead of dispatching many police officers to the place beforehand in order to practise attendance or inspection for the speech control as ever, or to prepare against the demonstration. Therefore, cautious consideration must be given in arranging the police officials lest it should subjugate the freedom of speech.

b. 1. By "Prevent beforehand occurrence of bad affairs", is meant to prepare beforehand against the meeting and the mass movement lest they should outstep the bounds of the legal action.

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c. 2. The clause, "Proper leading to and guidance of a responsible person and so forth," has no meaning of interference or oppression before the fact. Its meaning is that, when the mass movement gets beyond the bounds and acts illegally, police officials will explain on the spot to a responsible person and make him consent not to act illegally, and thus make the movement fair and orderly.

d. 3. The clause, "to effect completeness of leading" means that, as carrying dangerous weapons cause an illegal act, police officials will observe and lead them carefully when it is clear that they carry these weapons on the spot of assemblage and mass movement; and does not mean to control them to the tip of flag as before.

e. 4. The clause, "If break into one's residence," is misunderstood to overlook even an illegal act accompanying mass movement as a result of abolishment or suspension of Peace Preserving Law and the others concerning the control of social movement; however, this clause does not mean to overlook such acts, but it makes a policy clear to dispose of such act as intrusion into one's residence or damaging utensils promptly and fairly.

f. 5. Concerning the control of Chinese laborers under contract, (Chinese prisoners shall be dealt with in the same manner as Allied Forces) in case a criminal offense has occurred, the police officials and men shall immediately establish communication with the concerned of Allied Forces and shall act not to commit an error to take prompt and impartial measures based upon the principle which has been directed formerly.

II. If mass movement goes beyond bounds and acts illegally, it must be regarded not to mistake, consulting "Reference to Controlling Assemblage and Mass Movement."

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COPY OF TRANSLATION

8 February 1946

FROM : Director of Police Bureau of Home Ministry.

TO : Respective Governors of Province, Municipalities, and Prefectures.

RE : Prevention and Control of Illegal Actions Accompanying Labor Disputes.

Although thru the declaration made by the joint signatures under Home, Justice, Commerce and Industry, Welfare Ministers (dated 2 February 1946) the plan for this control has been clarified and the present measure does not intend to add limitation unjustly toward labor disputes, oppress, or decide upon a new plan of control, but in view of the fact, that the recent trend of labor disputes have been so aggravated, and present situation in part is such that there is development of undesirable illegal action, as violence, intimidation, infringement of right of ownership that this measure hopes to clarify with the aim of enforcing provision of laws and regulations when there is outbreak of unjust and unlawful conducts accompanying such labor disputes.

In the least, for turning toward coercive direction as to accomplish the purpose of labor disputes hook or by crook, or running toward destructive extremity these are not only dangerous for derangement of peace of industries, but since it is considered as to be impedient toward healthy and sound growth of labor movements that when there is any development of such illegal actions must be prevented or pointed out after careful and close consideration. Thereby, it is hoped to have respective notified authorities to contribute toward achievement and activities of sound and harmonious, impartial and orderly disputes. It is also requested that in dealing with such guidance and prevention that it will be done after consideration of following points, and no mistake or over-doing be made.

ACCOUNT

1. The control of the present measure in dealing with labor disputes is not intended to control or check activities of labor disputes itself, but it purports to carry on labor disputes which are sound and orderly. Its object is to check illegal actions which develop accompanying labor disputes. In case there are unlawful acts which are immensely harmful for peace and welfare of the society, as violence, murder, injury, larceny, robbery, damages and loss sustained upon goods (apparatus, furnitures, etc.) and buildings, or in case there is outbreak of unjust criminal acts, these must be controlled in accordance with stipulated provision of laws and regulations.

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Note: The situation when illegal acts or immensely unjustified crime developed means that it must determine whether it will disrupt the order of dispute or not by sufficient consideration of circumstances leading to and of disputes, and just a mere and slight offense, for example, a breakage of a sheet of window glass - - taking it up of it of the case just by evidence of it act does not always be the preservation of order of disputes. Rather by controlling it act will bring up the unnecessary friction. Thereupon, in dealing with such control it means it must closely deliberate upon degrees of offenses (whether it is slight, serious, or not), time and other matters.

2. In case of intimidation: Through the Labor Union Law, Article I, the right of collective bargaining of laborers has been recognized and guaranteed. As a result it cannot be measured with conception of "threat" as hitherto considered. By Clause II of the same Article its illegality has been greatly checked, and thereby for proper and definite acts must take into consideration of various objective conditions leading to it for judgment, and ultimate decision must be left for the judgment of the Court. It, therefore, must pay special attention in handling and judgment in dealing with this case.

3. Depending upon the situation, if there is danger of outbreak of illegal actions in labor disputes, and if there is fear of menacing the safety of the general public, the emergency police forces should be deployed to the scene for maintenance of order. But in this case, the duty of the dispatched police force is guarding the possible occurrence of illegal actions, and of course, it has no relation with disputes itself. Therefore, in judging whether there is necessity or not of dispatching must fully consider of the situation, and in case of it dispatch, it must exercise every precaution to avoid hampering the freedom of disputes. This aim should be thoroughly convinced both to the laborer and employer so as to maintain full understanding.

4. Other than cases accompanying illegal actions of three prescribed points, until there is some instruction from the competent ministry, it is advised not to become object of issue for control of Labor's participation in or control of management.

5. The direction must be received after close coordination with the public procurator's authority in case there is necessity of judicial disposition in regard to labor disputes.

6. As regard to the control of mass-movements which develops accompanying the disputes, it must be handled by basing it on "Re. The Control

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of Illegal Acts Accompanying Mass-movement" (Notification issued by the Director of the Police Bureau of Home Office, KO-No. 140, dated 2nd November 1945).

7. Regarding labor disputes, it is directed to try to prevent such illegal actions in them by operating fully the Labor Committee which is to be set up soon according to the Labor Union Law with such purposes as the prevention, the mediation or the arbitration of labor disputes.

8. Concerning the outbreak of illegal actions in labor disputes, in view of not a few facts that the employers lacked understanding and cooperation, a proper warning should be given to the employers.

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COPY OF TRANSLATION

22 June 1946

FROM : Director of Police Bureau of the Home Ministry.

TO : Superintendent General of Metropolitan Police Board and Prefectural Governors.

SUBJECT: Paying Special Care to the Policemen's Attitude Toward Labor Disputes and the Movement of Laborers.

In accordance with today's instructions from GHQ, SCAP, we earnestly request you to pay special attention to dealing with the attitude of the policemen toward labor disputes and the movements of laborers that they may not make a bit of mistake hereafter, and to drive home the items as set forth below to your policemen.

1. With regard to the labor disputes, you must ensure absolute obedience to the purport of the memorandum of Director of Police Bureau, "Subject: the Control and Prevention of the Lawless Actions attendant on the Labor disputes," No. 10, Home Ministry, dated Feb. 8, 1946, and pay special care to the following items.

1) You must never interfere in the labor disputes itself.

2) In connection with the labor troubles, if there is a fear of the occurrence of the unlawful actions under certain circumstances, (these circumstances include the riotous behavior ventured on the part of the laborers as well as the cases where the company and other associations, organizing the gang of terrorists or self-defending band, appeal to force or other provocative actions.) or a danger to disturb public welfare, you must dispatch policemen as the occasion demands, and make them maintain order.

Especially in these cases, it is needless to say that their duty consists wholly in the prevention of unlawful actions attendant on the labor disputes and it has no relation with the disputes itself, so, as to whether the dispatch is unavoidable or not, you must take the circumstances fully into consideration, and, in case of the dispatch, take special attention so as not to oppress the freedom of the troubles for this reason, and, furthermore, to make all concerned understand the purport completely.

3) In case of the disputes the dispatched policemen must take care not only to assume a fair attitude all the time toward both parties concerned, and to be drawn into the vortex of the troubles at random, but also not to make the matter worse because of too strict control of trifle crimes.

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

Copy of translation, dated 22 June 1946, subject: "Paying Special Care to the Policemen's Attitude Toward Labor Disputes and the Movement of Laborers," contd.

2. The Trade Union Law (21/12/1945 - Law Number 51) guarantees the right of Japanese people to organize or join trade unions freely. In order to assure these rights, therefore, police should never do such action as to interfere in any way with labor union activities except where necessary to quell public disorder, physical violence and other crimes that have occurred or are occurring.

3. The practice of regular police attendance at labor union meetings or collective bargaining conferences will be discontinued.

4. Police will attend labor union meetings or collective bargaining conferences only when

1) Such meetings are held in a public place and the number involved is so large as to require police to maintain public order. In such cases, the number of police will be held to a minimum and in no case will they be so numerous as to give a threatening appearance.

2) Disorder, physical violence or other specific crimes are involved.

5. Police will not collect information on labor union business and will not interrogate labor union officials or members except in connection with specific crimes or contraventions of law. The function of gathering information with respect to labor unions or labor disputes is not a police function but rather a function of the Welfare Ministry.

6. By the SCAP Memorandum of 4/10/1945, subject: "Removal of Restrictions on political, Civil, and Religious Liberties," surveillance, supervision over, or restriction of political, civil and religious liberties on the part of the individuals or groups of persons are prohibited. Hence, it is needless to say that freedom of action, thought, speech, assembly, and organization of associations which are guaranteed by this Memorandum should not be watched over or threatened, provided that no crimes are committed while exercising such right. Consequently, action contrary to paragraph 2, 3, 4, and 5 violates the intention of the SCAP October 4th Memorandum, and the Trade Union Law, and therefore you must be seriously careful to follow these instructions accurately.

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UNITED STATES POLITICAL ADVISER
FOR JAPAN

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DEPARTMENT OF STATE
NOV 7 1946
INTERNATIONAL LABOR, SOCIAL AND HEALTH AFFAIRS - ILH

Unrestricted

Tokyo, October 22, 1946

No. 663

DC/M
FACILITIES BRANCH

SUBJECT: The Labor Relations Adjustment Law, passed by Japanese Diet, September 20, 1946.

The United States Political Adviser has the honor to transmit herewith copies of the English translation of "The Labor Relations Adjustment Law," passed by the Japanese Diet on September 20, 1946.

Chapter I outlines general principles. Chapters II, III, and IV provide for the machinery to deal with conciliation, mediation, and arbitration.

Chapter V deals with the restrictions or prohibition of certain acts of dispute and lays down the important principle that "no act which hampers or causes the stoppage or maintenance or normal operation of safety accommodations at factories, mines or other places of employment shall be resorted to as an act of dispute." It also disallows an act of dispute in public welfare works until a request for mediation has been lodged and thirty days have elapsed from the day of the request. Finally, several categories of employees are prohibited from resorting to acts of dispute.

This law marks a significant step forward in Japan's labor legislation, and while not perfect, is believed to be one of the more important legislative accomplishments of the Japanese Government under the Occupation.

DEPARTMENT OF STATE
NOV - 4 1946
DIVISION OF FOREIGN REPORTING SERVICES

DIVISION OF JAPANESE AND KOREAN ECONOMIC AFFAIRS
DEPARTMENT OF STATE
DEC - 4 1946

Enclosure:
4 copies "Labor Relations Adjustment Law"

Original and Hectograph to Department

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Translation

LABOR RELATIONS ADJUSTMENT LAW

Passed by the
Japanese Diet, 20 September 1946

GHQ SCAP
ECONOMIC & SCIENTIFIC SECTION
Labor Division

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 760050

THE LABOR RELATIONS ADJUSTMENT LAW

Passed by the Japanese Diet 20 September 1946

CHAPTER I. GENERAL PRINCIPLES

Art. 1. The aim of this Law shall be, in conjunction with the Trade Union Law, to promote a fair adjustment of labor relations and to prevent or settle labor disputes and thereby to contribute to the maintenance of industrial peace and to economic development.

Art. 2. The parties concerned with labor relations shall make special endeavors mutually to promote proper and fair labor relations, and fix by Trade Agreement matters relating to the establishment as well as management of regular agencies to adjust differences constantly, and in the event that labor disputes occur, to endeavor to settle them autonomously in all sincerity.

Art. 3. The government shall assist the parties concerned with labor relations to find a settlement of the differences of their claims concerning labor relations in order thereby to prevent to the utmost the occurrence of the acts of dispute.

Art. 4. Nothing in this law shall be construed either to prevent the parties from determining for themselves their labor relations or from adjusting the differences of their claims concerning labor relations by direct negotiations or collective bargaining or to relieve the parties concerned with labor relations of their responsibility for making such endeavors.

Art. 5. In effecting any adjustment under this present law, the parties and the Labor Relations Committee and other organs concerned should as far as possible utilize every appropriate convenience to expedite the disposal of the case.

Art. 6. In this law, labor dispute shall mean a disagreement of claims arising between the parties concerned with labor relations regarding labor relations resulting in either conditions with the occurrence of acts of dispute or conditions with the danger of their occurrence.

Art. 7. In this law, act of dispute shall mean strike, soldiering, lock-out and other acts and counter-acts, hampering the normal course of work of an enterprise, performed by the parties concerned with labor relations with the object of attaining their respective claims.

Art. 8. In this law public welfare work shall mean the following work which provides services essential to daily life of the general public:

a. Transportation work.
b. Post, telegraph or telephone work.
c. Work for supplying water, gas or electricity.
d. Medical treatment and public health work.

The competent minister shall have power to designate, other than the work in any clause of the preceding paragraph, any work the stoppage of which will seriously affect the national economy or seriously endanger the daily life of

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the general public for a specified period of time not exceeding one year in accordance with the decision of the Central Labor Relations Committee.

For the decision of the preceding paragraph, the agreement of a majority in each instance of the members representing the employers, workers and the neutral shall be required.

Immediately after the designation of public welfare works pursuant to the provision of the second paragraph, the competent minister shall be required to widely publicize the matter by appropriate means such as the newspaper and the radio, in addition to the notice in the official Gazette.

Art. 9. When acts of dispute occur, the parties concerned should report thereon to the Labor Relations Committee or the administrative authori' without delay.

CHAPTER II. CONCILIATION

Art. 10. The Labor Relations Committees shall each appoint and keep a panel of conciliators.

Art. 11. The conciliators shall be men of knowledge and experience who are capable of rendering assistance for the settlement of the labor dispute under the provisions of this Chapter and need not reside where the Labor Relations Committee has jurisdiction.

Art. 12. In event of a dispute, upon the request of both or one of the parties or on his own initiative, the chairman of the competent Labor Relations Committee shall appoint a conciliator from the panel, except that with the approval of the Committee a person not on the panel may be appointed by the chairman as a temporary conciliator.

Art. 13. The conciliator shall endeavor to contact both parties, ascertain their respective points of view and assist them in arriving at a settlement.

Art. 14. In the event that the conciliator has no prospect of effecting a settlement, he shall withdraw and report the salient facts of the case to the Labor Relations Committee.

Art. 15. Procedural matters concerning conciliation other than those provided in this Chapter shall be fixed by an ordinance.

Art. 16. Nothing in this Chapter shall be construed to prevent th settlement of a dispute by other means of conciliation than those fixed here.., either by mutual agreement or in accordance with the provisions of a trade agreement.

CHAPTER III. MEDIATION

Art. 17. Mediation by the Labor Relations Committee under the provisions of Article 27, paragraph 1, clause 3 of the Trade Union Law shall be carried out under the provisions of this Chapter.

Art. 18. The Labor Relations Committee shall carry out mediation in any of the following cases:

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(1) When a request for mediation has been made to the Labor Relations Committee by both parties concerned with the dispute.

(2) When both or either one of the parties requests mediation to the Labor Relations Committee in accordance with the provisions of a trade agreement.

(3) When in a case involving public welfare work, a request for mediation has been made by either party to the Labor Relations Committee and the Labor Relations Committee decide that mediation is necessary.

(4) When in a case involving public welfare work the Labor Relations Committee decided that it is necessary to carry out mediation at its own initiative.

(5) When in a case involving public welfare work or, in a case having great scope or involving work of a special nature and for these reasons seriously affecting the public welfare, a request for mediation has been made by the Administrative authority to the Labor Relations Committee.

In the event that a mediation by either a local Labor Relations Committee or by a special Labor Relations Committee under the provisions of the preceding paragraph failed, the Central Labor Relations Committee shall have power to effect mediation either at the request of both or of one of the parties concerned or at its own initiative.

The mediation carried out by the Central Labor Relations Committee at its own initiative in accordance with the provisions of the preceding paragraph shall be confined to the cases under paragraph 1 (5).

Art. 19. The mediation by the Labor Relations Committee shall be carried out by setting up a Mediation Committee consisting of the members representing the employers, the members representing the workers and the neutral members.

Art. 20. The numbers of members representing the employers and workers shall be equal.

Art. 21. The members of the Mediation Committee shall be appointed by the chairman of the Labor Relations Committee from among the members of the Labor Relations Committee: provided, however, that outside members may be appointed by the chairman of the Labor Relations Committee as follows:

(1) For selecting employer representatives from outside, if agreed to by the employer members of the Labor Relations Committee.

(2) For selecting labor representatives from outside, if agreed to by the labor members of the Labor Relations Committee.

(3) For selecting neutral representatives from outside, if agreed to by a majority of each of both the employer and worker members of the Labor Relations Committee.

The members appointed in accordance with the provision of the preceding paragraph shall be regarded as staff members engaged in official business under laws and ordinance.

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Art. 22. There shall be a chairman for the Mediation Committee. The said chairman shall be elected by the Mediation Committee from among the neutral members thereof.

Art. 23. The Mediation Committee shall be convoked by its chairman and the decisions of the Mediation Committee shall be made by a majority vote.

No meeting shall be held unless the members representing the employers and workers are present.

Art. 24. The Mediation Committee shall fix the date, request the presence of the parties concerned and request them to present their views.

Art. 25. The Mediation Committee shall have the power to exclude from the proceedings any persons other than the parties and relevant witnesses.

Art. 26. The Mediation Committee shall have the power to draft a proposal for settlement, present it to and recommend the parties concerned to accept it, and to publish the proposed settlement together with a statement of the reasons therefor.

If necessary, it may request the newspapers and the radio office for assistance in making them public.

Art. 27. Special expedition and precedence in consideration shall be given to all mediation cases involving public welfare work.

Art. 28. Nothing in this Chapter shall be construed to prevent the settlement of a case by mediation by other means than those laid down here, either by mutual agreement of the parties or in accordance with the provisions of the trade agreement.

CHAPTER IV. ARBITRATION

Art. 29. The arbitration by the Labor Relations Committee in accordance with the provisions of the Trade Union Law, Article 27, paragraph (1), clause 3 shall be carried out according to the provisions of this Chapter.

Art. 30. The Labor Relations Committee shall arbitrate in any one of the following cases:

(1) When a request for arbitration by the Labor Relations Committee has been made by both parties concerned with the dispute.

(2) When a request for arbitration by the Labor Relations Committee has been made by both or either one of the parties in a case where the trade agreement provides that application for arbitration by the Labor Relations Committee must be made.

Art. 31. The arbitration by the Labor Relations Committee shall be carried out without setting up a special committee, provided, however, that a special sub-committee may be established to determine the facts in the case. When so requested by the Labor Relations Committee, it must submit to the Committee a draft award of arbitration.

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Art. 32. In arbitration proceedings, the Labor Relations Committee shall have the power to exclude any persons other than the parties and relevent witnesses.

Art. 33. The arbitration award shall be made in writing, and the paper shall state the date the award goes into effect.

Art. 34. The award of arbitration shall have the same effect as a trade agreement.

Art. 35. Nothing in this Chapter shall be construed to prevent the settlement of a case by other means of arbitration either by mutual agreement or in accordance with the provisions of the trade agreement.

CHAPTER V. RESTRICTION OR PROHIBITION OF CERTAIN ACTS OF DISPUTE

Art. 36. No act which hampers or causes the stoppage of maintenance or normal operation of safety accommodations at factories, mines and other places of employment shall be resorted to as an act of dispute.

Art. 37. In public welfare works, acts of dispute by the parties concerned should be disallowed until request for mediation under the provision of Article 18, paragraph 1, clause 1-3 has been made and 30 days elapsed from the day the said request has been made or from the day the decision under clause 4 of the same paragraph or request under clause 5 of the same paragraph has been made, provided, however, that such disallowance shall not apply to act of dispute at the works where acts of dispute have already been in progress even if the said works be designated as public welfare works pursuant to the provisions of Article 8, paragraph 2.

Art. 38. Police officers, firemen, those employed at prisons and those officials and employees engaged in the work of the national, prefectural and municipal government administration or judiciary, exclusive of public enterprises, shall be disallowed to resort to acts of dispute.

Art. 39. In case there is a contravention as under the preceding two paragraphs, the employer or his organization, or the laborers' organization or other persons or organization who are responsible for such contravention shall be subject to a fine not exceeding 10,000 yen.

The regulations of the preceding paragraph shall, when such employer or such organization or such labor organization who are responsible are juridical persons, apply to the trustees or directors or other officials discharging official duties of a juridical person. In case such persons, parties or organizations are not juridical persons, the regulations shall apply to the representatives or some other officials discharging official duties.

The total fine imposed for one case of dispute shall not exceed [illegible],000 yen.

When applying the regulations of paragraph 1, the dissolved juridical persons, or the employer's organization or the labor union who are not juridical persons, or organizations of the parties in dispute, or other bodies,

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shall be considered as still in existence.

Art. 40. The employer shall be disallowed to discharge or give discriminatory treatment to a worker for having performed acts of dispute or for the testimony he made at the proceedings of adjustment of labor dispute under this law, provided, however, that this shall not apply when agreed to by the Labor Relations Committee.

Art. 41. Those who contravene the provisions of the preceding Article shall be liable to confinement not exceeding six months or a fine not exceeding 500 yen.

Art. 42. The consideration of cases of contraventions arising under the provisions of Article 39 and of the preceding Article may be initiated only at the request of the Labor Relations Committee.

Art. 43. The chairman of a Mediation Committee or the chairman of the Labor Relations Committee, in carrying out mediation or arbitration shall have power to order the withdrawal of anyone obstructing the fair progress of mediation or arbitration.

CHAPTER VI. COMPENSATION

Art. 44. The members of the Labor Relations Committees, the conciliators under Article 12, and the members of the Mediation Committee, in accordance with the proviso of Article 21, paragraph 1, and those whose attendance has been requested for mediation or arbitration of a labor dispute by the Labor Relations Committee shall be compensated according to the provision of an Imperial Ordinance.

SUPPLEMENTARY RULES

The date of enforcement of this Law shall be fixed by an Imperial Ordinance.

The Labor Disputes Mediation Act shall be abrogated.

The Trade Union Act shall be partially amended.

The Trade Union Act, Article 11, paragraph 1 shall be amended to read as follows:

The employer shall be disallowed to discharge or give a discriminatory treatment to a worker for his being member of a trade union, for having tried to form or join a trade union, or for having performed proper acts of a trade union.

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DEPARTMENT OF STATE
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INTERNATIONAL LABOUR, SOCIAL AND HEALTH AFFAIRS - ILH

DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

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My dear Mr. Secretary:

In its final report of July 29, 1946, the Advisory Committee on Labor in Japan, consisting of twelve American labor experts, makes significant recommendations to the Supreme Commander for the Allied Powers for increasing the effectiveness of the Occupation in the labor field. According to the Committee some of its recommendations are being put into effect. I understand, however, that as yet no steps have been taken to implement the Committee's two key recommendations regarding the establishment of a separate, fully staffed Labor Section in General Headquarters, Supreme Commander for the Allied Powers, and the organization of a strong and independent Japanese Ministry of Labor.

While definite progress has been made in the labor field since the surrender, the pressing task of the future is developing and guiding Japanese labor administration and properly orienting the rapidly expanding labor organizations. The labor program will require constant and increasing attention to assure lasting accomplishment of the objectives of the Occupation. I agree with the Committee's strongly supported conclusions that the present subordinate status of the labor functions within the Economic and Scientific Section does not give labor considerations the influence they should have both within General Headquarters and in dealings with the Japanese government and the Japanese people. In addition, the Committee points out that the present staff assigned to labor functions is inadequate to cope effectively with the difficult job ahead.

The present submergence of Japanese labor functions in the Ministry of Health and Welfare is neither commensurate with the increasing importance of labor in Japan since the surrender nor in accord with the practice in all modern democratic nations. The development of additional labor functions in the post-surrender period, particularly in the field of labor relations, further emphasizes the need for an independent Ministry of Labor which can deal realistically with the problems of newly organized labor organizations, promote labor educational programs, and develop effective agencies for mediation and arbitration, as well as

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expand and improve the traditional functions of Japanese labor agencies. The major part that labor considerations must play to assure the development of democratic processes in Japan makes it especially imperative that Japanese governmental labor functions be administered by a Ministry with Cabinet status.

Accordingly, I urge that the Supreme Commander for the Allied Powers be requested to take the necessary steps to carry out the recommendations of the Advisory Committee, particularly in respect to the establishment of a separate Labor Section and an independent Japanese Ministry of Labor.

A similar letter is being sent to the Secretary of War.

Yours very truly,

L. B. Schwellenbach

The Honorable
The Secretary of State
Washington, D. C.

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STATES POLITICAL ADVISER
FOR JAPAN

Tokyo, December 9, 1946

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No. 765

RECEIVED DEC 18 1946 DEPARTMENT OF STATE
DIVISION OF FOREIGN REPORTING SERVICES
DEPARTMENT OF STATE DEC 18 1946
DCM FACILITIES BRANCH

SUBJECT: "Final Report of the Advisory Committee on Labor".

The United States Political Adviser has the honor to enclose four copies of the "Final Report of the Advisory Committee on Labor", dated July 29, 1946, dealing with labor policies and programs in Japan.

Chapter I of the report is a condensation of the remaining chapters and contains in a concise form all of the recommendations made in the full text.

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Enclosures:

4 copies "Final Report of the Advisory Committee on Labor".

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DEPARTMENT OF STATE APR 11 1947 INTERNATIONAL LABOR SOCIAL AND HEALTH AFFAIRS - ILH

Secretary of State

Washington

A-717, April 1, 1947

Following questions and answers in regard to conditions of child labor in Japan exchanged in House of Commons on March 24, 1947:

Mr. Leslie (Labor M.P. for Sedgefield) asked the Secretary of State for Foreign Affairs whether conditions of child labour in Japan are in accordance with the recommendations of the I.L.O.

Mr. McNeil (Minister of State for Foreign Affairs): "Conditions at present are not in conformity with International Labour Organisation standards. In October, 1945, however, the Supreme Commander for the Allied Powers called upon the Japanese Government to give urgent attention to the improvement of conditions for child labour. Some improvements have already been made, and a Labour Standards Law, which is designed to ensure conditions in general conformity with those recommended by the International Labour Organisation, is now before the Diet."

Mr. Leslie: "May I ask my right hon. Friend if provision has been made for raising the age of entry into industry and safeguarding working conditions and sanitation in the factories in which children are employed?"

Mr. McNeil: "Those latter general conditions are provided for. The age is raised to 15, except [illegible]"

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UNITED STATES POLITICAL ADVISER
FOR JAPAN

Tokyo, October 7, 1947

UNCLASSIFIED

No. 1318

ASSISTANT SECRETARY
A-S
NOV 7 1947
MR. SALTZMAN
DEPARTMENT OF STATE

SUBJECT: Transmittal of a Report Concerning Japan's Labor Movement.

The Counselor of Mission has the honor to forward five copies of a report dated April 2, 1947 concerning Japan's labor movement, prepared by the Civil Information and Education Section of this Headquarters.

Enclosure:

Five copies of a GHQ, SCAP, report, Japan's Labor Movement, April 2, 1947.

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The writer charges that many purgees, continuing their activities under cover, are holding up Japan's democratization, and are behind the Government's present inflationary policy. "Under this circumstance, a unified labor front of the J.F.L. and N.C.I.O. will be hard to realize and cooperation between labor and capital will be the more hopeless." Replacing the present Government is the only solution to the country's economic problem, Kimura says, and "when the time is ripe for the establishment of democratic government, unity between the J.F.L. and the N.C.I.O. will be achieved quickly and a patriotic industrial recovery movement will be launched throughout the country."

The progress of labor in the year and a half since the end of the war is summarized in a NIPPON HYORON article by Shinichi Matsumoto which lists the registered unions as 13,600 and their membership as 3,936,000 as of August, 1946. Matsumoto is another who feels that unions should have a political mission. "If we are to achieve the economic objectives of the workers, political struggle cannot be avoided. Despite the adverse criticism of the people, the laborers in general supported the idea of political general strike by the C.I.O. (last fall) Even in the J.F.L., which is said to be cooperative with the capitalists, there is a remarkable trend among the lower organizations toward class struggle, and the leaders seem forced to heed them." The lack of unity on the labor front is the result of personal differences among the leaders, Matsumoto believes, and "if the unions are serious in their pursuit of stated aims, unification could easily be achieved." Matsumoto sees the general strike as a political move within constitutional limits. "The agency of peaceful revolution exists in the systematic political strike. The political strike which the unions are going to adopt is strictly a peaceful measure. Whether a political general strike will turn into a disturbance depends upon the attitude of the Government and the governing classes."

Greater stress is laid on the social than on the political aims of unions by Junichiro Matsumoto, Hosei University sociologist, in SOZO. The labor movement is symbolic of the new Japan, this writer declares. Whereas prewar labor movements in this country are declared to have been guided chiefly by foreign forces, the present movement reflects the will of the people. "It is featured by the workers' own will, and is aimed at the elimination of feudalism and at the creation of a democratic society. * * * The laborers engaging in labor disputes have a social ideal in mind, beyond mere economic problems. * * * How foolish are the Communists who are instigating mass demonstrations without taking account of the true feelings of the workers."

Labor is said to be seeking the creation of some sort of new social order. "The workers do not wish merely to have their demands met under the present management, but intend to establish a new form of management." Present-day ideological trends are said to nurture the growing strength of labor -- "and the trend of public opinion concerning the labor movement is favorable." However, "public opinion will require such limitation of the labor movement as is suitable to the present situation of the country." The success of the labor movement depends on the will of the people, for "when public opinion assents and supports it, the healthy development of the labor movement will be possible, but if public opinion denies and neglects it, the movement will decline."

The appearance of strike demonstrations and parades in city streets draws continual comment from Japanese cartoonists. A MANGA cartoon by Kentaro Kanechika depicts an office boy lolling in a president's chair. He shrugs off his friend's warning that

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he may be fired with an easy reference to the protection afforded him by his union. A more satirical MANGA cartoon by Takeshi Saji shows a group of wives barricaded in a house, on strike against their husbands. Their slogans include: "Equality of Sex," "Better Treatment," and "Freedom from pregnancy," while a placard urges them to "Be Chaste During Strike."

Specific Disputes

Discussions of specific disputes focused attention primarily on those of the electric workers in the late fall. SHUKAN ASAHI gives an account by Masao Koizumi of the proceedings from the point of view of the Nippon Electric Industrial Trade Union Conference. The three demands made by the Conference are summarized as (1) the abolition of bureaucratic control and unification of the country's electric supply; (2) establishment of the minimum standard of living, based on an index of living expenses (this meant a 500 yen minimum wage, the writer says), and (3) formulation of a retirement allowance system. The writer then follows the electric dispute through the negotiation stages to what he calls the final triumph of the union -- achievement of the 500 yen minimum wage.

A DAIAMONDO writer attacks the Government, the Central Labor Committee, and the union, all together, for their actions in the electric dispute. The Government is hit for its arbitrary attitude in refusing to consider the CLC recommendations, while the Committee is rebuked for making an arbitrary proposal without a sound basis. As for the workers, the writer recognizes that they are having economic difficulties, but adds, so is everyone else. "As the Committee states, the firm's average wages are comparatively high. Therefore, their wages should not be raised any higher above the wages of other industries and jobs. * * * Why should the nation have to pay higher wages to the electric workers alone? * * * We hope that the electric workers as well as the Central Labor Committee may recognize the actual status of economic conditions following our defeat."

A TOYO KEIZAI SHIMPO account of the dispute of the Tokyo Shibaura Electric Company stresses that, under the settlement, the full cooperation of all the workers is necessary in order that total production may be brought to a point capable of supporting an average total wage of 1,000 yen. (Much of this is in efficiency payments.) The writer realizes that production suffered during the dispute, takes into account the rising costs and the need of increasing prices, and advises the workers to reach their goal of one hundred million yen total sales before spring if they wish their salaries to reach a 1,000 yen average. Advice given by the writer to workers includes the statement that "labor and capital should frankly acknowledge the superfluous workers (in this plant) and allow for them by increasing output for the sake of efficient management and production. * * * The company should give special attention to equipment which pertains to the welfare of the employee. * * * The employees should seek to increase production and should not arbitrarily prevent the smooth management of the company."

The Yomiuri newspaper strike is attributed to Communist influences in a HORITSU SHIMPO article by Kanichi Yamaura. Yamaura, a Yomiuri staff member, further asserts that the dispute's objective was political and not aimed primarily at the solution of specific grievances, but at the overthrow of the Government through a general strike. Its true nature he likens to "a suit of armor barely shown beneath a scarlet robe." In TAIHEI, Hidemitsu Tanaka, a railwayman and Communist writer, offers belated comments on last September's projected Government railway strike. "A union

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of the working class is the only way to break through the crisis in our economy, and only the Communists are capable of bringing about the unification of the workers." With the Government officials absorbed in "maintaining their own political power and the capitalists patiently waiting for high prices, while hoarding materials," Tanaka declares that it is almost impossible to educate the workers to the needs of the situation as speedily as is required; hence a general strike is the most effective and powerful weapon possessed by the workers in their effort to unite all labor. He blames incomplete development of the Communist Party for the strike's failure.

Unions and their Unification

"After a year, organized laborers are said to number three millions and their unity is loudly proclaimed. It has now come to be felt that nothing can be accomplished in the reconstruction of the country or the rehabilitation of industry without the cooperation of the laborer class," writes Susumu Sawahira in introducing a JITSUGYO NO NIPPON survey of unions. The Japan Federation of Labor Unions, under the chairmanship of Komakichi Matsuoka, is described as being closely allied to the Social Democratic Party, with all its leaders as party members. Membership is said to number 870,000 and the aims, as seen by the writer, are to establish the laboring class as the base of the Social Democratic Party. "Nothing is so sinister to the capitalist class as the name of the National Congress of Industrial Organizations (Sangyo Betsu Kaigi)," Sawahira asserts. "The public brands the N.C.I.O. as communistic, but nothing annoys the N.C.I.O. more than this rumor." The writer calls it an organization of single unions of every industry, and says that it does not interfere with the political beliefs of its members. It has about 1,630,000 members, and its leaders are reportedly almost all green hands in labor organization. The Japan Congress of Labor Unions is classed as weak by Sawahira and deemed unable to achieve its aim of serving as go-between in effecting unification of the labor front. Although labor leaders agree on the principle of unification, they have failed to reach any agreement on the matter. Sawahira has no suggestions for a solution, but classes this as one of the unions' primary problems.

Zengoro Shimagami, writing in KAIZO, thinks it doubtful that the N.C.I.O. has any serious intention of seeking unification as long as it continues its nabit of attacking J.F.L. leaders. While the unification is termed an urgent necessity by this writer, he believes such a merger would be useless should it be only nominal and without mutual understanding and harmony. Shimagami tells of the discussions between the two groups and advocates submission of the proposal for unconditional merger to general assemblies from both J.F.L. and N.C.I.O., so that the decisions might be those of the majority and not merely of the leaders. If proper accord and friendship are not present, the unification of labor groups will succeed only in diminishing labor's power, he declares. He defends the J.F.L. statement of last November which objected to the activities of Communists in the N.C.I.O. and terms this a step toward the complete understanding of each other which the two sides must possess if unification is to be successful.

Pictures of eight leaders of the Struggle Committee for the scheduled 1 February general strike appear in a recent ASAHI GRAPH. "It cannot be denied that there are some differences of opinion among them, according as their mental or physical environment differs," says the commentary. "To tell the truth, it is said that there were two opposing opinions as to the object of the struggle -- whether it was a political strike or an economic strike. But all were agreed that the industrial rehabilitation of Japan must be carried out through the action of the labor unions." Among

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which insures a standard living, should be the primary factor in pay. If the basic wage is satisfactory, it is not necessary to add other wages except an efficiency wage." At present, however, the basic wage is only a small part of the total, being supplemented by various allowances which overshadow it. This writer would have "the basic wage ... form the greater part of the total; supplementary (efficiency) wages being added according to a scale. This will be the ideal form." The Government, he declares, must make great efforts to stop inflation. "On the other hand, if laborers are content with making claims for higher wages and do not attempt to increase the output, not only the accumulated capital of a company, but the whole capital of the nation, will be decreased and, at the worst, all will be lost."

Unemployment

A realistic evaluation of the employment situation appears in TAIHEI; the author is Masao Takahashi. At the height of the war, he writes, "full employment" was attained. Since then - with the devastation of industrial equipment, reduced amounts of raw material, suspension of free imports, loss of equipment through reparations, and closing of enterprises through cancellation of war damage indemnities - the means of production have decreased. At the same time, the labor supply has increased with the return of repatriates and demobilized soldiers. Furthermore, Takahashi asserts, each class, group, and industry is selfishly seeking to advance itself at the expense of all others. "In order to escape from this, there is no other way but to diffuse the spirit of democracy and socialism."

Only productive industry can create full employment and a balanced economy, Seibi Hijikata explains in DAIAMONDO. Paying out funds for work which produces nothing material is compared with digging a hole and filling it up again. Unemployment is caused primarily by lack of basic materials and goods, and Japan must have imports, as well as produce usable substitutes, if she is to put all her labor to work, Hijikata asserts.

The unemployment policies of each of the major political parties are presented in JITSUGYO NO NIPPON, with one writer representing each party. The Liberal writer stresses "enforcement of general policies which aim at the stabilization of the people's life by organizing all the people into a normal industrial system." The Progressives, according to their spokesman, place emphasis on the reconstruction of industry and encouragement of medium and small industries to absorb large numbers of workers. He also points to a number of public enterprises calculated to furnish jobs. The Socialists favor national control of important industries (coal, iron, fertilizer, etc.), shortening of work hours, establishment of minimum wages and unemployment insurance. The Cooperatives have a large program for public works, reclamation and rehabilitation, with especial concern for encouraging coal production. The Communist program would take from the rich - including the Emperor - to help the masses, establish a national bank and national industries under the control of the people, "democratize" all industries, and initiate a huge public works program.

Methods of Achievement of Labor Goals

A simple, explanatory article on the labor unions, presented in question and answer form by Keizo Fujibayashi, appears in FUJIN GAHO. The key objectives of the labor unions are described as the establishment of job and economic security, and improvement of working conditions. Management by the will of the individual members is mentioned as a democratic feature of the unions, which aim to close the gap between capitalists and workers by means of labor participation in management.

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a changing of the old order, in the direction of social progress." In developing labor laws, "deductive interpretation of the existing national law is useless." What is required is not a system of labor laws which fit snugly into the existing civil legal structures, he says, but a new concept, based on sociological study of modern living standards and ideals.

Education of Unionists

Both critics and labor spokesmen agree that education of the working classes is a necessary condition to a healthy labor movement. One of the critics, Dr. Kazuo Okochi of Tokyo Imperial University, mentions the need for labor education in NIPPON DOKUSHO SHIMBUN. Because "union members have no knowledge of their position they are not well informed concerning the social system and, above all, they lack any sense of labor ethics. Thus we seriously doubt whether they can play an important part in the program of democratization; also we draw the conclusion that the labor union has neither the desire nor the capacity to participate constructively in joint management." Hidezo Kondo, MANGA cartoonist, charges that most strikers are unaware of the significance of what they are doing, although he is "of the opinion that under the existing economic structure strike action is unavoidable in order to secure a decent living for the masses." But Kondo is irritated by the careless attitude of labor leaders. "If the chairmen of the committees or any other leaders believe that their principles and policies are justly founded in humanity, why do they not take the trouble to explain this? Militant leaders, I will cease to complain if you believe that the time for enlightenment has passed. But I, who am confident that a bloodless revolution must have its moving spirit in the masses and in their complete education, will have to turn aside from the red flags which represent a forced and unnatural movement."

The need for education is illuminated in a FUJIN NO TOMO article by Tokuko Yamamuro about the girls who do clerical and cleaning work at Ueno Station in Tokyo. The long hours and poor working conditions (the cleaning girls get up at four-thirty in the morning and get to bed at midnight, the story relates) are described graphically. "We are always tired," one of the girls is quoted as saying, "and so we cannot appreciate new ideas. The story of the labor unions is also hard to understand. Though I was persuaded to join a demonstration, I went home because I was too sleepy." The writer then advises: "It is to be desired that they be given education and encouragement, which will afford them interest in their work, because they now work merely from the habits acquired in wartime."

A KAIZO piece by Fukuo Otomo studies the Japanese laborer class asserting that the whole world has known of their long hours, low wages and feudal working conditions. "It is said that Japanese capitalism, strangling all freedom, created wage-labor of the lowest type, deep-rooted in the primitive agricultural economy. An independent and self-disciplined class has not been formed, and persons with initiative, high social standards and labor fervor have never developed. * * * It is evident that labor unions, organized from those workers, have no fervor, and no ability to participate positively in management. Thus it becomes necessary to re-educate workers from this feudal group to a modern productive class." Japan did have a few progressives in prewar times who fought against the most difficult conditions. This fact, plus "the strength of the labor movement suddenly given expression after the defeat, and the steady strides of labor are proving to us that the immaturity of our labor class is not immutable -- and Japanese laborers are acquiring increased class consciousness through their struggles.

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Fujibayashi also considers labor problems in two other magazine articles. In BUNGEI SHUNJU he maintains that labor conditions are still relatively unstabilized because management has been relatively uninterested in coming to terms. (This article preceded the 1 February general strike threat.) He speaks of a sliding scale system, in effect in England, which features wages based on compiled information concerning the average cost of living, and says that neither capital nor labor can question the hard facts thus provided in case of any dispute. But in Japan, he points out, there is afforded no reliable and clear-cut foundation of facts to substantiate or repudiate the claims of either side. In CHUO KORON, Fujibayashi makes observations on the advances of labor during the previous year. Strikes have changed from minor disputes of small individual groups to organized, industry-wide affairs. "One great change is that disputes are becoming fair. Secondly, disputes take the form of strikes, but not of production management." However, Fujibayashi believes that labor unions in Japan are far from matured, and points out their recklessness in commencing disputes without concern over the funds with which to finance them. Up to now strike leaders have been able to force settlements which compelled management to pay back wages for time lost during the dispute. Counting on such settlements, they have been able to launch movements of great magnitude, involving cooperative and even "sympathy" strikes. Fujibayashi thinks that such settlements for back pay are injurious to the healthful growth of the labor movement; for, after all, it is the indulgence of management which thus supports the unions. What, the writer asks, would happen to the unions should management refuse this back pay for lost time? Labor should become better organized and more thoughtful of the future, cautions Fujibayashi, before projecting large-scale offensives upon so unstable a foundation.

A TOYO KEIZAI SHIMPO staff writer foresees development of a management council system, which he expects will smooth labor-management relations under the Labor Relations Adjustment Act. By creating committees composed of representatives from both sides, labor and capital furnish themselves with a medium for meeting on a voluntary and cooperative basis to settle mutual problems and grievances. The writer gives reasons why this cannot be expected to prevent all disputes: labor still retains the right to strike, the right of final decisions and policy-setting must be reserved for management, and the laborer cannot be allowed unlimited participation in management, for this would involve the assumption of major responsibilities and, in effect, the capitalization of labor. But participation in management will help to provide labor with work incentive and a sense of responsibility, he says, and actual strikes will become a last resort, after all attempts to reach agreement have failed. The article notes that the J.F.L. strongly approves the idea of management councils, while the N.C.I.O. has indicated some interest. Hopes are held by the writer that this is the solution to Japan's labor problems and the means to stabilization of the nation's economy.

A new attitude toward labor laws must be adopted, according to Takenobu Kawashima, Tokyo Imperial University professor of law, in CHUO KORON. The labor movement arose of necessity from the contradictions inherent in the capitalistic system, he explains. In most cases, the advances of labor violate traditional civil law -- such rights as those of collective bargaining and striking were acquired first by the use of pressure and force, and then made legal by legislation. Labor legislation, therefore, "involves ..

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Trends, Warnings, and Hopes

In an article deploring the condition of his country, Hitoshi Yamakawa, writing for TAIHEI, finds grounds for hope in the labor movement. (It is to be noted that Yamakawa is a prominent Socialist and may be considered to be speaking at least partially for the J.F.L.) "It is noticeable that the salaried business class is holding the reins in the prevailing labor movement. * * * The leaders are generally intellectuals with university degrees. They are said to be the most radical elements in the labor movement -- if they were cold to it, such rapid development could not have been expected. * * * It is a significant social phenomenon that engineers and business men have made up their minds to share the fortune of the workers. Labor unions which include the staff members of a company naturally will try for cooperation rather than outright strife."

An EKONOMISUTO staff article lauds the N.C.I.O. participation in the Economic Reconstruction Conference, declaring that this shows the desire of labor and capital to join in a cooperative effort. The article also condemns the Yoshida Government for anti-labor policies: "The crisis must be surmounted at cost to either the capitalists or the mass of workers. Is the Yoshida Government -- which asserted in a New Year's statement that the labor movement is a dangerous action by lawless people -- confident of surmounting the crisis? * * * Without proper recognition of the labor unions there can be no industrial rehabilitation. Yoshida Government, wake up or resign! It is impossible to surmount the present crisis unless Government, labor and capital cooperate frankly."

The history of general strikes is traced in KAIZO by Iwao Ayusawa, who notes that both the people and the governments of the United States and England oppose such moves. "In the future," he writes, "the general strike will not be practiced and will not need to be practiced." Its previous results have not been good, he says, and as social policies come to reflect the popular will more and more, its causes will be removed. Only if they are oppressed continuously by undemocratic power, must the Japanese laborers rise. Such necessity is removed if "we enforce the most thoroughly democratic labor policy."

Japanese labor is not striving for the actual ideal goals set up for it in the new Constitution, writes Kazuo Okochi in HIKARI. Instead of seeking to realize the rights of "a healthy and cultural minimum standard of living," they are simply pressing demands for immediate benefits. At the same time, the State should "strive for the improvement and advancement of social welfare, social security, and public health." Labor is showing no concern with establishing what he calls "the worthwhile life," says this author, and is not sincere in its request to be allowed to take a responsible part in management.

Constructive Advice

One of the most objective of all the labor essays is an editorial in the labor review RODO HYORON. The author comments on the surprising progress made by Japanese unions up through the beginning of this year. His figures show the greatest number of unions in prewar years to have been 993 (in 1935) and the largest membership 420,589 (in 1936). In 1941 there were 11 unions with 895 members. Now there are more than 15,000 unions and 4,000,000 members. The writer warns, however, that this development is not something which has been "won" entirely by the laborers themselves. "Our labor union movement has made a rapid outward development, under the guidance of the Allied forces, and although

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its full internal development leaves much to be desired, it has gained unexpectedly successful results in its strife." But, "there can be no more dangerous way of thinking than to be intoxicated with the successful accomplishments - without reflecting upon their real causes - and on this basis to take an overoptimistic view of the future. There are many inconsistencies and irrationalities in the growing labor union movement, and only by incessant efforts to settle and overcome them can we achieve a real development of the labor movement."

Sources

(Magazines, Circulations* and Authors*)

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* Where available

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UNITED STATES POLITICAL ADVISER FOR JAPAN

Tokyo, October 13, 1947

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No. 1329

DIVISION OF OCCUPIED AREAS
OCT 16 1947
DEPARTMENT OF STATE

ASSISTANT SECRETARY
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DEC 1
MR. SALTZMAN
DEPARTMENT OF STATE

SUBJECT: Transmittal of English-Japanese Glossary of Labor Terms.

1/ The Acting Political Adviser has the honor to enclose five copies of an English-Japanese glossary of standardized American labor terms (translated into Hepburn Romaji, and Kanji), dated September 12, 1947. The list was compiled by the Labor Division of the Economic and Scientific Section of this Headquarters to facilitate the development of healthy, democratic unionism in Japan and to aid military government officers in the field.

ACTION COPIES TO: ILH OCD-one FE-one A-S DC/R 772 CI/S Labor-one

Enclosure: as noted.

Five copies of an English-Japanese Glossary of Labor Terms, September 12, 1947.

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ECONOMIC AND SCIENTIFIC SECTION
LABOR DIVISION

APO 500
12 September 1947

SUBJECT: Word List of American Labor Terminology

TO: Allied Personnel Concerned

1. To facilitate and encourage the growth of a healthy democratic trade union movement in Japan, accurate and meaningful standardized terms are indispensable to clear thinking. After considerable research on the part of ESS Labor Division personnel (both Allied and Japanese) and following consultation with union members and labor authorities, the Labor Division has developed this preliminary list of many American labor terms with equivalent translations in Japanese.

2. Many American expressions and ideas are new to the Japanese trade union movement. Exact translations are therefore often not possible. Some of the words were left in the original English. Others were literally translated.

3. Military Government officers in the field may find this list of use to them in providing their interpreters with technical labor terms. Further, although perhaps not possessing a good knowledge of the Japanese language, an officer in the field by knowing the key terms contained herein can check on the basic validity of translations conducted in his presence. Further, when local Japanese sources visit Military Government for explanations of certain American and English words, Military Government may find this list of some use.

4. The Labor Ministry has just issued a glossary of Labor terms containing complete explanation of each term. You have been sent a copy of this Glossary on 12 September 1947.

5. ESS/LA would appreciate any criticisms and suggestions sent to this office which would make a further issue of this list more valuable to Allied personnel in the field.

JAMES S. KILLEN
Chief, Labor Division