

Statement

(December 20, 1947.)

Kanju Kato

Chairman of the Special Committee  
concerning Hoarded and Concealed Goods  
of the House of Representatives.

On December 11, the House of Representatives passed a resolution purporting to establish a Special Committee for the ~~purpose of~~ *Investigation* ~~of~~ *Irregular Property Transactions*.

This new organ has been designed to be free from the legal and organic defects of the Special Committee concerning Hoarded and Concealed Materials set up in the 1st Session of the Diet, so that it may be powerful enough for the accomplishment of its object.

According to the experience of the latter Committee, the newly created Special Committee is intended to cope with the situation whenever and wherever unjust and improper transactions have been or are being carried out in connection with post-war military stores and goods related therewith in the whole sphere of officials, political and economic circles, regardless of their scope or extent, as they will naturally obstruct the reconstruction of our economy by increasing legal and political crimes and discourage the efforts of the war-worn people to establish a democratic country.

Without radically eradicating these political and economic abuses, no reorientation of Japan on democratic foundation is possible. The  ~~Diet~~  *Diet* as the supreme organ based

on

on the people's will, has set up this Special Committee in order to accomplish this difficult task.

Superficially the function of this Special Committee may be thought to overlap that of the Public Procurator's Office, and some confusion of authority may be apprehended. But decidedly that is not the case.

The Public Procurator's Office has purely a legal function on the premise of a crime while this Committee thoroughly inquires into political or economic injustice. The two accomplish their object side by side cooperating and helping each other.

In order to accomplish its object, the Committee expects cooperation and support of <sup>the</sup> enthusiastic general public burnt with righteous indignation and the sense of justice.

It is my earnest desire, therefore, that the entire people will cooperate with us in the attempt to save the country out of the present crisis and so expedite the establishment of a democratic country.

RESOLUTION

Resolved by the House of Representatives:

1. That there is hereby established a Nonpartisan Special Committee on Irregular Property Transactions to be composed of not more than thirty Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

2. The Committee shall make a full and complete investigation of the disposal and handling of, and transactions involving, public property on or after 14 August 1945, including but not limited to war materials, civilian goods and supplies, surplus property, hoarded and concealed goods, special goods returned to the Japanese Government by the Supreme Commander for the Allied Powers, idle materials, excessive stocks of goods and all other commodities useful for the economic recovery of Japan as well as the sale under false pretenses that goods not in existence were available for distribution and the use of the proceeds of such sales, with a view toward determining the responsibility of persons in the public service who have

*been false to their public trust, persons in the employ of other organizations and all other individuals acting in their own behalf or as agents for private corporations, associations or others who have participated directly or indirectly in the illegal diversion, misappropriation, or fraud in relation to the above enumerated property. This investigation shall include, but shall not be limited to, the relationship between such persons and the ministries or other agencies of government, national or local; their relationship to the Houses of the Diet and members thereof; and their relationship to political parties and to persons in or out of public service who, either*

openly or covertly, have contributed to or have been instrumental in depriving the people of Japan of the benefits of such property, or otherwise acted in a manner contrary to the public welfare.

3. a. The Committee or any duly authorized sub-committee thereof is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the House of Representatives, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers and documents, to administer such oaths, to take such testimony, to procure such typing, printing and binding, and to make such expenditures as it deems advisable.

b. The Committee is empowered to appoint and fix the compensation of such counsel, investigators, experts, consultants, technicians, and clerical and stenographic assistance as it deems necessary or advisable.

c. The expenses of the Committee which shall not exceed ¥250,000 shall be paid from the contingent fund of the House of Representatives upon vouchers signed by the chairman or by a director designated by the chairman; and the sum of ¥250,000 is hereby authorized and appropriated for such purposes and shall be available until the convening of the third national Diet.

d. The Committee shall report from time to time to the House of Representatives the results of its investigations together with its recommendations at least monthly. If the House of Representatives is in recess or has adjourned, the report shall be made to the Speaker of the House of Representatives and shall be presented by him to the House of Representatives when it reconvenes. All such reports shall be matters of public record except for such parts thereof the publication of which would be detrimental to the public interest.

不當財産取引調査特別委員会設置に  
関する決議

一、衆議院に不當財産取引調査に  
関する超党派の

特別委員会を設置し、衆議院議長  
の指名す

る三十人以下の委員を以て構成  
する

二、不當財産取引調査特別委員  
会は昭和二十八年八

月十四日以降に於ける公有財  
産（但し軍用物資

に限らない、民間保有物資、過剰物資、隠退

蔵物資、連合軍最高司令官より日本政府に移

管された特殊財産、遊休物資、過渡の貯蔵物資

及び其他日本経済の復興に有用な一切の物資の

処理、取引及び取引並に現存しない物資の處

理の賣買及びその収益につき全面的調査を行

うものとする

右調査の目的は前述の財産に關シ直接又は間接に違法に轉換をばかり、不当に私し又は詐欺を爲して國民の信託に背いた公務員、会社、組合、其他の團體の使用人及自己又は他人の爲、活動する凡ての個人の責任の所在を調査するにある。

尚この調査は以上の者と各省又は其他中央地

方政府機構との関係、国会の兩院及議員との関

係、並かに政党及公職にあり又は公職にあらざる

も公然又は隠れて、日本國民の利益及財産を奪

ひ又は奪取のに寄與し及至公益に及して行動

を爲した者との関係の調査を含むものとする。



三、不当財産取引調査特別委員会又はその小  
委員会又は国会の会期中たると休会又は閉会  
中たるを問はず、必要を認められた場合には証  
人の出頭又は帳簿、書類の提出を要求す  
ることが出来るものとす  
右に要する経費はこれを支出するニとが出来る

るに依りての調査員は二十五万円を越えてはならない

議長は委員会の申出により必要ありと認められた

ときは顧問、調査員、経験者、相談員、技術

者及び事務補助員を臨時に任命し、その

報酬を決定するに任ずるに依りては、その

委員会の費用は二十五万円を越えてはならない

ない。費用を支出する場合は委員長又は委員  
員長が指名する理事の請求により議長は衆  
議院の豫備費よりこれを支拂うものとする。  
右金額は亦三回國會召集の日迄の支出に  
当てるものとする。

委員会は随時衆議院に対し少なくとも月

一回その意見を附して調査報告書を提出  
しなければならぬ。

衆議院が休会又は閉会中の場合は右報告  
はこれを衆議院議長に提出するものとする。

議長は衆議院開会の際これを衆議院に報告す

公益に害ある場合を除く

るものとする。委員会の報告は總て公開しなければならぬ。

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HOUSE OF REPRESENTATIVES

June 21, 1948

Resolution on the Character of the Special  
Committee for Irregular Property Transaction  
Investigation

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Whereas the Members of whom the Special Committee for Irregular Property Transaction Investigation is composed are possessed of special mission: Be it resolved -

1. That they should conscientiously carry out the management of the Committee with strict impartiality to any political party or transcendently of all partisanship, and attend to thorough investigation with circumspection and speediness, contributing thereby to democratization of the Japanese people and purification of the political world, the bureaucratic world, and the financial world.
2. That the change of a Committee Member should not arbitrarily be made for each political party's convenience, except in such a case as it is unavoidable in accordance with the Rules for the House of Representatives, and
3. That in order to requite the confidence of the people and according to the principle in which the Committee was originally set up this Committee should achieve its mission.

(Passed H of R, 22 June 1948)

(Received 22 June)  
(Government Section)

*Irregular  
Property  
Transactions*

3 June, 1948.

Brigadier General Courtney Whitney, Chief of SCAP's Government Section, this afternoon denied as without the slightest basis in fact a press report that he had congratulated members of the committee probing political corruption on any specific disclosures which had been made in the course of its investigation. General Whitney merely pointed out to members of the Committee, who called upon him, the importance of vigorous action, taken without fear or favor, to maintain a high level of political morality in the affairs of government. He addressed himself to their responsibility to the people of Japan as a committee of the National Diet, saying:

"The work of this committee is of profound significance to the future of Japan. It is not that political corruption is confined to Japan, as in varying degrees it is a disease which unfortunately is to be found throughout the human society.

"The important thing is what you as the people's representatives do about it once specific instances of corruption are brought to public notice. That is a question concerning which you alone can provide an answer. On that answer will rest the measure of your sense of responsibility in the discharge of your public trust."

WHITNEY PRAISES  
DIET BODY INQUIRY  
INTO PARTY FUNDS

3 June 1948

GHQ Government Section Throws  
Support Behind Probe Committee

By Frank White

Associated Press Correspondent

Full support of GHQ Government Section has been thrown behind the Diet committee probing political funds as a result of disclosures made during the questioning of Deputy Prime Minister Suehiro Nishio, Ex-Secretary general of the Social Democratic party.

Brig Gen Courtney Whitney has congratulated members of the committee for their work thus far in disclosing that Mr. Nishio received ¥500,000 from Seita Iida of the Railway Engineers Association to be distributed among Social Democratic party candidates for the Diet.

Gen Whitney told the Diet's Illegal Property Transaction Committee:

"The work of this committee is of profound significance to the future of Japan. It is not that political corruption is a novelty here, as in varying degrees it is a disease which unfortunately is to be found throughout human society.

"The important thing is what you as people's representatives do about it once specific instances of corruption are brought to public notice. That is a question concerning which you alone can provide an answer. On that answer will rest the measure of your sense of responsibility in the discharge of your public trust."

General Whitney's statement was regarded as a "shot in the arm" to bolster the committee's morale.

Mr. Nishio was known as "strong man" behind the cabinet of Tetsu Katayama who preceded present Prime Minister Hitoshi Ashida in the coalition government.

Wednesday Mr. Nishio had refused to give the committee names of 40 party members he said had received ¥400,000 donated by Mr. Iida. The committee, however, has demanded he submit names in writing not later than June 5.