

-4-

SHEET 5.

Most of these consular establishments have since become self-supporting although, by their very nature, they are not supposed to be revenue-producing offices. For every peso invested by our government in their maintenance, we have earned back 40 cents in consular fees.

The opening of these new offices reflects the increasing pre-occupation of the Republic with the affairs of her neighbors and significantly underscores our desire not only to stabilize our relations with these neighbors but to integrate our infant economy with the overall regional economy of Asia and the Far East.

The Philippines has faith in the principles of the United Nations Charter. That faith has found eloquent expression in the accomplishments of our delegations to that international organization, its organs and specialized agencies, particularly our delegation to the General Assembly under the able leadership of Ambassador Carlos P. Romulo. Ambassador Romulo, in his brief speech before the General Assembly shortly after his election as president echoed that faith which is now manifest in his current efforts to bring about an early settlement of the United States-Soviet impasse on the control of atomic energy.

The four years of Philippine participation in the Councils of the United Nations is a proud record of initiative if not leadership in the field of international cooperation. A recapitulation of the long list of Philippine contributions in the shaping of vital policy decisions adopted at the meetings of the United Nations' specialized agencies such as the ECAFE, FAO, UNESCO, ILO, WHO, ICAO, the World Bank, non-United Nations agencies such as the now defunct IEFC in Washington would be superfluous. They are a matter of common knowledge.

In this connection, I should like to echo President Quirino's reiteration of the fact that our initiative in the formation of the projected Southeast Asia Union, was not, as a few originally suspected, designed to make the Union operate outside of but within the framework of the United Nations.

(more)



-5-

SHEET 6.

The mutually advantageous relationship that exists at present between the Philippines and the United States has a background of 50 years of fruitful association between the two countries. It is precisely the existence of these special ties that sometimes exposes Philippine foreign policy to the criticism that our foreign policy follows the pattern set in Washington. This criticism has no foundation in fact.

Philippine foreign policy has not been dependent upon that of the United States. The sharply divergent lines occasionally pursued by the two governments on a broad field of issues clearly prove this assertion. I cite our position as regards Franco Spain and Japan on which the Philippines presented different views.

Staunch, unswerving support of the aspirations of non-self-governing peoples towards independence has become a moral commitment of our Republic in the field of international diplomacy. As the first nation in this part of the world to attain independent status since the War, the Philippines stands out as an example of a nation which attained freedom through peaceful and progressive evolution. This aspect of the foreign policy structure of the Republic is easily manifest in the Philippines' espousal of the cause of Indonesia in the councils of the United Nations. Recently, we approved a credit line for the Republic of Indonesia to enable her to hasten her rehabilitation and we voted for her admission as an associate member of the ECAFE. Only the other day at the United Nations trusteeship committee meeting in Lake Success the Philippine resolution binding "governments which have colonial responsibilities" to immediately set programs leading to the "ultimate independence of territories under trusteeship control" was approved.

This sympathy for the so-called "unredeemed minorities" also explains the Philippine position on the problem of the disposition of the former Italian colonies of Libya, Somaliland and Eritrea. This position may be described as one of strict observance of the fundamental wishes of the peoples of the areas concerned. The same ardent sympathy for the cause of colonial peoples is evident in the Philippine stand

(more)



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SHEET 7.

before the United Nations Trusteeship Council, advocating speedy settlement of the Hindu minority problem in Southwest Africa and our support of the proposal to convert Southwest Africa into a trust territory.

A restatement of the Philippine position on Japan and the role that this former enemy country will play in the political, economic and strategic post-war scheme in Asia and the world is necessary if only to emphasize<sup>a</sup> high point in our foreign policy. The Republic has consistently favored measures designed to help Japan attain self-support but has uncompromisingly rejected measures which would enable that country to attain a dominant position in Asia and allow her to again threaten the economic security and territorial integrity of her neighbors. This stand has manifested itself on a wide field of issues concerning Japan. I shall specify a few of them:

1. The Philippines has vigorously opposed all attempts to allow Japan to sit in international conferences, the latest being those of the International Telecommunications Union and the UNESCO. The Philippines will object to any such moves in the future in the conviction that Japan may not legally hope to attain an "international personality" pending the conclusion of a peace treaty.

2. The Philippine reparations claims against Japan, as President Quirino has affirmed time and again "will be put forward as firmly as ever before." This policy has remained unchanged up to this day irrespective of the United States directive on May 12 of this year putting a stop to the program of interim reparations payments.

3. The Philippines registered stout opposition to the American unilateral directive now being implemented by SCAP extending the limits of Japan's fishing areas to 1,000 miles northward across the Pacific.

4. The Republic lodged with the Far Eastern Commission early last month a strong protest against the United States directive earmarking \$81 billion of Japanese gold bullion for Siam and Indo-China.

The Philippines will support Japan's eventual admission in the family of nations the moment that country can meet the following set of criteria:

(more)



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SHEET 8.

First, concrete assurances of the peaceful intentions of the Japanese government and people;

Secondly, assurance that the last vestiges of militaristic and expansionist thinking have been abolished in Japan's ruling clique to create a climate in that country thoroughly congenial for the growth of free, democratic institutions; and

Thirdly, willingness of Japan to assume her international obligations to the Allies pursuant to the provisions of the Potsdam Declaration and the terms of the Post-Surrender Policy Agreement.

Our efforts towards total economic mobilization are part of an international struggle against poverty and other economic ills.

Peace cannot be realized without freedom and freedom depends on the economic well-being of peoples. Peace, freedom and prosperity are the symbolic tripods which sustain the relentless drive of man toward a better future.

In the implementation of our economic program, the Department of Foreign Affairs is actually collaborating with other governmental agencies. Our own economic development is only a part of a world-wide program of economic cooperation. Therefore, whatever plans we follow will be dependent upon the effectiveness with which we conduct our international relations. The success of our economic mobilization program will depend also on the degree of our cooperation with the United States, with our neighboring countries in Asia and with the specialized agencies of the United Nations which are concerned with economic affairs.

Our economic mobilization program is directed toward the attainment of total economic self-sufficiency to enable the Republic to contribute to the promotion of a healthy world economy. World economic prosperity is the basis of international peace. Both are indivisible. Economic maladjustments, such as unemployment, low prices and other economic ills constitute irritants which disrupt world peace. Prosperity in one sector of the globe cannot long endure as long as there is poverty in other parts of the world. A healthy Philippine economy is a contribution to a healthy world economy /and a healthy world economy affects advantageously the economy of the

(more)



-8-

SHEET 9.

Philippines. This program of economic development cannot be carried out on a national basis alone.

Diplomacy is the active profession of statesmen and career diplomats. It also is the active concern of peoples because foreign policy involves the welfare of nations. It is dependent on the play of forces generated by conflicting interests. Policy makers cannot formulate national objectives and principles without considering the temper and the aspirations of the people they represent.

The public should not view with passivity much less with indifference the conduct of our foreign relations. You are all participants in our evolving foreign policy. By your reactions Philippine foreign policy will be shaped. By your support Philippine foreign policy will be strengthened in the international field. I therefore appeal to each and everyone of you to give unstinted support to our foreign policy in order that the objectives which I have enumerated may be realized and in order that the respect which nations now show for our country may endure.

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THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

*Del file*

*EE*

*G* DIVISION OF  
NORTHEAST ASIAN AFFAIRS

Office of the United States  
Political Adviser for Japan

Tokyo, November 23, 1949.

DEC 1 1949

No. 811

DEPARTMENT OF STATE

*no action required  
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DEC 6

ACTION  
INFO (2)

INFO  
FOR  
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Subject: Civil Affairs Conference at Kamakura.

The Honorable  
The Secretary of State,  
Washington.

Sir:

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FE 011*

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I have the honor to refer to the Mission's despatches no. 738 of October 22, 1949, and 780 of November 10, 1949, reporting upon Civil Affairs conferences held at Uji-yamada and at Ogaki and to enclose herewith two copies of a report by Foreign Service Officer Richard B. FINN (Yokohama) after attending a further such conference held at Kamakura on November 9 and 10, 1949. The report is covered by brief comment by the Consul General at Yokohama under date of November 15, 1949, two copies of which are enclosed herewith.

Respectfully yours,

*W. J. Sebald*  
W. J. Sebald

Enclosures:

- 1. Two copies of unnumbered despatch dated November 15, 1949, to USPOLAD, Tokyo, from Yokohama.
- 2. Two copies of memorandum report dated November 15, 1949, entitled Civil Affairs Conference at Kamakura, prepared by Foreign Service Officer Richard B. FINN.

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Copy to USPOLAD, Yokohama.  
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ACTION COPY

RETURN TO DO/S FILES WITHIN 14 DAYS, WITH A NOTATION OF ACTION TAKEN.



Enclosure No. 1 To Despatch  
No. 811 dated November 23, 1949,  
from USPOLAD, Tokyo, subject:  
"Civil Affairs Conference at  
Kamakura".

Yokohama Branch,  
Office of the U. S. Political Adviser,  
Yokohama, Japan, November 15, 1949.

CONFIDENTIAL (For Department's use only)

The Honorable

William J. Sebald,

Acting United States Political Adviser,  
Tokyo, Japan.

Sir:

I have the honor to refer to this office's despatch dated November 2, 1949 transmitting a copy of a report prepared by Foreign Service Officer Richard B. FINN in connection with a trip he made to Gifu Prefecture with a Civil Affairs Team of the Eighth Army. Mr. Finn recently attended a conference at Kamakura on local autonomy conducted by the Civil Affairs Section and there is enclosed a copy of his memorandum report of that conference. The Mission will note that the following are among the more crucial issues in the administration of local government in Japan:

- (a) interference by elected local officials in the administration of the city,
- (b) overstaffing of the city administrative sections,
- (c) abuse by elements of the general public of the power to recall mayors,
- (d) the tendency of mayors to establish commissions needlessly,
- (e) the prevalent Japanese notion that meetings of public safety commissions, which are concerned with police matters, should always be secret, and
- (f) the tendency of Japanese officials to rely on the central authority in Tokyo, whether the authority be Allied or Japanese.

It will

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-2-

It will be noted further that occupation officials state that Kanagawa Prefecture is ably administered by Governor Iwataro UCHIYAMA and that the city of Yokohama is particularly well run by Socialist Mayor ISHIKAWA. This office concurs in that statement. Kamakura, however, is said to be ineptly managed under Mayor Rizaemon ISOBE, who is described as an old guard Democratic Liberal henchman. One of the Civil Affairs officials reports that Kamakura is the most poorly managed city in the prefecture, that its police are corrupt, that blackmarketing flourishes in the city, and that there has been some trouble with communist teachers in the city schools.

I consider this an excellent and timely report - all to the credit of Mr. Finn.

Respectfully yours,

James B. Pilcher  
American Consul General

Enclosure:  
Memorandum Report

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JBPilcher/fa

In triplicate to Mission  
No copy to Department

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A TRUE COPY OF  
THE SIGNED ORIGINAL



Enclosure No. 2 to Despatch No. 811 dated November 23, 1949, from USPOLAD, Tokyo, subject: "Civil Affairs Conference at Kamakura".

CONFIDENTIAL (For Department's use only)

MEMORANDUM REPORT

November 15, 1949

TO: Mr. Pilcher

SUBJECT: Civil Affairs Conference at Kamakura

On November 9 and 10, 1949, I attended a conference on local autonomy conducted by the Legal and Government Division, Civil Affairs Section, Headquarters, Eighth Army. This conference was held at the city of Kamakura, 15 miles south of Yokohama in Kanagawa Prefecture, and was similar to those at Uji-Yamada and Ogaki previously reported by Vice Consul William L. MAGISTRETTI and the undersigned.

About 1,200 persons, mostly local officials from towns in Kanagawa Prefecture, were present at the opening meeting and attendance remained good throughout the conference. On the first day I read a paper in Japanese regarding citizenship and the citizen, and Dr. Joseph G. FEATHERSTONE, of the Kanto Regional Civil Affairs Team, and Mr. Howard G. PORTER of Eighth Army Headquarters summarized four other papers on local government in a clear and interesting way. Dr. Featherstone and Mr. Porter emphasized what they indicated to me were among the more crucial issues in administration of local government in Japan: interference by elected local officials in the administration of the city; overstaffing of city administrative sections; abuse by elements of the general public of the power to recall mayors; the tendency of mayors to establish commissions needlessly; and the prevalent Japanese notion that meetings of public safety commissions, which are concerned with police matters, should always be secret. On the second day of the conference four different groups consisting of persons invited from the audience of the previous day discussed general problems of local autonomy.

The discussion groups showed considerable interest and, it seemed to me, intelligence in problems of local government. They were particularly concerned with local finances - how cities in the United States got adequate funds for their operations, how local education was financed in the United States, how cities in the United States avoided domination by the central and state governments if they depended on the latter for funds. Several of the questioners showed a clear appreciation of the effect of economic depression and austerity in Japan on local autonomy and plans for educational reform. There was also some interest in the city manager system used by many American cities, especially as it offered hope of reducing bossism

and political

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- 2 -

and political influence in local administration. A subject of general concern that was raised several times was that of juvenile delinquency and immorality among young people. Discussion of this problem took several forms: what measures are taken in the United States to deal with young girls who become prostitutes; how should Japan handle its serious "panpan girl" problem; what provisions are being made for unwed Japanese mothers where the American fathers have left Japan; what can be done to maintain discipline among school children, who have tended to become obstreperous in the postwar period.

During the discussions I tried to find out what the audience felt about the local autonomy program. It was impossible to provoke any display of strong feeling on this subject, everyone confining himself to routine endorsement of the new education system, the new method of administering elections, or other features of the new program. In spite of the artificial nature of these meetings, however, I got the impression that the people were interested in and familiar with the general purposes of the local autonomy program, and that they felt the new system, however routine their endorsement of it, to be an improvement over the old.

As a result of conversations with Occupation and local Japanese officials, it was possible to get some idea of conditions in Kanagawa Prefecture and in Kamakura City. Occupation officials say Kanagawa Prefecture is ably administered by Governor Iwataro UCHIYAMA and that the city of Yokohama is particularly well run by Socialist Mayor Kyoichi ISHIKAWA. Kamakura, however, is said to be ineptly managed under Mayor Rizaemon ISOBE, who is described as an old guard Democratic Liberal henchman. Dr. Featherstone says that Kamakura is the most poorly managed city in the prefecture, that its police are corrupt, that blackmarketing flourishes in the city, and that there has been some trouble with Communist teachers in the city schools. When I talked to the mayor, however, he said the city had no particular administrative or political problems, except the usual complaints that Korean and communist elements were troublesome. Local officials attending the conference also indicated that they were meeting no undue difficulties in putting the new program into effect. I talked briefly to the mayors of Odawara and Yokosuka and got the impression from them that because all points in Kanagawa Prefecture are relatively close to Tokyo, they and their fellow mayors found it easy to take their problems to the capital and that they are accustomed to make this trip at least once a week.

From Mr. Yoshinobu ENOMOTO, the President of the Kamakura City Council, I learned more about the problems of the locality. Kamakura City comprises four townships - Kamakura, Kita Kamakura, Ofuna, and Kashigoe, and has a population of about 85,000. Its principal source of income is the tourist industry and the city would like to incorporate the resort town of Enoshima now in Fujisawa City in

order to

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- 3 -

order to integrate the tourist industry of southeastern Kanagawa Prefecture. A high percentage of the residents of Kamakura are employed in Tokyo and commute every day. Although its residents are relatively prosperous, Kamakura City is meeting considerable difficulty in financing its local government. Mr. Enomoto also said that the City Council consisted of 35 members and had proved too large to be an effective legislative body.

I also talked at some length with Mr. Howard Porter about the local government program in Japan. Mr. Porter has been working in this field for four years and appears to be a serious and competent student of this subject. It is his opinion that local autonomy has not developed to any great extent in Japan: local officials still go to Tokyo frequently for advice and support; city councils are generally impotent and have little idea of what is meant by representing the people; undesirable political influences still tend to control city governments. On the other hand, he believes that certain features of local autonomy have progressed: some of the local commissions have done effective work; local police organizations are swinging back from their former extreme of lethargy and weakness to a position where they can and do enforce respect for the law. Mr. Porter feels that the reduction of civil affairs activity is desirable, and that whatever could be done by the Occupation in the field of local government has been largely accomplished. Mr. Porter also believes that the Occupation, as well as any Allied supervisory organization that may succeed the Occupation, should maintain scrutiny of the development of local government, if only to counteract the tendency of Japanese officials to rely on the central authority in Tokyo, whether that authority should be Japanese or Allied.

Richard B. Finn  
Richard B. Finn  
American Vice Consul

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# INCOMING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

*MG*

Action Assigned to *NA*  
Action Taken *no action*

NORTHEAST ASIAN AFFAIRS

DEC-8 1949

525

DEPARTMENT OF STATE

Date of Action *Dec 8 '49*

Action Office Symbol *NA*

Name of Officer *W. J. ...*

Direction to DC/R *file*

FROM: USCONS, Tokyo

Date of Mailing: December 2, 1949

rec'd: Dec 5, 1949 10:51 am

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Secretary of State,

Washington.

A-322, November 25, 1949.



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On November 20, 1949, Mr. Kozaemon MIYAMA, Minister without Portfolio in the Yoshida Cabinet and leader in the coalition faction of the Democratic Party, issued a statement calling for unification of the Democratic Party and at the same time for greater support for the Yoshida Cabinet "in view of the international situation and general outlook of world conditions." He rejected, however, previous suggestions for a merger of the Democratic Liberal and Democratic parties. He apparently desires to see the Democratic Party become a strong, conservative force in Japanese politics but nevertheless serving for the present as a pro-government party. Mr. Kimura further suggested that a unified Democratic Party should support the Government from outside the Cabinet and recommended that party members now in the Yoshida Government should resign, although at a later date it might be advisable to participate in the Cabinet. The only other Democratic Party Cabinet member is Minister of International Trade and Industry Heitaro IMABAKI.

*XR 844.002*

Mr. Kimura's statement came as a surprise to Japanese political circles, which have been preoccupied in recent months with the possibility of a conservative party merger. The statement is generally interpreted as a move by the coalition Democrats to underline the anti-coalition or opposition faction of their party, some leaders of which have been attempting to engineer a political merger with the New Political Council and thereby defect members from the coalitionist faction.

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Tokyo's A-322,  
November 25, 1949.

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Prime Minister Shigeru YOSHIDA indicated on November 21 that he will ignore the Kimura statement, a view which is shared by other Democratic Liberal Party leaders.

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THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

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DIVISION OF  
NORTHEAST ASIAN AFFAIRS

DEC 13 1949  
DEPARTMENT OF STATE

Office of the United States  
Political Adviser for Japan

Tokyo, December 2, 1949.

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No. 841

*no action required*

INFO  
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Subject: Civil Affairs Conference at Shiogama.

The Honorable  
The Secretary of State,  
Washington.

Sir:

In continuation of the Mission's series of despatches transmitting reports upon Civil Affairs conferences on local government (no. 811 of November 23, 1949, and previous despatches) I have the honor to enclose herewith two copies of a report by Foreign Service Officer William L. MAGISTRETTI (Yokohama) after attending such a conference held at Shiogama on November 1 and 2, 1949. The report is covered by brief comment by the Consul General at Yokohama under date of November 25, 1949, two copies of which are enclosed herewith.

Shiogama, a town in northern Japan on the Pacific coast near Sendai, is noteworthy because of its attempt to develop as a port for overseas shipping.

Respectfully yours,

W. J. Sebald

Enclosures: *att.*

1. Two copies of unnumbered despatch dated November 25, 1949, to USPOLAD, Tokyo, from Yokohama.
2. Two copies of memorandum report dated November 4, 1949, entitled Local Government Conference at Shiogama, prepared by Foreign Service Officer William L. MAGISTRETTI.

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Copy to USPOLAD, Yokohama.  
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Enclosure No. 1 to Despatch No. 841 dated December 2, 1949, from USPOLAD, Tokyo, subject: "Civil Affairs Conference at Shiogama".

CONFIDENTIAL  
(For Department's use only)

Yokohama Branch,  
Office of the U. S. Political Adviser,  
Yokohama, Japan, November 25, 1949.

The Honorable

William J. Sebald,

Acting United States Political Adviser,  
Tokyo, Japan.

Sir:

Reference is made to this office's despatch dated October 14, 1949, transmitting a copy of a Memorandum Report prepared by Foreign Service Officer William L. MAGISTRETTI regarding a trip he made to Uji-Yamada with a Civil Affairs Team of the Eighth Army.

Mr. Magistretti has completed similar trips to Miyagi Prefecture and to Kyushu. There is enclosed a copy of his report dated November 4, 1949, regarding the Miyagi trip. Two separate reports on the Kyushu trip will be forwarded to the Mission in due course.

It will be noted that the local autonomy program has not met with the same success in Miyagi as in other parts of Japan. The relative backwardness and poverty of the area have contributed to the difficulties experienced elsewhere. Mr. Magistretti believes that the struggle for democracy in Miyagi will be intense.

Respectfully yours,

James B. Pilcher  
American Consul General

Enclosure:

Memorandum Report dated  
November 4, 1949.

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In triplicate to Mission  
No copy to Department

A true copy of the  
signed original  
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(For Department's use only)

Enclosure No. 2 to Despatch No. 841 dated December 2, 1949, from USPOLAD, Tokyo, subject: "Civil Affairs Conference at Shiogama".

MEMORANDUM REPORT

November 4, 1949

Subject: Local Government Conference at Shiogama.

The conference at Shiogama is another in the series conducted by the Legal and Government Section, Civil Affairs Division, Eighth Army, for the purpose of acquainting people with their rights and duties under the new local autonomy law and to assist them with specific problems of city government in discussion groups. Details of the way such conferences are handled are given in my Memorandum Report, dated October 10, 1949, on the conference held at the city of Uji-Yamada.

Membership of the visiting group of lecturers included Mr. Cecil B. TILTON, Chief, Legal and Government Section, Civil Affairs Division, Headquarters Eighth Army; Mr. Michael E. NOLAN of the same section; Mr. J. M. WILCOX, Legal and Government Officer, Tohoku Civil Affairs Region; Major M. D. MacLAUGHLIN, Legal and Government Officer, Iwate Civil Affairs Team; and the writer.

While the adjacent city of Sendai (approximately 30 minutes away) is vastly more important in Miyagi Prefecture, Shiogama was selected in order to avoid duplication, as a conference on the prefectural level had been held at Sendai the year before. Shiogama's population of 44,000 is mainly engaged in fishing, with some agriculture represented. Their pre-war export to the United States was seed oysters. I understand this export trade is again well under way. There is the usual smattering of small shops catering to the needs of the town.

Although the first town to be bombed by our B-29s, with a loss of 77 buildings, there is little today to indicate the bombed area. The town gives the appearance of existing in the dirt of the ages. For this reason (including a venereal disease problem) and frequent

clashes between

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- 2 -

clashes between Japanese merchant sailors and United States troops, the town was placed "Off Limits" to all allied personnel shortly after Occupation and has continued "Off Limits" down to the present.

In spite of the former backwardness of the town, the mayor and civic officials have put into motion a very ambitious port improvement and city zoning plan. Work is already under way on one of several piers which will accommodate ships up to 12,000 tons. The mayor has secured the support of American shipping agents in Yokohama because the position of Shiogama on the Great Circle Route saves their ships at least seven hours travel time over the port of Yokohama. At the present time a number of ships put into the port, but cargo must be unloaded by lighters. Four years hence, with completion of the piers, a greater flow of such traffic is anticipated.

Together with the materialization of the new piers, zoning restrictions in the newer areas of the town will give it a modern cosmopolitan air. Streets are being widened. Street lights are being set up. Building restrictions will make for fine-looking modern shops. For those desiring a contrast, the older middle-age area of the city will be left untouched.

Mr. Tatsuji SAKURAI, mayor of Shiogama, is himself typical of the development of his birthplace. An alert and active mayor, he has been the motivating force behind the strides the town has made. Mr. Sakurai's father established the family fortune through operating houses of assignation. Mr. Sakurai, educated at Waseda University in Tokyo, did not favor this type of business. Immediately upon his father's death he sold out the family interests and bought a vegetable wholesale house. He then became active in the Chamber of Commerce. But, it was not until after the war that he became mayor. This is now his second term in office, and it is anticipated that he will be elected again.

The meeting convened shortly after nine o'clock, November 1, 1949, in the auditorium of the Third Grammar School, with 856 mayors and civic leaders in attendance. As is usual, the mayor of the host city presided and introduced the more important mayors from Miyagi Prefecture. Colonel John U. AYOTTE of the Tohoku Civil Affairs Region, Mr. James M. WILCOX, and Mr. Cecil B. TILTON made brief speeches regarding the purpose of the conference. Next followed the various speeches prepared by Legal and Government Section, Civil Affairs Division, Headquarters Eighth Army. Inasmuch as these materials have been covered in my former report, notice will be taken only of variations introduced by individual speakers.

Mr. Michael E. NOLAN

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Mr. Michael E. NOLAN, a Michigan attorney and former Probate Judge, now a member of the Legal and Government Section, discussed the mayor's position under the new local autonomy law. He pointed out that the mayor has both local and national duties, such as the rice collection. Should the mayor fail to carry out these duties, he can be forced to do so by a Writ of Mandamus. He stated the recall had been widely misused: about 300 mayors have been recalled, and approximately 1,000 mayors have resigned voluntarily in the face of a possible recall. It should be noted parenthetically that both Mr. Nolan and Mr. Tilton admitted this misuse was due in part to their former speeches in which they had introduced the recall system to the people. Mr. Nolan stated that Mr. Tilton was in favor of the recall and desired to see it continued as a part of the local autonomy law.

It should be noted that Mr. Tilton was primarily responsible for writing this law and having it passed by the Diet. Mr. Nolan told the audience that the recall was like a dose of strong medicine -- only to be used in extreme cases. He considered the main cause of the trouble to be the lack of finances. In his opinion the Shoup Report, through providing more money to the local areas, would afford considerable relief. (General MacArthur has sent a letter of instruction to the Japanese Diet to adopt this report, but as yet it has not been incorporated.) He urged the people to remember that their mayor was not responsible for this lack of funds, but rather the reason is to be found in the archaic tax system unchanged for 50 years. They should not be unduly disturbed by minor mistakes in administering the local autonomy law, but should realize that it will take years to perfect its operation.

During the course of the afternoon, Major MacLAUGHLIN, in discussing city assemblies, made the point that they could be cut approximately fifty percent at considerable saving to the Japanese taxpayer. Mr. Nolan and others confirmed the abnormally large size of the Japanese assemblies as compared to the United States. Otherwise, the Major's speech followed the prepared material.

Mr. Tilton deviated in his speech on independent committees to point out the necessity in local government for such committees, particularly the inspection committee. He added that there should be at least one strong fearless newspaper in each city designed to present the facts to the people. In regard to the activities of the election management committee, he stated that everyone was satisfied except Stalin. However, the results have been somewhat uneven. He expressed the hope that more attention would be paid to the way

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- 4 -

in which recall petitions should be drawn up indicating that in some places petitions have had fraudulent signatures.

Discussing the public safety commission, required under the police law, he stated that the commission - not the mayor - gives orders to the police force. He referred to General MacArthur's letter to the Prime Minister of September 1947 as being an excellent discussion of the relative functions of the city police and the national rural police. It should be noted that this distinction is quite bothersome to the Japanese because in the past they have always had one centralized police system. Some of the Japanese officials I contacted informally asked me about the way in which the city police and the state police co-operated in the United States. They stated that in Miyagi Prefecture there were fairly frequent squabbles between the national rural police and the city or village police over jurisdiction where a criminal, initially under the jurisdiction of the national rural police, had fled into a city. Apparently there is a rather unbending attitude in respect to assertion of jurisdiction and power.

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In every discussion group on the second day, November 2, 1949, there were questions about recall. One particular instance illustrates the misuse of this device. In a certain village the mayor introduced a bill proposing the construction of a new school. The assembly duly passed the bill, and the mayor proceeded to carry out their instructions. Thereupon, the women's club instigated a movement to recall the mayor, and he was recalled by about 270 votes! Some informants told me that the actual issues went beyond the school; that there was considerable personal feeling against the mayor involved. In addition, there was criticism of the women's activities in connection with the recall, the male speakers feeling the women lacked proper experience.

Another problem presented was that of support of schools and teachers. An elderly gentleman indicated that the cities and villages in many instances found it impossible to raise the funds to construct a school or support the teachers. He pleaded that SCAP give consideration to a return to the old system whereby the government allocated funds for schools and the payment of teachers. He told me that the prefecture had adequate funds but could not give the local schools support under the new system.

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In a number of the groups, civic leaders questioned me about what constituted a good citizen. Their attempts to draw me out on this subject indicated a feeling that the people generally were not aware of their civic responsibilities. There was a desire for analysis of what good city citizenship meant in a democracy.

There were also a number of questions about the various civic organizations, such as the National Municipal League in New York. The questioners were vague about the activities of such organizations and whether they should be involved in political activities such as parties engage in. The women, as usual, were interested in hearing about women's club activities in the United States. One young man asked me what was done in farm areas in the United States to stimulate thinking about civic and political issues.

Another questioner asked what might be done where a mayor refused the people the right to attend city council or similar assemblies as observers. I was later told that Miyagi had been troubled with this problem; that some mayors held closed sessions because they did not want the Communists to sit in on the meetings. From what I could gather, this fear was rather extreme and it would seem that the mayors' actions in barring auditors from innocuous meetings was not the height of cleverness. While the Tohoku Area has had a good share of repatriates from Russian territory, I was told that the majority had settled down at home and forgotten all about joining the Communist Party. Because of the extreme poverty which the people in this area have experienced from time to time, there has been a tradition of extreme leftist opposition. The most prominent physician in Shiogama is reported to be a member of the Communist Party. The only Party member to arrive politically, however, has been Tatsuji FUSE of Aomori Prefecture, a man nationally known in his own right as a lawyer, and now a member of the defense council at the Mitaka leftist derailment trial.

Also reflecting the opposite extreme in this area was the report of resurgence of the old type bureaucrat. One Japanese source told me that the purge had the effect of removing top-level bureaucrats and, to a certain extent, thereby elevating the lower echelon. He has recently noticed a tendency on the part of the bureaucracy to revert to their high-handed pre-war attitude of "We are the government" rather than the Occupation inspired ideal of being servants of the people. It was noticeable that many of the questions in the discussion groups reflected a reluctance on the part of the people to press their new rights with the city officials.

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Conclusions

Because of Miyagi's position since the Restoration plus the relative backwardness and times of poverty and hardship in the area, it would seem that democracy, particularly as viewed through the new local autonomy law, will have a more difficult time than elsewhere. There is a noticeable tendency to polarize here. On the one hand, there is a clique of the extremely conservative well-to-do who still have control of the purse strings and local government. On the other hand, there is a group of young men and the poverty-stricken who are easy prey for the extreme left. Like most Japanese, the people are apt to be short tempered and quick to exercise their right of protest. This is the story of the Communist vote in Miyagi as well as the amazing use of the recall.

Here also the women seem to be encountering more difficulties. The male population, more conservative than some other areas, view the rise of women into politics and government with considerable misgiving. Added to that, the farm women have a daily work load such as to leave them little time to study the problems of the day.

The problem is further complicated by intense feelings which the people harbour toward each other, no doubt whipped up during the long period when they were the step-children of Japan. Some of the recalls seem as much due to local friction and antagonism as for the surface reasons.

To counter the adverse factors, there can be found a large portion of Christians in this area extending back two or three hundred years when Date Masamune sent his secret mission to Rome. A considerable number of the civic leaders indicated through their discussion a far-sighted view of the problems they face in making democracy live in Japan. It is my opinion that the struggle for democracy in this area will be much more intense. Feudal conservatism and tradition will prove a much greater stumbling block. It is yet too early to assess the ultimate outcome in Miyagi. One strong factor for success will be the attitude of the mayors and other civic leaders at the conference. I believe that the vast majority will prove a progressive influence along these lines. However, it must be concluded that a minority do not appreciate as yet the advantages of the open sessions of the village council or the inclusion of young blood in civic activities. Neither do they believe in the inclusion of women in politics. These are the battles yet to be won in Miyagi.

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William L. Magistretti  
American Vice Consul

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Enclosure No. 1 to Despatch No. 841 dated December 2, 1949, from USPOLAD, Tokyo, subject: "Civil Affairs Conference at Shiogama".

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Yokohama Branch,  
Office of the U. S. Political Adviser,  
Yokohama, Japan, November 25, 1949.

The Honorable

William J. Sebald,

Acting United States Political Adviser,  
Tokyo, Japan.

Sir:

Reference is made to this office's despatch dated October 14, 1949, transmitting a copy of a Memorandum Report prepared by Foreign Service Officer William L. MAGISTRETTI regarding a trip he made to Uji-Yamada with a Civil Affairs Team of the Eighth Army.

Mr. Magistretti has completed similar trips to Miyagi Prefecture and to Kyushu. There is enclosed a copy of his report dated November 4, 1949, regarding the Miyagi trip. Two separate reports on the Kyushu trip will be forwarded to the Mission in due course.

It will be noted that the local autonomy program has not met with the same success in Miyagi as in other parts of Japan. The relative backwardness and poverty of the area have contributed to the difficulties experienced elsewhere. Mr. Magistretti believes that the struggle for democracy in Miyagi will be intense.

Respectfully yours,

James B. Pilcher  
American Consul General

Enclosure:

Memorandum Report dated  
November 4, 1949.

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JBPilcher:bw

In triplicate to Mission  
No copy to Department

A true copy of the  
signed original

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Enclosure No. 2 to Despatch No. 841 dated December 2, 1949, from USPOLAD, Tokyo, subject: "Civil Affairs Conference at Shiogama".

MEMORANDUM REPORT

November 4, 1949

Subject: Local Government Conference at Shiogama.

The conference at Shiogama is another in the series conducted by the Legal and Government Section, Civil Affairs Division, Eighth Army, for the purpose of acquainting people with their rights and duties under the new local autonomy law and to assist them with specific problems of city government in discussion groups. Details of the way such conferences are handled are given in my Memorandum Report, dated October 10, 1949, on the conference held at the city of Uji-Yamada.

Membership of the visiting group of lecturers included Mr. Cecil B. TILTON, Chief, Legal and Government Section, Civil Affairs Division, Headquarters Eighth Army; Mr. Michael E. NOLAN of the same section; Mr. J. M. WILCOX, Legal and Government Officer, Tohoku Civil Affairs Region; Major M. D. MacLAUGHLIN, Legal and Government Officer, Iwate Civil Affairs Team; and the writer.

While the adjacent city of Sendai (approximately 30 minutes away) is vastly more important in Miyagi Prefecture, Shiogama was selected in order to avoid duplication, as a conference on the prefectural level had been held at Sendai the year before. Shiogama's population of 44,000 is mainly engaged in fishing, with some agriculture represented. Their pre-war export to the United States was seed oysters. I understand this export trade is again well under way. There is the usual smattering of small shops catering to the needs of the town.

Although the first town to be bombed by our B-29s, with a loss of 77 buildings, there is little today to indicate the bombed area. The town gives the appearance of existing in the dirt of the ages. For this reason (including a venereal disease problem) and frequent

clashes between

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clashes between Japanese merchant sailors and United States troops, the town was placed "Off Limits" to all allied personnel shortly after Occupation and has continued "Off Limits" down to the present.

In spite of the former backwardness of the town, the mayor and civic officials have put into motion a very ambitious port improvement and city zoning plan. Work is already under way on one of several piers which will accommodate ships up to 12,000 tons. The mayor has secured the support of American shipping agents in Yokohama because the position of Shiogama on the Great Circle Route saves their ships at least seven hours travel time over the port of Yokohama. At the present time a number of ships put into the port, but cargo must be unloaded by lighters. Four years hence, with completion of the piers, a greater flow of such traffic is anticipated.

Together with the materialization of the new piers, zoning restrictions in the newer areas of the town will give it a modern cosmopolitan air. Streets are being widened. Street lights are being set up. Building restrictions will make for fine-looking modern shops. For those desiring a contrast, the older middle-age area of the city will be left untouched.

Mr. Tatsuji SAKURAI, mayor of Shiogama, is himself typical of the development of his birthplace. An alert and active mayor, he has been the motivating force behind the strides the town has made. Mr. Sakurai's father established the family fortune through operating houses of assignation. Mr. Sakurai, educated at Waseda University in Tokyo, did not favor this type of business. Immediately upon his father's death he sold out the family interests and bought a vegetable wholesale house. He then became active in the Chamber of Commerce. But, it was not until after the war that he became mayor. This is now his second term in office, and it is anticipated that he will be elected again.

The meeting convened shortly after nine o'clock, November 1, 1949, in the auditorium of the Third Grammar School, with 856 mayors and civic leaders in attendance. As is usual, the mayor of the host city presided and introduced the more important mayors from Miyagi Prefecture. Colonel John U. AYOTTE of the Tohoku Civil Affairs Region, Mr. James M. WILCOX, and Mr. Cecil B. TILTON made brief speeches regarding the purpose of the conference. Next followed the various speeches prepared by Legal and Government Section, Civil Affairs Division, Headquarters Eighth Army. Inasmuch as these materials have been covered in my former report, notice will be taken only of variations introduced by individual speakers.

Mr. Michael E. NOLAN

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Mr. Michael E. NOLAN, a Michigan attorney and former Probate Judge, now a member of the Legal and Government Section, discussed the mayor's position under the new local autonomy law. He pointed out that the mayor has both local and national duties, such as the rice collection. Should the mayor fail to carry out these duties, he can be forced to do so by a Writ of Mandamus. He stated the recall had been widely misused: about 300 mayors have been recalled, and approximately 1,000 mayors have resigned voluntarily in the face of a possible recall. It should be noted parenthetically that both Mr. Nolan and Mr. Tilton admitted this misuse was due in part to their former speeches in which they had introduced the recall system to the people. Mr. Nolan stated that Mr. Tilton was in favor of the recall and desired to see it continued as a part of the local autonomy law.

It should be noted that Mr. Tilton was primarily responsible for writing this law and having it passed by the Diet. Mr. Nolan told the audience that the recall was like a dose of strong medicine -- only to be used in extreme cases. He considered the main cause of the trouble to be the lack of finances. In his opinion the Shoup Report, through providing more money to the local areas, would afford considerable relief. (General MacArthur has sent a letter of instruction to the Japanese Diet to adopt this report, but as yet it has not been incorporated.) He urged the people to remember that their mayor was not responsible for this lack of funds, but rather the reason is to be found in the archaic tax system unchanged for 50 years. They should not be unduly disturbed by minor mistakes in administering the local autonomy law, but should realize that it will take years to perfect its operation.

During the course of the afternoon, Major MacLAUGHLIN, in discussing city assemblies, made the point that they could be cut approximately fifty percent at considerable saving to the Japanese taxpayer. Mr. Nolan and others confirmed the abnormally large size of the Japanese assemblies as compared to the United States. Otherwise, the Major's speech followed the prepared material.

Mr. Tilton deviated in his speech on independent committees to point out the necessity in local government for such committees, particularly the inspection committee. He added that there should be at least one strong fearless newspaper in each city designed to present the facts to the people. In regard to the activities of the election management committee, he stated that everyone was satisfied except Stalin. However, the results have been somewhat uneven. He expressed the hope that more attention would be paid to the way

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One disturbing factor concerning Military Government work in Miyagi was little hints here and there in our conversations that some of the Military Government Team commanders had not been of proper calibre for the job. One instance was cited of a Colonel who considered himself "emperor" of the area he had charge of, and acted accordingly, attempting to keep even Occupation personnel from entering.

However, the Tohoku Region Teams have now all ceased activities as of the first of November, and the Tohoku Civil Affairs Region is functioning in Sendai. The change-over here occurred one month before schedule because it was felt such an interval would be needed for inventorying and "housekeeping". The present complement of the Region is: one full Colonel in charge assisted by a Lieutenant Colonel and five Enlisted Men. I was unable to ascertain the exact number of civilians employed, but would guess that they number approximately twenty or thirty. I understand this is the normal military and civilian complement of the new regions.

In every discussion group on the second day, November 2, 1949, there were questions about recall. One particular instance illustrates the misuse of this device. In a certain village the mayor introduced a bill proposing the construction of a new school. The assembly duly passed the bill, and the mayor proceeded to carry out their instructions. Thereupon, the women's club instigated a movement to recall the mayor, and he was recalled by about 270 votes! Some informants told me that the actual issues went beyond the school; that there was considerable personal feeling against the mayor involved. In addition, there was criticism of the women's activities in connection with the recall, the male speakers feeling the women lacked proper experience.

Another problem presented was that of support of schools and teachers. An elderly gentleman indicated that the cities and villages in many instances found it impossible to raise the funds to construct a school or support the teachers. He pleaded that SCAP give consideration to a return to the old system whereby the government allocated funds for schools and the payment of teachers. He told me that the prefecture had adequate funds but could not give the local schools support under the new system.

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CONFIDENTIAL

- 9 -

In a number of the groups, civic leaders questioned me about what constituted a good citizen. Their attempts to draw me out on this subject indicated a feeling that the people generally were not aware of their civic responsibilities. There was a desire for analysis of what good city citizenship meant in a democracy.

There were also a number of questions about the various civic organizations, such as the National Municipal League in New York. The questioners were vague about the activities of such organizations and whether they should be involved in political activities such as parties engage in. The women, as usual, were interested in hearing about women's club activities in the United States. One young man asked me what was done in farm areas in the United States to stimulate thinking about civic and political issues.

Another questioner asked what might be done where a mayor refused the people the right to attend city council or similar assemblies as observers. I was later told that Miyagi had been troubled with this problem; that some mayors held closed sessions because they did not want the Communists to sit in on the meetings. From what I could gather, this fear was rather extreme and it would seem that the mayors' actions in barring auditors from innocuous meetings was not the height of cleverness. While the Tohoku Area has had a good share of repatriates from Russian territory, I was told that the majority had settled down at home and forgotten all about joining the Communist Party. Because of the extreme poverty which the people in this area have experienced from time to time, there has been a tradition of extreme leftist opposition. The most prominent physician in Shiogama is reported to be a member of the Communist Party. The only Party member to arrive politically, however, has been Tatsuji FUSE of Aomori Prefecture, a man nationally known in his own right as a lawyer, and now a member of the defense council at the Mitaka leftist derailment trial.

Also reflecting the opposite extreme in this area was the report of resurgence of the old type bureaucrat. One Japanese source told me that the purge had the effect of removing top-level bureaucrats and, to a certain extent, thereby elevating the lower echelon. He has recently noticed a tendency on the part of the bureaucracy to revert to their high-handed pre-war attitude of "We are the government" rather than the Occupation inspired ideal of being servants of the people. It was noticeable that many of the questions in the discussion groups reflected a reluctance on the part of the people to press their new rights with the city officials.

ConclusionsCONFIDENTIAL



# INCOMING AIRGRAM

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DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

DIVISION OF  
NORTHEAST ASIAN AFFAIRS

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DEC 15 1949  
AIRGRAM

1493

Action Assigned to DEPT OF STATE

Action Taken no action

FROM: USPOLAD, Tokyo.

Date of Action Dec 15, 49

Date of mailing: December 9, 1949.

Action Office Symbol NA

~~RESTRICTED~~  
Name of Officer no person

Rec'd: Dec. 12, 1949 5:14 p.m.

Direction to DC/R file  
Secretary of State,

Washington.

A-337, December 6, 1949.



894.00/12-649

According to the December 2, 1949 issue of Asahi Shimbun, Prime Minister Shigeru YOSHIDA is intensifying his plans to bring about a merger of the conservative political parties. The newspaper reports that the primary reason for the Prime Minister's renewed interest in this subject is to prepare Japan politically for the problem of a peace treaty. The Prime Minister also hopes that a conservative merger will provide the conservative elements with better opportunities for the House of Councillors' election next year.

Asahi also notes that the coalitionist (Inukai) faction of the Democratic Party has been stimulated by the move of Mr. Kozaemon FURUKA, minister without Portfolio in the Yoshida Cabinet, who recently urged the formation of a new conservative party (this mission's A-322 November 26, 1949).

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DEC 18 1949

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PERMANENT RECORD COPY.—This copy must be returned to DC/R central files with notation of action taken.

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# INCOMING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

*Mc* 7E-10 *RAF*

DIVISION OF

NORTHEAST ASIAN AFFAIRS

1924

Action Assigned to *NA* DEC 21 1949

Action Taken *no action* DEPARTMENT OF STATE USPOLAD, Tokyo.

Dated: December 9, 1949.

Date of Action *Dec 21, 49*

Date of mailing: Not Known

~~SECRET~~ Action Office Symbol *NA*

Received: Dec. 16, 1949 11:33 am

Name of Officer *Mc*

Secretary of State, DC/R

Washington,

A-351, December 9, 1949.



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894.00/12-949

Mr. Ichiro OHTA, Vice Minister of Foreign Affairs, called upon me at his request on December 7. He stated that he had been instructed by Prime Minister Shigeru YOSHIDA to advise me concerning certain statements with respect to foreign affairs which Mr. Yoshida proposes to make in his policy address to the Diet on December 13.

Mr. Ohta explained that the Japan Communist Party is making serious efforts to convince the Japanese people that only by an "overall peace treaty" will it be possible for Japan to survive in the future. He said that the strategy of the Communist Party calls for the spread of propaganda to cause uneasiness among the people by implying that, if Soviet Russia does not accede to the peace treaty, Japan in its unarmed state would be subject to the constant threat of a Soviet occupation. They contend that, on the other hand, once Soviet Russia has signed a treaty of peace with Japan, this threat will disappear. Concomitant with a peace treaty of the kind envisaged by the Communist Party, the immediate withdrawal of all United States troops from Japan would become necessary.

In order to counter the above propaganda, Mr. Ohta stated, Prime Minister Yoshida desires to advocate two slogans: "A peace treaty without delay" and "A peace treaty with as many powers as possible", in the latter context the word *tasu* (majority) being used instead of the expression "separate peace". Mr. Ohta further explained that the Prime Minister is fully aware of the delicate nature of this subject but in view of the strenuous efforts made by the Japan Communist Party, feels that a counter campaign of easily understood slogans is essential to arrest growing uneasiness among the people that Soviet Russia has ulterior motives against Japan in its disarmed state.

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DEC 14 1949

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Tokyo's A-351,  
December 9, 1949.

-2-

I told Mr. Ohta that this matter was, of course, one for determination by the Japanese Government but that I should like to make the observation that public discussions of peace treaty matters under present conditions are fraught with considerable danger of creating misunderstandings abroad and that it might be well if such discussion were held to an absolute minimum.

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894.00/12-949  
**FILE NO.** A-351 FROM TOKYO

JUN 6 1950

LJ



# INCOMING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

*DC/R-1*

AIRGRAM

1924

FROM: USPOLAD, Tokyo.

Dated: December 9, 1949.

Date of mailing: Not Known

Received: Dec. 16, 1949 11:33 am

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Secretary of State,  
Washington.

A-351, December 9, 1949.

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# INCOMING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

DIVISION OF  
NORTHEAST ASIAN AFFAIRS  
AIRGRAM  
DEC 22 1949

2309

DEPARTMENT OF STATE

FROM:

USPOLAD, Tokyo.

Date of

mailing:

December 16, 1949.

Rec'd: Dec. 20, 1949 10:20 am

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Secretary of State,  
Washington.

-363, December 13, 1949.

According to the Japanese press, a League for Promotion of Peace and Independence will hold its inaugural meeting in Tokyo on December 13. The group is reportedly sponsored by leaders in the fields of science, education, religion, the press, culture, finance and politics. Among the speakers scheduled for the inaugural meeting are Mr. Tetsu KAKIYAMA, Chairman of the Social Democratic Party and Mr. Jiro KOBAYASHI of the Democratic Liberal Party.

Office of  
FAR EASTERN AFFAIRS  
DEC 22 1949

894.00/12-1349

Action Assigned to NA SHOULD  
Action Taken W. J. ...

Date of Action 12-22  
Action Office Symbol NA  
Name of Officer HL  
Direction to DC/R Fru

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DEC 29 1949

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# INCOMING AIRGRAM

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DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

**6** DIVISION OF  
NORTHEAST ASIAN AFFAIRS

DEC 22 1949

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DEPARTMENT OF STATE

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Action Assigned to *NA*  
Action Taken *no action*

FROM: US CLAD, Tokyo.

Date of Action *Dec 20, 49*

Date of Mailing: December 16, 1949.

Action Office Symbol *NA*

Name of Officer *W. H. ...*

Rec'd: Dec. 20, 1949 10:20 a.m.

Secretary of State,

Washington.

A-361, December 13, 1949.

Office of  
FAR EASTERN AFFAIRS  
DEC 22 1949

On December 4 Mr. Kozaemon KIKUCHI invited twenty-two members of both factions of the Democratic Party to a meeting to discuss the question of party unification (this Mission's A-323, November 25).

According to Japanese press reports, Mr. Kimura again expressed his determination to resign from the Yoshida Cabinet in order that party unification may materialize. Mr. Kimura also stated that he would meet in the next few days with President Ken KUNIKIDA, Secretary-General Shigeru HORI, Chairman Isaji TAKEDA of the Diet members group, and Chairman Kentaro HOSAKA of the Political Affairs Research Committee of the coalitionist faction of the Democratic Party to explain his work for party unity. He will then meet with Chairman Gizo YAMASAKI of the anti-coalition faction with the hope of making detailed plans for the unification drive.

The meeting passed a resolution calling for "the restoration of the Democratic Party to its pristine condition in order to clear away the present confusion in the political world."

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DEC 29 1949

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# INCOMING AIRGRAM

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DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

Action Assigned to NA  
Action Taken -----

DIVISION OF  
NORTHEAST ASIAN AFFAIRS

DEC 22 1949  
AIRGRAM  
DEPARTMENT OF STATE

2311

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Date of Action -----  
Action Office Symbol -----  
Name of Officer -----  
Director DC/R -----

FROM: USPOLAD, Tokyo.

Date of  
Mailing: December 16, 1949.

Rec'd: Dec. 20, 1949 10:20 am

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Secretary of State,  
Washington.

A-368, December 15, 1949

*894.00/12-1349*

Reference this Mission's A-363 of December 13, 1949, concerning a peace meeting in Tokyo on December 13.

As a result of this meeting, an organization called the Peoples League for Establishment of Peace and Acceleration of a Japanese Peace Treaty was inaugurated. Mr. Teiyu MATSUO, former principal of the Tokyo First Higher School, was elected chairman of the new organization, with Mr. Takano YOSHIDA of the International Federation of Religious Organizations and Mr. Hideo Yamashita of the Japan Federation of Labor Unions chosen to serve as vice-chairmen.

The new organization has decided to send messages to the member nations of the Far Eastern Commission and to the Vatican, as well as to various peace organizations throughout the world, urging the establishment of peace and the early conclusion of a Japanese peace treaty.

Available information indicates that there are no communist elements affiliated with this new peace movement. Almost all organized "peace" activity has so far been of communist sponsorship or under communist influence (this Mission's despatch no. 873 of December 14, 1949).

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CSA



# The Convention of Regular Baptists of British Columbia

CORRESPONDING SECRETARY  
REV. F. J. CARTER  
3114 GRAVELEY STREET  
VANCOUVER, B.C.

RECEIVED  
DEPARTMENT OF STATE  
PRESIDENT  
P. A. LEE  
2458 EAST HASTINGS STREET  
VANCOUVER, B.C.

TREASURER  
H. J. WITTER  
2878 EAST 2ND AVENUE  
VANCOUVER, B.C.

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December 20, 1949

American Department of State,  
Washington, D.C.

DC/R

Dear Sir:

Our Convention has been advised to undertake missionary work in Japan while waiting for conditions in China to become more stable.

We would like to get full information as to conditions and possibilities, and what we would be required to do to undertake such work.

The American consulate General at Vancouver, B.C. has advised to communicate with you concerning this matter.

Any information you can give will be extremely important to us and would decide, or help us to decide, what action we should take if any.

yours truly,

*F. J. Carter*  
F. J. Carter

Secretary to the convention.  
.....

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NA file 11

December 29, 1949

Dear Colonel Lynch:

There is forwarded herewith an exchange of correspondence between this Office and the Convention of Regular Baptists of British Columbia.

It would be appreciated if your office would furnish the Convention with the information it requests concerning the undertaking of missionary work in Japan.

Sincerely yours,

U. Alexis Johnson  
Deputy Director,  
Office of Northeast Asian Affairs

## Enclosures:

1. Letter to Department  
December 20, 1949 (copy)
2. Letter to Convention from  
Dept., December 29, 1949  
(copy)

Colonel G. P. Lynch, CSC  
Chief, Reorientation Branch,  
Office of the Under Secretary,  
Department of the Army.



December 29, 1949

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December 20, 1949 (copy)
2. Letter to Convention from  
Dept., December 29, 1949  
(copy)

Colonel G. P. Lynch, GSC

Chief, Reorientation Branch,

Office of the Under Secretary,

Department of the Army.

RE:NA:McGreen:clh 12/29/49



NA file 111

December 29, 1949

My dear Mr. Carter:

Your letter of December 20 to the Department of State concerning the proposed missionary work of your Convention in Japan has been referred to the Chief of the Reorientation Branch of the Department of the Army for reply. I trust you will be hearing from him shortly.

Sincerely yours,

U. Alexis Johnson  
Deputy Director,  
Office of Northeast Asian Affairs

Rev. F. J. Carter,  
3114 Gravelley Street,  
Vancouver,  
British Columbia.

FE:NA:MGreen:elh 12/29/49



December 29, 1949

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Office of Northeast Asian Affairs

Rev. F. J. Carter,  
3114 Graveley Street,  
Vancouver,  
British Columbia.

*mg.*  
FE:NA:MGreen:clh 12/29/49



STANDARD FORM NO. 64

## Office Memorandum • UNITED STATES GOVERNMENT

TO : NA - Mr. Robert Fearey

FROM : DRF - Jane M. Alden *JMA*

SUBJECT: The Purge of Hatoyama Ichiro

6 DIVISION OF DATE: December 21, 1949  
NORTHEAST ASIAN AFFAIRS

DEC 22 1949

DEPARTMENT OF STATE

Attached are excerpts from letters addressed to a friend of mine (a SCAP official in the US on leave) from TOMABECHI Gizo, BABA Tsunego, and KOJIMA Kazuo asking that HATUYAMA Ichiro be cleared from the purge and reinstated in political life. As you can see from the letters the authors assume that this can be accomplished if the matter is brought to the attention of the Department of State. In passing these letters on to you I am merely fulfilling a request from the recipient of the letters who, because he received them in his private rather than his official capacity, would prefer not to have his name connected with the letters. I made it clear to him that DRF was not a policy making division of the Department and therefore could only pass the letters on to the policy desk. In addition, I offered my personal opinion that the Department would not take any action on this appeal, for a variety of obvious reasons, of which he was fully cognizant.

Quite aside from the plea for the depurging of Hatoyama there are several interesting political aspects to these letters which may interest you. Hatoyama was Yoshida's predecessor as head of the Democratic Liberal Party and although Yoshida was selected by Hatoyama to succeed to the office of party president Yoshida has been since his assumption of that office actively opposing Hatoyama's supporters in the party and has succeeded in minimizing their influence in party and government affairs. Yoshida has, therefore, built up his own clique within the party and for all intents and purposes appears to be estranged, at least politically, from Hatoyama. At the same time Yoshida apparently has little or no personal political ambitions in so far as maintaining his party or government office is concerned and would undoubtedly retire to the position of elder statesman if an adequate successor could be found to lead the conservative movement. But Yoshida has not succeeded in training any candidates for this office. Two of the men who are writing in behalf of Hatoyama are close to Yoshida - Kojima and Baba - forming part of his unofficial circle of advisers, and Kojima particularly is considered Yoshida's political mentor. It appears likely therefore that the desire of these men that Hatoyama be released from the purge is known to Yoshida and has his approval, quite possibly because Yoshida considers Hatoyama the only man capable of leading the conservative movement.

The Third letter, written by Tomabechi is much more difficult to understand. Tomabechi claims that he does not know Hatoyama personally, and Tomabechi is, of course, the leader of the Anti-Coalition Democratic Party. Furthermore it was Tomabechi that led the split in the Democratic

*644, 20/12-21-49*



Party over the issue of coalition or merger with the Democratic Liberal Party. It is possible that Tomabechi's opposition to the DLP is due to his dislike of Yoshida as a party leader and that if Hatoyama were re-instated as head of the DLP Tomabechi would be more inclined to join in a united conservative party.

Hatoyama has made several appeals to SCAP and the appropriate Japanese purge review authorities for clearance from the purge. Since he was purged by virtue of a SCAP memorandum to the Japanese Government after the Japanese screening committee had cleared him there is no possibility that he will be cleared so long as the occupation remains. Undoubtedly this is the reason why the authors of these letters are appealing through informal channels for the Department of State to intercede.

Needless to say I am not suggesting that you take any action on these appeals, but perhaps at some future date the evidence presented in these letters may have some bearing on the entire purge question. I also have a complete statement by Hatoyama (running to some 200 pages) which he filed with the Japanese appeals committee to justify his contention that his prewar and wartime activities do not constitute grounds for his purge.

OIR:DRF:JMalden:tk



Excerpt of a Letter From Kazuo Kojima, Tokyo, Oct. 14, 1949

As you are well-aware, our country is not only suffering from the shortage of various commodities, but the lack of able statesmen is creating uneasiness in the political circles. At the time the Occupation commenced, such measures as purge was a necessity and we feel that the decisive way in which it was conducted should receive its due praise.

At the same time, the unwonted actions of the Japanese officials of the time left much to be desired, both the gems and the common stones being disposed of without distinction. The recent installation of the appeal system created by the goodwill of General MacArthur too is not being applied in its correct form. Therefore, there have been such strange instances as common stones being brought to light while precious gems are still left in obscurity.

Such is the situation in which Hatoyama Ichiro, whose political ideas, past records, knowledge and abilities name him the most desirable men in the political circles, is placed. Being still under purge, he is not able to extend his abilities and the government too is unable to utilize his service, which fact has been brought to your personal attention.

In consideration of the above, it shall be greatly appreciated if the existing facts could be passed on to the authorities concerned in the event of your return to American, which is not only my private opinion but also the general idea of those who are interested in the rehabilitation of Japan.

*6/18-21/00/668 act  
FM 894/00/12-21/49*



Excerpt of a Letter from Tsunego Baba, President, Japanese Press Association  
and President, Yomiuri Shimbun, Tokyo October 15, 1949

It is my conviction that Japan has only one direction toward which she should advance. That is to wash away the militaristic tendency of the past, check the evil influence of the new militarism -- Communism -- to let liberalism infiltrate into the bottom of the heart of every individual and merge into the world's democracies. This is the only way for Japan to become independent and to contribute to the world peace.

For this purpose, it is most necessary to give opportunities for free activities to as many liberalists as possible.

I presume that Mr. Ichiro Hatoyama, the liberalistic politician, will appear as an important character in your detailed investigation network. Since he was purged on the ground of an unexpected case, Mr. Hatoyama has been prohibited all activities and confined to his home, amidst the world of Communistic and dictatorial tendencies. It is to be regretted that such a capable champion who is qualified to contribute for the reconstruction of Japan is left in such a state.

I shall be very pleased if the information you have obtained is the same as mine. According to my opinion, the main factors of Mr. Hatoyama's purge are misunderstanding, plots and the unpreparedness of evidences due to the Japanese Government's negligence at that time. His case is the more difficult because he was purged directly by SCAP memorandum.

Mr. Hatoyama and I have been close friends for twenty years. Though we have walked along different roads, he being a politician and I a critic, we are the same from the point that we both fought against Fascism for the sake of liberalism and parliamentarism.

During the long period of our association, I remember no instances of casting suspicion on his faith and character. If I were to point out his deficiency, it is that he created enemies because he was always consistent to his principles. Not only were the militarists and Communists his enemy, but there were many even among the liberalists who had animosity against him. As is so with a person of his character, he did not avail himself of secrets, plots or precaution. Therefore he easily fell in his enemy's pit. I imagine that this weakness of his led him to his unlucky purge.

I consider that if Mr. Hatoyama were released from his purge and given freedom to take an active part in politics, it will not only be appropriate and effective for the protection of our country from the harmful influence of Communism, but will be absolutely necessary in order to elevate the standard of democracy in Japan and infuse parliamentarism into the heart of every Japanese.

*M-894, 00/13-2149  
b41e 01/00/13-2149*



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It is not my intention here to explain the various reasons of Mr. Hatoyama's purge. That, I believe, will be cleared eventually if given a chance for re-examination. I assume that the parties concerned have already submitted the necessary data in details. It is my sincere request that Mr. Hatoyama would be given the opportunity for re-examination through your good offices.

I hear that you will be returning to Washington shortly, which I consider is a golden opportunity. As an individual Japanese as well as a liberalist, and also as one who is engaged in the press, I shall be expecting your fair judgment and assistance because I have confidence in Mr. Hatoyama that his release from purge will be valuable for the world peace and reconstruction of Japan.

In the event of your return to Washington, I should like you to forward the sincere desire of one Japanese to the authorities concerned there.

May I add that I have no objection if you make this letter public and that I am prepared to stand as a witness for Mr. Hatoyama at any time if necessary.



Excerpt of a Letter from Gizo Tomabechi Tokyo, Oct. 12, 1949

Japan is getting now back to her feet from her knees out of the nightmare of the past and wounds of the war. Truly we owe all this to the generosities and well-conducted leadership of General of the Army Douglas MacArthur and his staff. It is a boon of his warm friendship toward this country and you know how our people appreciate it.

But, if we look back ourselves to what we have done or we have been doing, we regret to find many things of which we feel remorseful. Politics, for example. Scandals followed scandals. In the last election, Communists have made a big stride winning 35 seats in the Diet. As things are as now, signs are that they may make further advances.

This is partly due to the social insecurity that followed the war, but partly this has to be attributable, I believe, to the faults made by Japanese politicians. Japanese politicians should be held responsible, and they have no excuse in this, if, as a result of such situation, any harm is done to the Occupation policy in helping out this country to rehabilitate herself.

Frankly speaking, the fact is that Japan has few good politicians. In the last election, Liberals have won an overwhelming majority of 269 seats and the third Yoshida Cabinet was formed on that strength. As an opposition and as a parliamentarianist, I think it is a wonderful thing that they have won such a majority. But, I seriously doubt whether Liberals have acted in the last session of the Diet as people had wanted to have them to act in the light of their actual record Yoshida Cabinet has shown in the deliberations of bills as compared with what they had promised the public in the election.

Once the majority in the Diet fails against people's wishes, what happens? Nation-wide dissatisfaction and political insecurity follow. And, once dissatisfaction and political insecurity spread, communists and ultra-nationalists infiltrate. Only SCAP's intelligent leadership and a right man on the job with a thorough understanding of the Occupation principles as well as the new democratic Constitution and who is capable enough to carry them into the actual politics, can prevent it. As you know, I came into politics from business since the war. I am a new-comer. But, even my short experience convinces me the graveness of this situation in present-day Japan.

Who will be that man? Where can we find him? I recommend, as far as I could know, that the man is Ichiro Hatoyama, a purgee. We belong to different party. He is the founder of present Liberals and was once its President. I belong to the Democrats, the opposition. We are not mutually acquainted. But, regardless of such relative position, I am firmly convinced that the right thing to do under present circumstances is to place

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such a man like Hatoyama again on the job for the sake of the progress of democratic government in Japan. This is my conclusion not only out of my own personal experience but a result of my repeated considerations of all phases of Japanese political situation. Particularly I have this strong feeling when I look at what present Liberals are doing.

I am not familiar with the circumstances he was purged. I recollect a SCAP memorandum was issued soon after Occupation directing Japanese Government to re-examine his qualifications but the answer was delayed. I was told that somebody wilfully had delayed submitting the report to SCAP. Although I have no verification of this story, one thing is clear and that is that Hatoyama is one of the few Japanese liberalists who have courageously opposed to the war with a world mind all throughout the upheavals that followed the Manchurian Incident, holding out to the last of Japanese democratic government in pre-war days, while most of the Japanese politicians were either subdued under military pressure, or busy in lip-service to the militarists, or secluding themselves in disguised stagnation and silence. And, he was the leading figure of such "few".

Every politician has his "political foe" and I think Hatoyama is not an exception to this general rule. In view of his past career as a stubborn fighter against even that overwhelming power of war-time militarists, surely there must be someone or some groups of men who fear his personal character and influence. At the time of formation of the Liberals soon after the Occupation, he made it publicly known that he is totally opposed to communism. I can well visualize how the Japanese Communists were shocked at that time to see the overall opposition from one of the most progressive men of the time. There was no wonder why the Japanese Communists looked at him as a great foe and tried to overthrow him.

Historically, it has been always a tactics of communists to entrap opposition or oppositions one after another in a so-called "individual strategy". Frankly, I can say this that it is the Japanese Communists who would most hate to see Hatoyama freed from the purge list, because his liberation would mean a threatening blow to their strategy. As far as we are concerned, we welcome his come-back to politics as an influential opposition.

In my opinion, a sound growth of a democratic parliamentary government needs a strong opposition for mutual cultivation and mutual devotion to development. Japan already has a history of 70 years of a parliamentary government system and the reason for its immature and imperfection, as I see it, is that the Japanese politicians have been much playing to pull down each other, thus falling themselves into the political trapping of bureaucrats and militarists. When I look back to the history of Japanese politics with my own personal experience in actual politics, I poignantly feel here is something that Japanese politicians should seriously introspect themselves for self-examination of the past record. This is another reason that I earnestly want to



have Hatoyama back again released from the purge.

Now, things rest with you. I sincerely hope that Hatoyama can be given an opportunity of SCAP re-examining his qualifications through your thoughtful persuasion and the State Department's appropriate action. In the end, I wish you a pleasant trip, good luck, every success and quick return.



THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

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DIVISION OF U. S. Political Adviser  
Office of the U. S. Political Adviser  
NORTHEAST ASIAN AFFAIRS Japan

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Subject: Transmission of Publication on Mission and Achievements  
of the Occupation in the Economic and Scientific Fields.

The Acting Political Adviser has the honor to refer to this  
Mission's despatch no. 898 dated December 23, 1949, entitled "Trans-  
mission of Publication on Mission and Accomplishments of the Occu-  
pation in the Natural Resources Field."

There are now enclosed eight copies of a companion study en-  
titled "Mission and Accomplishments of the Occupation in the Economic  
and Scientific Fields, which was prepared by the Economic and Scien-  
tific Section (ESS), General Headquarters, SCAP, Although dated  
September 26, 1949, copies of this study were not received by this  
Mission until recently.

After giving an account of the difficulties encountered and the  
outstanding achievements realized in the economic field, ESS states  
frankly that "much remains to be done. Imports are still almost  
double exports; and it is estimated the latter must rise to over  
one billion dollars annually if Japan's trade is to be balanced and  
the need for U. S. appropriations eliminated. Because of Japan's  
enlarged population... industrial production must be further in-  
creased by 25 per cent, if the minimal living standards of the 1930-  
34 target years designated by the Far Eastern Commission are to be  
approximated and the necessary volume of foreign trade supported.  
All accompanying phases of economic activity must show comparable  
improvements."

Continuing, ESS indicates in detail the specific economic ob-  
jectives of the Occupation and the progress made towards realizing  
them. With respect to finance, it is stated that the "prime mission"  
in that field included the reorganization of the chaotic finances  
of a bankrupted government and the control of fiscal inflation, the  
liquidation of imperialistic financial institutions, and the estab-  
lishment of sound banking and financial practices, together with the  
reintroduction of Japan into international financial relations. The  
balancing of the Japanese national budget in 1949-50 is hailed as  
an outstanding achievement, while comment is also made on credit  
control, the note issue, budgetary controls and banking reorganiza-  
tion. Of especial interest are the following statements regarding  
the resumption by Japan of international financial relationships.

"Not the least of the problems facing Japan in  
re-establishing peacetime economic relationships has  
been the recomposition of financial connections neces-  
sary to service and support foreign trade and enable

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Tokyo's Despatch No. 902,  
December 24, 1949.

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foreign investment in Japan. With the initiation of private foreign trade in the summer of 1947 foreign banks, insurance companies and other trade servicing institutions were licensed to commence operation in Japan. As trade grew, the original number was gradually increased; stimulated particularly in January 1949 by the enlargement of the permitted scope of business activities in Japan and by allowing limited private investment under appropriate safeguards. By September 1949 about two hundred firms (including accounting firms, airlines, engineers, banks, insurance companies, oil enterprises, steamship agents, and the like) had been licensed by SCAP to engage in activities involving the receipt of foreign exchange in Japan. In order to deal adequately with this very complex financial activity in Japan, in February 1949 the SCAP directed the setting up of a Japanese Foreign Exchange Control Board to which authority to manage Japan's foreign exchange and regulate specific foreign financial activities in Japan, which had been directly taken over by the Occupation in October 1945, is being progressively transferred."

In connection with the last sentence of the foregoing paragraph, it may be noted that the promulgation and enforcement as of December 1, 1949, of the "Foreign Exchange and Foreign Trade Control Law," together with various orders, regulations, et cetera, issued to implement that Law, constitute an important step toward the transfer of foreign exchange control from the Occupation to the Japanese Government. (See this Mission's despatch no. 880 dated December 16, 1949, "New Japanese Foreign Exchange and Trade Controls with Special Reference to Institution of Private Export System.")

The section on finance concludes with a brief reference to the U.S. Aid Counterpart Fund. The information in the section on taxation has previously been reported by this Mission. Regarding price and distribution activities of ESS, it is stated that in 1949 substantial procurement of food with proceeds from exports was undertaken for the first time, following 1948 food imports of 2,190,000 metric tons, of which fully 2,179,000 tons were purchased with United States funds.

Owing to the widespread interest in payment of subsidies by the Japanese Government to various industries, which has given rise abroad to complaints of Japanese "dumping" of export goods in foreign markets, it is believed that the following paragraph is of special interest:

"Price Subsidies and the Stabilization Band. The rise in the general level of prices presented one kind of problem, the extremely deranged international relationship of prices quite another. Selective subsidization during the war, extremely uneven supply-demand situations in the immediate post-hostilities period, and ad hoc revision of price ceilings by

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Tokyo's Despatch No. 902,  
December 24, 1949.

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Japanese officials in response to domestic pressure groups had created such a distorted price structure that forward planning for peacetime markets by industrial enterprises was impossible. In 1947, therefore, the official prices of a dozen of the most important basic industrial commodities (copper, steel, caustic soda, fertilizer, lead, zinc, coal to special industries and the like) were established at a uniform multiple of their 1934-36 average prices, thereby re-establishing their normal prewar price inter-relationships, and the difference between their cost of production and the price as determined by this stabilization band was subsidized. Other miscellaneous subsidies accumulated over the years were largely removed and industrial prices for other than stabilization band commodities were set on the basis of production costs of the bulk of the producers using the new band-priced commodities. Agricultural prices, in contrast, were set on the basis of prewar parity with prices of the commodities required by the farmer. The gradual rectification of extreme domestic shortages, the resumption of imports on a large scale and the establishment of the exchange rate which brought to bear the influence of world prices, together with the lifting of numerous official price controls, has brought the termination of this artificial stabilizing device which served so well in 1947-48, in sight. Concurrently price stabilization band subsidies have been progressively and drastically reduced in 1949 and their complete abolition is anticipated by April 1951.

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After summarizing developments in the field of industry and utilities, wherein it is noted, inter alia, that by the summer of 1949 most Japanese coal mining companies were operating in the black for the first time since the war and that, with effective demand well satisfied, it became possible to remove coal from allocation, ESS discusses foreign trade and commerce.

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ESS points out aptly that "as the establishment of Japan on a self-supporting basis is a central objective of the Occupation economic mission in Japan, so the prime indicator of the achievement of that goal is Japan's foreign trade and the progress made in attaining a balance of imports and exports at a level high enough to maintain Japan's population at a living standard conducive to the preservation of free institutions." ESS notes that steady gains have been made toward the prime aim of attaining a balance of imports and exports. During the U.S. fiscal year ending June 30, 1949, exports were three times as large as during the preceding year, reaching \$487,000,000 and exceeding earlier projections by \$107,000,000. Of this total, commodity exports amounted to \$445,000,000 and invisible exports attained a level of \$42,000,000. "Simultaneously," ESS asserts, "the general fall in world price levels made possible a reduction of imports to \$805,000,000. The resultant unfavorable balance of trade amounted to \$318,000,000 or \$132,000,000 less than the projected deficit of \$450,000,000."

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Tokyo's Despatch No. 902,  
December 24, 1949.

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Regarding the necessity for negotiation of bilateral trade arrangements, and the results achieved thereunder, ESS states that "although SCAP has favored and encouraged multilateral trade wherever possible, other countries have been compelled by their dollar shortages to insure themselves against adverse dollar balances in trade with Japan. In consequence, SCAP has negotiated a score of bilateral trade arrangements with dollar-short countries by means of which both parties agree to implement a balanced trade plan. This procedure has enabled the attainment of maximum trade levels which could not otherwise be reached." ESS states that a notable feature of these bilateral trade plans is the progressive shift of procurement emphasis from U.S. appropriated funds to commercial purchases in countries which need Japanese goods, thereby approaching a pattern of trade in which Japan can be self-supporting.

Of interest in the section on tourists and trade services are the statements regarding invisible exports, which are shown to have increased from \$18,354,000 during the last half of 1948 to \$23,807,000 during the first half of 1949. In the section on foreign exchange funds, special attention is invited to the following paragraph entitled "The World Dollar Shortage and its Effect on Japan":

"Possibly the most difficult financial problem which has faced Japan since the start of the Occupation is the fact that it has been forced to buy extremely large quantities of United States raw cotton approximating \$120,000,000 a year with borrowed funds. The Commodity Credit Corporation indebtedness, the CIEIRF loans, the Public Law 820 advance all required dollar repayment. Prewar Japan was able to obtain 45 per cent of its raw cotton from India and only 30 per cent from the United States. In the postwar period, however, Indian cotton has become unavailable in any substantial quantity so that approximately 600,000 to 700,000 bales of cotton per year had to be purchased with borrowed dollar funds. Meanwhile, a large part of the cotton textiles produced was being sold to the Sterling Area bartered for other necessary products. The only substantial dollar customer that Japan has had was the Netherlands East Indies which purchased approximately \$40,000,000 worth of cotton textiles in 1948-49. Sales of raw silk, which had been used to defray United States cotton dollar needs in the prewar period, have only been one-sixth of prewar values. Actually, only two circumstances have kept Japan's dollar position relatively solid. In spite of the raw cotton expenditures, (a) the utilization of coordinate procurement between appropriated and non appropriated funds by means of which large quantities of textiles could be sold for Sterling, the Sterling used to buy food, the food in turn resold for dollars from appropriated funds, which dollars were usable to buy American cotton; (b) invisible exports which, through yen sales, greatly exceeded expectations."

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Tokyo's Despatch No. 902,  
December 24, 1949.

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A special section of the present ESS study is devoted to textiles; here it is noted that textile exports have increased concomitantly with the general expansion of trade in the postwar period and still remain the most important segment, accounting for more than half of Japan's merchandise sales abroad.

The section entitled "Democratization of Japanese Business" contains an excellent summary of action undertaken by the Occupation in that field. This section is followed by another equally significant section on labor, wherein ESS states that the Occupation's mission in the labor field has been primarily concerned with the creation of conditions under which a free and democratic labor movement could develop; encouragement of sound collective bargaining and labor relations; creation or extension of democratic labor legislation and administrative agencies; education of workers, employers and government officials in proper practices inherent to democratic labor movement and administration; and effective use of Japan's manpower for purposes of economic rehabilitation.

The final section in the present ESS study is devoted to scientific and technical activities, it being noted that "most recently the bulk of Occupation effort in the scientific field has been to promote scientific progress in Japan along lines conducive to the attainment of economic self-support." ESS states further that Japanese scientists have been encouraged to participate in international conferences and scientific ventures to the degree practicable and reports and abstracts of all important Japanese scientific activity, amounting to more than 10,000 technical papers, have been deposited in the Office of Technical Services, United States Department of Commerce.

As in the case of a similar study issued by the National Resources Section (see despatch no. 898 dated December 23, 1949), it is stated that the present report by ESS was prepared primarily for the benefit of visiting American and other dignitaries as a means to supplement oral briefings on the activities of the Occupation in various fields. As a concise summary of ESS objectives and achievements, as of three or four months ago, the study appears to have merit.

Enclosure: *WTT*

Eight copies of publication entitled  
"Mission and Accomplishments of the  
Occupation in the Economic and Scientific Fields."

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THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

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United States Political Adviser  
for Japan

Tokyo, December 31, 1949.

No. 916

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Subject: Transmittal of Two Reports on Local Government  
Conditions in Japan.

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The Honorable  
The Secretary of State,  
Washington.

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Sir:

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I have the honor to transmit herewith for the Department's information two reports on local government conditions in Japan prepared by Foreign Service Officer William L. MAGISTRETTI, who recently accompanied an Eighth Army Civil Affairs team to Kyushu for a series of conferences with local Japanese political leaders.

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In the opinion of the Mission these reports present an accurate and highly information picture of a phase of Japanese political life which all too frequently has been overlooked in the face of national political problems.

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As noted in a convering communication of December 7, 1949, from the Consul General at Yokohama, a copy of which is enclosed, these reports complete the coverage of the tripe taken to date by Mr. Magistretti and by Foreign Service Officer Richard B. Finn in connection with local civil affairs activities in Japan, and the Mission avails itself of this opportunity to commend both these officers for their work in preparing this series of reports.

Respectfully yours,

W. J. Sebald

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December 31, 1949.

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Enclosures:

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1. Report entitled "Local Government Conference: Nobeoka, Miyazaki Prefecture dated November 23, 1949. (2 copies)
  2. Report entitled "Local Government Conference: Beppu", dated November 28, 1949. (2 copies)
  3. Covering despatch from Yokohama Branch, USPOLAD, dated December 7, 1949. (2 copies)

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MEMORANDUM REPORT

November 23, 1949

Subject: Local Government Conference: Nobeoka,  
Miyazaki Prefecture.

Another in the series of local government conferences, conducted by the Legal and Government Section, Civil Affairs Division, Headquarters 8th Army was held at the city of Nobeoka, Miyazaki Prefecture on November 7 and 8, 1949. As is the usual practice (for details see my Memorandum Report on the conference at Uji-Yamada, dated October 10, 1949), the first day of the Conference was devoted to the opening ceremony and the presentation of the five prescribed papers.

Although Miyazaki City is the capitol of the prefecture, the present local government conference was held at Nobeoka, largest city in the prefecture because a former conference on the prefectural level had been held at Miyazaki approximately one year ago. Miyazaki prefecture is known to the Japanese as "The Country of Hyuga" and figures prominently in their prehistoric legends regarding the founding of Japan. Through local Japanese officials and members of the Military Government team, I learned that while these historic attractions and hot springs account for a fair amount of tourist trade, principally Japanese, the prefecture cannot compete with other resort areas, because it is so far distant from Tokyo and Osaka in terms of travel time. The people also feel distant from Tokyo in terms of government. The prefecture's principal occupations are farming and fishing with some industry located at relatively few places, such as Nobeoka.

Approximately 50,000 of the 80,000 population of Nobeoka work in the four plants of the Asahi Chemical Company located within the city or the close environs. Like any factory town in the United States, a typical morning scene is the throngs of people walking en masse toward their factories. The Asahi plants comprise a Bamberger (rayon) factory, dynamite (for

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industrial purposes) factory, fertilizer factory and a cement plant. Asahi Chemical officials told me that the corporation had been diminished in size as a result of SCAP decentralization policies, but the four plants in Nobeoka were left as a part of Asahi Chemical with head offices in Tokyo.

Because of these plants, Nobeoka was bombed several times during the war with considerable bomb damage. However, rebuilding of the frame houses has gone forward very rapidly. Today it is difficult to immediately ascertain the bombed-out areas. Captain Green, Legal and government Officer of the Miyazaki team, said that there had been somewhat of a Communist party problem through infiltration among workers at the plants. However, the company officials had solved it by gradually firing or refusing to hire those with known party sympathies or affiliations. With no other source of income readily available in the town the agitators had to move elsewhere. The local chief of police confirmed that the communists were no particular problem. According to him only about 20 of 100 Japanese repatriates from Siberia showed any interest in Communism once they settled in their old homes. At the present time the Communist Party is only able to poll 1% of the votes at elections held in Nobeoka.

In contrast to this poor showing of the Communists the Democratic Liberal Party received 58% of the votes; the Demccratic Party from 18-20% and the Socialists another substantial percentage.

The chief of the city assembly told me there was no unemployment problem at present although he anticipated one in the future. This may account for some shift toward the left. Although not directly stated, it may be that the assembly chief had in mind the recent losses suffered by the farmers because of five upheavals of nature this past year. One of the village mayors said the rice crop was particularly hard hit. In his area he estimated a loss of 40 to 60% because of 3 typhoons and 2 floods. Captain Green of Military government estimated 12 billion yen crop damage in the prefecture and added that typhoon Dela wiped out the people's only hard money crop; tobacco. Salt water got onto the leaf and destroyed it. Typhoon Fay then hit their attempt to go into truck gardening and Judith hit their sweet potatoes. The Captain stated that the prefecture-wide average on rice was not too bad considering the circumstances. The same is reported for the Irish potato crop. However, he feels that the lack of a hard cash crop will make itself felt when the people have to buy seeds for new crops and when the time comes to pay taxes.

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While Nobeoka has port facilities, the city does little in the way of extensive fishing. The prefecture itself has a number of good ports which are mainly engaged in inter-coastal trade and fishing. Aburatsu is the center of the fishing industry. The latter industry is active in the southern part of the prefecture. At Honjo Mayor Uchida, a very progressive and aggressive man, has vowed to make his town preeminent in fishing through the prefecture, and, moreover, has taken substantial action along these lines. He is already first in the prefecture in collecting the allocated rice; and first throughout Japan in white potato collections.

Unlike Mayor Uchida, Mr. Matajiro Nakata, mayor of Nobeoka, would seem to be a run of the mill politician. Little was said about progressive city planning. However, to his credit it should be cited that he was successful in fighting a rather obnoxious use of the new recall system. His opponents in the city circulated petitions for his recall, but stopped just short of the number required for an election. They then approached him and told him that, if he failed to heed their requests, they would complete the recall petition. However, the mayor was able to combat and overcome this situation. Some of the prominent Japanese with whom I talked analysed him as "not a good politician, but a kind hearted man". It would also seem he is an astute politician.

Certainly his speech as chairman opening the ceremony contained the flowery language usual in such Japanese speeches. Typical of this "behind the moon" area of Japan, a number of the 860 persons attending arrived late. After the mayor's speech came the usual brief greetings from the Vice Governor of the prefecture and the more prominent mayors. Lt. Col. Wimberley, chief of the Miyazaki Prefecture Military Government team spoke about his pride in what the Miyazaki prefecture people had accomplished since he had taken charge; told the people about the change-over to the Kyushu Civil Affairs as of December 1st and expressed his sadness at leaving.

He was followed by Mr. Michael E. Nolan, senior member of the group of visiting lecturers. Nolan, for 10 years a probate judge in Michigan and national labor relations lawyer for a lengthy period, stressed Article 1 of the Constitution which treats of the unity of the Japanese people centering in the person of the Emperor. Speaking indirectly of the Communists, Nolan said those who would take Article 1 of the Constitution away from the Japanese people are the self-same persons who would take away all their rights and liberties. He next

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treated of the subject of recall stating that it had been widely misused in Japan, and that it was to be used only as a final resort. Nolan told me in private that it was his policy to stop-gap the misuse of the recall and give the mayors support wherever possible unless there was some reason for not doing so. He told the audience they should be patient with their city officials. Not all the problems were their responsibility. Rather the chief difficulty faced by local authorities derives from the fact that the Diet has not yet changed the 50 year old tax structure so as to divert to cities and towns the funds necessary for their increased duties under the local autonomy law.

At the request of Mr. Nolan the writer again gave speech number one entitled "The Citizen in Japan" in Japanese and was well received. In the afternoon Mr. John Rourke, Legal and Government Officer, Kyushu Civil Affairs Region gave the paper on "The Office of Mayor". Several paragraphs into his speech Rourke was forced to change his interpreter as members of the audience stood up and insisted that they could not understand it. Judge Koichi Inomata of the Tokyo High Court and a member of the visiting group stepped into the gap and did an excellent interpreting job. The problem of securing interpreters up to the standard required by this type of conference has been elsewhere noted in these memorandum reports. It has been a fairly constant problem and the success of a particular paper has hinged more on the interpreter than on the lecturer.

Captain Green of the Miyazaki Military Government team gave paper three on City Assemblies; Miss Alice Burke, attorney with the Legal and Government Section, Civil Affairs Division, Hq 8th Army gave paper number 4 on city administration and Mr. Nolan gave paper number 5 on independent boards and commissions.

Judge Inomata acted as Mr. Nolan's interpreter. Born in Fukushima-ken, Japan, Inomata first aspired to be a diplomat. The death of his father while he was still in higher school caused him to abandon this ambition. He then looked after his brothers and sisters and continued his education on funds borrowed from Fukushima prefecture. Upon graduation from Tokyo Imperial University he entered government service later serving as procurator at Nagoya and various positions as judge. He has been liaison official for the Tokyo High Court since the occupation. At present he is one of the Japanese officials selected for a 90 day tour of the United States. Because of his interest in the local autonomy program he secured a leave of absence from the Court and has travelled extensively with the program. An accomplished public speaker, Inomata consistently gained great favor with his audiences through his ability to interpret

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the English speeches into flowing Japanese oratory. Later on in the series of conferences Nolan hit on the idea of having the Judge give a brief talk from the Japanese side as to the value of these regional government conferences. This met with great success.

During the course of his speech Inomata pointed out that the Japanese had suffered from a superiority complex. Drafted as a second class private during the war, Inomata had gone to China with misgivings whether he would return alive, since he was sickly in Japan which he had been taught enjoyed the best climate in the world. Once in China, however, he discovered that the climate was very fine and the Chinese people, even after Japan's defeat, treated him very well. From this he deduced that the Japanese people were in great need of knowledge about the outside world. He noted that the period's of Japan's greatest advances (Nara-Heian period and Meiji period) were those in which she was humble and learned from China and the West respectively. He expressed the hope that the Japanese would not go to some of the extremes found in the Meiji period, but would keep their self-respect and integrate the fine points of America and other countries to construct a finer and democratic Japan.

Inomata later told me that his speech was very well received. He said he had been invited to become presiding judge of the Miyazaki prefecture circuit court. The people of Miyazaki were extremely interested in him, as they said he was the first high official from Tokyo to visit in their prefecture.

That evening our group had dinner with a number of the visiting mayors, assembly heads and officials of the Asahi Chemical Company at a club owned and operated by the corporation. During the course of the meal I was able to talk at length with these officials and obtain some of the material set forth above.

The second day of the conference featured a breakdown of the audience (approximately 860 persons) into four discussion groups. Each lecturer (except Miss Burke) visited with each group for approximately one hour according to a prepared schedule. As I have indicated in former Memorandum Reports on these conferences, the discussion group questions are one of the best available methods of obtaining a cross-section picture of government problems in the particular prefecture.

One question of note dealt with the tonari-gumi (neighborhood association) system and whether such a system was used in the United States. It will be

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remembered that this system functioned as a control organism of the Japanese government during the war. The block leader was utilized to see that government plans and policy were carried out by all individuals concerned. Apparently the need for the organization at present is found in connection with rationing. Some method of sure news about when the various rations will issue is needed so as not to miss them. Mr. Michael Nolan indicated to me that the people seem to favor the return of the system. In one place where he took a show of hands on the issue all save one person voted in favor of it. He asked the other man why he was not in favor. The man replied that it would again be utilized as a control instrument by the bosses to bring the people into line. Judge Inomata gave his opinion that the tonari-gumi system should not be revitalized. He said that although it would be helpful in rationing matters, nevertheless such notices were posted, the people should stand on their own feet, and any marginal help it might afford would be far offset by the obvious ill effect it would have on the freedom and democratization of the people. Since, as Nolan stated, in about 65% to 75% of the places, the people favor return of the system, this may indicate a weaknesses in Japan's new democracy. Having had authoritarian control on the lowest level so long, the people still look to it for a helping hand, because they have gone intellectually lazy under that control. This type of thinking was noticeable in several other questions at Nobeoka.

For example, there would seem to be a compartmentalization in their thinking. One question concerned who drafted bills presented to the city assembly. The questioner seemed to think that if assemblymen presented bills, then members of the executive department should not have that right directly or indirectly. The people seem to grasp the compartmentalization of the three basic administrative units of American government (executive, legislative and judicial) but they do not sense the value or necessity of fluidity between the three.

Other questions concerned technical comparisons between local government in the United States and Japan. Questioners were surprised at the comparatively small number of assemblymen and city officials in the United States. They were surprised to find that in some respects city government in Japan was more paternalistic than abroad. Discussion also centered about the recall and its abuse. One question concerned how fine citizens could be drawn into running for office. What did democracies in the west do when all candidates were not suitable for the office?

Other questions reflected difficulties encountered in collecting taxes under post war chaotic economic

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conditions as augmented by the five natural disasters recently visited upon the prefecture. It was pointed out that the people were unable to pay their taxes. Particular hardship was felt because the three tax offices, village, prefecture and national were unable to agree in their assessments. Because of this it was stated great discrepancies were frequently found in taxes levied on the particular individual. This was linked in with the school problem, it being claimed that certain village areas found it impossible to assume the burden of their own schools under the new educational system. (Under the old method the central government helped the local areas to support the schools by contributing to school construction and teacher's salaries.)

In commenting on this problem Col. Wimberley of the Miyazaki team stated that the difficulty occurred because some places started school construction too close to the cut-off date (from the old to new systems of support). He felt that some assistance would be rendered by implementation of the Shoup tax system.

Nolan told me that he had questions about the Shoup tax system reflecting fears that large old homes would disappear under this system of taxation. Questioners urged that the tax be assessed against those portions of the dwellings actually utilized. There were also questions reflecting a disinclination to send children to the school in the individual's area for the reason that it was a poor one whereas one close by was well equipt.

It was to be noted at this conference that both attendance by women and questions about women were at a minimum. One of the few women in attendance told me that the women's organizations were not organized and active at present. The questions were mainly put by men and concerned the percentage of women in politics in the United States and what the women with families did when they entered such careers.

The conference closed on the afternoon of November 8, 1949 with speeches of appreciation from the Mayor, and a speech by Mr. Nolan giving his evaluation of the conference.

Conclusions

While there is an appreciation of the value of democracy in Miyazaki prefecture, it seems to me that the general backwardness of the prefecture, augmented by its distance from the center of government in Tokyo, constitute considerable obstacles to democratization yet to be overcome. Questions about the tonari-gumi-

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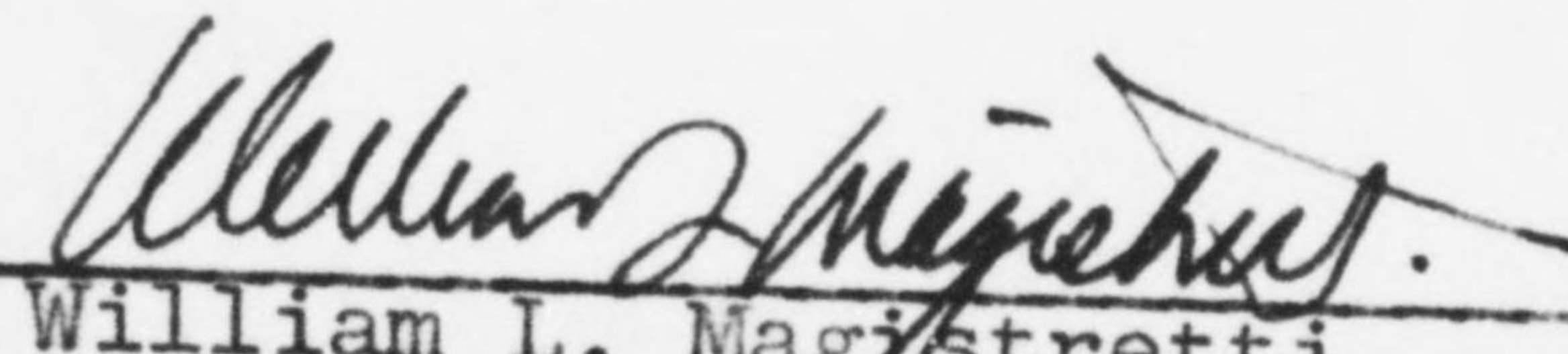
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financial difficulties and conservatism in business and government would seem to indicate that the people have not advanced very far in their thinking about the rights and duties of the free citizen (as opposed to a controlled one) which is fundamental. Because of relative lack of contact with Americans and other foreigners, I think it will take Miyazaki considerably longer to practice the democratic principles they now have on paper in the local autonomy law. The impact of the emergence of a Japanese type of democracy in the more progressive areas of Japan will probably serve as the stimulus needed by the prefecture after the Occupation withdraws. This prefecture is illustrative of the unevenness of propagating the basic concepts of democracy in Japan, and also throws doubt on wisdom of the policy of removing all Military Government teams at one time. Rather a better policy might have been to set up civil affair regions in the more progressive areas and retain teams in some prefectures, mainly for civil information and education type of activity along legal and government lines.

  
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William L. Magistretti  
American Vice Consul

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MEMORANDUM REPORT

November 28, 1949

SUBJECT: Local Government Conference at Beppu

The twentieth and concluding Local government conference, under the auspices of the Legal and Government Section, Civil Affairs Division, 8th Army, was held at Beppu, Oita Prefecture on November 10 and 11, 1949. While it was initially planned that a conference would be held in a city of each prefecture in Japan, the sudden change of the Civil Affairs Division from the 8th Army to SCAP entailing shifting of personnel and controls at approximately the half way point forced at least a temporary finale. However, it should be noted that the twenty conferences completed were scattered through the various areas of Japan, and thus, all regions have been covered although not all prefectures.

As detailed in my former Memorandum Reports on these conferences (See: Memorandum Report re Uji-Yamada dated October 10, 1949) the general pattern of the two day meeting is the same. The first day is devoted to an opening ceremony followed by presentation of either four or five prepared speeches concerning various aspects of city or village government. The second day is devoted to four or five small discussion groups. The lecturers then alternately visit with these groups for a period of an hour or more for the purpose of answering questions from those assembled. The second day is concluded with a brief ceremony.

Prior to our arrival in Beppu, members of the Oita Military government team together with the mayor and city officials had laid the ground-work. Well over a thousand invitations had been sent out to mayors, chiefs of city or village assemblies and assemblymen. In addition basic plans for the conference were made subject to confirmation by our group the day prior to the conference.

The selection of Beppu for the conference (as I discovered to be the same in the case of other cities)

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was mainly on the suggestion of the National Association of Mayors to Mr. Cecil B. Tilton, Chief, Legal and government Section. While Oita, the capitol, is the principal industrial city, Beppu proved to be excellent for the conference because the officials and hotels are skilled in handling conference and tourist trade, the city's principal industry. However, because of this trade the city is cosmopolitan in character and not particularly typical of the prefecture. I was told that most of the inhabitants are people who have migrated from other parts of Japan. There are extremely few persons who were born in the city. One of the few is the mayor, Mr. Tetsuichi Waki. But even he spent the last twenty years as a judge in Seoul, Korea. Because of this complex character of the city, he told me that he encountered considerable political difficulty. The city in part is controlled by political bosses (probably through control of restaurants and houses of assignation) on the one hand, and the communists or extreme leftists are very vocal on the other. One evidence of this was the large number of Kabe Shimbun (Wall Newspapers) posted on the walls of buildings in all parts of the city. The mayor is an independent, and refuses to accede either to the desires of the bosses or the Communists.

Because of recent amalgamation the city now has an estimated population of 100,000. An internationally known spa city (featuring such oddities as "Red Hell" "Sea Hell" and other hot springs), the principal income of the city is derived from taxes on the hotels, restaurants, amusement places and gift shops featuring bamboo ware. However, the mayor voiced great concern over new changes in the tax laws which will divert the major portion of such taxes to the prefecture, thus leaving the city of Beppu without its main source of funds.

While the city is an exceptionally clean and gay tourist mecca, the smoke stacks of a steel plant and cement plant loom on the distant outskirts, the only industrial aspect to be noted. There is wide-scale small factory or home industry activity, however, since the city is known for its woven bamboo ware, and wood-carved items (little carved wooden containers) which are prominently displayed in shops throughout the city. The food position would seem to be exceptionally good. Stores in the main streets displayed counters laden with all types of food dear to the Japanese heart, and large numbers of small eating stalls ply their trade until late at night. In part this may be attributed to the position of the city (near sea and farm) and to the fact that it was unbombed.

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Perhaps as a counter-measure to a drop-off in international tourist trade, the mayor told me of plans for the future improvement of the city. At present he is negotiating with appropriate government offices in Tokyo for improvement of Beppu's port facilities. The mayor has great hopes for development of Beppu as an international trade city. He stated that the cities of Nagasaki and Hakata (port of Fukuoka) had developed because of the Japanese government's emphasis on the China-Korea trade. In the near future, at least, the resumption of that vast flow cannot be anticipated. Contrariwise the east coast of Kyushu should reasonably anticipate more trade from the United States. In this respect Beppu is in an advantageous position to save vessels the trip up to the Moji-Shimonoseki area. Rail facilities out of Beppu to all Kyushu areas are good, and probably could be easily expanded to meet increased demands for service. The mayor suggested that at the appropriate future time the Department's representatives in Japan might like to consider Beppu as a logical place for opening a consulate.

I then asked his opinion regarding our present problem as to whether a consulate should be opened first at Fukuoka or at Nagasaki. The mayor felt that Fukuoka would be the appropriate place at present. He said that Nagasaki has not regained its pre-war importance (again referring to the port's orientation toward China), and stated that in any event the coaling station was now located at Omuta. Fukuoka and its port of Hakata is fairly active at present, and further offers a substantial concentration of Occupation personnel. It is centrally located on the island of Kyushu and in an advantageous position to offer services to the greatest number of Americans and Japanese. I talked at length with various Japanese businessmen and officials in Beppu and found their opinions substantially the same as the mayor's.

In addition to his port improvement program the mayor told me that he had plans for city street improvement and for the bettering of water facilities, etc. The mayor impressed me as a very capable and alert man. His handling of the conference was one of the best, if not the best, I attended. All details were worked out as to facilities and the orderly progress of the two-day conference. This was quite a contrast to our prior conference at the rather back-woods town of Nobeoka, Miyazaki prefecture which moved on the Japanese principle of disrespect for time.

Thus, in Beppu the conference convened promptly at 9 a.m. on November 10th. The brief words of greeting

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from the Japanese officials--contrary to usual practice--were really brief. And we found ourselves ahead of time when Major Thomas Cockrell, commanding officer of the local Military Government team, made his speech. As elsewhere in Japan, the team is in process of inventoring its property and records in order to turn them over to the Kyushu Civil Affairs Region at Fukuoka as of the first of December. Consequently the Major devoted a portion of his speech to a farewell to the people and an appreciation of their support. He emphasized that the two main points of his administration had been the economic stabilization and the democratization of the prefecture. He felt that good steps forward had been taken in both, and opined that more progress would be made in the future under the Region.

Next on the program was Mr. Michael E. Nolan, senior member of the 8th Army group. Mr. Nolan was a probate judge in Michigan for many years and also a National Labor Relations Board attorney. He gave much the same speech as he had at Nobeoka. (See my Memorandum Report on Nobeoka, dated November 23, 1949). Judge Kcichi Inomata of the Tokyo High Court again acted as his interpreter. Nolan as usual went over very well. He is particularly gifted in illustrating his talks with amusing stories of interest to the Japanese.

At Nolan's request the writer again presented paper one in Japanese. Both papers one and two were presented before lunch. It was noted that the audience was having difficulty understanding paper number two, as the interpreter was new to the work, and unable to put his material across through lack of background in the technical subject matter. Unlike the speech at Nobeoka, however, he continued to the end. The remainder of the day was devoted to papers three, four and five.

Upon completion of paper number 5 Mr. Michael E. Nolan then introduced Judge Inomata, who had acted as interpreter for that paper. The Judge, excellent at interpreting into living Japanese oratory, likewise made an excellent brief speech indicating the values from the Japanese side of integrating fine principles of government from the West into Japanese life. Details of his speech are given in my report on the Nobeoka conference, as he made much the same speech.

That evening we had dinner with the Mayor of Beppu, Beppu officials and prominent mayors and official in attendance at the conference. During the course of the meal I was able to converse at some length with these various officials and obtain some of the information woven into this report. I also feel that contacts of

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future value to our work in Japan have been made through this and other conference.

During the course of the evening one of the Nisei, Department of Army Civilian assistants to Mr. John Rourke, Legal and Government Officer, Kyushu Region, left the party given by the mayor to visit an on-limits dance hall. Here he was accosted by three inebriated men whom he thought were nisei or alien Japanese who repatriated to Japan after cessation of hostilities. The men identified him as one of the members of our group and reviled him in extremely abusive language for his participation in the local government conference. Yoshida, realizing they were drunk, answered evasively and in such a manner as to obviate physical violence and an "incident".

Upon return to our special railroad car that evening he related the above in detail to Mr. Rourke. Rourke added that he was aware of certain opposition groups among the young men in Kyushu. However, his conversation would indicate that he did not consider the matter to be too serious. It should be noted, however, that this was the only time in the four conferences which I have attended in which opposition was voiced in such a violent form. It will be recalled that Kyushu was the home of the two fighting clans which set Emperor Meiji on the throne, and has a tradition of producing hot-headed fighting men. The incident may be partially attributed to this, aggravated by the presence of disgruntled repatriates from America. While yet an apparently negligible undertone, it is nevertheless one to be closely watched and analysed in the future.

On the second day, November 11, 1949, the audience of approximately 1300 broke up into four groups. As in the past, papers number 2 and 4 were combined, it being felt that five discussion groups were too unweildy, and would drag out the program disproportionately. As I have indicated in former reports, a cross section analysis of the questions broached in these discussion groups affords an interesting and otherwise difficult to obtain cross-section insight into the problems of the people and the extent of the spread of democratic ideas among them.

While Beppu and Oita prefecture have long been noted as the birthplace and scene of the activities of Fukuzawa, great Japanese liberal and founder of Keio University, it would seem that there is considerable doubt in some areas about the workings of democracy. One old man in particular had grave doubts about the value of democracy

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in an apparently theoretical situation where he postulated that 900 persons have the wrong view on an issue and 100 the right view. In this connection, Nolan told me that civic leaders in the rural areas of Japan were experiencing considerable difficulty in putting across ideas for the betterment of the people which entailed an outlay of money. The typical attitude of the farmers in particular was that they didn't want it, if it cost money. This, of course, in part is linked with the difficult economic position in which the farmers, like others, find themselves today.

Thus, an intelligent elderly village mayor rose to tell me that the people in his village were very receptive to democratic ideas, but his great difficulty lay in lack of funds to hold town meetings, night schools or other gatherings designed to inform the people about their new responsibilities and about city problems and plans. He echoed the wish of another official that conferences similar to this one could be presented in the various towns and cities throughout the prefecture so that a huge segment of the people could attend and participate. (Nolan told me in private that he personally wished the same thing; that more members of the general public could be drawn into these conferences or separate ones held, but so far personnel and other considerations precluded such conferences.)

As in former conferences, questions again reflected the difficult economic situation and tax problems. A number of questions related to ways and means used in the United States to enforce tax payments or collections. Others related to methods utilized to verify the correctness of tax statements. A few concerned the inequity of assessments and methods used to correct them.

Some persons (apparently Christian ministers) asked the abstract question of whether morality or the law was considered higher in the United States. Others indicated that there was room for Buddhism to educate the Japanese people in every-day courtesy and public spiritedness thus contributing toward the building of good citizens along the lines of such activity among Christian churches in the United States. A rather humorous speaker rose to advocate that General MacArthur make a personal visit to the "American Shrine" -- the Usa Shrine, thereby showing a spirit of equality among religions. This may be a round-about criticism of MacArthur's espousal of Christianity for the Japanese.

The constantly recurring problem of funds for the schools, and the police was again broached. At every conference I attended grave doubts were expressed by serious leaders about the ability of some communities

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to support their schools. There is a consistent request that at least partial support for school construction and teacher's salaries come from the prefecture or central government. In discussing the problem with Nolan he said that he felt our experts in Tokyo had attempted to graft an American variety of school system on Japanese communities utterly unable to support them, and that some modification would have to be made in the future. As in other cases, he decried the policy created in Tokyo's ivory towers by short-term American experts who knew little or nothing of the Japanese scene and its needs.

A goodly number of the questions reflected concern about education and reorientation of the Japanese people. Interest was shown in the methods whereby voters in the United States are able to keep abreast of current issues and vote intelligently. Particular interest was evidenced in civic organizations in the rural areas, as well as methods of adult education. One particular concern was a democratic method of denying civic rights to those who refused to assume civic responsibilities. In several instances I have noted either an expressed or implied feeling that the Japanese people as a whole are very capable of asserting their rights and equally capable of dodging responsibilities. How did Americans succeed in awakening the people to their civic duties?

Another trend of questioning running through this and other conferences was about the part which political parties play in local politics in the United States. The questioners frequently indicated that Japanese political parties had little or no interest or "roots" in the local scene. They had no local political organization active in the selection of local candidates or taking a position on local issues. The result was that the people were frequently at a loss as to selection of candidates. What do you do when all those running are not of a calibre suitable for the office? Conversations about the conference with other members of the Military Government group revealed that this was a particular challenge to the future of democracy in Japan. The Communists alone among the political parties have carried their message and issues to the "grass roots". The larger political parties, however, do not have chapters active on the local scene, and either cannot or do not effectively present their issues to the people. This in part accounts for Communist successes in recent local elections.

Until such time as the major political parties do build their structure upon local branches representing the opinions of the people of their respective communities and bear their proper share of the fight against

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communist infiltration in the local areas it would seem that politics and government on the local level will be considerably retarded. This is no particular brief for political parties and their activities but these and other conferences which I attended have convinced me that either the major Japanese political parties or some equivalent local political club had better step into the local political vacuum which generally prevails so as to give the people good candidates and some substantial organization upon which they can rely for presentation of the issues. The advent of such groups would also substantially prevent the fairly wide-spread bossism in Japanese local politics. Such bossism is not on a political party basis (where it is also not to be condoned) but rather on a local vested interest basis more or less completely divorced from any sense of responsibility to the people. To the extent that such practices continue democracy will be retarded in Japan, for while the super-structure may be democratically in form the basis will continue to be rule of the few with no effective political representation of the views of the many in organized and responsible fashion in the finer tradition of our own political parties.

As a result of this situation Mr. Yamamoto, active in the national mayors association and former career diplomat in the Japanese Foreign Service, told me that serious minded Japanese were not taking as much interest as they should in local politics. He confirmed that the scene was shared by the bosses and the communists. As one means to bring in good blood, he suggested that the purge should be reevaluated. He said that a number of mayors had been elected to office from pre-war days and continued in office during the war. Their role in support of the war effort had just been that of any patriotic citizen when his country is at war and little more. Admittedly some had directly assisted in Japan's aggressive intentions and the war, but the majority of mayors were in the category just mentioned. Lifting of the purge in such cases would bring much needed political experience and acumen to the local scene. Yamamoto said that this feeling was widely held among the Japanese people. In this connection it should be noted that there is apparently a certain amount of control by purged political leaders. In my memorandum reports forwarded under cover of Yokohama's Despatch No. 168, subject, Analysis of Recent Changes in Military Government Structure in Japan, September 7, 1949, I related how the Legal and Government Officer of the Shizuoka Military Government team told me how his investigation had substantiated charges that the purged mayor of the large city of Numazu still indirectly ran the city. He said that he had forwarded his report through channels but nothing was ever done about the situation. I

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have also had a reliable report of such situations existing in the rural areas of Nagasaki prefecture.

While questions asked me had little to do with Communism, Nolan told me that he encountered a number of them in his meetings with the four groups. Most of these he considered to derive from a healthy interest in getting behind communist claims and stopping them. One questioner asked him about Communist papers and pamphlets which stated that Japan was actually being placed in a position of serfdom to the United States through accepting so much United States aid. Nolan replied that everyone realized that Japan could not furnish her own people enough to eat at present. At such time as the Communists put rice into the people's rice bowls instead of paper propoganda slips, serious Japanese would take note of what they said.

In addition to these questions others were asked Nolan showing a concern on the part of the people about the weakness of their police force in coping with Communist violence. This concern is probably related to news of the Mitaka derailing trial now prominently printed in the press. In this trial it is alleged that certain leftist union leaders derailed a train at the Mitaka station near Tokyo thereby killing or injuring a number of persons. Nolan told me he felt that the police were as yet unskilled in learning about and preventing this type of illegal violence. Some persons thought that the tonari-gumi (neighborhood association system) should be revived to combat such a menace. (For more detailed discussion of the pros and cons of this wide spread request for revival of the tonari-gumi see my memorandum report on the conference at Nobeoka, dated November 23, 1949.)

Miss Alice Burke who handled the discussion group relative to the assembly told me she obtained a number of questions about the extent of women's activities in politics in the United States. It should be noted that very few women were present at the meeting in Beppu. As far as I could ascertain there were about 25 or 30 in the 1300 persons assembled. The same tendency was noticed in Nobeoka, so it may be that the women in Kyushu are having a more difficult time asserting their equality, than in Honshu. At least that is so in my own experience with these conferences.

In addition Miss Burke received a number of technical questions about the assembly and whether it is party-elected in the United States. She said she also had some about improvement of the schools, and throughout the country had received questions about birth control.

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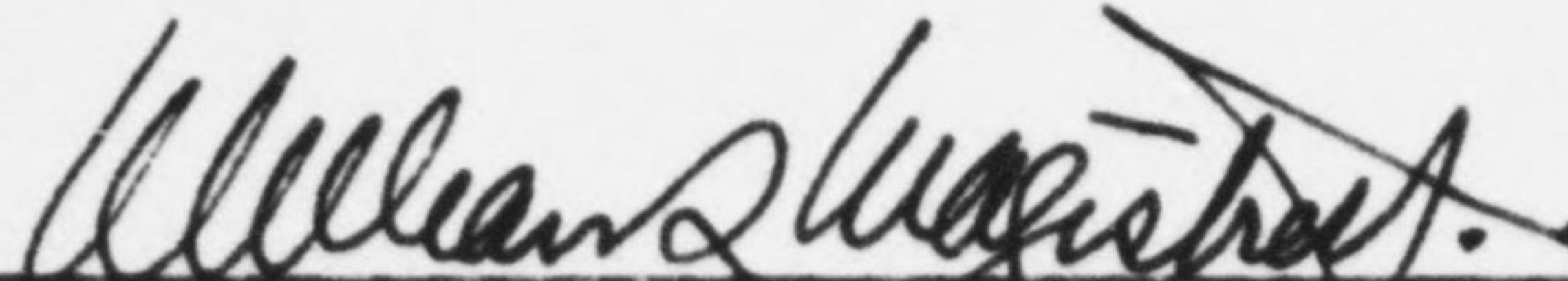
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After the closing ceremony a group of Oita prefectural officials headed by the Vice Governor called on Mr. Nolan to discuss the problem of a village which wished to withdraw from a wartime annexation with its adjacent city. Nolan told me that there were three such knotty problems in Oita and others in various prefectures in Japan. In the present instance the city surrounded the village on three sides so that succession would result in road problems and other administrative difficulties. A former law made secession the joint problem of the prefecture and the people but a new law has now placed it up to the people. The prefecture disapproved but the people are in favor of secession. The problem is illustrative of intensity of local feeling in some areas. For some reason the people of the area desiring secession tried to bring about recall of the mayor of the city. Failing in this they desired secession. In addition the prefectural officials told Nolan the influential leaders in the recalcitrant area lost their relative position of leadership upon amalgamation and desired to regain their former power.

Conclusions

While there seems a sincere drive toward democracy on the part of most civic leaders in Oita ken, there is a disturbing background of conflict between bossism and communism with the major political parties doing little to stabilize the situation. Despite a history of liberal thinking on the one hand, there is a hard core of scepticism about democracy and whether its results are in the best interests of the people. Women's rights and organizations seem hardly to have started. Economic difficulties in city and rural areas alike join hands with an outmoded tax structure to place a staggering burden on the cities and towns with their new and increased load under the local autonomy law. There is much which is encouraging to be seen in the trend toward democracy in Oita, but it would be seriously wrong to overlook retarding influences which are causing the emergence of true Japanese democracy to be accompanied by considerable difficulties.



William L. Magistretti  
American Vice Consul



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Yokohama Branch,  
Office of the U. S. Political Adviser,  
Yokohama, Japan, December 7, 1949.

The Honorable

William J. Sebald,

Acting United States Political Adviser,

Tokyo, Japan.

Sir:

Reference is made to this office's Confidential despatch, dated November 25, 1949, transmitting a copy of a Memorandum Report prepared by Foreign Service Officer William L. MAGISTRETTI regarding a trip he had made to Uji-Yamada with a Civil Affairs Team of the Eighth Army. The two separate reports on the Kyushu trip, dated November 23, 1949, and November 28, 1949, respectively, are transmitted herewith.

These two reports complete the coverage of the trips made by Messrs. MAGISTRETTI and FINN with the Civil Affairs Teams to various parts of Japan. Taken collectively, the reports constitute a background of information obtained by the Department's representatives from Japanese persons in various walks of life regarding the Occupation and SCAP's local autonomy program. Both reports point out the difficulties experienced under the local autonomy law, and Mr. Magistretti questions the policy of withdrawing Civil Affairs Teams from the more backward areas simultaneously with those of more progressive regions.

Mr. Magistretti states in his Memorandum Report, dated November 28, 1949, as follows: "... Economic difficulties in city and rural areas alike join hands with an outmoded tax structure to place a staggering burden on the cities and towns with their new and increased load under the local autonomy law. ..."

I wish to take this opportunity to commend both Messrs. Magistretti and Finn for their splendid job of

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December 7, 1949

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reporting in connection with these trips. I trust that  
a commendation may be entered in their efficiency records.

Respectfully yours,

James B. Pilcher  
American Consul General

## Enclosures:

1. Memorandum Report dated  
November 23, 1949.
2. Memorandum Report dated  
November 28, 1949.

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JBPilcher:bwIn triplicate to Mission  
No copy to the DepartmentRESTRICTEDA true copy of the  
signed original  
*bw*







December 31, 1949.

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Enclosures: *act*

1. Report entitled "Local Government Conference: Nobeoka, Miyazaki Prefecture dated November 23, 1949. (2 copies)
2. Report entitled "Local Government Conference: Beppu", dated November 28, 1949. (2 copies)
3. Covering despatch from Yokohama Branch, USPOLAD, dated December 7, 1949. (2 copies)

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MEMORANDUM REPORT

November 23, 1949

Subject: Local Government Conference: Nobeoka,  
Miyazaki Prefecture.

Another in the series of local government conferences, conducted by the Legal and Government Section, Civil Affairs Division, Headquarters 8th Army was held at the city of Nobeoka, Miyazaki Prefecture on November 7 and 8, 1949. As is the usual practice (for details see my Memorandum Report on the conference at Uji-Yamada, dated October 10, 1949), the first day of the Conference was devoted to the opening ceremony and the presentation of the five prescribed papers.

Although Miyazaki City is the capitol of the prefecture, the present local government conference was held at Nobeoka, largest city in the prefecture because a former conference on the prefectural level had been held at Miyazaki approximately one year ago. Miyazaki prefecture is known to the Japanese as "The Country of Hyuga" and figures prominently in their prehistoric legends regarding the founding of Japan. Through local Japanese officials and members of the Military Government team, I learned that while these historic attractions and hot springs account for a fair amount of tourist trade, principally Japanese, the prefecture cannot compete with other resort areas, because it is so far distant from Tokyo and Osaka in terms of travel time. The people also feel distant from Tokyo in terms of government. The prefecture's principal occupations are farming and fishing with some industry located at relatively few places, such as Nobeoka.

Approximately 50,000 of the 80,000 population of Nobeoka work in the four plants of the Asahi Chemical Company located within the city or the close environs. Like any factory town in the United States, a typical morning scene is the throngs of people walking en masse toward their factories. The Asahi plants comprise a Bamberger (rayon) factory, dynamite (for

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industrial purposes) factory, fertilizer factory and a cement plant. Asahi Chemical officials told me that the corporation had been diminished in size as a result of SCAP decentralization policies, but the four plants in Nobeoka were left as a part of Asahi Chemical with head offices in Tokyo.

Because of these plants, Nobeoka was bombed several times during the war with considerable bomb damage. However, rebuilding of the frame houses has gone forward very rapidly. Today it is difficult to immediately ascertain the bombed-out areas. Captain Green, Legal and government Officer of the Miyazaki team, said that there had been somewhat of a Communist party problem through infiltration among workers at the plants. However, the company officials had solved it by gradually firing or refusing to hire those with known party sympathies or affiliations. With no other source of income readily available in the town the agitators had to move elsewhere. The local chief of police confirmed that the communists were no particular problem. According to him only about 20 of 100 Japanese repatriates from Siberia showed any interest in Communism once they settled in their old homes. At the present time the Communist Party is only able to poll 1% of the votes at elections held in Nobeoka.

In contrast to this poor showing of the Communists the Democratic Liberal Party received 58% of the votes; the Democratic Party from 18-20% and the Socialists another substantial percentage.

The chief of the city assembly told me there was no unemployment problem at present although he anticipated one in the future. This may account for some shift toward the left. Although not directly stated, it may be that the assembly chief had in mind the recent losses suffered by the farmers because of five upheavals of nature this past year. One of the village mayors said the rice crop was particularly hard hit. In his area he estimated a loss of 40 to 60% because of 3 typhoons and 2 floods. Captain Green of Military government estimated 12 billion yen crop damage in the prefecture and added that typhoon Dela wiped out the people's only hard money crop; tobacco. Salt water got onto the leaf and destroyed it. Typhoon Fay then hit their attempt to go into truck gardening and Judith hit their sweet potatoes. The Captain stated that the prefecture-wide average on rice was not too bad considering the circumstances. The same is reported for the Irish potato crop. However, he feels that the lack of a hard cash crop will make itself felt when the people have to buy seeds for new crops and when the time comes to pay taxes.

While Nobeoka

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While Nobeoka has port facilities, the city does little in the way of extensive fishing. The prefecture itself has a number of good ports which are mainly engaged in inter-coastal trade and fishing. Aburatsu is the center of the fishing industry. The latter industry is active in the southern part of the prefecture. At Honjo Mayor Uchida, a very progressive and aggressive man, has vowed to make his town preeminent in fishing through the prefecture, and, moreover, has taken substantial action along these lines. He is already first in the prefecture in collecting the allocated rice; and first throughout Japan in white potato collections.

Unlike Mayor Uchida, Mr. Matajiro Nakata, mayor of Nobeoka, would seem to be a run of the mill politician. Little was said about progressive city planning. However, to his credit it should be cited that he was successful in fighting a rather obnoxious use of the new recall system. His opponents in the city circulated petitions for his recall, but stopped just short of the number required for an election. They then approached him and told him that, if he failed to heed their requests, they would complete the recall petition. However, the mayor was able to combat and overcome this situation. Some of the prominent Japanese with whom I talked analysed him as "not a good politician, but a kind hearted man". It would also seem he is an astute politician.

Certainly his speech as chairman opening the ceremony contained the flowery language usual in such Japanese speeches. Typical of this "behind the moon" area of Japan, a number of the 860 persons attending arrived late. After the mayor's speech came the usual brief greetings from the Vice Governor of the prefecture and the more prominent mayors. Lt. Col. Wimberley, chief of the Miyazaki Prefecture Military Government team spoke about his pride in what the Miyazaki prefecture people had accomplished since he had taken charge; told the people about the change-over to the Kyushu Civil Affairs as of December 1st and expressed his sadness at leaving.

He was followed by Mr. Michael E. Nolan, senior member of the group of visiting lecturers. Nolan, for 10 years a probate judge in Michigan and national labor relations lawyer for a lengthy period, stressed Article 1 of the Constitution which treats of the unity of the Japanese people centering in the person of the Emperor. Speaking indirectly of the Communists, Nolan said those who would take Article 1 of the Constitution away from the Japanese people are the self-same persons who would take away all their rights and liberties. He next

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treated of the subject of recall stating that it had been widely misused in Japan, and that it was to be used only as a final resort. Nolan told me in private that it was his policy to stop-gap the misuse of the recall and give the mayors support wherever possible unless there was some reason for not doing so. He told the audience they should be patient with their city officials. Not all the problems were their responsibility. Rather the chief difficulty faced by local authorities derives from the fact that the Diet has not yet changed the 50 year old tax structure so as to divert to cities and towns the funds necessary for their increased duties under the local autonomy law.

At the request of Mr. Nolan the writer again gave speech number one entitled "The Citizen in Japan" in Japanese and was well received. In the afternoon Mr. John Rourke, Legal and Government Officer, Kyushu Civil Affairs Region gave the paper on "The Office of Mayor". Several paragraphs into his speech Rourke was forced to change his interpreter as members of the audience stood up and insisted that they could not understand it. Judge Koichi Inomata of the Tokyo High Court and a member of the visiting group stepped into the gap and did an excellent interpreting job. The problem of securing interpreters up to the standard required by this type of conference has been elsewhere noted in these memorandum reports. It has been a fairly constant problem and the success of a particular paper has hinged more on the interpreter than on the lecturer.

Captain Green of the Miyazaki Military Government team gave paper three on City Assemblies; Miss Alice Burke, attorney with the Legal and Government Section, Civil Affairs Division, Hq 8th Army gave paper number 4 on city administration and Mr. Nolan gave paper number 5 on independent boards and commissions.

Judge Inomata acted as Mr. Nolan's interpreter. Born in Fukushima-ken, Japan, Inomata first aspired to be a diplomat. The death of his father while he was still in higher school caused him to abandon this ambition. He then looked after his brothers and sisters and continued his education on funds borrowed from Fukushima prefecture. Upon graduation from Tokyo Imperial University he entered government service later serving as procurator at Nagoya and various positions as judge. He has been liaison official for the Tokyo High Court since the occupation. At present he is one of the Japanese officials selected for a 90 day tour of the United States. Because of his interest in the local autonomy program he secured a leave of absence from the Court and has travelled extensively with the program. An accomplished public speaker, Inomata consistently gained great favor with his audiences through his ability to interpret

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the English speeches into flowing Japanese oratory. Later on in the series of conferences Nolan hit on the idea of having the Judge give a brief talk from the Japanese side as to the value of these regional government conferences. This met with great success.

During the course of his speech Inomata pointed out that the Japanese had suffered from a superiority complex. Drafted as a second class private during the war, Inomata had gone to China with misgivings whether he would return alive, since he was sickly in Japan which he had been taught enjoyed the best climate in the world. Once in China, however, he discovered that the climate was very fine and the Chinese people, even after Japan's defeat, treated him very well. From this he deduced that the Japanese people were in great need of knowledge about the outside world. He noted that the period's of Japan's greatest advances (Nara-Heian period and Meiji period) were those in which she was humble and learned from China and the West respectively. He expressed the hope that the Japanese would not go to some of the extremes found in the Meiji period, but would keep their self-respect and integrate the fine points of America and other countries to construct a finer and democratic Japan.

Inomata later told me that his speech was very well received. He said he had been invited to become presiding judge of the Miyazaki prefecture circuit court. The people of Miyazaki were extremely interested in him, as they said he was the first high official from Tokyo to visit in their prefecture.

That evening our group had dinner with a number of the visiting mayors, assembly heads and officials of the Asahi Chemical Company at a club owned and operated by the corporation. During the course of the meal I was able to talk at length with these officials and obtain some of the material set forth above.

The second day of the conference featured a breakdown of the audience (approximately 860 persons) into four discussion groups. Each lecturer (except Miss Burke) visited with each group for approximately one hour according to a prepared schedule. As I have indicated in former Memorandum Reports on these conferences, the discussion group questions are one of the best available methods of obtaining a cross-section picture of government problems in the particular prefecture.

One question of note dealt with the tonari-gumi (neighborhood association) system and whether such a system was used in the United States. It will be

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remembered that this system functioned as a control organism of the Japanese government during the war. The block leader was utilized to see that government plans and policy were carried out by all individuals concerned. Apparently the need for the organization at present is found in connection with rationing. Some method of sure news about when the various rations will issue is needed so as not to miss them. Mr. Michael Nolan indicated to me that the people seem to favor the return of the system. In one place where he took a show of hands on the issue all save one person voted in favor of it. He asked the other man why he was not in favor. The man replied that it would again be utilized as a control instrument by the bosses to bring the people into line. Judge Inomata gave his opinion that the tonari-gumi system should not be revitalized. He said that although it would be helpful in rationing matters, nevertheless such notices were posted, the people should stand on their own feet, and any marginal help it might afford would be far offset by the obvious ill effect it would have on the freedom and democratization of the people. Since, as Nolan stated, in about 65% to 75% of the places, the people favor return of the system, this may indicate a weaknesses in Japan's new democracy. Having had authoritarian control on the lowest level so long, the people still look to it for a helping hand, because they have gone intellectually lazy under that control. This type of thinking was noticeable in several other questions at Nobeoka.

For example, there would seem to be a compartmentalization in their thinking. One question concerned who drafted bills presented to the city assembly. The questioner seemed to think that if assemblymen presented bills, then members of the executive department should not have that right directly or indirectly. The people seem to grasp the compartmentalization of the three basic administrative units of American government (executive, legislative and judicial) but they do not sense the value or necessity of fluidity between the three.

Other questions concerned technical comparisons between local government in the United States and Japan. Questioners were surprised at the comparatively small number of assemblymen and city officials in the United States. They were surprised to find that in some respects city government in Japan was more paternalistic than abroad. Discussion also centered about the recall and its abuse. One question concerned how fine citizens could be drawn into running for office. What did democracies in the west do when all candidates were not suitable for the office?

Other questions reflected difficulties encountered in collecting taxes under post war chaotic economic

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conditions as augmented by the five natural disasters recently visited upon the prefecture. It was pointed out that the people were unable to pay their taxes. Particular hardship was felt because the three tax offices, village, prefecture and national were unable to agree in their assessments. Because of this it was stated great discrepancies were frequently found in taxes levied on the particular individual. This was linked in with the school problem, it being claimed that certain village areas found it impossible to assume the burden of their own schools under the new educational system. (Under the old method the central government helped the local areas to support the schools by contributing to school construction and teacher's salaries.)

In commenting on this problem Col. Wimberley of the Miyazaki team stated that the difficulty occurred because some places started school construction too close to the cut-off date (from the old to new systems of support). He felt that some assistance would be rendered by implementation of the Shoup tax system.

Nolan told me that he had questions about the Shoup tax system reflecting fears that large old homes would disappear under this system of taxation. Questioners urged that the tax be assessed against those portions of the dwellings actually utilized. There were also questions reflecting a disinclination to send children to the school in the individual's area for the reason that it was a poor one whereas one close by was well equipt.

It was to be noted at this conference that both attendance by women and questions about women were at a minimum. One of the few women in attendance told me that the women's organizations were not organized and active at present. The questions were mainly put by men and concerned the percentage of women in politics in the United States and what the women with families did when they entered such careers.

The conference closed on the afternoon of November 8, 1949 with speeches of appreciation from the Mayor, and a speech by Mr. Nolan giving his evaluation of the conference.

Conclusions

While there is an appreciation of the value of democracy in Miyazaki prefecture, it seems to me that the general backwardness of the prefecture, augmented by its distance from the center of government in Tokyo, constitute considerable obstacles to democratization yet to be overcome. Questions about the tonari-gumi-

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financial difficulties and conservatism in business and government would seem to indicate that the people have not advanced very far in their thinking about the rights and duties of the free citizen (as opposed to a controlled one) which is fundamental. Because of relative lack of contact with Americans and other foreigners, I think it will take Miyazaki considerably longer to practice the democratic principles they now have on paper in the local autonomy law. The impact of the emergence of a Japanese type of democracy in the more progressive areas of Japan will probably serve as the stimulus needed by the prefecture after the Occupation withdraws. This prefecture is illustrative of the unevenness of propagating the basic concepts of democracy in Japan, and also throws doubt on wisdom of the policy of removing all Military Government teams at one time. Rather a better policy might have been to set up civil affair regions in the more progressive areas and retain teams in some prefectures, mainly for civil information and education type of activity along legal and government lines.

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William L. Magistretti  
American Vice Consul

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MEMORANDUM REPORT

November 28, 1949

SUBJECT: Local Government Conference at Beppu

The twentieth and concluding Local government conference, under the auspices of the Legal and Government Section, Civil Affairs Division, 8th Army, was held at Beppu, Oita Prefecture on November 10 and 11, 1949. While it was initially planned that a conference would be held in a city of each prefecture in Japan, the sudden change of the Civil Affairs Division from the 8th Army to SCAP entailing shifting of personnel and controls at approximately the half way point forced at least a temporary finale. However, it should be noted that the twenty conferences completed were scattered through the various areas of Japan, and thus, all regions have been covered although not all prefectures.

As detailed in my former Memorandum Reports on these conferences (See: Memorandum Report re Uji-Yamada dated October 10, 1949) the general pattern of the two day meeting is the same. The first day is devoted to an opening ceremony followed by presentation of either four or five prepared speeches concerning various aspects of city or village government. The second day is devoted to four or five small discussion groups. The lecturers then alternately visit with these groups for a period of an hour or more for the purpose of answering questions from those assembled. The second day is concluded with a brief ceremony.

Prior to our arrival in Beppu, members of the Oita Military government team together with the mayor and city officials had laid the ground-work. Well over a thousand invitations had been sent out to mayors, chiefs of city or village assemblies and assemblymen. In addition basic plans for the conference were made subject to confirmation by our group the day prior to the conference.

The selection of Beppu for the conference (as I discovered to be the same in the case of other cities)

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was mainly on the suggestion of the National Association of Mayors to Mr. Cecil B. Tilton, Chief, Legal and government Section. While Oita, the capitol, is the principal industrial city, Beppu proved to be excellent for the conference because the officials and hotels are skilled in handling conference and tourist trade, the city's principal industry. However, because of this trade the city is cosmopolitan in character and not particularly typical of the prefecture. I was told that most of the inhabitants are people who have migrated from other parts of Japan. There are extremely few persons who were born in the city. One of the few is the mayor, Mr. Tetsuichi Waki. But even he spent the last twenty years as a judge in Seoul, Korea. Because of this complex character of the city, he told me that he encountered considerable political difficulty. The city in part is controlled by political bosses (probably through control of restaurants and houses of assignation) on the one hand, and the communists or extreme leftists are very vocal on the other. One evidence of this was the large number of Kabe Shimbun (Wall Newspapers) posted on the walls of buildings in all parts of the city. The mayor is an independent, and refuses to accede either to the desires of the bosses or the Communists.

Because of recent amalgamation the city now has an estimated population of 100,000. An internationally known spa city (featuring such oddities as "Red Hell" "Sea Hell" and other hot springs), the principal income of the city is derived from taxes on the hotels, restaurants, amusement places and gift shops featuring bamboo ware. However, the mayor voiced great concern over new changes in the tax laws which will divert the major portion of such taxes to the prefecture, thus leaving the city of Beppu without its main source of funds.

While the city is an exceptionally clean and gay tourist mecca, the smoke stacks of a steel plant and cement plant loom on the distant outskirts, the only industrial aspect to be noted. There is wide-scale small factory or home industry activity, however, since the city is known for its woven bamboo ware, and wood-carved items (little carved wooden containers) which are prominently displayed in shops throughout the city. The food position would seem to be exceptionally good. Stores in the main streets displayed counters laden with all types of food dear to the Japanese heart, and large numbers of small eating stalls ply their trade until late at night. In part this may be attributed to the position of the city (near sea and farm) and to the fact that it was unbombed.

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Perhaps as a counter-measure to a drop-off in international tourist trade, the mayor told me of plans for the future improvement of the city. At present he is negotiating with appropriate government offices in Tokyo for improvement of Beppu's port facilities. The mayor has great hopes for development of Beppu as an international trade city. He stated that the cities of Nagasaki and Hakata (port of Fukuoka) had developed because of the Japanese government's emphasis on the China-Korea trade. In the near future, at least, the resumption of that vast flow cannot be anticipated. Contrariwise the east coast of Kyushu should reasonably anticipate more trade from the United States. In this respect Beppu is in an advantageous position to save vessels the trip up to the Moji-Shimonoseki area. Rail facilities out of Beppu to all Kyushu areas are good, and probably could be easily expanded to meet increased demands for service. The mayor suggested that at the appropriate future time the Department's representatives in Japan might like to consider Beppu as a logical place for opening a consulate.

I then asked his opinion regarding our present problem as to whether a consulate should be opened first at Fukuoka or at Nagasaki. The mayor felt that Fukuoka would be the appropriate place at present. He said that Nagasaki has not regained its pre-war importance (again referring to the port's orientation toward China), and stated that in any event the coaling station was now located at Omuta. Fukuoka and its port of Hakata is fairly active at present, and further offers a substantial concentration of Occupation personnel. It is centrally located on the island of Kyushu and in an advantageous position to offer services to the greatest number of Americans and Japanese. I talked at length with various Japanese businessmen and officials in Beppu and found their opinions substantially the same as the mayor's.

In addition to his port improvement program the mayor told me that he had plans for city street improvement and for the bettering of water facilities, etc. The mayor impressed me as a very capable and alert man. His handling of the conference was one of the best, if not the best, I attended. All details were worked out as to facilities and the orderly progress of the two-day conference. This was quite a contrast to our prior conference at the rather back-woods town of Nobeoka, Miyazaki prefecture which moved on the Japanese principle of disrespect for time.

Thus, in Beppu the conference convened promptly at 9 a.m. on November 10th. The brief words of greeting

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from the Japanese officials--contrary to usual practice--were really brief. And we found ourselves ahead of time when Major Thomas Cockrell, commanding officer of the local Military Government team, made his speech. As elsewhere in Japan, the team is in process of inventoring its property and records in order to turn them over to the Kyushu Civil Affairs Region at Fukuoka as of the first of December. Consequently the Major devoted a portion of his speech to a farewell to the people and an appreciation of their support. He emphasized that the two main points of his administration had been the economic stabilization and the democratization of the prefecture. He felt that good steps forward had been taken in both, and opined that more progress would be made in the future under the Region.

Next on the program was Mr. Michael E. Nolan, senior member of the 8th Army group. Mr. Nolan was a probate judge in Michigan for many years and also a National Labor Relations Board attorney. He gave much the same speech as he had at Nobeoka. (See my Memorandum Report on Nobeoka, dated November 23, 1949). Judge Koichi Inomata of the Tokyo High Court again acted as his interpreter. Nolan as usual went over very well. He is particularly gifted in illustrating his talks with amusing stories of interest to the Japanese.

At Nolan's request the writer again presented paper one in Japanese. Both papers one and two were presented before lunch. It was noted that the audience was having difficulty understanding paper number two, as the interpreter was new to the work, and unable to put his material across through lack of background in the technical subject matter. Unlike the speech at Nobeoka, however, he continued to the end. The remainder of the day was devoted to papers three, four and five.

Upon completion of paper number 5 Mr. Michael E. Nolan then introduced Judge Inomata, who had acted as interpreter for that paper. The Judge, excellent at interpreting into living Japanese oratory, likewise made an excellent brief speech indicating the values from the Japanese side of integrating fine principles of government from the West into Japanese life. Details of his speech are given in my report on the Nobeoka conference, as he made much the same speech.

That evening we had dinner with the Mayor of Beppu, Beppu officials and prominent mayors and official in attendance at the conference. During the course of the meal I was able to converse at some length with these various officials and obtain some of the information woven into this report. I also feel that contacts of

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future value to our work in Japan have been made through this and other conference.

During the course of the evening one of the Nisei, Department of Army Civilian assistants to Mr. John Rourke, Legal and Government Officer, Kyushu Region, left the party given by the mayor to visit an on-limits dance hall. Here he was accosted by three inebriated men whom he thought were nisei or alien Japanese who repatriated to Japan after cessation of hostilities. The men identified him as one of the members of our group and reviled him in extremely abusive language for his participation in the local government conference. Yoshida, realizing they were drunk, answered evasively and in such a manner as to obviate physical violence and an "incident".

Upon return to our special railroad car that evening he related the above in detail to Mr. Rourke. Rourke added that he was aware of certain opposition groups among the young men in Kyushu. However, his conversation would indicate that he did not consider the matter to be too serious. It should be noted, however, that this was the only time in the four conferences which I have attended in which opposition was voiced in such a violent form. It will be recalled that Kyushu was the home of the two fighting clans which set Emperor Meiji on the throne, and has a tradition of producing hot-headed fighting men. The incident may be partially attributed to this, aggravated by the presence of disgruntled repatriates from America. While yet an apparently negligible undertone, it is nevertheless one to be closely watched and analysed in the future.

On the second day, November 11, 1949, the audience of approximately 1300 broke up into four groups. As in the past, papers number 2 and 4 were combined, it being felt that five discussion groups were too unweildy, and would drag out the program disproportionately. As I have indicated in former reports, a cross section analysis of the questions broached in these discussion groups affords an interesting and otherwise difficult to obtain cross-section insight into the problems of the people and the extent of the spread of democratic ideas among them.

While Beppu and Oita prefecture have long been noted as the birthplace and scene of the activities of Fukuzawa, great Japanese liberal and founder of Keio University, it would seem that there is considerable doubt in some areas about the workings of democracy. One old man in particular had grave doubts about the value of democracy

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in an apparently theoretical situation where he postulated that 900 persons have the wrong view on an issue and 100 the right view. In this connection, Nolan told me that civic leaders in the rural areas of Japan were experiencing considerable difficulty in putting across ideas for the betterment of the people which entailed an outlay of money. The typical attitude of the farmers in particular was that they didn't want it, if it cost money. This, of course, in part is linked with the difficult economic position in which the farmers, like others, find themselves today.

Thus, an intelligent elderly village mayor rose to tell me that the people in his village were very receptive to democratic ideas, but his great difficulty lay in lack of funds to hold town meetings, night schools or other gatherings designed to inform the people about their new responsibilities and about city problems and plans. He echoed the wish of another official that conferences similar to this one could be presented in the various towns and cities throughout the prefecture so that a huge segment of the people could attend and participate. (Nolan told me in private that he personally wished the same thing; that more members of the general public could be drawn into these conferences or separate ones held, but so far personnel and other considerations precluded such conferences.)

As in former conferences, questions again reflected the difficult economic situation and tax problems. A number of questions related to ways and means used in the United States to enforce tax payments or collections. Others related to methods utilized to verify the correctness of tax statements. A few concerned the inequity of assessments and methods used to correct them.

Some persons (apparently Christian ministers) asked the abstract question of whether morality or the law was considered higher in the United States. Others indicated that there was room for Buddhism to educate the Japanese people in every-day courtesy and public spiritedness thus contributing toward the building of good citizens along the lines of such activity among Christian churches in the United States. A rather humorous speaker rose to advocate that General MacArthur make a personal visit to the "American Shrine" -- the Usa Shrine, thereby showing a spirit of equality among religions. This may be a round-about criticism of MacArthur's espousal of Christianity for the Japanese.

The constantly recurring problem of funds for the schools, and the police was again broached. At every conference I attended grave doubts were expressed by serious leaders about the ability of some communities

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to support their schools. There is a consistent request that at least partial support for school construction and teacher's salaries come from the prefecture or central government. In discussing the problem with Nolan he said that he felt our experts in Tokyo had attempted to graft an American variety of school system on Japanese communities utterly unable to support them, and that some modification would have to be made in the future. As in other cases, he decried the policy created in Tokyo's ivory towers by short-term American experts who knew little or nothing of the Japanese scene and its needs.

A goodly number of the questions reflected concern about education and reorientation of the Japanese people. Interest was shown in the methods whereby voters in the United States are able to keep abreast of current issues and vote intelligently. Particular interest was evidenced in civic organizations in the rural areas, as well as methods of adult education. One particular concern was a democratic method of denying civic rights to those who refused to assume civic responsibilities. In several instances I have noted either an expressed or implied feeling that the Japanese people as a whole are very capable of asserting their rights and equally capable of dodging responsibilities. How did Americans succeed in awakening the people to their civic duties?

Another trend of questioning running through this and other conferences was about the part which political parties play in local politics in the United States. The questioners frequently indicated that Japanese political parties had little or no interest or "roots" in the local scene. They had no local political organization active in the selection of local candidates or taking a position on local issues. The result was that the people were frequently at a loss as to selection of candidates. What do you do when all those running are not of a calibre suitable for the office? Conversations about the conference with other members of the Military Government group revealed that this was a particular challenge to the future of democracy in Japan. The Communists alone among the political parties have carried their message and issues to the "grass roots". The larger political parties, however, do not have chapters active on the local scene, and either cannot or do not effectively present their issues to the people. This in part accounts for Communist successes in recent local elections.

Until such time as the major political parties do build their structure upon local branches representing the opinions of the people of their respective communities and bear their proper share of the fight against

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