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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

36150

NO: 2031 DATE: 31 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Government decision to fix a 852,765,000,000-yen ceiling on the 1952 budget drew the heaviest play in the morning press today. While occasionally eclipsed by special weekend features, it stood head and shoulders above the rest of the national news. Korean stories—the Communist turndown of the UN proposal to ban military airfield construction and the GHQ announcement that the 45th Division is now in Korea—made a good showing, running above-fold in most morning papers. In the earlier coverage the dominant story came from GHQ--the SCAP announcement that all war criminals serving their sentences in Japan will be transferred to the custody of the Japanese Government on 21 Mar 1952 or on the take-effect date of the peace treaty, whichever comes first. With this issue four major evening papers suspended publication until 4 January.

BUDGET

The Cabinet yesterday put a 852,765,000,000-yen ceiling on the general account budget for fiscal 1952. In adjusting the Finance Ministry draft the cabinet ministers added 4,677,000,000 yen to the original estimate. They will begin negotiating for GHQ approval today. (a)

At the cabinet meeting Prime Minister YOSHIDA underlined the need for careful spending. "With the peace treaty going into effect," he said, "the next year is an important period for solidifying the foundations of Japan. To this end we must put state finance on a sound basis. I hope that all ministries will cut down their expenses as much as possible." (b)

Later Finance Minister IKEDA revealed that the Government will send the budget bill to the Diet after the peace-settlement expenses are itemized. (c) Peace expenses, covering such items as mutual defense, domestic security, and reparations, constitute the most controversial part of the budget. Some time is expected to lapse before they are finally broken down. (d)

FOREIGN RELATIONS

The Foreign Ministry, preparing for normal diplomatic intercourse, will ask the Diet sometime in February to authorize the establishment of about 55 diplomatic outposts. Of these about 20 will reportedly become embassies. Ministry planners increased the number of ambassadorial posts--there were only 12 in 1940--mainly to deal with such new Asiatic nations as India, Pakistan, and Burma. (e)

Reparations negotiators for Japan and Indonesia seem unlikely to reach a policy agreement before the departure of the chief Indonesian delegate in mid-January. (f)

ADMINISTRATIVE REFORM

The Government has changed its approach to local administrative reform. Originally it intended to link personnel and structural adjustments in local governments to the corresponding stages in the central administrative reform. But it gave up this plan when the last Diet mutilated the Personnel Strength Law revision bill. Attributing the PSL fiasco to the failure to couple personnel retrenchment with structural reorganization, Government leaders resolved to avoid repeating the mistake in reforming local administration. They decided to work out a local reform plan meshing manpower with structure. Though the work is moving ahead under the guidance of State Minister OKANO, a definite plan may not emerge in time for presentation to the current Diet. (g)

(a) Mainichi Shimbun (AM)
(b) Yomiuri Shimbun (AM)
(c) Nihon Keizai Shimbun
(d) Tokyo Shimbun
(d) Asahi Shimbun (AM)
(f) Sangyo Keizai Shimbun
(g) Yukan Nihon Keizai

21443—FEC P&PC—12/51—19M

The Telecommunications Ministry has drafted a bill to convert the telegraph and telephone services into public enterprises. The ministry will send the bill to postrecess Diet after clearing it with the Cabinet. But since the Prime Minister wants to put the telephone service under private management, the bill may undergo some changes before it gets to the Diet. The Telecommunications Ministry draft makes 1 June the target date for the switchover. It calls for a takeover agency patterned after the State Railway Corp. (a)

NEWS BRIEF

Postrecess Diet Slated to Pass Pearl Bill: After its holiday recess the Diet is scheduled to pass a bill aimed at building up the pearl industry. The measure would set up: 1) a national research laboratory in Mie Ken and a branch in Nagasaki Ken at a cost of 100,000,000 yen; 2) inspection stations in Tokyo and Kobe to prevent the export of inferior pearls, and 3) an advisory council comprising seven members appointed by the Agriculture-Forestry Minister to help pearl producers and traders get necessary financing. By these steps the sponsors of the bill hope to boost pearl exports to 10,000,000,000 yen by 1955. (b)

Lumber Shortage Looms in 2nd Half of 1952: The Forestry Law revision, to take effect on 1 January, will force lumbermen to get the permission of their prefectural governor before felling young trees. This is expected to result in a 10,000,000-koku lumber shortage in the latter half of 1952. The Agriculture-Forestry Ministry predicts that the shortage will raise the lumber price by 20 percent. (b)

Government Bans Baseball Dollar Contracts: The Finance Ministry has put its foot down on the plans of some baseball teams to offer dollar contracts to foreign ball players. It contended that the player-import projects conflicted with the Government policy to conserve dollars. An official in charge of foreign exchange screening summed up the ministry attitude: "Since there is no need at present to strengthen Japanese baseball teams by hiring foreign players, such contracts will not be approved." (c)

(a) Asahi Shimbun (PM) (b) Tokyo Shimbun (c) Mainichi Shimbun (AM)

-EDITORIALS-

End-of-the-year review and comment dominated the editorial coverage, with emphasis on the economic situation and the progress made toward independence. Of the two papers that deviated from the year-end theme, one dealt with the budget bill and the other with the place of vocational training in the education system.

ECONOMY

ASAHI discussed provisions of the budget approved by the Cabinet yesterday. The total was set at about 852,700,000,000 yen—an increase of about 50,000,000,000 yen over the current budget. The journal felt misgivings about the Government's estimate of revenue, noting that national income was put at 4,900,000,000,000 yen as compared with 4,500,000,000,000 yen for this fiscal year.

"It is very doubtful," it said, "whether the situation will develop as expected by the Government. It seems to us that the Government overestimated the income from taxes and stamp revenues. The prosperity of corporate enterprises, which is an important factor in revenue increase, has now reached its zenith. It is believed that profits of these enterprises will decrease in the future. The economic situation this year was not bad due to activities accompanying the Korean war. But the effects of a drop in commodity prices since the middle of March have been serious, and Japan's economy and finance will face far more difficult conditions next year."

The paper was dissatisfied with the 5,000,000,000 yen allotted to electric power development, and urged the Government to augment it with funds from the foreign exchange account.

While anticipating economic trials when independence is regained, MAINICHI said the Government must "guarantee a living standard that will give hope to the people." Since the people expect difficulties and have already suffered greatly from the war, they will be satisfied with even slight improvements in food and clothing supply and small tax reductions. But they must be made to feel that life is worth living and that hard work will pay.

"We have depended until now upon Occupation policies for guidance and economic aid. Occupation policies promised hope of approaching independence, and economic help has raised the standards of our living year by year. This hope and its ful-

fillment have saved a great majority of the Japanese from destructive ideas and actions arising from despair. Though their lives have been far from satisfactory, expectations of the future have made the people rely upon Occupation policies and believe that diligence will pay." The daily hoped, therefore, that when the Government is freed from Occupation guidance, it will not become "powerless and aimless."

JIJI SHIMPO, on the other hand, blamed Occupation economic policies for the business slump during the last half of the year. It was particularly critical of the Dodge program. "The fundamental aim of the Dodge formula, which has strongly influenced the Japanese economy together with the Korean war, seems to lie in controlling inflation. But when the business situation turns unfavorable, with a deflationary trend, this policy worsens conditions. While the situation of many firms is partly the result of their imprudent speculative activities, it cannot be denied it is mainly due to the Dodge line, which remained inflexible to the change of the business situation."

"It is, of course, not a good practice to blame or rely upon the Government on all occasions," the editorial continued. "We must sympathize with the Government because, Japan being an occupied country, it cannot decide anything by its own will. However, we believe Occupation authorities could do otherwise, since their aim is to stabilize and develop the Japanese economy. It cannot be denied that Occupation policy, being too stiff, spurred the business slump."

A YOMIURI columnist, speaking of hard times, commented on the diminished holiday buying in many shops compared with last year and the number of persons who are pawning their belongings. The number of those with money seems to have dwindled, and the amount of money in the hands of the "haves" also seems to have decreased.

"The year 1951 is about to go," he said, "but the face of society cannot be described as bright despite the neon signs lighting up the streets. And many problems have been left unsolved that indicate rough sailing for 1952."

INDEPENDENCE

"The past year was a year of transition from occupation to independence," YOMIURI said. "We should be on guard against the movements seen in various quarters to return to the old order of things. But we believe that the psychology of revolt against a return to the old order has been deeply implanted in the minds of the people. We are encouraged by the fact that throughout the outgoing year the people's desires for democracy have been unexpectedly strong. On the foundation of this psychology, new Japan and the patriotism of the people must be built up. It is only there that we can find the bridge between the free world and the nationalism of the Asian people."

"Both internationally and domestically the past year has been one of many difficulties and many happenings. We see out the year with a feeling of gratitude for having found a ray of hope for a way out of difficult times."

In discussing the times ahead, NIHON KEIZAI brought up rearmament and militarism. "The countries of Asia distrust the rearmament of Japan," it said. "It is also doubtful whether Japan's economy can bear the burden of rearming. But there is no denying that the peace treaty has set Japan toward rearmament."

"The revival of militarism, however, should be avoided at all cost. The dismissal of General MacARTHUR by President TRUMAN has taught us the iron rule that government stands above military affairs. Already the people are feeling anxiety about the revival of militarism, but militarism should be prevented as much as communism."

EDUCATION

Revisions of the education system proposed by the ordinance review committee have touched off many debates, TOKYO SHIMBUN pointed out. Tokyo University believes the recommendations on vocational training would demolish the 6-3-3 system, and that they emphasize the organization of vocational institutions that preclude advance to higher levels—with the result that future leaders and the "people who make up the lower strata of society" would be decided at the secondary education level.

"The argument that poverty should not be allowed to ruin the ideals of education is admittedly not unwarranted," the paper commented. "However, this need not preclude secondary schools with vocational curricula. It would be enough to put less emphasis on courses that are purely vocational in nature."

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

DAY LABORERS

Day Laborer Gangup at Adachi PESO: The Adachi public employment office in Tokyo yesterday morning paid "Monday to Thursday" vacation wages to 400 day laborers. The first aftermath came yesterday afternoon. About 600 laborers who had lost out on the holiday pay closed in on the office at 1300 hours and demanded corresponding allowances. They became so "excited" that the police reserves had to be called out. (Yomiuri Shimbun, PM, 30 December)

RAIDS

Clampdown on JCP Organ in Fukushima: TAGOSAKU, a Communist sheet milled in Fukushima Ken, was suppressed on 25 December as an Akahata-liner. Police raiders executed the kill, rooting through the paper publishing office in Iitoyo Mura, Tamura Gun, and other suspected Communist Party caches in the locality. Altogether they lifted about 200 specimens of subversive writings, including a batch of recent issues of the HEIWA TO DOKURITSU and "important papers...centering around the inauguration of a Communist-formed laborers' league." (Fukushima Minyu, 27 December)

Red Literature Chase in Tottori Ken: Assorted kinds of incendiary writings were dredged out of the Sakae district, Tottori Ken, on 25 December. Police struck simultaneously at 11 suspected paper depositories in Sakae Machi and six neighboring villages. The haul included a variety of blasts at the Allied Forces. The raids were made primarily to get documentary evidence against some recently jailed Communist Party members. (Nihonkai Shimbun, 26 December)

HANDBILLS

Anti-American Posters Hung in Sapporo: The wall around the Teikoku Rubber Co in Sapporo served recently as a Communist bulletin board. Six men in full view of passers-by plastered it with anti-American bills on 24 December. Finally tipped off, a lone policeman from the Toyohira police box set out to stop them. He came back badly mauled but with one of the six in tow. That one was dressed like a student. Beyond that he remains unidentified. (Mainichi Shimbun, Hokkaido edition, 26 December)

Subversive Bills Strewn in Hamamatsu: About 400 Red-lined strength boasts were scattered around the railroad station in Hamamatsu Shi on 25 December. "We're not afraid of the United States or of the police either," said the bills. "Let's unite." They were signed in the name of the "Japan National Liberation Patriots League." (Asahi Shimbun, Shizuoka edition, 26 December)

The day before, the station was showered with protect-Korean bills issued by the "Anti-Compulsory Deportation of Koreans Prefectural Western Regional Struggle Committee." (Asahi Shimbun, Shizuoka edition, 25 December)

Laborers Distribute Anti-US Leaflets: An outcropping of anti-American bills in a day laborer crowd at the Yonezawa Shi job office in mid-December was traced down last week. The distributors proved to be leftist laborer IWAMA Hideo, due for trial on a previous bill-passing count, and accomplice SAITO Takeakira. A third laborer, one IWASAKI Sakae, was arrested the same day on a seditious literature charge. Police found copies of the Communist organ TO KATSUDO SHISHIN and "much other documentary evidence" at his house. (Asahi Shimbun, Yamagata edition, 25 December)

MISSING PERSON

Missing Youth Leaves "To See Nozaka": Communist angles are being explored in the search for a high school student who disappeared last fall. Missing boy YAMASHITA Kozo was a class leader at the Naruo prefectural high school and the son of a shipping line official. On 10 October he robbed his landlord, office worker KUMA Sadahiko, of 70,000 yen and some jewelry and took off. He explained in a goodbye note that he was on his way to Sakhalin "where NOZAKA Sanzo is...at present." He also left behind some papers entitled, "The Third Plan," mentioning the names of places he expected to visit. It has been disclosed that prior to his disappearance he often visited a neighborhood fish vendor thought to be a Communist. Further the stopovers he mentioned were believed to be Red meeting places. (Yomiuri Shimbun, AM, 24 December)

21442—FEC P&PC—12-51—19M

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2030 DATE: 30 Dec 51

Today's Tokyo Newspapers

-NEWS-

Major domestic reports were keyed to the 1952 budget. The cabinet decision to bolster public works appropriations ran first in ASAHI and near the top in the other morning papers. Earlier budget stories broke high in the evening press; they shared domestic honors with the right-wing Socialists' announcement of their new foreign policy. But these domestic items were generally outplayed by the top foreign news--the Acheson disclosure of US reprisals against Hungary. In the morning coverage, too, the dominant emphasis often went to foreign news and features. MAINICHI spotlighted the Korean truce talks; YOMIURI turned over the top third of its front page to George Kennan's "America and the Russian Future" and to Europen comments on it appearing in the West German magazine Monat.

FOREIGN RELATIONS

With the peace treaty about to take effect the Government is pressing for revival of diplomatic relations with allied and neutral nations that did not send delegates to the San Francisco conference. Officials have made especially good progress in the case of Yugoslavia. Last fall the Yugoslavian embassy in Washington notified the Japanese overseas agency there of Yugoslavia's desire to reopen normal diplomatic relations. Since then the procedural negotiations have moved ahead smoothly, and Yugoslavia is expected to come out soon with an announcement officially ending the state of war. (a)

At a meeting of the technical committee yesterday, reparations negotiators for Japan and Indonesia adjusted their conflicting interpretations of Article 14 of the peace treaty. They agreed to take "reparations in service" in a broad sense --broad enough to include technical aid in building and operating aluminum, caustic soda, and chemical fertilizer plants. (b)

Agriculture-Forestry Vice-minister YAMAZOE revealed that Japan will sponsor an Indian-Pacific Ocean fisheries conference next July. He said invitations will go out to nations in Southeast Asia. (c)

The right-wing Socialists deemphasized trade with Communist China and opposed conclusion of a neutrality or nonaggression pact with the Communist bloc. Citing the "aggressive policy of the international Communist bloc" as the greatest threat to world peace, they went on record against the "third force" idea. They gave Southeast Asia priority over China as a trade source and pledged themselves to protect Japan's independence and native industries against possible economic encroachment by the US. (d)

Leaders of the Socialist left promised to back the third force. At a central executive committee meeting they credited the third force with "striving to prevent a World War III resulting from the confrontation of the US and the Soviet Union." They also criticized the peace treaty, asserting that its supporters are "not orthodox Socialists." (c)

BUDGET

The Cabinet yesterday overrode the Finance Ministry's budget figures for public works and local finance. It earmarked 10,000,000,000 yen more for public works and 5,000,000,000 yen more for equalization grants, bringing the total budget for fiscal 1952 to about 850,000,000,000 yen. (a)

At a cabinet conference the January-March foreign exchange budget for dollar imports was slashed by 20 percent. (e)

(a) Asahi Shimbun (AM)
(b) Yomiuri Shimbun (AM)
(c) Tokyo Shimbun
(d) Yukan Nihon Keizai
(e) Nihon Keizai Shimbun

20408—FEC P&PC—11/51—20M

ADMINISTRATIVE REFORM

Prime Minister YOSHIDA has turned over the job of revamping the administrative structure to a three-man committee. Each member has his work cut out for him: Administrative Management Board Director HASHIMOTO will handle negotiations with GHQ; Construction Minister NODA will soften up resistance in the Upper House; and Attorney General KIMURA will concentrate on the internal security aspect of the projected reform. They hope to draw up a reform plan early in January. (a)

Kimura also figures prominently in national defense planning. It is understood that he and State Ministers OHASHI and OKAZAKI have worked out a defense program that would set up a naval unit apart from the existing Maritime Safety Board and an air force of 2,000 fighters and reconnaissance planes. (b)

NEWS BRIEFS

Malicious Propaganda Blamed for Korean Riots: Diet investigators have blamed the mid-December Korean riots on propaganda that deliberately twisted the "spirit" of the Cabinet's immigration control ordinance. A fact-finding team for the Lower House Judiciary Committee reported that the Osaka and Shiga Ken riots were "not accidental" and warned that similar riots may break out in other parts of the country. The full committee will take up the problem after the holiday recess. Committee members intend to clear up the misunderstanding that all 600,000 Koreans residing in Japan will be deported. (c)

Siberia and Sakhalin Reported Linked Overland: The Russians have linked Siberia and Sakhalin by filling in the narrowest stretch of the Mamiya Strait, according to a Japanese businessman who recently came back from Formosa. OKI Masatada, who visited Formosa with the first fisheries survey mission, said he got his information "directly from the mouth of a Chinese leader." (d)

(a) Jiji Shimpo
(b) Sangyo Keizai Shimbun
(c) Asahi Shimbun (AM)
(d) Mainichi Shimbun (AM)

-EDITORIALS-

Editorial attention today focused on the political field. Papers discussed "one-man" political leadership and the present "lethargy" in politics, attributing it partly to the weakness of the opposition parties. They cautioned against efforts to revive the Home Ministry and warned depurgees to abandon their former nationalistic views. Additional subjects were the budget, the union movement, and US-Japanese relations.

POLITICS

NIHON KEIZAI spoke of the political lull that has succeeded the excitement over ratification of the peace and security pacts and the visit of Special Envoy DULLES. But this is no time for relaxation, in view of all the problems involved in regaining independence. The paper called upon the Government to formulate an overall policy to meet the situation. "It is up to the Administration and the Liberals to arouse public sentiment. Fair play and a dignified appeal to the people are desirable, instead of an insincere show of courage in claiming to stay at the helm until the tenure of office expires."

At the same time, opposition parties were urged to set aside their intraparty strife and devote themselves to post-treaty policies. "Corruption in politics is partly ascribable to the infirmity of opposition parties. Healthy politics cannot exist without a healthy opposition."

An ASAHI commentator also discussed the weakness of the opposition, which leaves Japanese politics a "one-man field." The Socialists were split over the peace and security treaties, and the new party sponsored by the Peoples Democrats is yet to be born. The trouble with the opposition parties is their lack of firm leadership. "Although the Liberal Party is shaken, Prime Minister YOSHIDA still keeps his party under his thumb."

According to a TOKYO SHIMBUN columnist, Yoshida's methods in carrying out the recent cabinet and party shifts have caused resentment among Liberal chiefs. But he felt the Liberal leaders are partly to blame. "The president of the party ignor all party machinery in deciding major changes in personnel, and it is natural for the party executives to be angry. They ought to take a decisive stand and request the president to apologize. As they are unable to do that, the president is continuing summarily to dismiss his ministers. Dictatorship is of course not

desirable, but those who allow a man to be despotic are also responsible. Remember that this was exactly the case with TOJO."

MAINICHI turned its criticism toward recent depurgees. It endorsed the depurge of many former political and business leaders, saying this was needed in realizing national unity preparatory to achieving independence. But the paper declared it could not approve all the recent moves of some depurgees.

"It is reasonable to say that the depurgees need not remain in the shade forever. However, the world is keeping a strict watch on Japan to see that it will not become a despotic and militaristic nation again. Regardless of whether Japan is under close watch, we do not want it to emerge as a despotic and militaristic nation. Depurgees should not be allowed to go into activities that will mislead Japan. They were not depurged to engage in such activities. It is most undesirable for those military men, politicians, bureaucrats and economic leaders who led Japan to its present condition to try to restore their former leading positions by advocating old-fashioned nationalism. We must keep a close check on the restoration of reactionism by these depurgees."

YOMIURI believed the depurgees are largely responsible for the reported move to establish a domestic administrative ministry resembling the defunct Home Ministry. "If there is evidence of such maneuvering, strict precautions must be taken," the editorial declared.

"At present, administrative affairs carried out by the former Home Ministry are under the jurisdiction of various ministries. Unfortunately, these agencies are not functioning efficiently. For this reason, voices are heard saying that it is necessary to revive an organization similar to the Home Ministry if efficiency is to be improved. But it is premature to think that such a revival will immediately increase efficiency. It is true that formerly things were run efficiently to a considerable extent. It must not be forgotten, however, that a sabre was behind this."

Claiming that recently depurged bureaucrats are backing the move, the paper warned they are exploiting the administrative reform plan and "will take advantage of all possible opportunities."

In the same vein, an ASAHI evening columnist said that newly-appointed Attorney General KIMURA advocates placing the National Police Reserve and the Maritime Safety Board under a national defense office and the National Rural Police and the Special Investigation Bureau under a domestic security office. "Kimura apparently has in mind the creation of a new Defense Ministry resembling a combination of the former Army and Navy ministries, and the revival of the former Home Ministry's police bureau. When we think that a changeover from a military police state to a democratic nation was so loudly advocated only a few years ago, we are struck by the rapidly changing times."

US-JAPAN RELATIONS

"Occupation policies have recently been greatly relaxed in various respects and careful measures have been pushed to promote the self-respect of the Japanese people," JIJI SHIMPO observed. "However, there are frequent signs that the Japanese are not properly conscious of their coming status as an equal partner in the community of democratic nations.

"In many cases, their pro-US feeling is based on the expectation of benefits, such as the security guarantee and economic assistance. Of course, exchange of benefits and compatibility of interests are powerful backing for friendship. It is evident that Americans have become much interested in Japan as a result of their occupation. But only a limited number of Japanese are charmed with the Americans' democratic thinking and strongly self-respecting mode of life. This is perhaps because of Japanese seivile feeling resulting from their occupied.status. It is clear from General RIDGWAY's attitude that the US is trying to discard the status of victor and become a friend of the Japanese as an equal. The Japanese people must make efforts to respond to this US attitude."

MISCELLANEOUS

ASAHI felt that labor unions would encounter many difficulties in the new year. But it hoped that their "internal structure would be solidified, and that they would act with responsibility toward the nation as a whole."

Discussing the budget, TOKYO SHIMBUN said that since domestic expenses are near the necessary minimum, the main question is contraction of peace settlement expenses. "Prime Minister Yoshida should negotiate with GHQ to reduce peace settlement expenses to such a level as Japan's economic power can afford."

REPATRIATION

Japanese Guerrilla Repatriated from Malaya: A British ship put into Kobe on Friday with a Japanese P[illegible] on board, a onetime private in the Japanese navy air force turned Communist guerrilla. Ex-private OSAKI Shigeru was captured last September by the British in Johore where he was serving with the Malayan people's army.

To repatriation officials Osaki explained that soldiering for the Communists was "one way to survive." "There are still a considerable number of Japanese in Malaya," he said, "and most of them are serving with the Communist forces in order to eat." He informed the officials that the Reds are now getting "a flow of weapons of excellent quality" and that in their forays "they usually act in units of 50 to 100." (Yomiuri Shimbun, AM, 29 December)

The leaders of the raiding units are "mostly Chinese," said Osaki. "But in some branches of the people's army you find armed Communist political commissars or propaganda agents." (Sangyo Keizai Shimbun, 30 December)

KOREANS

Korean Residents Assn Leaders Threatened: Four Korean Residents Association leaders received threatening letters a few days ago relating to the Yamato Machi fracas. Black warnings were delivered on 22 December to two officers of the KRA local in Yamato Machi, to one in Sagamigahara Machi, and to one member of the central headquarters staff. All the letters were postmarked Asakusa, Tokyo. (Mainichi Shimbun, Kanagawa edition, 28 December)

Korean Mob Wants Explanations for Arrests: About 70 Koreans marched on the police headquarters in Shimizu Shi last week to champion two of their compatriots being held in custody. They gave agitation speeches and defied police to show good cause for the arrests. The police chief outlined the case. This provoked a mob uproar. Several of the Koreans let fly with packages of red pepper during the interview. (Shizuoka Mimpo, 26 December)

Siege on Penitentiary over Hino Incident: The gates of the Shiga Ken penitentiary were crowded with Koreans on 25 December. A pack of about 30 rallied there, bent on visiting their "accomplices" in the Hino Machi incident. They stomped and threatened for about two hours. (Shiga Shimbun, 26 December)

Koreans Stage Sitdown in Municipal Office: Three hundred Koreans, women included, swarmed into the Uji City Office on 24 December to claim rice cake allowances. They had in mind a 1,000-yen handout. Drawing a flat rejection, they staged a sitdown in the corridors. (Nara Nichinichi Shimbun, 25 December)

MISCELLANEOUS

10 Communist Dens Raided in Tokyo: Ten Tokyo addresses suspected of being Communist Party "agitation points" were searched yesterday. The police action was based on evidence obtained previously in the military espionage case. (Mainichi Shimbun, AM, 30 December)

Sapporo Day Workers Stage Sitdown: A placard-waving mob of day laborers settled in front of the office of the mayor of Sapporo on 27 December. They wanted wage raises and year-end allowances and made it known that they would sit on until they got them. Eleven of the ringleaders, including one Communist, were jailed. All are refusing to answer police questions. (Mainichi Shimbun, Hokkaido edition, 29 December)

JCP Organizer Arrested in Fukushima: A Communist Party member believed to be one of the party's top underground organizers in the Fukushima area was arrested on 26 December. Alleged organizer INAGAKI Hisashi was picked up in the Shirakawa district where he is registered as a member of the Shirakawa District Communist Committee. (Mainichi Shimbun, Fukushima edition, 29 December)

"Mystery" Man Says He Killed a JCPer: A man of furtive behavior got off the train at Maebashi Shi on 28 December and promptly reported to station attendants that he had "murdered a Communist." At police headquarters he identified himself as ex-Communist ARAI Shozo from Otaru. Though he had "seceded from the party in the spring of 1948," he had kept abreast of party activities in his own union--the Otaru Joint Labor Union--and had kept the police informed. On the night of 7 December a Communist organizer lured him out to the wharf in Hakodate and tried to choke him. Arai "turned the tables." When the man was unconscious, he "dumped him in the sea." (Mainichi Shimbun, AM, 29 December)

Supplement to

SUMMARY OF JAPANESE PRESS

Prefectural Newspapers

(Period: 16-22 Dec)

Foreign relations continued to lead the field of editorial topics for the second week in the daily issues of 119 prefectural newspapers. The main preoccupations, as in the previous scan period, were with rearmament and the China problem (57 items). Next came domestic politics (51 items). Last, but far from least in interest, was the subject of reparations, brought to the fore mainly because of the talks that had begun with Indonesia (40 items).

THE "ORPHAN OF ASIA": OUT ON TWO DIPLOMATIC LIMBS

Japan was still confronted with the same two problems that were puzzling many Western nations: which Chinese government to recognize, and how rearmament could be reconciled with weak economic capacity. The first of these two faded somewhat into the background this week as there came to the fore once again considerable indignation at the prolonged silence of the Japanese Government on what concrete steps it was taking for "the gradual increase of self-defense strength." This silence, the press felt, had been broken only by American announcements, for example, the 14 December address by Ambassador DULLES. As for the China issue, prefectural editorialists continued as in previous weeks to be very reluctant to accept severing of all relations with the Communists. The importance of trade with the Asian mainland was even more heavily underlined than during the last scan period.

Fear of a "Shocking Fait Accompli"

A "growing impression" that the defense issue was "progressing toward solution at a very rapid tempo" claimed the attention of a Niigata journal (a), which suspected this solution might be quite contrary to Prime Minister YOSHIDA's continuous protestations that he had no intention of rearming Japan. The Dulles-Yoshida talks "have made it clear the US is interested in a speedy rather than a gradual increase of our self-defense power, so we may participate the sooner in a Pacific collective security system." If YOSHIDA continues to refuse to reveal negotiations concerning the security pact's administrative agreement, "the people will find they have entrusted excessive power to the Government." The Prime Minister has decided against early dissolution of the Diet, and seems determined to "run the Government" until his full term of office expires; he has "a full sense of responsibility" about dealing with important national affairs after the peace treaty comes into force. "But if he wants to get his own way, Mr YOSHIDA must soon change his ambiguous attitude and explain his views to the nation so it may judge them properly, as soon as his talks with the US envoys are concluded." What the people fear most is discovery of "a shocking fait accompli" concerning expansion of the national defense forces.

Reports that YOSHIDA and DULLES had "reached an understanding concerning rearmament" convinced the writer of a Kyodo-syndicated editorial published in Maebashi (b), Osaka (c) and Yonago (d) that the Prime Minister's "real intentions have all along been for gradual rearmament," despite his announcements to the contrary. Admitting that YOSHIDA was "more realistic and moderate" than ASHIDA in his attitude towards rearmament, the editorialist still warned against "the danger that the people and the world may be deceived by this moderation, and overlook the gradual mutilation of the war-renouncing Constitution." It is a "great contradiction that appropriations for rearmament in any form" are being budgeted under this Constitution. It is "unfair politics" that the Government should secretly develop the National Police Reserve into an army.

A Kanazawa daily (e) felt that some ambiguity had been cleared up, "though only abstractly," by DULLES' 14 December speech at Tokyo's Union Club. "Though

(a) Niigata Nippo (circ 144,075), 18 Dec
(b) Yukan Jomo Shimbun (circ 35,145), 19 Dec
(c) Osaka Nichinichi Shimbun (circ 140,265), 20 Dec
(d) Sanin Nichinichi Shimbun (circ 25,535), 22 Dec
(e) Hokkoku Shimbun (circ 162,536), 16 Dec (AM)

the Government seems to have implicitly and explicitly decided its attitude toward the problem, public opinion is still greatly split." It "may be no exaggeration" to say that DULLES made the speech "in order to present the people at large with clear information." The Government has "neglected to inform them adequately on the peace problem," and it is "evidently undesirable" in a democracy that it should "one-sidedly settle matters on which the nation at large remains undecided....There is no denying that the Government conducted the peace negotiations on its own hook, without seeking public opinion or keeping the people informed." The writer particularly criticized "the tendency of our politicians to exploit national problems for the purposes of political struggle....We earnestly hope that Mr DULLES' address will help bring about unity in public opinion."

Hatching an "Army Egg"

The typical attitude this week toward the economic aspect of the problem was presented in a Kyodo article reprinted in Kofu (f), Tsu (g) and Gifu (h), which admitted that Japan's abandonment of neutrality was already a fact, and that there was "no question" of the necessity of rearmament and participation in a collective security system. The only difficulty is the cost of rearming, "which may appear small to the Americans, but cannot be called insignificant by us poor Japanese." Next year's budget will be "inevitably so greatly swollen by peace settlement expenses" that increased taxes will be necessary. This will lower the living standard, which is already below the prewar level. The people may become "disappointed" with the peace treaty and security pact. "Aggravation of their living difficulties will cause social unrest and intensify the struggle of labor for higher wages, offering the Communist element a fine chance to expand its influence." This situation would be "quite the reverse of the original objective in strengthening defense power." Therefore, in rearming, care must be taken "not to impair but rather to improve the nation's economic capacity."

Osaka's largest local daily (i) rejected the possibility that the Dulles-Yoshida talks would result in the same sort of embarrassment for the Government that arose concerning decontrol of staple foods during Joseph DODGE's recent visit to Japan. DULLES is "considerate," and "will take no coercive steps"; the Prime Minister "is certainly explaining to him how difficult it is to rearm Japan at present, because otherwise he would be guilty of the most barefaced deception of the people." It is "wrong to conclude" the talks will break down if the two leaders fail to agree, and it is "almost sure" they can reach a "certain degree" of understanding "by working out some new formula." It matters little whether a self-defense force is called an army or a police reserve. "However, our NPR was an 'army egg' from the beginning; it will soon be hatched, and the day will come when it is no longer possible to excuse a chicken as an egg." YOSHIDA seems to fear the word "rearmament" because of its possible effect on Asiatic victims of Japan's militarism. But "it is unnecessary for an independent nation to be so timid; it is perfectly entitled to the right of self-defense." Constitutional amendment should be prepared for.

A note of warning, however, was sounded by a Mainichi-syndicated editorial published in Fukushima (j) and Morioka (k), which pointed out that "several hundred million Asiatics are suspicious of American intentions in the plan to cooperate with Japan on an equal footing....Is it possible for each of the two nations to retain equal rights and duties when the ratio between their strengths is almost astronomically different, as seen in the rate of 360 yen to one dollar?" The writer admired DULLES "for trying to moralize international politics by introducing Christianity into diplomacy," but added: "It is easily presumed there is in the US strong opposition to such idealism....Let us recall the outburst of neo-isolationism a year ago in America. Although that has now subsided, Americans will always be instinctive isolationists in one respect, and their current disputes with their European allies are not discouraging this tendency."

A Slow Decision on China

A student of Hiroshima University wrote to the editor of that city's largest

(f) Yamanashi Nichinichi Shimbun (circ 40,177), 16 Dec
(g) Ise Shimbun (circ 43,771), 16 Dec
(h) Gifu Times (circ 97,293), 19 Dec
(i) Osaka Shimbun (circ 722,224), 19 Dec
(j) Fukushima Mimpo (circ 85,473), 16 Dec
(k) Iwate Shimpo (circ 37,942), 16 Dec

daily (l), presenting the typical case arguing for Japan's recognition of Communist China. Japan is "inseparably" connected with China in history and culture; "excluding China, the problem of Asia cannot be settled"; the Peking regime is more representative of the Chinese people; trade with China is "the only way to make Japan economically independent." The choice between the Communists and the Nationalists "should be settled calmly, with due regard to the reality....If Japan becomes isolated from the reality, it will be the orphan of Asia."

These had been stock arguments for some time; some of them had become embedded in stock phraseology, for example, "the orphan of Asia." A far more cautious view was expressed by a Mainichi-syndicated editorial reprinted in Fukushima (m) and Nagoya (n), which pointed out that "Japan's position would be improved if only the US and Britain could come to agreement on the problem. How can we solve a dilemma that baffles those two great powers?" The writer expected the Truman-Churchill conference slated for January might result in British concessions on China policy in return for US economic aid to Britain. "The closer the cooperation between the two Western countries, the clearer our stand will become--indeed, solutions may be found automatically." It is not known whether British Foreign Minister EDEN still holds the view he once expressed, that MAO's government would collapse "before the onslaught of democratic forces from the south," even if the Chiang regime is helpless, but "this question will be answered by the new Anglo-American China policy to be forged by TRUMAN and CHURCHILL."

Is Southeast Asia a Better Market?

"The US believes trade with Red China is of relatively small importance compared to that with Southeast Asia," began an influential Osaka business journal (o). "Indonesia in particular, ever since the Korean war started, has been next to the US in relation to trading interests....The promotion of trade with this area is indispensable." However, it is "doubtful whether favorable conditions can be maintained and furthered." When the arms expansion program of the democracies began, increased purchase of raw materials increased the foreign currency holdings of Southeast Asian states, which spent them on imports from Japan. "But things are just the reverse today....After all, success or failure of our trade with Southeast Asia depends on the degree of enthusiasm for developing this area to be shown by the US and other Western nations. If this aid is not forthcoming, it will be hard to make up for the losses caused by interruption of our trade with the Chinese Communists."

"Political and economic considerations are so closely intertwined that it is almost impossible to emphasize one at the sacrifice of the other," said Fukuoka's leading newspaper (p). Certainly it is at present impossible for Japan to recognize the Peking government, which has been branded an aggressor by the UN. "Yet we doubt it is our obligation to cut off permanently our connection with the Chinese economy--even a final peace treaty with the Nationalists would not necessitate this," and once the Korean conflict is settled, the UN embargo may be lifted. There are "two special conditions" that make trade with Red China desirable: one, Japan needs cheap raw materials, and the chance to sell manufactured products on the continental market; and, two, China needs finished goods to help reconstruct its industry torn by war.

THE OPPOSITION'S TRUMP CARD--A JOKER?

Journalistic criticism of the Yoshida Cabinet is continuing to grow more bitter with succeeding weeks. Newspapermen during the current scan period stressed the need for general elections, and called for the Democrats to speed their movement to form a new political party. There was strikingly little optimism, however, over prospects for the new party's success, and to many analysts the movement so far seemed only "an opportunistic coalition," which reminded many unfavorably of the Katayama Cabinet.

The Kochi Election: A Straw in the Wind

The Prime Minister's decision to hold his office as long as possible "because

(l) Chugoku Shimbun (circ 224,232), 18 Dec (PM)
(m) Fukushima Mimpo (circ 85,473), 20 Dec
(n) Tokai Mainichi Shimbun (circ 54,719), 20 Dec
(o) Sangyo Keizai Shimbun (circ 580,207), 17 Dec
(p) Nishi Nippon Shimbun (circ 529,919), 16 Dec (AM)

21440—FEC P&PC—12/51—10.5M

almost all the peace settlement handling was of his own doing and because he feels responsible for giving shape to post-treaty policies," sounded "very plausible" to a Kanazawa commentator (q). "Nevertheless, we cannot accept his way of thinking, for it is likely to merge a matter of national importance with diplomatic techniques, and it threatens to make the Cabinet too dependent on one indispensable man." The present Cabinet, moreover, has had "successive failures" in domestic administration, and the people are still suspicious of the peace treaty and security pact. "It is certain that the Yoshida Government is losing what popularity it had, and is becoming alienated from the people."

A very definite straw in the wind, thought a Kyodo editorialist writing for Maebashi (r), Morioka (s), Osaka (t) and Nagasaki (u) papers, was the recent gubernatorial election in Kochi Prefecture, where ex-Governor MOMOI, endorsed by the Liberal Party, was defeated by KAWAMURA, a "more or less independent" candidate sponsored by an Opposition coalition of Democrats, Socialists and others. This defeat was the more significant because Kochi is the constituency of the Prime Minister and of Lower House Speaker HAYASHI. It was a "strange coincidence" that HAYASHI, campaigning for MOMOI, had told reporters he favored a Diet dissolution next spring, while YOSHIDA "hastily denied" the possibility. "We think the Liberal Party had better ask the people whether they still trust their administration--that is, we think Mr HAYASHI was right to want the Diet dissolved so a general election can be held." After the Cabinet's "blunders" in connection with rice decontrol and the personnel slash, "has the obstinate Prime Minister no mind to consent to Mr HAYASHI's opinion in view of the clear-cut decision by his own constituency?" Nor was this the first time the Liberals had suffered a defeat in Kochi; their candidate for the mayoralty of Kochi City lost to a Socialist this April. "Mr YOSHIDA, as president of the Liberal Party, had better be on his guard against unexpected attacks by the Opposition."

Another Kyodo writer, whose article was published in Tsu (v), Yamagata (w), Kofu (x), Fukushima (y) and Utsunomiya (z), discussed the most obvious form these attacks might take--the much-discussed movement to form a "new political force," sponsored by the Democrats. He felt the new party move was backed by public opinion "because the people are sick of the Liberals, the Socialists are split and weak, and it is a crisis in democratic politics that there has been no capable Opposition party to fight the Liberals despite their currently manifested incompetence." The objective circumstances are ripe. But the Democrats, "who have been tottering on their last legs because of a constantly coalitionist attitude towards either the Liberals or Socialists, depending on which way the wind blows," must be careful about their "revival," since "they cannot expect any success in the coming elections if they go on as they are."

A "Timely Hit" If The Iron Is Hot

A paper published in four cities of Hokkaido (aa) pointed out that the Democrats "cannot even dispose of their most avowedly coalitionist element," their Upper House Dietmen, and doubted that they could form "a new and progressive" party. Although it has been decided the new party will oppose a laissez-faire economy and support social security, "the problem is how to reconcile this with rearmament," an issue that should be discussed from the viewpoint of "whether it is what the people really want, not whether it is the right of an independent nation." However, "there is the proverb, 'Strike while the iron is hot,' and surely this is the time to take steps to throw the Liberals out, since the people are beginning to oppose them."

"It was the Opposition's fault that they were so weak and divided that Mr YOSHIDA decided to postpone elections," said a Kanazawa pressman (ab). The Democrats' move is thus "a timely hit." However, the people "will find nothing at-

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(r) Yukan Jomo Shimbun (circ 35,145), 16 Dec
(s) Yukan Iwate (circ 10,000), 17 Dec
(t) Osaka Nichinichi Shimbun (circ 140,265), 17 Dec
(u) Yukan Nagasaki Nichinichi (circ 8,770), 20 Dec
(v) Ise Shimbun (circ 43,771), 20 Dec
(w) Yamagata Shimbun (circ 77,866), 20 Dec
(x) Yamanashi Nichinichi Shimbun (circ 40,177), 21 Dec
(y) Fukushima Minyu (circ 35,500), 22 Dec
(z) Shimotsuke Shimbun (circ 42,950), 22 Dec
(aa) Hokkaido Shimbun (circ 609,644), 19 Dec
(ab) Hokkoku Shimbun (circ 162,536), 19 Dec (AM)

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tractive" in the formation of a new party "if it is not accompanied by serious determination," nor will they "dance to the tune of verbal appeals." Victory or defeat of the new force "depends on who becomes its president, and what trump card it will present for winding up the peace settlement....The permanent slogan, 'Overthrow the Yoshida Cabinet,' cannot clarify the new party's individuality, for it is common to all the Opposition." He hoped it would be a party "with a progressive-conservative soul, neither so far right as the Liberals nor so far left as the Communists."

"The people are dissatisfied with the recent political picture as a whole," asserted a Gifu observer (ac). "Our parties are solely responsible for this because of their shady dealings, accenting of partisan interests, and intra-party strife." It is up to them to dispel popular distrust themselves. "In view of its wide coverage of various political elements, the new party will fail to emerge with a solid unity and as a powerful force if it is not wisely controlled by a good leader." If the new group should be "marked by struggles for power among its members," this would only "multiply the people's distrust." The weakest point in the Democratic Party is the Upper House coalitionist group. "Why should the Democratic leaders be so lukewarm toward them? If they want to gain new energy for their party, they should be prepared to sacrifice some things....Nor is there any sense in aiming only at the coming elections; are they snatching at the idea of a new party as a last resort to vitalize their declining influence? A band of unprejudiced politicians gathered for a single cause--that is the way to restore the people's confidence in our political parties."

AND NOW REPARATIONS: THE FIRST TALKS

The Indonesian reparations mission headed by Dr Raden DJUANDA arrived on 15 December to start negotiations with the Japanese Government on reparations and fisheries problems. It plans to stay about three weeks with the first week devoted to preliminary discussions. Prefectural writers stressed the importance of the talks, which would "test" the sincerity of the Japanese to fulfill their obligations as well as the attitude of the claimant nations. They wished for a "friendly" settlement, pointing out that a defunct Japan would not be able to aid in the development of Southeast Asia or in rearmament. At the same time, they were careful not to create any misgivings about Japan's intentions to pay.

To Establish a Precedent

An Asahigawa editorialist (ad) typically pointed out the significance of the first reparations negotiations. "Payment of reparations is our foremost international obligation. The principle of repaying in labor and services is stipulated in the peace treaty, but concrete details are still unknown. These are to be decided in the negotiations with the claimant nations. Since the present talks with Indonesia are the first of such negotiations, any decisions made on the nature of the services, the amount of payment or the conditions and period of payment will establish precedents for other talks."

"To the Japanese people, who are seeking reparations that are fair and payable, the Indonesian negotiations are indeed significant," commented a Kyodo writer in an article appearing in Nagasaki (ae), Kofu (af) and Hiroshima (ag) papers. But he saw a large significance in that Indonesia, "a newly-risen country," was the negotiating party. "Judging from its foreign policy, Indonesia is neither pro-Russian nor pro-American but is rather pro-Indian. It is nor anti-Japanese, however, and as an Asiatic nation has many common interests with us. Moreover, it is rich in petroleum, tin, bauxite, coal and rubber. If our technical skill is used to develop these natural resources, the living standard of Southeast Asia will be raised considerably....We heartily hope that the negotiations will be pushed along the line suggested by Ambassador DULLES of coordinating Japan's capacity with Indonesian needs to the satisfaction of both sides."

A Tokushima pressman (ah) emphasized that the negotiations would "test" Japan. "The reparations issue is the initial test of the entire people of postpeace Japan."

(ac) Gifu Times (circ 97,293), 20 Dec
(ad) Hokkai Nichinichi Shimbun (circ 67,320), 22 Dec
(ae) Nagasaki Minyu (circ 23,147), 21 Dec
(af) Yamanashi Nichinichi Shimbun (circ 40,177), 19 Dec
(ag) Chugoku Shimbun (circ 224,232), 22 Dec (AM)
(ah) Tokushima Maiyu Shimbun (circ 11,905), 19 Dec

21440—FEC P&PC—12/51—10.5M

The Philippines, the largest claimant, has declared that it would not ratify the treaty if the reparations problem is not settled. France and Burma are also expected to demand satisfaction. Unless Japan demonstrates utmost sincerity in the negotiations, it will not be able to gain the friendship of these nations or the trust of the world. How we treat reparations will indicate to the world whether we have acknowledged our war responsibility."

"To Actually Pay Is Another Thing"

An Okayama analyst (ai) pointed out that Japan's obligation was acknowledged in the peace treaty but felt that limitations should be set. "It is presumed that, since Japan cannot pay in cash, its reparations will be in services as stated in the peace treaty. Even so, there should be a definite limit to such payment. Unrestricted payment will imperil our economy and be even a larger burden than cash payment. This point will have to be taken up by the Yoshida Cabinet." The writer reminded that the negotiations with Indonesia will also affect those with the Philippines and other claimants. The Government must "strive fully to reflect the people's wishes in the coming talks. Of course, as a defeated nation, we cannot expect all our wishes to be answered. But we must not be servile. We must assert that which is necessary to establish our independence and rebuild our nation."

Another Okayama editor (aj) agreed that the "basic principle that Japan should pay reparations remains unchanged" but hoped that the "reconciliation" spirit of the peace treaty would be observed. "The total sum of reparations has not been indicated....It seems that Indonesia wants indemnities for the mental anguish as well as the economic losses caused by the use of scrip money. Japan wants to limit indemnities to direct material damage. Moreover, it cannot pay the entire loss. As a matter of fact, Japan will be brought to ruin if it is to compensate for all the war damage. Is it not most in line with the spirit of the peace treaty to decide the amount of reparations within limits in which Japan's existence will not be menaced? To this end, the Government must sincerely present precise and detailed data showing the actual economic situation of the nation to make the claimant nations understand why Japan cannot pay the entire bill. Since we are determined to pay reparations faithfully once they are decided, it is all the more desirable that they be reasonable."

"To recognize our obligation to pay reparations is one thing, and to pay reparations actually is another," declared a Takamatsu daily (ak). "It is natural that we should compensate for human and material losses which we inflicted on other nations in the war of aggression. We realize that we are not allowed to wish for cancellation of payments on the grounds that Japan has not yet become self-supporting or that expenditures are required elsewhere. We must be ready to listen disinterestedly to the voices of nations demanding reparations." However, Japan's economy is like that of a household barely tiding over the New Year. "An extraordinary expenditure will not only unbalance our economy but ruin our payment plans....If Japan is to pay huge reparations, it will become bankrupt just as it is readmitted to the family of nations....We hope that an amicable understanding will be reached in the negotiations with Indonesia that will set a good pattern for the rest."

A Part in Southeast Asian Development

Many writers stressed that a solvent Japan could aid in developing Asia. Nagoya's prominent paper (al) typically said: "Even if reparations payment in services is requested on the basis of Article 14 of the peace treaty, our economy will inevitably be destroyed by payment to Indonesia alone if it adds up to a colossal eight billion dollars. Even if the total amount is far less, reparations will be a major inflationary factor, since the Government will have to reimburse those providing services." Weakening of the economy "not only will be harmful to this country but will hardly be beneficial to Indonesia and other Asian nations." Japan seeks to "bridge" Asia and Western Europe and "contribute to the economic evolution of Asia."

(ai) Yukan Okayama (circ 37,300), 21 Dec
(aj) Sanyo Shimbun (circ 214,150), 22 Dec (AM)
(ak) Shikoku Shimbun (circ 54,500), 19 Dec
(al) Chubu Nippon Shimbun (circ 960,270), 16 Dec (AM)

"Japan cannot get away from the fact that it is part of Asia," Gifu readers were told (am). "To be sure, we must pay for our crimes, but we wish to do so as a fellow Asian nation having permanent friendly relations with others. Only on such a basis can we mutually prosper and establish political and economic stability in Asia. Since the reparations issue is extremely important for both Japan and the claimant nations, it is most desirable that understanding and sincerity dominate the talks."

Emphasizing that the peoples of Japan and Indonesia must "live and let live," a Matsue commentator (an) hoped that Indonesia and other Asian nations would be "generous" on the basis of "our common racial feeling." A Nara journalist (ao) advocated a principle of "give and take." He pointed out that Indonesia is "the biggest market for our goods," having bought 30 billion yen worth from January to August this year. Moreover, it "paid in dollars" which it had received from America's development program. It will "even be a better customer in the future" because of additional aid from the US. But Japan must "give." Some Japanese contend that exporting equipment and sharing technical knowledge will make Southeast Asia self-supporting, "endangering Japan's position as a provider." Such a "mean" attitude must be rejected. "Our authorities must listen to the Indonesian negotiators and show willingness to pay maximum feasible reparations.

A Kanazawa editorialist (ap) suggested asking the US to tie in reparations with the Southeast Asia development program. "We believe that would be the most effective way to fulfill our obligation. Mobilizing our manpower and technical skill, we can develop natural resources to benefit the respective nations as well as Asia as a whole." The writer viewed it as "ironic" that during the war Japan had "planted the seeds of political independence" among the Southeast Asian nations, which have now "developed sufficiently to demand reparations. Taking the responsibility for fanning the fires of political independence, we must faithfully carry on with reparations."

Reparations Versus Rearmament

Another international obligation emphasized by prefectural writers was that of rearming against Communism. Osaka's largest local paper (aq) argued that Japan's "war-shattered economy" cannot bear rearmament as well as reparations. Japan should explain its circumstances to other nations "to gain their understanding and sympathy." At the same time it should "seek the aid of the US in adjusting the two demands." In an earlier issue the same journal (ar) declared: "The more rearmament is stressed, the less reparations can be paid. The decision on which is more important is left to the free world....A British colonial minister stated that direct reparations are unsuitable. If this opinion prevails, Japan will be able to execute her obligation to cooperate in the defense of the free world....The free nations have the right, Japan has the obligation. Do they choose to execute their right and free Japan of its obligation, or do they prefer to abandon their right and hold Japan to its obligation?"

"Shall we rather ask the Allied nations for reparations?" quizzed Osaka's Chinese-owned publication (as), noting that opinions were heard that reparations should be "diverted" for rearming Japan. "For it is the Allies who forced Japan to rearm in the first place," commented the paper.

A Sapporo observer (at) surmised that "in the long run" the reparations problem will be "solved politically in relation to Japan's policy toward America" but believed it "fundamentally wrong" to approach Asian nations with that idea. "These nations have fostered nationalism as a third party, without siding with either the US or Russia. That their standpoint is completely different from that of Japan, which is making a fresh start on the Western side, must be clearly understood by the Japanese people. Unfortunately out relations with Asian nations must start amidst this difference. We must first recognize the need to develop friendly relations with our neighbors and study their nationalism. The talks on reparations must proceed from this viewpoint."

(am) Gifu Times (circ 97,293), 21 Dec
(an) Yukan Sanin (circ 17,813), 17 Dec
(ao) Nara Nichinichi Shimbun (circ 13,980), 22 Dec
(ap) Hokkoku Shimbun (circ 162,536), 17 Dec (AM)
(aq) Osaka Shimbun (circ 722,224) 18 Dec
(ar) Osaka Shimbun (circ 722,224), 16 Dec
(as) Kokusai Shimbun (circ 104,250), 18 Dec
(at) Hokkai Times (circ 121,460), 19 Dec

21440—FEC P&PC—12/51—10.5M

Peace Settlement Versus Domestic Expenses

An inkling as to the actual size of the reparations was gained in the publication of the tentative budget for the next fiscal year on 18 December. Of the 850-billion-yen top estimate, about 200 billion is slated for peace settlement expenses, including 150 billion for self-defense and 50 billion for reparations, compensation for foreign property losses in Japan and repayment of US aid. An Osaka business journal (au) hoped that the Government would "do its best" to stay down to the 200-billion-yen figure by negotiating. "Especially regarding the repayment of US aid, we hope that the US will be sympathetic in view of the need to develop speedily our defense power....The balance between peace settlement and domestic expenses must be maintained. We hope that the Government and the Diet will negotiate more strongly to prevent an unreasonable increase in the former."

"Too much," was the opinion of an often outspoken Shizuoka journal (av). "The peace treaty is said to be that of reconciliation. But if it requires us to disburse 200 billion yen, we must say that it is nothing of the sort. The nation should firmly oppose such an outlay." In contrast, "only eight billion is set aside for the development of electric resources. Apart from the question of tax reduction, if Japan can afford such a huge expense, the amount should be pared down to 50 billion yen. From the saving, 100 billion can be used for electric power development and 50 billion for shipbuilding. If Prime Minister YOSHIDA were really a great statesman and diplomat, he would do this."

An Okayama editor (aw) warned against overestimating Japan's economic power, doubting "whether the present tax system can produce 850 billion yen....The Government is requested to strive to reduce the budget, to maintain domestic economy and then to adjust the balance with the peace settlement expenses." However, Fukuoka's prominent daily (ax) feared that not enough had been appropriated. "Mr DULLES advised on his recent visit that in earmarking reparations expenditure, the demands of Southeast Asian countries should be fully considered. Nevertheless, the Government has set aside only 10 billion yen for reparations since it cannot predict the total amount of peace settlement expenses. Such a policy may well create distrust among the claimant countries."

The People's Role

The only solution, according to a Matsue analyst (ay), lay in solving the population problem. "Even Philippines Ambassador MELENCIO, who reported to his Government that Japan's economy is generally stabilized, is said to oppose increasing taxes any further to pay reparations. The 1950 census disclosed a population of 83,000,000 as compared to 72,000,000 in 1945. Each year more than 900,000 youths come of working age. It is by no means easy to find employment for them. If the work is spread out to provide more jobs, our living standard will drop further. Who can think of reparations? Only by settling our population problem can our nation be rescued from destitution and reparations be decided."

(au) Sangyo Keizai Shimbun (circ 580,207), 20 Dec
(av) Shizuoka Shimbun (circ 84,822), 22 Dec
(aw) Sanyo Shimbun (circ 214,150), 18 Dec (AM)
(ax) Nishi Nippon Shimbun (circ 529,919), 18 Dec (AM)
(ay) Shimane Shimbun (circ 54,379), 21 Dec

RESTRICTED SECURITY INFORMATION

Files

GENERAL HEADQUARTERS
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MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2029 DATE: 29 Dec 51

Today's Tokyo Newspapers

-News-

Tokyo editors differed widely in their choice of lead items today. The major morning papers led with exclusive stories--YOMIURI with a Hatoyama interview, MAINICHI with an article by former US Ambassador to Japan William Castle praising the Emperor as "the leader of a democratic nation," and ASAHI with a pessimistic analysis of the Korean truce talks. Though less prominently played, the Government's forecast of a bad rice crop and its plan to separate the defense and police forces drew perhaps the best overall coverage. The election of a new chairman for the Liberal executive board was consistently frontpaged in the evening papers.

NATIONAL DEFENSE

State Minister OHASHI told a news conference yesterday that national defense and internal security should be administered by separate ministries. He favored building a defense ministry around the National Police Reserve and the Maritime Safety Board and incorporating the Attorney General's Office and the National Rural Police into a security ministry. He projected a security ministry that would subordinate the NRP to the AGO and bring the National Public Safety Commission under the control of the Attorney General. (a)

Ohashi, who took exclusive charge of the NPR and the NRP as the result of the cabinet shakeup, disclosed that his views have the full support of the Attorney General KIMURA. (b) The Government, intending to whip the Ohashi plan into final shape early next year, will open immediate negotiations with GHQ. Under the plan the defense ministry will comprise not only the NPR and the MSB but an agency to train airmen. These three sections will form the nucleus of future rearmament. (c)

The Government apparently has fixed no date for setting up the defense ministry. This will depend to a great extent on how the administrative agreement to the security pact shapes up. (d)

POLITICS

The Liberal executive board, sulking for a few days because Prime Minister YOSHIDA went ahead with the cabinet reshuffle without seeking its advice, finally got around to electing a new chairman yesterday. After Yoshida had apologized and promised to be less high-handed next time, the board approved his candidate--MASUTANI Hideji. (e)

HATOYAMA Ichiro, Yoshida's predecessor as head of the Liberal Party, revealed that he will start his political comeback in February or March. The onetime purgee indicated, however, that he has not yet decided whether to return to the Liberal Party or organize a new party. His attitude toward Yoshida remained hostile: "Everytime the Prime Minister opens his mouth, he says that he will stay in the saddle until his tenure expires. To covet political power in complete disregard of public opinion is nothing but despotic government. The Government should comply with the wishes of the people of independent Japan by speedily dissolving the Diet." (c)

FOREIGN RELATIONS

Discussions at the Japan-Indonesia reparations conference yesterday centered on technical aid. Indonesian delegates sought Japanese permission to send technicians here for advanced study. They were assured that Japan is eager to cooperate in the economic rehabilitation of Indonesia. (f)

(a) Tokyo Shimbun
(b) Mainichi Shimbun (AM)
(c) Yomiuri Shimbun (AM)
(d) Yukan Nihon Keizai
(e) Yomiuri Shimbun (PM)
(f) Asahi Shimbun (AM)

RESTRICTED SECURITY INFORMATION

20408--FEC P&PC--11/51--20M

BUDGET

Liberal executives yesterday objected to the Finance Ministry draft of the 1952 budget. They warned Finance Minister IKEDA that the budget bill will have trouble in the Diet unless he subtracts 10,000,000,000 yen from the foreign exchange account and appropriates 15,000,000,000 yen more for public works, 10,000,000,000 yen more for power-source development and "other enterprises," and 10,000,000,000 yen more for food-output increase. (a)

The Finance Ministry informally notified welfare officials to plan on an appropriation of 16,800,000,000 yen for war-victim relief. (b)

NEWS BRIEFS

Government Curbs Drives to Rebuild Palace: The Government yesterday called a halt to the various independent campaigns to rebuild the Imperial palace. Chief Cabinet Secretary HORI put out an official statement terming such movements premature. "At the proper time," Hori said, "the Government will consult the Emperor and take budgetary steps. We intend to work out a program that will respect and reflect the nation's devotion." (b)

Worst Rice Crop in Recent Years Predicted: The Agriculture-Forestry Ministry predicted yesterday that this year's rice crop will total 60,277,500 koku--the worst yield in several years. The figure represented a 0.6 percent drop from the previous estimate of 60,666,400 koku. Ministry officials foresaw a qualitative as well as a quantitative decline. They reported that much of the new crop will not even get by as fourth-grade rice. (c)

JTU to Campaign for Abolition of War Toys: The Japan Teachers Union wound up its three-day central committee meeting yesterday by resolving to "oust war toys from the children's world." Union leaders will start their campaign against war toys on Children's Day (5 May). (d)

(a) Yukan Nihon Keizai
(b) Asahi Shimbun (PM)
(c) Mainichi Shimbun (AM)
(d) Asahi Shimbun (AM)

-EDITORIALS-

Economic issues--the 1952 budget, business depression, and the economic effects of the Korean war on Japan--highlighted the editorial coverage today. Editorials on foreign relations dealt with Japan's self-defense army and the Japan-Korea conference. The rest of the coverage went to the Korean armistice talks, the Stalin Peace Prize, and traffic accidents.

ECONOMY

Since the people's livelihood has deteriorated as compared with the period before the Korean outbreak, YOMIURI believed the living standard should be a primary consideration in appraising the new budget. On this basis, it termed the draft acceptable. "It will not better our livelihood, but it involves no factors that will worsen it."

-The paper supported Government efforts to work out a huge budget of 848,000,000,000 yen without resorting to increased taxes. And it explained that in order to appropriate 222,000,000,000 yen for peace settlement expenses and to hold down internal administration expenses, the Government has curtailed investments and limited unemployment relief expenses and equalization grants to local governments. "We should support this because it has long been expected that it would be necessary to economize on domestic expenses in the next budget."

"Needless to say, there is room for criticism," the editorial continued. "The first problem is whether the limited equalization grants will meet the need. It would be meaningless if local governments should impose tax increases to make up for insufficient grants. We back the Government plan to curtail inventory finance and investments, but unless the plan is accompanied by a program for fund supply it will eventually cause inflation and bring about results similar to a heavy tax burden."

MAINICHI was less favorably disposed toward the draft budget. It warned that the total of 848,000,000,000 yen represents the "utmost possible limit of Japan's economic capacity." And it was dissatisfied with the limitations on domestic expenditures imposed by peace settlement expenses. It said: "This may be inevitable in view of many uncertain factors--our share of defense cost, reinforcement of the National Police Reserve, reparations, indemnification of foreign debts, etc. But it is desirable that, if possible, peace settlement expenditures be contracted further and diverted to domestic outlay. This should be the Government's target for the future."

Among other things, the paper noted that "while the promotion of economic strength and livelihood stability are main Government policies, the investment in the Power Resource Development Bank amounts to only 5,000,000,000 yen."

JIJI SHIMPO discussed the depressed market, saying that contrary to the usual year-end, December prices of many commodities have fallen. "The market now presents an appearance akin to panic. The wretched condition of commercial firms and manufacturers is now about to spread to producers. Before the war, commercial firms managed by the zaibatsu could easily withstand small fluctuations of the market. They played the part of a buffer between producers and consumers, and the national economy could function smoothly. But today commercial capital is weak. It must be strengthened by all means. For this it is necessary to concentrate capital by amalgamating commercial firms."

A YUKAN NIHON KEIZAI columnist, commenting on the slump in special procurement demands for Korea, said they probably would eventually be replaced by the demands of US defense and Southeast Asia development. Regarding the latter, he observed: "This plan will be impossible unless Japan straightens out the reparations issue and gives a favorable impression to the Asian countries concerned, and political stability develops in those countries."

FOREIGN RELATIONS

Presuming that the Japanese peace treaty and the US-Japan security pact will go into effect this spring, TOKYO SHIMBUN said, Government authorities have started expanding the self-defense structure. "It is natural for an independent nation to have a defense army. But the problem is how to have it. An army is useless unless it is always ready to fight. But it is very difficult to make full-scale preparations at this time of ultra-modern atomic weapons."

"If the Asian countries' fear of revival of Japanese militarism has greatly decreased," the daily said, "this will mean that one of the greatest obstacles has been removed." Other problems such as military interference with the Government, and national capacity and financial power must be considered, it added. "Even if military power, equipment, and the budget are fixed, it does not mean that a natural buildup of an army will follow. Unless the fundamental idea about a national army is definite, the army may be useless in time of need."

Needless to say, the paper continued, a great deal of US aid is needed if Japan intends to have a strong self-defense army without sufficient financial power. "The US-Japan security pact should be an intensive expression of US-Japan cooperative spirit. Without an earnest spirit of defense and an independent defense organization, Japan cannot expect US aid, receive effective technical instruction, and cooperate with the US successfully."

ASAHI noted that the Japanese-Korean conference in Tokyo has already gone on for about two months. But because of its "complicated and delicate nature," agreement cannot be readily reached. There are two things that must be solved. First, there are citizenship problems that must be settled before the peace treaty takes effect--nationality, permanent residence, and compulsory deportation. Second, preparations must be made for post-treaty relations--such as the conclusion of commercial and navigation treaties and fisheries agreements. "It is quite natural for the Koreans in Japan to show great concern over the progress of the conference." But the journal regretted that Korean residents have resorted to actions that disregard law and order for the purpose of realizing their demands, because "it will stand in the way of maintaining friendly relations between the two nations."

MISCELLANEOUS

Pointing out that both the Communist and the UN forces are making concessions on many points in the armistice talks, NIHON KEIZAI hoped that a truce agreement will be concluded as soon as possible, restricting human losses to the minimum. The daily pointed out that the conclusion of an armistice agreement in Korea will not solve all differences and disputes in the world, "but it is impossible to solve other issues without an armistice in Korea."

A columnist in the evening YOMIURI questioned OYAMA Ikuo's award of the Stalin Peace Prize. "It is very difficult to determine just how much Oyama has contributed toward peace. I am aware that there were some people who struggled to preserve peace in the face of suppression when fascism was at its height. But in those days, Oyama was living peacefully in the US."

A YOMIURI columnist deplored the increasing number of traffic accidents in which people are run over. He stressed that "human beings are more valuable than automobiles."

Supplement to

SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

INTRAPARTY DISPUTE

Chiba Red Disappears; Returns Beaten Up: Communist INOUE Teiichi, former secretary general of the Chiba city day laborers union, missing since last Sunday, returned home Thursday night beaten up. According to investigators, he was assaulted after standing trial before a Communist Party inquiry committee at an agitation point. During his confinement he was taken from one hiding place to another. Authorities regard this as an illegal Communist action and have started investigating. Inoue told a reporter yesterday: "At this juncture, I want to secede from the party and think matters over carefully." He did not mention the confinement or the beating. (Mainichi Shimbun AM, 29 December)

Inoue, credited with stealing important maps from the Construction Ministry's Geographic Survey Institute, is said to have soured on party activities after discharge from the GSI, following investigations on 14 December. On 23 December he left his home accompanied by day labor unionist ITO Chiaki, and disappeared. His wife went to union headquarters to inquire four days later, but she got a cold reception. Chairman SERIZAWA told her that Inoue was confined somewhere on orders of party headquarters for having given away confidential Communist Party information to police and newsmen. (Mainichi Shimbun, Chiba edition, 28 December)

Red Workers Fight Red Boss for Pay Hike: Two onetime members of the prefectural Communist Committee operate the Sankyo Pulp Co of Kofu Shi. But their Company was the first to be attacked in year-end and pay boost struggles by the Kofu district Communist committee. On 27 December, the local Communist cells charged the president with being "uncommunistic." They said that attacking big-time Communists will set a "fine example" and possibly give unions of other small enterprises the courage to fight year-end struggles. They proposed to attack the company executives through handbills. After a compromise, company president FUJITANI said: "Since we are still in the construction stage and not yet producing, we have no spare money. I am an old Communist Party member, but it is regrettable that Communists are overly persistent about standard policies. It is annoying that some of them want to attack us as a warning to others." (Mainichi Shimbun, Yamanashi edition, 28 December)

Foul Play Seen in Ex-Red's Disappearance: Foul play is suspected in the disappearance on 11 December of blacklisted ex-Communist OKASERI Kotaro, former chairman of the Akashi Democratic Commerce and Industry Association and once a member of the Akashi district Communist committee. Police believe that Okaseri, who was reported missing by his brother-in-law on 20 December, either went underground or met foul play at the hands of the Communist Party. On the day of his disappearance, he visited his brother-in-law and revealed that he was going to meet some Communists at Akashi station and confer with them at a Korean school. He reportedly said: "The talk may result in a quarrel, and if I have not returned by the morning of the 12th, please contact the police."

Authorities give three reasons for possible foul play: 1) At the time of his entry into the JCP, Okaseri was branded a police spy by NOSAKA and others. Opinion among party members was that he should be secretly disposed of by young Communists and not liquidated by the party. 2) Korean Communists met on 10 December in Akashi Shi and resolved to stage a riot the next day. Okaseri learned of the plot and tipped off police, who took countermeasures. The Communists may have learned who tipped off the police. 3) Although a Communist leader in Akashi Shi, he was not important enough to go underground. (Kobe Shimbun, 22 December)

Ex-Red Commits Crime for Police Protection: A former active Communist with a police record extorted money from a women in Kushiro Shi on 17 December. When police arrested him, he told them he deliberately committed the crime to get police protection from Communist persecution after being expelled from the party. The man is WADA Saburo, a former member of Shakubetsu cell and known to police for violent Communist activities. Wada said: "I was expelled for deviationist activities after being released on bail from charges of violating Government Ordinance No 325. I was expelled when I told the party I wanted to work for my family as soon as my term was up. I was regarded as a heretic and even called a spy. When I applied to get out of the party on 10 December, I was told I had already been expelled. Ever since then I have been subjected to persecution; the party has assigned members to follow me and prevent me from finding employment. My future is gloomy, but I am determined to expose the inner workings of the party for the sake of the masses." (Hokkaido Shimbun, 20 December)

35815

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2028 DATE: 28 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Finance Ministry draft of the 1952 budget shared bannerlines in the morning press today with the Korean cease-fire talks. The evening coverage was less balanced; all scanned papers led with the Washington message authorizing Gen Ridgway to extend the trial truce for 15 days. The appointment of George Kennan as ambassador to Russia also ran high. The major domestic stories in the early papers were tied to Prime Minister Yoshida--his order for a new administrative reform plan and his request to Foreign Ministry officials to cooperate with State Minister Okazaki, who is slated to become foreign minister when the treaty takes effect.

ADMINISTRATIVE REFORM

Prime Minister YOSHIDA called for strengthening of national security at his two-hour conference on administrative reform Wednesday. While details of the conference are unclear, he apparently asked Attorney General KIMURA, Administrative Management Board Director HASHIMOTO, and Construction Minister NODA to work out a structural reorganization centered on the establishment of a new defense ministry. The projected ministry reportedly will supervise only the National Police Reserve and the Maritime Safety Board and leave regular policing and immigration control to another agency. (a)

The three ministers will submit a reorganization plan to Yoshida before the end of the Diet recess. The major responsibility for drawing up the new draft will probably shift from Hashimoto to Kimura, whose views apparently have the strong support of the Prime Minister. (b) The completed draft will bypass the usual ministerial logrolling and come up directly for cabinet approval. (c)

Chairman TOMIYASU Kenji of the Radio Wave Regulatory Commission handed in his resignation yesterday, presumably in protest to the manpower adjustment plan that the Government sent to the last Diet. (d)

BUDGET

The Finance Ministry has provisionally set aside 200,000,000,000 yen for war-end expenses in its draft budget for fiscal 1952. Total expenditures will come to about 850,000,000,000 yen--somewhat over this year's ceiling of 793,700,000,000 yen. (e)

Finance Minister IKEDA, who explained his draft at yesterday's cabinet meeting, predicted that the Government would decide on it before the end of the year. He said the 220,000,000,000-yen reserve fund will cover expenses for "peace settlement," the National Police Reserve, and relief of war-bereaved families. While unable to tell whether these expenses will be itemized, he emphasized that the Government "has no intention of blinding the people by drawing a curtain over the facts." (d)

CABINET RESHUFFLE

Prime Minister YOSHIDA asked ranking Foreign Ministry officials yesterday to look on State Minister OKAZAKI as "virtual foreign minister." Escorting Okazaki to the Foreign Ministry, the Prime Minister sought the cooperation of Foreign Vice-minister IGUCHI and others. He told them that Okazaki would hereafter answer Diet interpellations on foreign affairs. (e)

Eight members of the Liberal executive board criticized Prime Minister Yoshida yesterday for going through with the cabinet reshuffle without consulting them. Finance Minister IKEDA also drew censure. (b)

(a) Sangyo Keizai Shimbun (c) Asahi Shimbun (PM) (e) Tokyo Shimbun
(b) Yukan Nihon Keizai (d) Yomiuri Shimbun (AM)

20408—FEC P&PC—11/51—20M

EDUCATION

The Education Ministry has depurged 1,842 persons previously barred from teaching because of their close ties with militarism. Its depurge list, released yesterday, excluded former general officers and kempeitai members. (a)

State universities will have to trim 1,969 persons from their clerical staff by next June. The Education Ministry ordered the cut to comply with the revised National University Establishment Law. (b)

According to a Statistics Bureau survey, half the people between the ages of four and 24 are going to school. The bureau, basing its figures on a 10 percent sampling, reported that the attendance rate is highest in farm villages and lowest in big cities. (a)

NEWS BRIEFS

NPR to Increase Officers to 7,500: The National Police Reserve will try to build up its officer strength to 10 percent of the total enlistment of 75,000, NPR Director MASUHARA disclosed yesterday. The NPR now has slightly over 5,000 officers. (c)

Rice Collection Hits 65.2% of Goal: The Agriculture-Forestry Ministry announced yesterday that rice collection as of 20 December came to 16,635,188 koku--65.2 percent of the quota for the 1951 crop. At this time last year, farmers had delivered 67.7 percent of the quota. (b)

No Headway Made at Fisheries Talks: The Japan-Indonesia fisheries committee met for the fourth time yesterday but made no progress toward settling differences over restrictions. The Indonesians still insist on putting certain waters out of boundsto Japanese fishermen. Japanese negotiators take the view that such restrictions violate international custom. An agreement this year seems unlikely. (c)

Unions Set for New Wage Offensive: Labor will make another bid for higher pay early next year. The new drive, coming on the heels of a fall offensive that raised wages an average of 20 percent, will be spearheaded by the private railway and steel workers. (b)

(a) Yomiuri Shimbun (AM) (b) Mainichi Shimbun (AM) (c) Sangyo Keizai Shimbun

-EDITORIALS-

Status of the Korean truce talks provided the theme for the three major papers. The Finance Ministry's budget draft drew fire from one journal. Other subjects for editorials and columns varied widely. They included electric power development, requirements for admission to Tokyo senior high schools, the need for truth in writing Japanese history, disposition of the remains of war dead, Professor Oyama's acceptance of the Stalin peace prize, and Libya's newly-won independence.

KOREAN TRUCE

Noting that the US has empowered General RIDGWAY to extend the cease-fire period, YOMIURI said the step "evinces the unusual patience with which the US is trying to bring the negotiations to a successful end." The situation suddenly took an "unfavorable turn" when lists of war prisoners were exchanged, and because of discrepancies a long time may be required to "probe into the truth." But despite the importance of the prisoner issue, the paper thought an armistice would not be impossible so long as both sides really desire a truce.

"Since the UN forces are compelled to fight a restricted war because of UN policy and the Communist troops find it impossible to advance again to South Korea, an armistice would seem to be a natural consequence. The truce talks opened because both sides recognized these facts."

Expiration of the 30-day limit does not mean that the negotiations have failed, ASAHI pointed out. It hoped that a successful conclusion--"the biggest news of 1952"--would be reached early in the new year. The gap between the two sides results from their widely different goals. "The UN may want to push negotiations until a political settlement is concluded, without losing what it has so far gained. The Communists may want to terminate the fighting under conditions that will enable them to claim at least a propaganda victory, and thereby to gain a seat in the UN and solve the Formosa issue in their favor."

The paper thought that the Communists have indicated a real desire to bring the fighting to an end. "The have made at least four big concessions--they agreed

to exclude political issues, they abandoned their demand for a cease-fire line along the 38th Parallel, they dropped the question of withdrawal of foreign troops, and they agreed to allow a committee of neutral nations to make inspections behind the front." Along with the UN concessions, these show the possibility of step-by-step progress.

MAINICHI agreed that "there is no reason to despair," even though the problem is extremely complex. "Some people argue that the Communists are making use of the truce talk period to reinforce their army. Even if this is true, it is illogical to conclude that the Communists desire to expand the shooting war. Reportedly there is no sign of Communist troop movements to indicate the reopening of a shooting war. But there is danger of the truce being broken the instant either party refuses to continue the talks. We hope that the talks will lead to a full armistice. But we wonder if an armistice will open a road to peace and stabilization in Asia."

BUDGET

NIHON KEIZAI criticized the draft budget bill just made public by the Finance Ministry. It felt that the general account total of 848,000,000,000 yen should be reduced to around 800,000,000,000, a figure more in keeping with Japan's economic capacity. "The estimated tax revenues and stamp duties, amounting to 633,500,000,000 yen in the draft (72,700,000,000 more than this year) are too optimistic. The fact that the draft expects as much as a 13 percent increase in tax revenues does not qualify it as a sound budget, even if it balances."

The paper was especially critical of the 135,000,000,000 yen allotted to public works. "We cannot help thinking that the real reason for increasing the amount for public works is the election campaigns. The same applies to the local finance equalization grants. These two, together with Government investments, comprise more than 50 percent of the total expenditures for administration. The three items should be slashed."

Peace settlement expenditures are included in the reserve fund, which totals 221,000,000,000 yen. "Peace settlement expenditures may be around 200,000,000,000 yen. This is the maximum cost that the Japanese economy can bear. The Government, therefore, must maintain this line firmly in its negotiations with SCAP authorities

MISCELLANEOUS

TOKYO SHIMBUN lamented the slow progress being made in developing power source and attracting foreign capital. It blamed the situation on disagreement among the Liberal Party, the Finance, Construction and International Trade-Industry ministries, the Economic Stabilization Board and the Public Utilities Commission.

ASAHI's evening editorial noted the controversy over methods of selecting entrants to Tokyo senior high schools. The suggested "general selection system on a regional basis" was opposed by both pupils and parents and gave way to the "combined selective system." The paper wondered why "excitement ran so high" and then acknowledged it was due to the fact that the number of applicants so far exceeds senior high school capacity.

A MAINICHI columnist was puzzled as to why Prof OYAMA Ikuo won the Stalin peace prize, since he "has never been a champion of the Communist Party." "It is doubtful whether he made remarkable contributions to peace. Oyama must be aware that receiving the Stalin prize does not have as simple a meaning as he thinks."

With Japan returning to independence, a YOMIURI columnist stressed the need for a scientific, factual approach to writing the history of the emperors. The distortions of early history as formerly taught in the schools amounted to little but story-telling, he said.

A TOKYO SHIMBUN columnist mourned the fact that the bones of so many fallen Japanese soldiers lie overseas. Even if they are brought back, many of them cannot be identified. "Consequently there is no choice but to hold a mass funeral."

The independence of Libya and the country's strategic importance to the US and Britain were discussed by a JIJI SHIMPO writer. He observed that now the disposition of all former Italian colonies has been completed. "The situation is in sharp contrast to the case of Japan, whose old colonies, which it formally gave up by the San Francisco treaty, still leave many unsolved questions as to final disposition." The writer also commented that Italy has been given the trusteeship of Somaliland and that there is no similar instance in Japan's case.

JCP OFFENSIVE

Communist Offensive Tactics "Surprise" Police: Communist-hunting rose to first place on police activity lists in Chiba Ken this week as result of the testimony of two arrested members of the Japan Communist Party " Y-bloc." Arrested Communists KIKUCHI Kazushige and NAKAYAMA Ko were both leaders of the JCP prefectural military organization. According to their confessions, six military corps have been set up in Chiba Ken. They cited prefectural committeemen SATO Jiro and KAWASHIMA Kotaro and Korean Leaguers NA Man-sik and NO C hal-hun as co-leaders. They said that about 200 North Koreans form the nucleus of these corps. While the long-range objective is to mold these corps into "aggressive armed raiders," for the time being the focus is on "measuring police capacities and pushing day worker struggles and Korean anti-deportation campaigns."

Looking back over the mass demonstrations of the last few weeks, the Chiba rural police found that the police-testing tactic had been used, and with considerable success. They appraised the day worker riot at the Chiba City Office on 18 December as an "expertly conducted job of splitting police ranks." They also admitted that the "campaign pushing" the arrested Communists spoke of had caught them off-balance. As the year-end tensions developed, the Communists unleashed an "expertly directed" bill-and-rumor campaign. This, said the rural police, "came as a complete surprise." (Yomiuri Shimbun, Chiba edition, 27 December)

Counterpolice Activity Steps Up in Yamanashi: The JCP has stepped up counterpolice activities in Yamanashi Ken, according to the prefectural rural police. In investigating the recent revival of the JCP pamphlet, KEIKAN NO TOMO, they found that the JCP prefectural committee had instructed all district committees to form counterpolice units. It entitled these units, "People's Defense Inspection Committees."

The instructions stated that "hereafter party members shall keep constant watch over police activity...in the aim of undermining the order, discipline, and spirit of the individual policemen." To systematize the watch, "People's Defense Inspection Committees shall be established within the JCP prefectural committee and in every district...These committees shall distribute propaganda leaflets designed for counterpolice purposes--the KEIKAN NO TOMO for one--to low-ranking policemen and their families. Further, these committees are charged to make up a list of all policemen in the prefecture...showing the names, ages, addresses, and family circumstances of each policeman...and the number that can be mobilized into party movements." (Yamanashi Jiji Shimbun, 22 December)

JCP Offensive Believed "Spreading over Nation": The JCP found a handy peg for its winter offensive in the Korean deportation issue: "Today the party is leading recalcitrant Korean elements into armed violence." The opener was the penning up of the deputy-mayor of Kasai Mura, in Kyogo Ken. This was followed by a rapid-fire series of outbreaks in the Handa, Ichinomiya, Fukuoka, Osaka, and Shiga areas. "Now it looks as if similar disturbances are set to break all over the country."

Police expect the Korean-thick Kansai area to be a principal target zone. The attacks on PD plants in Higashinari Gun and Naka Kawachi Gun in mid-December were believed to have been organized by a "mobile group of JCP organizers bent on drumming up a second Taira incident." Further outbreaks, "probably hinging on day workers' winter demands," are expected "momentarily." (Osaka Shimbun, 21 December)

MISCELLANEOUS

"Mysterious" School Fire Traced to Student: The firebug who tried to burn down Kita high school in Matsuzaka Shi in mid-December has been found. He was identified on 22 December as a disgruntled high school student. No political motives showed up. (Yomiuri Shimbun, PM, 26 December)

Cell Boss Jailed on Subversive Paper Charge: A Tachikawa tailor booked recently as a subversive paper distributor turned state's witness against his supplier. Tailor ABE Yoshio disclaimed any responsibility for the subversive papers found cached in his shop beyond that of trustee. He said he was merely looking after the papers for KAMIYAMA Masao, head of the JCP Hagoromo cell and chief clerk of the Tachikawa clinic. This was about the 10th time, he said, that Kamiyama had left papers in his care. Kamiyama was arrested on 21 December. (Asahi Shimbun, Tokyo metropolitan edition, 22 December)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2027 DATE: 27 Dec 51

Today's Tokyo Newspapers

-NEWS-

Evening headlines usually went to special correspondents writing on the international picture. Otherwise heaviest emphasis fell on the Cabinet changes, Liberal Party affairs, and the budget. The same domestic developments carried over into the morning papers, but farther down. The morning lead switched to the Korean talks, with the end of the 30-day armistice agreement at hand. ASAHI, however, played up a report that the US and Japan will start work on a commerce pact in mid-January. A press conference by the chief of the Indonesian reparations delegation usually appeared about midpage.

CABINET RESHUFFLE

Following the attestation ceremony for five new members yesterday morning, the reorganized Cabinet held its first meeting. It decided to hold daily conferences to complete the budget by the end of the year and ready it for submission to the first post-recess Diet session. (a)

New Attorney-General KIMURA is expected to give staunch support to the administrative retrenchment program. He talked yesterday with Director-General HASHIMOTO of the Administrative Management Agency and the two men later visited Prime Minister YOSHIDA, presumably to urge that the streamlining plan be strongly promoted. (b) At the same time Yoshida discussed domestic peace problems with Kimura, who reportedly will soon make a decision as to whether the National Rural Police and the Special Investigation Bureau of the Attorney General's Office should be combined. (b)

State Minister OHASHI, who has been placed in charge of the National Police Reserve, told interviewers that the NPR has three problems--friction with former soldiers, graft scandals, and cooperation with the US Army. "The friction in the ranks must be removed," he said. "Since next year's budget for the NPR will comprise 10 percent of the national taxes, no waste or misappropriation can be permitted. And true unity with the US Army is necessary. Furthermore, I want to foster an NPR that will be liked by the nation." On the question of establishing a public safety ministry combining the NPR and the Maritime Safety Agency, he said he would reserve opinion until further study. (c)

Upper House Liberals, piqued at being overlooked in the Cabinet reshuffle, met yesterday to determine what stand they should take. They finally decided not to protest formally to party headquarters. (d) The Liberal executive board will soon elect MASUTANI Shuji, outgoing state minister, to the chairmanship of the board. Some Liberals would prefer that new Agriculture-Forestry Minister HIROKAWA concurrently remain as executive chairman until the party convention in January. (e)

FOREIGN RELATIONS

The Prime Minister, in laying the groundwork for resumption of diplomatic relations, is giving much thought to the selection of future ambassadors and ministers. Rumor says that he has tentatively picked KANO Hisaro as ambassador to Great Britain and Foreign Vice-minister IGUCHI as ambassador to the US. And since one of Yoshida's aims is to improve relations with Asian nations that suffered from Japanese aggression, he wants to send to them envoys who are equal in caliber to those named for the US and Britain. To promote his "friendly neighbor" policy, Yoshida will also emphasize propaganda and exchange of information with Far East countries--specifically to correct misunderstanding of Japan's plans for gradual strengthening of its capacity for self-defense. (c)

(a) Yomiuri Shimbun (PM)
(b) Mainichi Shimbun (AM)
(c) Tokyo Shimbun
(d) Asahi Shimbun (AM)
(e) Mainichi Shimbun (PM)

20408--FEC P&PC--11/51--2014

NEWS BRIEFS

US, Japan to Start Work on Commerce Treaty: A Government source said that the US and Japan will begin negotiating a commerce and navigation treaty about the middle of January. The agreement will define the rights of each country's nationals residing in the other country. The Government would like to sign the agreement before the peace treaty goes into effect, and to use it as a model for similar pacts with other nations. The US reportedly desires a treaty based on its agreements with Colombia, Ireland, and Uruguay. (a)

Japan-Indonesia Reparations Talks Hit Snag: The third session of the reparations conference with Indonesia focused on interpretation of the word "service" used in Article 14 of the peace treaty. When discussion failed to achieve an understanding, the question was turned over to a special committee. (b)

New Bill to Cover Foreign Office Employees: Foreign Vice-minister IGUCHI and Pres ASAI of the National Personnel Authority agreed to present a bill to the current Diet that will separate diplomatic officials from other government employees. The bill will set up appropriate regulations and provide grievance machinery. (b)

Planning Continues for New Political Party: Committees paving the way for establishment of a new political party met yesterday. The policy and organization committees debated general principles to be adopted and set up subcommittees to continue talks tomorrow. (c)

Cotton Spinning Workers to Call Off Strike: Most of the cotton spinning unions of the Japan Federation of Textile Workers have agreed to start individual negotiations with management and to end their strike. Only two of the eight unions continued the strike yesterday, on the ground that their companies had not accepted the Central Labor Commission's proposal for individual bargaining. (d)

Teachers Central Committee Starts Meeting: The central committee of the Japan Teachers Union opened a three-day session in Tokyo yesterday with 260 members representing all parts of the country. The JTU peace campaign was one of the subjects discussed. (e)

(a) Asahi Shimbun (AM)
(b) Yomiuri Shimbun (AM)
(c) Mainichi Shimbun (AM)
(d) Asahi Shimbun (PM)
(e) Mainichi Shimbun (PM)

-EDITORIALS-

The Cabinet reshuffle continued to dominate the editorial coverage today, with five writers commenting. In addition, economic writers discussed the rice decontrol issue and next year's budget. In other editorials, one writer urged the Government to give relief to disabled veterans, while another called for measures to improve social conditions to cut down the crime rate.

CABINET RESHUFFLE

JIJI SHIMPO said the Cabinet reshuffle took the public by "surprise." "But it was an inevitable step that had to be carried out sooner or later by the Government in preparation for the reopening of the ordinary Diet." The paper said the appointments are looked upon as quite sensible. While pointing out that the life of this Cabinet may not be long, the daily said "much is still expected of this Government in applying the finishing touches to the peace treaty." "While its failures in internal affairs have become conspicuous lately, after balancing the long and short, we cannot but recognize that it would be comparatively safer to entrust to this Cabinet, the administration of the nation for the time being. The opportunity to prove that the Cabinet has been constructively reorganized, needless to say, will come in the present regular Diet session. But to recover the Government's prestige, it will have to settle the staple food decontrol and personnel retrenchment issues."

Although the majority of the nation might agree with the opposition's demand that the Government resign after the peace treaty takes effect, the journal said, "the Yoshida Cabinet cannot resign because the opposition today is too incompetent."

TOKYO SHIMBUN doubted whether the Cabinet reorganization will win back the people's support or restore the Yoshida Cabinet's prestige. But the paper noted that Prime Minister YOSHIDA showed more serious determination in this reorganization than in the past cabinet reorganizations. "An indication is that he appointed more influential men. Is it wrong to say that he is concerned about the popularity of the Cabinet? We are not hesitant to praise him for what he has done for the peace treaty. But he has reasons to reflect. He has failed to carry out the two promises

he made three years ago. Because of these failure, his Cabinet has lost the people's support and he had to reorganize it...To make this reshuffle a creditable action, the Prime Minister must pay careful attention to public opinion."

A TOKYO SHIMBUN columnist considered the reshuffle "a very neat job" in that it was achieved without arousing suspicion. Despite repeated reorganization, the writer noted that Finance Minister IKEDA was the only minister unchanged. "It appears that the Cabinet is now completely governed by Yoshida and Ikeda." The writer added that the reshuffle was probably intended to "calm the factional conflicts within the Liberal Party and to smoothly execute party affairs with the election near at hand."

"It has now become clear to the public that the Yoshida Cabinet is determined to remain in power," a columnist in the evening YOMIURI said. "But that is all. The reorganization is not accompanied by hope that the Government will employ drastic new policies. Whatever the case, we regret that there is no powerful opposition party...The people are tired of the Yoshida Government, but we can find no dependable alternate. The Yoshida Government survives because of the impotence of the opposition parties. It is a tragedy of Japan that the present Government is in power --not because it is a good government."

A YOMIURI columnist regretted that a Cabinet, which should have resigned a long time ago, is obliged to remain in power by patching up its weaknesses. "This reveals political poverty; the poverty of the opposition parties. We understand Prime Minister Yoshida's desire to remain in power to administer the affairs of state before and after the peace settlement. Moreover, foreign nations cannot be expected to trust Japan if the Government is one unfamiliar to them...Existence of the Yoshida Cabinet may be necessary in this sense, especially for the maintenance of US confidence in Japan." But if this is the case, the writer added, the Yoshida Cabinet should not be contented by only removing incompetent ministers. "A Cabinet shakeup should be a housecleaning activity for a Government that has become lax in its duties."

ECONOMY

MAINICHI commented on the rice decontrol issue. It noted that the Liberal Party's original policy, though originally aimed at decontrolling wheat and barley and free sale of post-delivery rice, was suddenly changed to a blanket decontrol for the purpose of effecting administrative readjustment and a reduction in food subsidies. "The party decision was opposed by the people. Moreover, the outlook for importing foreign rice is insecure because of the deterioration of the food situation in Southeast Asia...Such being the case, we urge the Liberal Party to consider reverting to its original policy of decontrolling barley and wheat at an early date and enforcing the free sale of post-delivery rice." The paper emphasized that the blanket decontrol measure should be withdrawn until the Government has stored enough rice to manipulate the rice price.

NIHON KEIZAI stressed that the next fiscal year's budget should be limited within the scale of tax revenue estimated under the existing tax law. "Judgment must be based on the people's capacity to bear tax burdens. If the tax burdens rise beyond the people's capacity to pay, various resistances will result such as decline in tax revenue, increased tax evasions, the lowering of the people's will to work, and the checking of capital accumulation." The daily stressed that the tax burden is still too heavy despite the tax reductions carried out this year. "Therefore, a tax reduction instead of tax increase is important next year. We trust that the revenue for the next fiscal year will be estimated conservatively because next year will see many issues resulting from the peace settlement."

A columnist in the evening ASAHI was concerned about the budget appropriations that various ministries are demanding. The writer noted that appropriations for domestic administration expenses are always being slashed. He said there have been many epochal renovations in financial management. "But there has been no improvement in budget appropriations. This state of affairs is far from the ideal of national finance."

SOCIAL WELFARE

Noting that the problem of relief for disabled veterans is still unsettled, YOMIURI urged the Government and the people to give the matter serious consideration. "The issue is virtually a confession of a 'political vaccum' by the Government and an expression of the lack of justice and brotherly love on the part of the nation."

ASAHI pointed out that the crime rate will not decrease unless the conditions of society are improved both materially and spiritually.

REPATRIATION

"Germ Warfare Criminal" Returns from Russia: A Soviet-convicted "war criminal" reported to repatriation officials yesterday that he had found prison life in Russia "easier than I expected." Ex-Japanese Army private KIKUCHI Norimitsu, attached to the hygiene research laboratory at Mutankiang during the war, recently finished off a two-year prison term in the Soviet Union as a "bacteriological warfare criminal." He was released on 4 December and arrived back in Japan on the 22nd.

Kikuchi served out his time at the Tselen detention camp, located northeast of Moscow. His camp mates included 19 other convicted Japanese war criminals—among them four generals—and about 250 Germans. His bedfellow, he said, was General YAMADA Otozo, former commander of the Kwantung Army. "About the only work we did was to chop wood for our own use...Everybody, including General Yamada, is in fine shape." (Asahi Shimbun, AM, 27 December)

"I must say we couldn't have had better treatment," Kikuchi went on. The officers received "300 grams of rice a day, 100 grams of cereal, butter or cheese, and 20 cigarettes..." The "butter or cheese" item was left out of the enlisted men's bill of fare. He stressed that "there was no political or ideological education." (Jiji Shimpo, 27 December)

NEW JCP CODE

New Communist Party Code Known to Police: A copy of the Japan Communist Party's latest-model code has come into the possession of the National Rural Police. This new code, called "Tokei No Zero," replaces the "Chokin Tsucho" and "Inko" systems as the prevailing disguise for intraparty communications.

The code is constituted of common nouns, adjectives, and verbs put to use as symbols: "mitto" for JCP, "keito" for Special Investigation Bureau, "umibe" for peace, "sato" for organizer, "binta" for arrest, "jinta" for suppression, "kasu" for spy. The symbol chosen for revolution is "misoka," Japanese for New Year's eve. (Mainichi Shimbun, Kanagawa edition, 26 December)

JCP MILITARY PROGRAM

Shiga Said Bossing JCP Military Affairs: There are indications that the JCP's projected military organization is beyond the planning stage. It has been revealed that on 11 December the organization put on a military maneuver in Tokyo. The Akabane police report that at about 1700 hours that day "an estimated 350 people came out of nowhere and assembled near the old site of the army munitions arsenal in Kita Ku. They locked arms and formed a demonstration procession, singing labor songs. After marching for about a mile they dispersed and melted with the street crowds." Handbills found in the demonstration area carried "detailed, two-color maps showing the location of US troops, National Police Reserve camps and munition factories."

The 11 December demonstration was believed to be a JCP experiment with "partisan tactics." The plan for partisan action drawn up at the fifth party convention in October pointed up the "melting with the crowds" scheme as follows: "In partisan operations...no time must be lost in retreating into friendly areas after dealing a blow. The Chinese partisans had large bases called liberation areas. At present there is nothing of that kind in Japan. We have no alternative but to dissolve among the public...after an attack."

The several "caused" factory accidents that have taken place in the last few weeks also fit into the JCP military strategy. In one case a locomotive in a smelter jumped the tracks and created large-scale damage. In another case a fire "preceded by an unexplained explosion" razed a materiele warehouse. The convention resolutions called for "attacking...and exploding military bases, munition works, munition storages..."

It is "known" that the JCP military organization is headed by a central military committee in Tokyo. It is further "known" that ex-JCP central committeeman SHIDA Shigeo is the committee boss. It is "reported" that the committee is focusing on mobilizing a "nucleus self-defense corps" in every district in Japan as the forerunner of a "people's army." It is also "reported" that the committee is drafting "radical fighters" into the corps. It is "not known...not even rumored" where in Tokyo the committee headquarters can be. (Yomiuri Shimbun, AM, 24 December)

RESTRICTED SECURITY INFORMATION

35608

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2026 DATE: 26 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Cabinet reshuffle was the big story and left little room for other news. The only nonrelated domestic item to show consistently in evening papers was Foreign Exchange Control Commission Chairman Kiuchi's press conference after his return from abroad. Britain's latest proposal to Egypt and Libya's independence were the best-played wire stories, appearing about mid-page. In the morning press, Cabinet developments pushed out everything except minor treatment of the Korean truce negotiations.

CABINET RESHUFFLE

Prime Minister YOSHIDA suddenly reorganized his Cabinet yesterday, naming five new ministers. KIMURA Tokutaro, former Justice Minister, was appointed Attorney General, replacing OHASHI Takeo. HIROKAWA Kozen, Liberal executive board chairman, replaced NEMOTO Ryutaro as Agriculture-Forestry Minister. MURAKAMI Giichi, Upper House Ryokufukai leader, succeeded YAMAZAKI Takeshi as Transportation Minister. YOSHITAKE Eichi, Liberal political affairs research chairman, succeeded HORI Shigeru as Labor Minister, and Hori took over as Chief Cabinet Secretary in place of OKAZAKI Katsuo. Ohashi, Yamazaki, and Okazaki remained in the Cabinet as state ministers without portfolio. MASUTANI Shuji, state minister, was relieved of his post along with Nemoto. (a)

The Prime Minister called in Liberal leaders to discuss the move yesterday morning. At 1500 hours an extraordinary Cabinet meeting was called to announce the decision. The attestation ceremony for new ministers will take place this morning. The reorganization filled several vacant seats and the 16 member Cabinet is now complete. (a)

In announcing the changes, Yoshida told the ministers: "The object of the reshuffle is to strengthen the Cabinet and invest it with new members in preparation for effectivation of the peace treaty. State Minister Okazaki will become Foreign Minister after the treaty goes into effect. Until then he will be in charge of liaison work." (b) It is believed that Okazaki's duties will include direction of the Reparations Agency. Yamazaki will be responsible for liaison between the Government and the Liberal Party. Ohashi will take charge of the National Police Reserve. (c)

The reshuffle came as a surprise because it was not expected until early next year. Some observers believe the timing was prompted by fears that reorganization rumors would adversely affect the Liberal Party. The move is considered an indication that the Prime Minister intends to remain in office until his term expires to deal with the many problems involved in the peace treaty and the US-Japan security pact. (d) The changes apparently emphasize the stregthening of public peace maintenance and defense, with Ohashi taking charge of the NPR and Okazaki presumably handling US-Japan Joint Committee affairs. (b)

It is also believed that the move aims to correct Cabinet weakness exposed in the extraordinary Diet session and to end increasing friction between Hirokawa and Liberal Chief Secretary MASUDA. (e) Hirokawa's position as chairman of the liberal executive board will be filled by Masutani, who relinquished his post as state minister without portfolio. (b)

Upper House Liberals are dissatisfied with the reshuffle because no ministers were selected from their ranks. They will meet this morning to discuss the situation. (f) Peoples Democratic Chief Secretary MIKI said: "Whenever the Yoshida Cabinet reaches an impasse in its policy and should by all rights resign en bloc, it patches up the situation by a reshuffle. This is one of the greatest evils of a one-party dictatorship." (e)

(a) Yomiuri (PM) (c) Asahi (AM) (e) Mainichi (PM)
(b) Mainichi (AM) (d) Asahi (PM) (f) Yomiuri (AM)

RESTRICTED SECURITY INFORMATION

20408—FEC P&PC—11/51—20M

CLASSIFIED AND PAST PROSE SEC. 3(E) AND 3(D) OR (E) NNDB # 775012

BUDGET

The sudden cabinet reshuffle will not delay compilation of next year's budget, according to Finance Minister IKEDA. He intends to complete it by tomorrow morning and present it to a special cabinet meeting that afternoon. (a)

In reviewing the demands of the ministries, the Finance Ministry seems likely to make numerous changes in fund allocations. For one thing, the allotment of 28,000,000,000 yen for relief of families of war dead may be slashed to meet GHQ's reported objections to "too large a figure." The budget as a whole, however, will probably stay at about the original level--843,000,000,000 yen. (b)

NEWS BRIEFS

Discuss Foreign Exchange, Trade Problems: Finance Vice-minister FUNAYAMA, Bank of Japan Pres ICHIMADA, and Chairman KIUCHI of the Foreign Exchange Control Commission met yesterday to talk over the foreign exchange situation. It is believed the talk emphasized British-Japanese financial relations in the light of Kiuchi's recent trip to Europe. (a)

Send Repatriation Delegates to UN Meeting: On invitation from the UN Special Repatriation Committee, the Government will send three representatives to the committee meeting beginning 11 January at Geneva. (a)

Experts Test Ship on North Pacific Route: The Shipbuilders' Association will conduct an experiment on the performance of a ship on the Great Circle route between Yokohama and Seattle. The ship to be tested is the Nissho Maru, a freighter that will be making its maiden voyage. It will leave Yokohama at noon today and return from Seattle with 10,000 tons of wheat for India, taking the rough North Pacific route both ways. (c)

Oyama Sends Thanks to Stalin Committee: Prof OYAMA Ikuo, recipient of the Stalin International Peace Prize, sent a message of appreciation to the awarding committee through the Tass correspondent in Tokyo. (c)

(a) Tokyo Shimbun (b) Asahi (AM) (c) Asahi (PM)

-EDITORIALS-

Prime Minister Yoshida's Cabinet reshuffle dominated the editorial coverage today. Six writers generally agreed that the reshuffle no longer refreshes the public feeling. Turning to other topics, one writer urged the Government to carry out its administrative adjustment program, while another criticized the left-wing Socialists' new foreign policy. The Korean armistice talks drew single comment.

CABINET RESHUFFLE

MAINICHI considered it natural for Prime Minister YOSHIDA to reshuffle the Cabinet in view of the Government bungling in the last Diet session. "There are three distinct features of the reshuffle this time: 1) effort has been made to reinforce the Government to push forward its policy, both domestic and foreign; 2) pain has been taken to ease intra-Liberal Party feuds; and 3) attempt has been made to prevent the Ryokufukai in the Upper House from leaning to the opposition."

The Cabinet line-up may be considered as Government preparation to cope with the Diet session following its recess, the paper said. "The new change in Cabinet line-up is acceptable but we doubt whether the new balance sheet of the Government foresees good results in the future. The people's hope on the Yoshida Cabinet declined evidently since the signing of the peace treaty and the security pact. As long as its political sense is lagging...it is impossible for the Government to regain public interest even though a change in the Cabinet line-up is made. As long as the Yoshida Cabinet does not change its character completely and strengthen its political power, there would be no hope of preventing the alienation of the people from the Government. Nevertheless, this does not imply that the new reshuffle is meaningless."

ASAHI said the public must have been impressed only with the frequency of the Cabinet reshuffle. Noting that the Prime Minister carried out the reshuffle on the basis of a firm determination to continue to assume the reins of government even after the peace treaty takes effect, the daily said: "The latest Cabinet reshuffle falls somewhat short of fully convincing the nation of this determination. So long as the foundations of the Cabinet remain unchanged, no amount of personnel shifts between the Government and the Liberal Party will make it any better...For the

Yoshida Cabinet to book itself for office after the peace treaty goes into effect, is like blowing one's own trumpet." The journal felt that the Yoshida Cabinet should not remain in office after the occupation ends. Although the paper said the reshuffle may have some significance, it wondered if the right of the Prime Minister to appoint and dismiss the cabinet ministers is not being abused. "It is by no means a way to raise the prestige of the Cabinet."

YOMIURI believed that the reshuffle was carried out partly with the idea of making cabinet ministers concerned take the responsibility for policy failures with regard to administrative retrenchment, staple food decontrol, and other problems. "But the related cabinet ministers alone are not to blame for the failure of these reforms. The Yoshida Cabinet as a whole should be held responsible. If the Prime Minister, failing to realize this fact, should ascribe the recent failures to the incompetence of cabinet ministers alone and if he should persuade himself that a shakeup can remedy the situation, it only reveals his lack of political sense and morality. The Yoshida Cabinet should resign en bloc for failing to make good on its important public promises despite its three-year incumbency."

The daily pointed out that if cabinet ministers are dismissed summarily from their posts, it will ruin the consistency of policies and compromise the prestige of the ministerial post. It noted that the Prime Minister is determined to continue in power even after the peace treaty goes into effect. "Since no suitable person to replace him can be found, it is gratifying to note his determination. But if he has that determination, he should refrain from leaving important policies to his associates. Instead he should be determined to assume reponsibility for the results."

NIHON KEIZAI considered the reshuffle a "commonplace change in personnel." It said the frequency of cabinet reshuffles no longer refreshes the public feeling nor make the cabinet look any better. "It is now more urgent to strengthen and renew the party's policy than to shake up the cabinet. The Yoshida Cabinet...should not be contented with the current reshuffle." The paper felt that the Liberal Party should adopt the policy of " a right man in the right job" along with the Cabinet shakeup. "Only when these two go together, will a Cabinet reshuffle be of significance."

An ASAHI columnist termed Prime Minister Yoshida a "mass producer of cabinet ministers." Noting that he is looking for competent men, the writer said Yoshida will have to seek a long time before he can find talented men since even a talented man "becomes a bullock before Yoshida." "Even an out-moded machine will work well if it is managed by competent man." The writer felt that Yoshida should carry out a Diet dissolution and a general election.

A MAINICHI columnist termed the reshuffle "reorganization for reorganization's sake." "There is no new significance involved." The writer said the only reason that the Yoshida Cabinet remains in power is because the opposition parties are "powerless and lack aggressiveness."

MISCELLANEOUS

JIJI SHIMPO criticized the Upper House opposition for obstructing the Government revision of the Personnel Strength Law. "The Government was reported to be resolved to punish the bureaucrats who maneuvered through the Upper House. But what has become of these measures? We suspect that the Government has been defeated again in its intention. These Government failures, however, do not justify the action taken by the Upper House." The daily urged the Government to go ahead with its administrative adjustment and personnel reduction plan. "It should be encouraged to be more daring in this move...The Government should be prepared to take a more determined attitude in coping with the Upper House."

TOKYO SHIMBUN criticized the left-wing Socialist Party's new foreign policy. It said it is just as "unrealistic as before." The new policy includes the realization of an overall peace through revision of the peace treaty, denunciation of the security pact, and dissolution of the National Police Reserve." The paper pointed out that no one will object to developing the peace treaty into an overall peace. "But only those prepared to yield unconditionally to a Red 'liberation' in case of an invasion could have advocated the denunciation of the security pact and the dissolution of the NPR." The journal added that a situation where neither the security pact nor the NPR is needed is most desirable. "If leftist Socialists also share in this desire, they must have the flexibility and patience to move toward their ideals step by step through the acceptance and observation of both treaties."

A columnist in the evening YOMIURI said the Soviet Union is responsible for the fact that the Korean armistice is still unsettled.

DAY LABORERS

150 Mob City Office for Year-End Demands: About 50 men and 100 women day laborers affiliated with the All Japan Civil Engineering and Construction Workers Union stormed the Kawasaki city office on 22 December, demanding an interview with the mayor and his deputy to discuss year-end allowances. When the interview was refused, the laborers sat down in the city office. Police ousted them from the building, but several hours later, fortified by 50 more laborers, they came back and with arms interlocked sat down in front of the city office. When the demonstrators refused to disperse, police scuffled with them and arrested six ringleaders. Following the arrest, 50 day laborers marched on the police station and demanded the prisoners' release. Police refused and the crowd soon went home. In the meantime, to gain year-end demands three day laborers of the same union had moved into the vacant lot next to the city office and started a hunger strike on 19 December. Despite the demonstrations by their fellow unionists, they are still continuing their strike. (Mainichi Shimbun, Kanagawa edition, 24 December)

300 Day Laborers Strike in Mayor's Office: After their day's work, 300 day laborers besieged the Ishimaki city office in Miyagi Ken on 22 December, demanding winter and year-end allowances. The mayor met them and made a proposal acted on by the city assembly. The laborers rejected the proposal and began a sitdown strike in the building. The dispute was settled the next morning. (Mainichi Shimbun, Miyagi edition, 24 December)

KOREANS

Koreans Demand Year-End, Relief Allowances: Sixty Koreans trooped to the Shizuoka city office on 20 December, demanding year-end and relief allowances. They asked for an interview with the mayor and his deputy, but instead were met by a welfare department official. After making demands to the welfare section for six hours, they again asked for an interview with the mayor, which was not granted. Although a strained atomosphere prevailed for an hour, police intervened and dispersed the mob. (Mainichi Shimbun, Shizuoka edition, 21 December)

Shiga Koreans Protest Hino Machi Incident: On 19 December, about 40 Koreans, including women and children, of Maibara Machi, Shiga Ken, forced themselves into the National Rural Police station. They protested that the Hino Machi, Shiga Ken, incident was "unlawful oppression." The police force was mobilized, but no incident occurred. (Asahi Shimbun, Osaka edition, 19 December)

Korean Tax Office Rioters Nabbed in Aichi: As a followup to the Handa tax office riot incident, in which 17 Korean ringleaders were arrested on 8 December, three more Koreans were arrested on 17 December in surprise raids in Handa Shi and Kowa Machi in Aichi Ken. They were charged with committing violence, interfering with official duty, and unlawful detention. Two belong to the Handa tax office negotiation struggle committee. (Shin Tokai Shimbun, 18 December)

Koreans Assault Factory Employee in Gifu: Over 30 Korean men and women assembled in front of the Okamoto Bicycle Co at Kodo Machi, Gifu Ken, on 14 December. They ostensibly came to assist the company workers in their year-end struggle, but the Koreans instead distributed handbills to the workers that read: "We Akasaka Koreans oppose the capitalists that are manufacturing shrapnel shells to kill our own people in the fatherland; but we support you in your struggles. Friends, fight to the last." Police arrested three persons distributing the handbills, Since they did not carry foreigner's registration certificates, they were taken to the police station for questioning. Soon after, 15 Korean men and women marched to the police station and forcibly released the three prisoners. Later, the Koreans broke into the bicycle company and beat up a guard, whom they suspected of reporting to the police. Investigation is being carried out. (Gifu Times, 15 December)

MISCELLANEOUS

JCP Publications Seized in Hokkaido Raids: Communist district organs, such as the SHIRYO TSUSHIN, turned up during a police raid on the Communist district committee office and five other places in Asahikawa, Hokkaido, on 19 December. (Mainichi Shimbun, Hokkaido edition, 20 December)

JCP District Official Nabbed for Handbills: Communist MIZUKAMI Terumi, an organizer of the JCP Sapporo district committee, allegedly distributed anti-occupation handbills on 3 November. He was arrested in Heiwaryo on 11 December. (Mainichi Shimbun, Hokkaido edition, 13 December)

RESTRICTED SECURITY INFORMATION

35570

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2025 DATE: 25 Dec 51

Today's Tokyo Newspapers

-NEWS-

Domestic news made a poor showing today. About the only national development to get much play was the Agriculture-Forestry Ministry decision to work for a 1 April decontrol of wheat, rye, and barley. Lead play in nearly all papers went to either foreign news or one-shot features. In the foreign coverage the major stories were tied to the Korean truce talks. The Communist refusal of Gen Ridgway's request to permit Red Cross inspection of POW camps in North Korea generally headed the morning press, while earlier the spotlight focused on reports speculating on the chances of cease-fire by the 27 December deadline.

FOREIGN RELATIONS

Reparations negotiators for Japan and Indonesia set up a subcommittee yesterday to straighten out conflicting interpretations of Article 14 of the peace treaty. Though Japanese officials are not commenting, it is believed that a unified interpretation became necessary when Indonesia claimed far more reparations than the Government had expected. (a)

Government officials believe that reparations tie in closely with the problem of repaying the 1,800,000,000 dollars received in US aid since the end of the war. They say that at the last Dulles-Yoshida talks the Government learned that the US may agree to a long-term redemption plan if Japan starts paying reparations to the Philippines and Indonesia. But if the reparations talks drag on because of excessive claims, it is understood that the money earmarked for reparations will go toward speeding repayment of the US debt. (b)

The Government has received an Indian draft for a bilateral peace treaty. The draft, handed to Prime Minister YOSHIDA Saturday by the chief of the Indian Mission in Japan, outlines terms for reviving normal commercial relations but does not include provisions on territories and reparations. Formal peace negotiations will probably open early next year. (c)

NATIONAL DEFENSE

Prime Minister YOSHIDA is working on a national defense plan without directly consulting many military experts. Former Lt Gen TATSUMI Eiichi, who was military attache in London while Yoshida was ambassador to England, is the probably the only wartime army officer whose advice he may have sought. But the Prime Minister's brain trust, including Chief Cabinet Secretary OKAZAKI and Foreign Vice-minister IGUCHI, has sounded out a number of ex-generals. Yoshida, who was embarrassed by the publicity that followed his conference with former War Minister SHIMOMURA, apparently prefers to avoid direct contact with the military mind. (d)

Organized drives to rush rearmament have emerged. HATTORI Teishiro, former Imperial headquarters colonel and now a section chief in the First Demobilization Bureau, figures prominently in one of them. He heads a group made up of members of the 34th graduating class of the Military Academy. Another group, consisting of National Police Reserve officers, has also become active. (d)

INVESTIGATION

The Lower House Judiciary Committee has sent out an investigating team to obtain firsthand information on the recent Korean demonstrations in Osaka and Shiga Ken. The Korean, ostensibly demonstrating against deportation, clashed with police, leaving casualties on both sides. (b)

(a) Yomiuri Shimbun (AM)
(b) Asahi Shimbun (AM)
(c) Mainichi Shimbun (AM)
(d) Jiji Shimpo

RESTRICTED SECURITY INFORMATION

20408—FEC P&PC—11/51—20M

RESTRICTED SECURITY INFORMATION

NEWS BRIEFS

General Yamada Reported Alive and Well: Gen YAMADA Otozo, commander of the defunct Kwangtung Army, is alive and in good health, according to a Japanese prisoner of war recently released from a Moscow prison camp. KIKUCHI Norimitsu, former leading private in the medical corps, reported that besides Yamada there are three other generals at the 48th Prisoner of War Camp in Moscow. They are Lt Gen KAJITSUKA, Maj Gen KAWASHIMA, and Maj Gen MATSUMURA. Kikuchi, who was captured by Russians at the end of the war, landed in Wakkanai a few days ago with 10 fishermen released with him. (a)

Work Begins on Food Decontrol Legislation: Agriculture-Forestry Minister NEMOTO ordered his aides yesterday to start drafting a bill that would decontrol wheat, rye, and barley on 1 April next year. The ministry secretariat will draw up the required revision of the Food Control Law and send it to the postrecess Diet. (b)

Okazaki Confers with PM on Cabinet Shakeup: Chief Cabinet Secretary OKAZAKI discussed cabinet reshuffle at a conference with Prime Minister YOSHIDA yesterday. But when questioned later, Okazaki refused to give details. (c)

Purge Appeals Committee Opens Deliberation: At its first meeting yesterday the purge appeals committee centered discussion on policy. While no definite conclusion was reached, it seems certain that the committee will eventually adopt a policy of clearing all remaining purgees except wartime army and navy ministers, chiefs of the general staff, and gendarmarie commanders. Already 1,250 of the approximately 18,000 purgees have filed appeals. (c)

Government to Push Export of Good Movies: The Trade-Industry Ministry, spurred by the international success of the Daiei film "Rashomon," has decided to stress movie exports as a means of obtaining foreign currency. Its plan--to take effect next spring--would assure government help for the production of five to 10 top-notch pictures next year. From their royalty the ministry hopes to swell the foreign exchange account by 2,000,000 to 5,000,000 dollars. (d)

(a) Asahi Shimbun (AM)
(b) Yomiuri Shimbun (PM)
(c) Tokyo Shimbun
(d) Asahi Shimbun (PM)

-EDITORIALS-

Economic issues--the fisheries talks with Indonesia, next year's budget, and bankruptcies--were discussed in three papers today. In addition, one writer dealt with the Government policy on administrative streamlining and staple food decontrol, while another commented on the proposed reform of the education board system. Other topics included Prime Minister Churchill's appeal to the British people to lead a life of austerity and the Korean armistice talks.

ECONOMY

JIJI SHIMPO pointed out that restrictions should not be placed on the South Seas fishing since the abundant fishery resources in this area are almost unexploited. Noting that this area is still undeveloped, the paper stressed that the development of marine resources is urgently needed to improve the economy and living conditions of the Asiatic nations. "Improvement in investigation, fishing catches, and distribution organs can be expected only through free competition, not through restrictions. The principle of the freedom of fishing on the high seas should be respected more in the South Seas than in the North Pacific."

The journal continued: "The fishery industry of Japan, which was built up with great efforts to make up for great deficiency in natural resources, is closely connected with the fishing grounds of the south. Especially, Indonesia owes a great deal of its marine industry development to the endeavors of Japanese fishermen. The prospect is great that Japan will contribute in the future to the fisheries of the southern nations with its technique, equipment, knowledge and experience; but to realize this prospect, the Japanese marine industry must be assured the right to fish in the South Seas."

The main object of the present Japan-Indonesia negotiations over fisheries, the paper said, should be to ensure the relationship of mutual existence and prosperity between the two countries in the fisheries field. "For this purpose, it is absolutely necessary in view of the present situation of the South Seas fishing grounds to realize the principle of freedom of fishing on the high seas. Japan should emphasize this point in drawing up a fishery pact with Indonesia, for the pact will serve as a model for future treaties to be concluded with the Philippines, Malaya, Indo-China, China and other Asiatic countries."

RESTRICTED SECURITY INFORMATION

DECLASSIFIED AND RELEASED UNDER SEC. 3(E) AND 3(D) OR (E) KNOW # 779012

TOKYO SHIMBUN attributed the "abstract discussions" regarding the compilation of next year's budget to the fact that peace settlement expenditures are still undecided. The daily observed that various ministries are demanding that their requested expenditures be restored.

It emphasized that the Government must first decide its fundamental policy and attitude toward domestic administrative expense. "Once these expenditures are decided, the framework of the peace settlement expenditures will automatically be fixed. Peace settlement expenditures cannot be decided one-sidedly by Japan alone, but it is obvious that they cannot be decided in accordance with the will of the other party alone...If Lower House members, who ought to be able to view national finance from a broad perspective, become a mere cat's-paw of bureaucrats, ignore the importance of the budget, and only struggle to seize large appropriations for their favorite government offices, the danger exists that peace settlement expenditures may be undermined from within the Government."

NIHON KEIZAI pointed out that economic instability is due to changes in the supply-demand situation, which easily affects production. It said the recent bankruptcies of firms and wholesale dealers stem from the "unfavorable change" in market conditions. The paper saw the need for capital accumulation as a means to help firms on the verge of bankruptcy. "But there has been a tendency so far for capital accumulation to be primarily concerned with fixed capital...Especially, banking circles rendered unfavorable treatment to floating funds, considering them synonymous with speculation. This may have been one of the reasons for the uneven supply of money to smaller enterprises...Although the culling of unhealthy enterprises may be unavoidable to some extent, the important thing is to perfect the capital strength of business firms and make their management sound."

GOVERNMENT

YOMIURI urged the Government to resubmit its two postponed programs--administrative retrenchment and staple food decontrol--in different forms, to the current Diet for deliberation. "These measures...should be embodied in the budget compilation policy so as to insure financial backing. Otherwise, the Government's public promises will be scrapped, thus aggravating the Administration's political responsibility more than ever before." But the daily regretted that this important point apparently is unclarified, as shown by the Government decision on next year's budget policy. It said the basic policy calls for the fundamental reform of administrative structure, but "we are left quite in the dark" as to the concrete contents of the structural simplification. "This apparently will lead everybody to distrust the Government's enthusiasm for administrative streamlining." The journal added that the staple foodstuff decontrol problem is marked by "sad incoherence."

MAINICHI considered the Education Ministry's decision to postpone the projected reform of the education board system "a wise step" in view of the difference of opinion between the Ordinance Review Committee and the Educational System Deliberative Council. Stressing that the aim of the proposed reform is to simplify the administrative setup and economize on expenses, the paper said: "Whether we can foster the board of education system to serve the object in view forms, in a sense, the crucial test of the whole democratized educational system of Japan. We hope that the basic attitude of fostering a new domocratic system of education is established."

MISCELLANEOUS

ASAHI commented on Prime Minister CHURCHILL's appeal to the British people to lead a life of austerity. "He has told the people that economic independence through their own efforts will be necessary if Britain is to play its part well on the international stage; and that since some drastic measures must be taken for this purpose, the people must reconcile themselves to a life of austerity." The journal said if a country wants to follow its own independent course, it must be economically independent. "It is too selfish for a country to want to follow its own course when it is economically dependent on another country. Therefore, economic independence will be absolutely necessary if Japan, which will become a sovereign state when the peace treaty takes effect, wants to contribute to world peace in its own way. We have much to learn from Prime Minister Churchill."

An ASAHI columnist regretted that the Korean war will pass through a second Christmas without an armistice. If the intentions of the Communists remain unknown during January next year, the writer said, there is a possibility that the problem of bombing Manchuria will come into the open. "Unless the Korean war is settled, the Japanese people are, so to speak, living at the foot of a volcano."

DAY WORKERS

Day Worker Union Said Led by JCPers: About half of the 27 day workers union officials in custody in Chiba Ken are suspected of being underground Communists. The 800-member union, traditionally a left-winger, is said to have been absorbed into the Communist camp under its present chief, SERIZAWA Eishi. Serizawa is rumored to be a concealed member of the Chiba Prefectural Communist Committee. The union is under investigation for furnishing information to Communist "Y-bloc" agents in the military espionage case. (Chiba Shimbun, 21 December)

KOREANS

Koreans Block Liquor Confiscation: Two illegal stills and several caches of bottled rice wine were the focuses of a Korean vs tax-official clash in Miyagi Ken over the weekend. The officers located the stills in the barnyards of Japanese-named MATSUURA Shigeo and KURASHIGE Kesoji in Shibata Gun. They laid out the bottled stuff for seizure, intending to haul it off in their truck. At that point a dozen Koreans, women included, formed a cordon around the truck. During the ensuing scuffle, still-operator Kurashige struck one of the revenuers with a shovel. (Mainichi Shimbun, Miyagi edition, 23 December)

Shiga Koreans Storm Municipal Office: An estimated crowd of 300 Koreans put on a winter demand demonstration at the Maibara Machi municipal office, Shiga Ken, on Saturday. They argued for free distribution of rice and charcoal, year-end allowances, and pay hikes for Korean teachers in local Korean grade schools. (Shiga Shimbun, 23 December)

Anti-Deportation Rally Opens in Oita: About 300 Koreans opened an unlicensed anti-deportation rally Saturday in a park in Oita Shi. They ignored dispersal orders. It took a 300-man police squad to clear the park. Four Koreans were arrested on charges of resisting an officer. (Nagasaki Minyu, 22 December)

MISCELLANEOUS

Confessed Red Agent Held in Fukushima: The driver of a lightless car signaled down in Fukushima Ken last week confessed that he was a Communist Party organizer. He identified himself to Nakamura district police on Saturday as SETANI Fusayoshi, former AKAHATA reporter and adviser to the Kami-Tono day workers union, of Taira riot connections. He said that last spring he and another party organizer named KATO took jobs as administrative assistants to the mayor of Kawachi Mura. Using the village office as their headquarters they set up Communist units in the Futaba district power stations. In October he said he transferred to the Aiso district. Setani, allegedly fresh from a meeting with his co-worker Kato when he was stopped by police, was found to be carrying a pamphlet called "Armed Communist Party." (Mainichi Shimbun, Fukushima edition, 24 December)

Kyoto Traffic Tieup Held Red-Incited: The recent city traffic workers strike in Kyoto was Communist-engineered, say police. They report that "10 or more" Communist agitators were behind it. Pickup orders are out for these Communists and for 10 top officers of the traffic workers union. The chain of protest demonstrations by the local day workers union and various unions tied to the National Liaison Council of Government and Public Office Workers Unions on the suppression of the strike, indicates to police that the Communist Party is trying out its "allout struggle" policy. (Osaka Shimbun, 21 December)

Youth Fatherland Front Policy Revealed: In its less than two years of existence the Youth Fatherland Front has developed into a front-line agitation corps. The front is split up into sections--the working youth section, student section, propaganda and education section, culture and sports section, and womens and childrens section--each one acting in its own field as an executive detail. Currently the front is playing cautious policy to guard its legal status. Its program features: 1) petition drives for peace and the outlawing of atomic weapons; 2) opposition to the use of Japan as a US military base; 3) relief drives for the war disabled; 4) fraternization with members of both the police and police reserve forces; 5) campaigns for anti-unemployment measures. (Seinen Shimbun, 16 December)

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MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2024 DATE: 24 Dec 51

Today's Tokyo Newspapers

-NEWS-

Most papers leaned heavily on speculation and special features to fill the top half of their front pages today. Among the Big Three, for example, YOMIURI led with a London Economist commentary on the Korean truce talks; MAINICHI, with a detailed report on the bill to bar redicals from teaching jobs; and ASAHI, with a background piece on impending benefits for families of the war dead. National defense was another topic that touched off a flurry of speculative stories. The best all-around play went to a foreign development--the Churchill radio speech warning the British people of further austerity. It ran first in several evening papers.

NATIONAL DEFENSE

Government leaders are toying with the idea of a defense ministry. They envision a ministry--to be set up in about two years--that will control an army of 15 divisions, a navy of 300,000 gross tons, and an air force of 2,000 planes. They propose to run it on an annual budget of 180,000,000,000 yen, borrowing most of the military equipment from the US. While the main support for the plan comes from former navy officers, some ex-generals have also given it tentative backing. At a recent secret conference with Finance Minister IKEDA and Chief Cabinet Secretary OKAZAKI, former Lt Gen TATSUMI reportedly agreed "in an extremely general way" that a defense ministry is needed. Prime Minister YOSHIDA is understood to be looking for a civilain defense minister who can control the former generals and check the revival of a military clique. He apparently intends to revise the Constitution and build the defense ministry around the expanded National Police Reserve and Maritime Safety Board. (a)

Socialist left-wing leader SUZUKI Mosaburo attacked the Government's defense program. At a news conference in Kyoto on Friday, he predicted the downfall of the Yoshida Cabinet before next November. "There is a strong possibility," he said, "that the rearmament issue--the main stumbling block in the Yoshida-Dulles talks--will deal a fatal blow to the Government, since it will put a huge financial burden on the people. The two-year rearmament plan calling for an army, navy, and air force of 450,000 strong will cost 200,000,000,000 to 300,000,000,000 yen--all of which will have to be newly collected from the people." (b)

The right-wing Socialists, meanwhile, urged the Government to do its best to apply the labor relation laws to Japanese nationals who work for the post-treaty US garrison. Chief Cabinet Secretary Okazaki promised the best Government efforts. (c)

FOREIGN RELATIONS

The Foreign Exchange Control Commission's lowering of the spot purchase rate for pound sterling has brought a sharp protest from the British Government. The protest, filed by the British mission in Japan Saturday, came at a time the FECC is thinking of cutting the rate of future exchange, too. FECC officials, therefore, feel that the Government should urge Britain to reconsider its protest. They argue that the British action forces a "unilateral disadvantage" upon Japan. (d)

The FECC categorically denies British charges that the reduction violates Article 2 of the Anglo-Japanese Payments Agreement (the clause stipulating observation of British-American cross rate). The commission asserts that it took the step to cope with the British decision to broaden the margin of spot exchange rate to two cents both ways from the official $2.80. (d)

(a) Jiji Shimpo
(b) Yomiuri Shimbun (PM)
(c) Asahi Shimbun (AM)
(d) Sangyo Keizai Shimbun

RESTRICTED SECURITY INFORMATION

20408—FEC P&PC—11/51—20M

EDUCATION

The Education Ministry has drafted a bill to bar extremists from teaching posts. To coordinate it with the organizations control bill, ministry officials will clear their plan with Attorney General's Office before sending it to the Diet. Their plan--to go to the postrecess Diet--would protect the schools from persons who have advocated aggression and ultranationalism since the Manchurian war and from those who have formed or taken part in organizations advocating the otherthrow of the Government. (a)

At a conference on Friday, Education Ministry officials decided to sidetrack revision of the Board of Education Law until after the peace treaty goes into effect. In line with this decision they will ask the current Diet to postpone the regular board election for one year. (a)

NEWS BRIEFS

Cabinet Nears Accord on War Victim Relief: After a series of cabinet conferences the Government has neared an agreement on relief for the families of the war dead. The conferees tend to favor the Welfare Ministry draft--a plan that would give the families of enlisted men the same benefits as the families officers. Funds for the project will come from the 1952 budget. (b)

Noda to Seek Restoration of 20% Budget Cut: Construction Minister NODA has resolved to get at least 150,000,000,000 yen for public works in fiscal 1952. At a news conference in Kofu Saturday night, he criticized the Finance Ministry for cutting his budget demands by 20 percent. "We cannot understand the Finance Ministry decision," he said, "since all the projects listed in our estimate for public works are urgently needed." Noda was scheduled to take his restoration demand to the Finance Ministry yesterday. (c)

(a) Mainichi Shimbun (AM) (b) Asahi Shimbun (AM) (c) Sangyo Keizai Shimbun

-EDITORIALS-

Three writers today commented on foreign relations--Japan's rearmament, the proposed US tariff bill regarding the import of frozen tuna, and the Japan-Indonesia reparations talks. International issues--the Korean armistice negotiations, the Soviet resolution denouncing US "aggression," and the Italian peace treaty--drew comment from three others. The rest of the coverage went to the return of the war dead and traffic countermeasures.

FOREIGN RELATIONS

YOMIURI observed that the Government policy on rearmament has been revised somewhat and that "substantial rearmament" will start with the next fiscal year. "Reports on personnel increase of the National Police Reserve, strengthening of equipment, a reserve list system, mass enrollment of ex-soldiers including former staff officers of the Imperial General Headquarters, establishment of a marine defense unit independent of the Maritime Safety Board, and a public security ministry controlling these organs make us feel that part of the NPR and the MSB is changing into a military force. There is also a rumor that about 200 billion yen, including Japan's share of defense costs under the security pact, will be earmarked in the next fiscal budget to finance these plans. The Government deserves censure for having already started rearmament under the pretext of reinforcing the NPR and the MSB, while advocating non-rearmament. It is quite all right to begin rearmament by reinforcing the NPR and strengthening maritime defense if the Government can appropriate 200 billion yen without sacrificing the people's living standard. But in this case, the Government should not start this program without explaining the situation leading to rearmament and obtaining the people's understanding. The recent Government attitude on this issue lacks clarity."

The daily continued: "Prime Minister YOSHIDA may say defense negotiations between Japan and the US...should be left to him alone since he is an experienced diplomat and the details are a diplomatic secret. However, 200 billion yen is a big sum; it means a 10,000-yen tax on each household. Other factors behind Prime Minister Yoshida's vagueness are probably his fear that open rearmament may touch off a controversy on the relation between it and the Constitution, his awareness that the various Pacific nations fear the resurgence of militarism in Japan, and the reparations question. These are good reasons. But the Government should

begin preparations to revise the Constitution now and strive to win the understanding of Pacific nations in cooperation with the US, since there is no denying the fact that rearmament has already started."

ASAHI noted that the US Senate will probably pass a tariff bill on the import of frozen tuna. "If the current attempt to increase the tariff on frozen tuna is realized, our marine products industry will suffer even more than at present...If things develop further in this direction, Japan's future foreign trade will be endangered and a dark shadow will be thrown in the path of our becoming economically self-supporting."

The daily criticized the Government for not taking steps to cope with the situation. "It must be admitted that our country has no right to diplomacy until the peace treaty takes effect. But in view of the fact that the autonomous character of our country has already been recognized in some respects--the authorization to establish overseas agencies, for example--we cannot understand why this problem, which has much to do with the economic self-support of our country, should have been left untouched. We consider it Prime Minister Yoshida's duty to appeal to the US Government or to the US Congress."

A YOMIURI commentator criticized Japanese delegates to the Japan-Indonesia reparations talks for not understanding the Indonesian language. The writer said the Japanese delegates practically ignored Indonesian Chief Delegate DJUANDA's speech, which explained to the Japanese Government the basic attitude of the Indonesian Government toward the reparations and fisheries talks. "All diplomats, who think English and French are almighty, had better start learning the foreign languages of Asia."

INTERNATIONAL

MAINICHI did not expect the Korean truce negotiations to end before 27 December. It said the Communist forces, in speech and action, betray their intention to use every opportunity to entangle the truce talks with politics. The daily believed that the Communists will hold out for political negotiations after the armistice talks. "If such a situation occurs, it will not be easy to settle the truce issue." But since many differences have already been settled, there is some hope for the negotiations to succeed, the paper said. "Even if a truce agreement is not signed by the fixed date, negotiations must continue. Such a step must be adopted to respond to the peace aspiration of the world. We hope that both sides will show patience and will keep up their efforts."

JIJI SHIMPO commented on the Soviet-sponsored resolution to denounce the "aggressive action and intervention into domestic politics of other nations by the US." It said the Soviet charge developed when Hungarian authorities asserted that the US attempted to parachute spies into Hungarian territory and that the attempt was based on aggressive plans under the Mutual Security Law. The daily pointed out that this proves that the Communists will not "permit the other party to use their own tricks." "It is noteworthy that in combatting either direct or indirect aggression, the free nations are obliged to take an offensive-defense attitude only because they are induced to do so by the Communists. If the free world is obliged to borrow Communist tricks sometimes at the sacrifice of its moral sensibility for the purpose of an offensive-defense against Communist aggression, it must be regrettably recognized an as unavoidable self-defense measure."

MAINICHI's second editorial said the revision of the Italian peace treaty to conform with the spirit of the UN Charter "will strengthen greatly the unity of the West European countries." It pointed out that the Soviet Union and its satellite nations opposed the revision. In any case, the paper added: "The military power of the West European community will increase now that Italy has become a member on an equal footing."

MISCELLANEOUS

A YOMIURI columnist stressed that Japan's reconstruction will not begin until the war dead are returned and the war wounded get relief. "A national movement to gather and bury the bones of the war dead and to give allowances to war wounded should be started."

Noting the increasing number of traffic accidents, TOKYO SHIMBUN underscored the need for a new traffic policy. It said an agency to regulate traffic throughout Tokyo should be established. "For example, the capital construction committee could be made responsible for mapping out immediate and long-term traffic plans along with its task of city planning."

GUERRILLA BASE

Red Guerrilla Base Said at Daibosatsu Pass: A mountain guerrilla base for Communist military activities has been secretly established in the Daibosatsu mountain range, near Shinkin Mura, Yamanashi Ken, according to the prefectural headquarters of the National Rural Police. This base is reportedly the "Shoenso" villa, owned by MASUDA Katsutoshi, former head of Ofuji Mura, who is suspected as an underground Communist. The villa, located at Saibosatsu pass, can be reached only by a two-hour hike over steep mountain paths. Although the villa was recently searched by police, no conclusive evidence was found.

Authorities point out that this spot is a valuable base since it is near the Kofu basin food zone and the Santo area, considered the strongest Communist-influenced center in the prefecture and therefore designated as a guerrilla area. The villa is also located near a "back street" leading into Tokyo. In view of the recent Communist launching of military activities and the strategic location of the base, authorities say it ties in with such underground maneuvers as "Operation Tokyo" and "Operation Farm and Mountain Village." It is further claimed that "signal-fire" tactics can be used here since the summit of Daibosatsu commands a good view of the Okutama area and the Chichibu range, while the Tanzawa range can be seen in the distance.

MRP officials give the following four reasons for their belief that Shoenso villa is the base of guerrilla activities: 1) A red mark denoting a base was pencilled in at this spot and also in Okutama and Ohme Shi on a map found in a raid on the home of a Communist leader in Higashi Yamanashi district in October. 2) Among confiscated JCP documents, one--regarded by authorities as a "T" bloc directive--ordered the Higashi Yamanashi District Committee last spring to push activities to turn the area into a base. 3) Forest emancipation drives, regarded as Communist activities, are actively conducted nearby. There are signs that many militant urban workers have infiltrated the area. 4) Secret meetings were believed held at Shoenso villa several times this summer under the pretext of a hiking party. (Mainichi Shimbun PM, 23 December)

CODE BOOK

Latest Communist Party Code Book Seized: The Communist Party underground organizations in Hokkaido are growing more active and skilful. This shows up clearly in a party code book seized recently. Used for maintaining liaison between Tokyo, Tohoku, and Hokkaido, the book is expected to prove valuable in tracking down Communists. The book is called by the code name CHOKIN TSUCHO, and uses phrases instead of numerals or letters for codes. Containing about 1,500 codes, it classifies them into organs, place names, and dates. It is believed this book replaces the one distributed in early September to key men throughout the nation and seized in an October raid. (Mainichi Shimbun AM, 21 December)

MATSUKAWA TRIAL

Chinese Reds Threaten Matsukawa Case Judge: The Communist Chinese People's Relief Association has remitted 3,600,000 yen to the accused and their families in the Matsukawa train derailment case, and Chinese Reds have sent telegrams demanding immediate release of the defendants to Prime Minister YOSHIDA and the trial judge. The 12 November issue of Peiping's PEOPLES DAILY reported: "The Chinese People's Relief Association remitted 10,000 US dollars in September to the Matsukawa case defendants through the Japan Worker-Farmer Relief Association. A letter of thanks was received from that organization." A 27 October issue of the paper reported Chinese railway workers sent telegrams to Prime Minister Yoshida demanding immediate cancellation of charges and immediate release of the accused. The paper reported that on 17 October, the railway workers' union chairman sent a threatening memorandum to the Sendai superior court judge. In addition the paper carried anti-American letters written by several of the trial defendants. (Mainichi Shimbun AM, 24 December)

WFTU Office Urges Fight to Free Defendants: According to a Peiping radio broadcast monitored in Tokyo on 17 December, LIU Ning-i, Chinese member of the Asia-Australia Liaison Bureau Committee of the World Federation of Trade Unions, urged all workers in Asiatic and Pacific nations to demand release of the Matsukawa trial defendants. (Sangyo Keizai Shimbun, 18 December)

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SUMMARY OF JAPANESE PRESS

NO: 2023 DATE: 23 Dec 51

Today's Tokyo Newspapers

-NEWS-

Three developments shared the spotlight in the domestic coverage today--the reparations talks with Indonesia, the nationality talks with Korea, and the launching of a preparatory council for a new political party. In most papers they outplayed foreign dispatches, the best of which were tied to aspects of the Korean cease-fire negotiations, particularly the US proposal to Britain that China be warned that violation of the Korean truce may involve carrying the war across the Manchurian frontier. Evening frontpages also featured the reported rift between the US State and Defense departments over extraterritoriality for the proposed US garrison in Japan.

FOREIGN RELATIONS

Finance Minister IKEDA formally opened reparations and fisheries negotiations with Indonesia yesterday by pledging fulfillment of all treaty obligations. After welcoming the Indonesian delegates, he said: "I believe that the main object of your visit is to negotiate on such problems as reparations and fishing rights. I promise that the Japanese Government will do all it can to execute its treaty-imposed duty." The conference will continue until Thursday, then recess until 5 January. (a)

The Japanese-Korean talks on the status of Korean residents in Japan recessed following a basic agreement on such problems as nationality, permanent residence, and treatment. Negotiators for both countries will consult their respective governments before getting together again on 10 January to whip the agreement into final shape. Under the draft agreement Koreans who have lived in Japan since before the war will lose their Japanese nationality when the peace treaty takes effect. (b) The talks leading to the basic agreement began on 20 October. Japanese and Korean negotiators took more than 30 meetings to get this far. (c)

The Government reported the conclusion of a coal-import contract with India. Under its terms Japan will import 1,150,000 tons of India coal annually at $24.50 a ton. The contract--designed to ease the coal shortage and step up imports from the sterling area--was negotiated by the Government's overseas agency in Calcutta. (d)

The Foreign Ministry has gained Belgian permission to expand the authority of the Brussels overseas agency. It received word from the Belgian Government that the agency--heretofore restricted to trade, census, and property responsibilities--may now undertake diplomatic negotiations. The use of code in cable communications and diplomatic pouches will also be permitted. (e)

POLITICS

The Peoples Democrats laid a tangible foundation for a new political party yesterday. At a rally in the Lower House hall they launched a preparatory council with the backing of the Farmers Cooperative Party, Shinsei Club, Shinjinkai, Isshinkai, and some elements of the Upper House Daiichi Club. The participants formally announced their intention to form a "progressive national party" toeing a line between the Liberals and the Socialists. They set a 2 February inaugural date. But before then the new-party move may falter. Many Peoples Democratic councillors make no secret of their dissatisfaction. They assert that inclusion of the Farmers Cooperatives has swung the movement too far to the left. Later a conflict may arise over the presidency issue. Some observers consider this the greatest threat to unity. (f)

(a) Tokyo Shimbun
(b) Asahi Shimbun (AM)
(c) Yomiuri Shimbun (PM)
(d) Nihon Keizai Shimbun
(e) Yukan Nihon Keizai
(f) Yomiuri Shimbun (AM)

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FOOD DECONTROL

At a ministerial conference tomorrow the Government will begin a full-scale study of the food decontrol problem. Sharp differences are expected to arise between Finance Minister IKEDA, who wants to lift all food controls by 1 Nov 1952, and Agriculture-Forestry Minister NEMOTO and Economic Stabilization Board Director SUDO, who advocate a more cautious approach. Nemoto and Sudo will present their views in a paper entitled "Conditions Necessary for Decontrol of Staple Foods." (a)

Prime Minister YOSHIDA called in a member of the Bank of Japan Policy Board yesterday and talked over the propriety of decontrolling rice, wheat, barley, and rye. (a)

NEWS BRIEFS

Cabinet Schedules Daily Meetings on Budget: The Cabinet will open daily budget conferences tomorrow in an effort to work out a detailed domestic expenditure plan for fiscal 1952 before its regular meeting on Friday. After domestic estimates are straightened out, the Government will probably start negotiating with GHQ on Japan's share of defense expenses. (a)

Tax May Take Half of Oyama's Stalin Prize: OYAMA Ikuo, professor and Diet member, will have to set aside about half of his 9,000,000-yen Stalin Prize for taxes unless the Finance Ministry puts the Russian award in the same exemption category as the Nobel Prize. Tax authorities estimate that with the prize added to his regular income, Oyama will owe the Government about 5,040,000 yen. (b)

Okazaki Flags Down Rebuild-palace Movement: Chief Cabinet Secretary OKAZAKI yesterday undermined the subscription campaign to rebuild the Imperial palace. He told one of its sponsors that the movement was "premature" and advised a temporary halt. He promised to amplify his views in a formal Government statement next week. (c)

(a) Yomiuri Shimbun (AM) (b) Nihon Keizai Shimbun (c) Yomiuri Shimbun (PM)

-EDITORIALS-

The Cabinet's agreement on budget policies for the next fiscal year was the top subject today. Another editorial discussed the problems involved in financing compulsory education. Additional topics were the status of the National Police Reserve and the fisheries agreement concluded with the US and Canada.

BUDGET

Commenting on the Government's principles formulated for the next fiscal year's budget, MAINICHI said: "Even if we have no positive objection to the scale of the budget, totalling about 850 billion yen, the question is the contents. The important thing is how to allot the 850 billion yen for measures accompanying the restoration of peace, measures to increase Japan's economic power, and measures to stabilize the people's livelihood and promote education and culture. Frankly speaking, even if the funds are reduced radically as compared with the current fiscal year, it will be difficult to keep domestic administration expenses, excepting peace settlement expenditures, below 650 billion yen when we include aid to bereaved families. We must confine self-defense and peace settlement expenditures within the 200 billion yen level."

The paper observed that the problem of Japan's self-defense is linked to other factors. "The development of the international situation must be considered the background for self-defense. The Government must never swerve from the line of a balanced budget or lower the people's standard of living." The journal added that production and foreign trade will confront obstacles. "It is evident that expenses related to the restoration of peace in next year's budget will act as an inflationary factor. Meanwhile, Japan cannot soften its anti-inflation measures because of the pressure of the international economy. This will create complications."

NIHON KEIZAI was concerned about the amount of the 1952 budget. "Presumably this is why the new budget compilation policy specifically 'confines the scale of national finance to a limit commensurate with the nation's economic capacity.' What, then, is the concrete amount of that financial scale?" The daily said the Finance Ministry's original plan called for about 850 billion yen. "If such an estimate is made at the outset, it is probable that additions as well as demands for revived items will finally lead to too huge a financial scale for the nation's economic capacity."

The paper felt that the Government should estimate the budget at 800 billion yen, with two billion yen for peace expenses. "That may reasonably be viewed as in keeping with our economic capacity."

JIJI SHIMPO considered the Government's new budget policy "theoretically good." But it wondered how the budget is to be carried out. "As long as the Government's two major policies--rice decontrol and administrative streamlining--remain unsettled, nothing definite can be decided about the budget plan. The one thing we want the Government to observe is that the public finance plan will be limited to a scale that the nation's economic power can afford. When Japan is about to start anew as a sovereign nation, its public finance must be sound."

The paper noted that according to the Finance Ministry's draft budget, the total expenditures for the 1952 fiscal year amount to 843 billion yen, exceeding the current year's total expenditures by nearly 50 billion yen. The expansion of expenditures requires the expansion of revenue, but "we doubt whether any revenue increase can be expected in the forthcoming fiscal year while business is declining," the journal said. "There is room for argument whether a 70 billion yen tax revenue increase can be expected in the 1952 fiscal year when the tax reduction started this year will be continued."

The paper also observed that the Finance Ministry's draft plan shows an increase of 10 billion yen in domestic administration expenses over the current fiscal year's appropriations. "This amount is not intolerably small. With a huge preferential appropriation for peace settlement expenses, the next fiscal year's budget will not balance unless domestic administration expenses are scaled down to the minimum. Even the peace settlement expenses should not exceed the estimated 200 billion yen mark. In fact, the Government should make efforts to reduce this expense if at all possible."

POLICE RESERVE

The Government has frequently stated, in reply to Diet interpellations, that the National Police Reserve is a "reserve force of the police and not an army," TOKYO SHIMBUN said. Nevertheless, according to the paper, "it is generally known that military coloring has gradually been added to its training and equipment." If it is to serve as Japan's defense force, the Government should make this clear in order that the NPR may be strengthened and its training improved.

"Considering the provisions of the Constitution, the economic circumstances, and national sentiment, the rearming of Japan cannot immediately be carried out. However, since Japan has obtained independence, it is only natural for it to increase its power of self-defense. In view of international circumstances and the aim of the US-Japan security pact, this defense program is justified and must be promoted. But as long as the Government does not clarify its policy, it is difficult for the NPR to make a united effort along defense lines.

"With Japan now independent, the Government need not hesitate. Every country in the world tries to increase its defenses. No country will prevent Japan from doing the same."

EDUCATION

ASAHI discussed the problem of the national treasury's part in financing education. Every year, the editorial said, the Finance Ministry and the local finance commission have heated discussions with the Education Ministry on the amount of equalization grants for education expenses, and local boards of education fight the prefectural governors and local assemblies on the issue. "All these difficulties may be attributed to the failure to invest the boards of education with the right to make appropriations. However, there is no room for doubt that the problem is essentially traceable to the fact that there are no adequate funds earmarked for compulsory education, which the Constitution declares is both the duty and the right of the people."

FISHING

A YOMIURI commentator reviewed the fishing agreement concluded by Japan, the US and Canada, calling it a model for high seas fisheries treaties. "A new significance is found in this agreement, in that it respects the principle of freedom on the high seas while attempting to establish conservation measures based upon biological study of fishing resources." The writer hoped that the MacArthur Line would be abolished as soon as possible.

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

ANTI-POLICE

JCP Orders Stronger Counterpolice Activity: The Communist pamphlet "Policeman's Companion," was most recently distributed in the Kyoto district, Yamanishi Ken. Up to 20 December, 80 police substations in the prefecture had received the pamphlet. Prefectural National Rural Police headquarters has started investigating this case as a Communist attempt to wreck the police system. The distribution was in line with a secret directive allegedly drawn up by underground prefectural Communist committeemen. Printed at a secret printshop in Kofu Shi, the directive was distributed to district committees. The directive reportedly said: "To weaken police oppression against Communists, we must strengthen counterpolice action. For this purpose the 'Policeman's Companion' will be printed in large quantities and distributed among lower-ranking policemen to turn them against their superiors. Each district committee shall make a list of policemen at the local police stations and turn it over to the prefectural committee. Each district committee shall set up a lookout committee to defend people from police oppression. Lookout committees will also be established in important towns and villages and other places where police supervision of Communists is especially strict. Action corps will be organized to cope with police forces." (Yomiuri Shimbun, Yamanishi edition, 22 December)

DAY LABORERS

Niigata Day Laborers Protest Year-end Grant: About 800 day laborers in Niigata Shi stormed the city office on 21 December and went on a sitdown strike when their demand for 3,000-yen year-end allowance was met by a 100-yen offer. They threatened to stay there unless their demand was met that day. But police and officials forced them out after an hour of arguing. (Asahi Shimbun AM, Niigata edition, 22 December)

300 Day Laborers Interrupt Assembly Session: On 20 December, 300 day laborers in Hitachi Shi, Ibaraki Ken, quit work and besieged the city office. They broke into the city assembly session and suspended it for over two hours with their demands for year-end allowances. Getting no satisfactory answer, they moved out and marched to the residence of the ailing mayor. But police broke up the mob. (Asahi Shimbun AM, Ibaraki edition, 21 December)

Sapporo Laborers Riot over Picture-taking: Two hundered Sapporo day laborers rioted on 19 December when an unauthorized picture was taken of them as they were waiting for work assignments. They attacked three employment office workers who took part in the picture-taking and a policeman who attempted to quell the riot. Police were called and arrest orders were sent out for Communist OTANI Yutaka and two others suspected ringleaders. (Asahi Shimbun, Hokkaido edition, 20 December)

Laborers Lead Attack on Kyoto Tax Officials: Four day laborers led over 10 "Life Protection Society" members in an assault on the Ukyo prefectural tax office in Kyoto on 13 December. They corralled and beat up three tax officials after telling them: "Tinsmith TAKADA Yoshizo committed suicide on 8 December because you imposed an unreasonable tax on him." They then forced them to sign a document that said: "Taxes that kill will not be levied hereafter." The four day laborers were arrested on 18 December and charged with violence. (Osaka Shimbun, 19 December)

MISCELLANEOUS

Russia Awards Stalin Prize to Dietman Oyama: OYAMA Ikuo, Upper House member, was among six international figures awarded the annual Stalin prize. Every year on 21 December, STALIN's birthday, the Soviet Government makes the awards to persons who distinguish themselves in the fight against war provokers, regardless of nationality, political belief, or religious faith. The winner also receives an honorary certificate, a medal with Premier Stalin's portrait, and 100,000 rubles, which is about 9,000,000 yen. (Tokyo Times, 21 December)

Matsuzaka Fire Victims Given Agitation Bills: Several agitation handbills were posted on 18 December in Matsuzaka Shi, which was hit by two consecutive fires recently. The handbills, signed by the Communist Party, the Korean Organizations Council, and the Mie Prefectural League of Day Laborers, read: "All victims of the disaster! A 300-yen solatium for each person is too small. Let us unite in demanding a 10,000 yen per person." (Hokkoku Shimbun, 19 December)

Supplement to

SUMMARY OF JAPANESE PRESS

Prefectural Newspapers

(Period: 9-15 Dec)

Foreign relations led by a vast statistical majority this week in the 119 scanned papers published outside Tokyo. Comment on the Dulles mission reached a total of 141 editorials. Trailing far behind was the opening of the regular Diet session (39 items). Suddenly renewed interest in "ultra-rightist" organizations captured the attention of 24 writers. The 10th anniversary of the attack on Pearl Harbor received scattered but interesting treatment (15 items).

THE CHINESE PUZZLE AND GUNS VERSUS BUTTER

With the arrival in Japan of Ambassador DULLES and Senators SPARKMAN and SMITH of the Senate Foreign Relations Committee, the prefectural press decided the US was after two pledges from Japan: that it would sign a peace treaty with Nationalist China, and that it would rearm. The first problem seemed far more difficult, as the second was already half-solved by the existence of the National Police Reserve. By the end of the scan period, newspapermen felt that neither was completely settled, but that DULLES had at least put to rest some uneasiness over the relationship between Japan's sovereignty and the security pact.

China and Rearmament: Disparity of Opinion

"SPARKMAN, SMITH and DULLES are interested in two main points," declared a Yokohama paper (a). "They will ask the Japanese to commit themselves to a definite rearmament program and to promise to choose Nationalist China as a peace partner rather than the Peiping government." But there seems to be "a considerable disparity between what the Japanese desire of their political independence and what the Americans seek from Japan." Although Japan has "clearly thrown in its lot with the free world" by ratification of the peace treaty and security pact, "it still has to adjust in many points the contradictions between military requirements and political and economic demands as an independent nation." The writer considered it "unwise, to say the least," for Japan to decide either of the two questions "while the gloomy situation persists in Korea."

Judging from the 11 December press interview of the three Americans, Fukuoka's largest daily (b) concluded that there was no cause for uneasiness in the "flexibility" of the security pact. "But because of the difficult conditions under which we have to attain economic independence, we cannot help worrying about the costs of rearmament and loss of the continental Chinese market." In order for the US wishes to be fulfilled, "it must guarantee us economic aid for our defense power, and its trade policy should make it unnecessary for Japan to depend on China by opening up markets in Southeast Asia, presently so unstable."

Nagoya's leading journal (c) blamed the Japanese Government for not having already worked out clear-cut policies on the two problems. "We greatly regret that Prime Minister YOSHIDA did not present them to the nation as political issues of the most serious kind, asking, through the Diet, for an expression of popular opinion. This neglect has led to our present plight of being forced to forge a decision hastily." The writer called for the Government to set up special committees in the current regular Diet session, and for "ministries concerned" to conduct investigations "so that a Cabinet conference can review all available data, and decide a definite attitude."

The Case for Peking: "Not Unreasonable"

A Kyodo-syndicated article published in Fukushima (d), Maebashi (e), Yamagata (f), Osaka (g), Yokkaichi (h) and Nagano (i) stressed the "extreme difficulty"

(a) Kanagawa Shimbun (circ 84,382), 11 Dec
(b) Nishi Nippon Shimbun (circ 529,919), 12 Dec (AM)
(c) Chubu Nippon Shimbun (circ 960,270), 10 Dec (AM)
(d) Fukushima Minpo (circ 85,473), 12 Dec
(e) Yukan Jomo Shimbun (circ 35,145), 12 Dec
(f) Yamagata Shimbun (circ 77,866), 12 Dec
(g) Osaka Nichinichi Shimbun (circ 140,265), 13 Dec
(h) Yukan Ise (circ 31,150), 13 Dec
(i) Yukan Shimmai (circ 43,043), 14 Dec

of the Chinese recognition problem, and implied that YOSHIDA was showing "no zeal" to answer the US demand for favorable consideration of the Nationalists. "It is of course impossible for Japan to declare that it will not deal with them; it is also doubtful, however, whether we can formally declare that we will ignore the Communists....The historical relationship between Japan and China makes the problem far more difficult than the Americans suppose."

Another Kyodo editorial, reprinted in Miyazaki (j), Hiroshima (k), Tsu (l) and Gifu (m), believed that solution of the question would "make great headway" as a result of the Dulles visit, but believed that recognition of the Nationalists was "unreasonable" in many respects. "Formosa represents only a small part of all China, and everyone thinks it would be extremely difficult for CHIANG to reconquer the mainland. Even those who sympathize with the Nationalists, or have detailed information about the Reds' tyranny, have said that CHIANG's only chance is the outbreak of a third world war, in which the Nationalist army would be given a role in the anti-Communist front in Asia. Does it not foreshadow an abnormal future to make peace with a government that stakes its fate on a war?" The peace treaty allows that Japan shall choose between Peking and Taipeh, but it also stipulates that any separate peace treaties must be consistent with the San Francisco document, and it is "inconceivable" that the Chinese Communists will accept the treaty the USSR refused to sign. The writer pointed out that the dilemma was due to Anglo-American differences. "Britain is fighting Red China in Korea, and at the same time carrying on lucrative trade with it through Hongkong," he said. "This 'practical' diplomacy offers us many lessons; we are apt to be swayed by the rigid thinking that we must choose between one side or the other. We should be as versatile as the British." The easing of Soviet-US friction is a prerequisite for any peace treaty with Red China; "and the prerequisite for this is that the US and Britian should come to terms on the China problem. Let us postpone our decision till then."

"Even apart from the question of international tension, Japan cannot afford to overlook the importance of the Chinese market for purely economic reasons," insisted Osaka's largest local daily (n), which largely disagreed with DULLES on the subject of Chinese trade. The US has warned Japan that its price level is too high in relation to the international one, "but this is because we must impor. coal and iron ore from America, paying high freight charges, and cannot rely on Chinese imports, which would cost only about half as much. It is a threat to our economic cooperation with the US, which is to be carried out on a strictly commercial basis. Are we to be allies or miserable dependents?....And in any case, for the sake of world peace, we cannot remain eternally hostile to such an important neighbor, just because of ideology."

The Case for Taipeh: Is Compromise Possible?

A Nagoya publication (o) called it "exaggerated" and "wishful thinking" to say that resumption of trade with Red China was the only way of survival for Japan's economy. "Nevertheless, we could greatly lower production costs thereby, making our defense strengthening more feasible, and alleviating the burden of the U.S." This "exploitation of the Chinese economy," however, must not be "prejudicial" to either American or UN interests. "Few Japanese want political relations with Peking; few do not want economic ties with Red China. In considering our China policies, we hope economic problems will be clearly distinguished from political ones by our Government."

An Asahigawa commentator (p), however, while admitting the question required "specialized surveys," believed that Japan could become "perfectly independent" of Chinese trade. "Still, it is evident that such trade would promote our economic independence rather than not. Can we compensate for its loss by establishing 'sound economic relations within the bloc of free nations,' as Mr DULLES has suggested? Perhaps." Japan must "sympathize deeply" with American feelings toward Red China because of "our close friendship" for the US. Which China to recognize is "a problem more important than rearmament, as far as our alliance with the US is concerned."

(j) Hyuga Nichinichi Shimbun (circ 45,283), 11 Dec (AM)
(k) Chugoku Shimbun (circ 224,232), 12 Dec (AM)
(l) Ise Shimbun (circ 43,771), 12 Dec
(m) Gifu Times (circ 97,293), 14 Dec
(n) Osaka Shimbun (circ 722,224), 12 Dec
(o) Nagoya Times (circ 126,700), 14 Dec
(p) Hokkai Nichinichi Shimbun (circ 67,320), 14 Dec

Almost the only newspaper to speak out unequivocally in favor of recognizing the Nationalists was a Kumamoto journal (q), which saw "self-interested calculations" behind the view that choice should be postponed for the present, "because it is evidently more profitable to choose Peking, and yet it is impracticable right now." Britain's recognition of Red China "from a practical standpoint" encourages the wait-and-see attitude. The US is "rightly concerned" about this "egoistic" opinion. "It was with the Nationalists we fought; it is with them we must make peace. That their government is now reduced to the status of a local administration unable officially to represent China as a nation constitutes no reason why we can refuse them as partners in the peace. From the viewpoint of international morality, we completely agree with the US that Japan should sincerely accept any bids made by CHIANG. The problem is not one of alternatives; it is an issue completely different from trade with Red China."

Deflation with Dodge; Depression with Dulles?

The main worry about rearmament was likewise an economic one, as typically seen by a prominent Okayama paper (r): "If we rearm hastily, beyond our national power, the original intention, anti-Communist defense, may backfire because of an economic collapse." But as in previous weeks the press recognized the need of some kind of defense power. A Takaoka editor (s) called it "inconceivable" that the US would "force impossible propositions" on Japan, but demanded that the Government "clarify that the Japanese are entertaining no selfish idea of eternally depending on another country's troops....They should manifest their firm resolve to establish a defense army the very instant the time comes when financial and other circumstances allow Japan to do so."

"The slogan is going around in Japan's financial world, 'Sell DODGE and buy DULLES,'" noted a Nagoya business journal (t). "The men who deal in securities think DODGE's last visit here made the market bearish, and they are expecting DULLES to make it bullish." Nevertheless, "if DULLES urges prompt rearmament, it will be a great burden on us, and encourage the inflationary trend....If efforts are made to break the deadlock in our economy by promoting some industries at the expense of others, in the end it will not benefit even those enterprises that ride along with the current."

"Our Diet ratified the two treaties without knowing the contents of the security pact's administrative agreement, but the US Senate will not so readily do so unless Japan's determination to share responsibility in the defense of the free world is confirmed," said a paper published in four cities of Hokkaido (u). "We hope Mr DULLES will pay due attention to the influence his proposals will exert on the psychology of the nation." The writer "not for a moment" denied the necessity of "general strengthening of our self-defense power," but warned how this would be "directly reflected in our living conditions....We cannot be indifferent to a policy that threatens the living standard, just as the security pact in a sense threatens our hardly-won sovereignty."

"A Gradual Increase of Self-Defense Power"

"Like European nations, Japan is bound to have economic trouble with its rearmament; and like them, it must consider the economic bulwark against Communism more important than the military one," opined an influential Osaka business journal (v). Although a large amount of US aid may be necessary for this, "the Government should stop blindly groping for the real intentions of the US." DULLES will not be satisfied if YOSHIDA merely says Japan is presently incapable of rearmament; the Prime Minister must explain how the incapacity can be done away with. "Japan should have clear-cut plans, quite independent of American advice or intentions, on how to develop the self-defense power necessary for a sovereign nation. We cannot remain dependent on the US."

A Toyama (w) was relieved by the 11 December press statement by DULLES to the effect that Japan should take up the rearmament issue after establishing safeguards against internal disorder. "Mr DULLES recognizes well our meager economic strength. It is utterly impossible for us to pay reparations, redeem foreign debts and rearm at the same time." The Japanese, however, "cannot endure to live indefinitely under US protection, because this is no better than being a subject

(q) Kumamoto Nichinichi Shimbun (circ 118,500), 14 Dec
(r) Sanyo Shimbun (circ 214,150), 11 Dec (AM)
(s) Toyama Shimbun (circ 60,864), 9 Dec
(t) Chubu Keizai Shimbun (circ 71,801), 12 Dec
(u) Hokkaido Shimbun (circ 609,644), 9 Dec
(v) Sangyo Keizai Shimbun (circ 580,207), 9 Dec
(w) Kita Nippon Shimbun (circ 101,953), 13 Dec

people....We must eventually defend ourselves."

How this was to be done was quite clear to a Kyodo writer published in Kofu (x), Maebashi (y), Gifu (z) and Morioka (aa). He pointed out that the National Police Reserve, starting its career with carbines, now has machineguns and bazookas and expects tanks and artillery next year (when its budget appropriations will be doubled); and that Attorney-General OHASHI is trying to set up an obligatory reserve call list for NPR members who complete their service. The NPR was originally created to reinforce other police forces: "Now it is outstripping them in growth....Granted that its strengthening is necessary, and does not mean rearmament, it nevertheless has changed its character and taken on duties beyond the scope of the police." Consequently the law that established the NPR must be revised. "The change in the NPR has occurred under existing legal provisions as secretly as a blackmarket deal." The law "conflicts with actual conditions" and is unsuited for the realities."

East and West on the Wheel of Fate

Early in the scan period a Kyodo article reprinted in Tsu (ab), Utsunomiya (ac), Fukushima (ad), Yamagata (ae) and Nagasaki (af) saw in the Dulles visit not so much significance for the China and rearmament problems as for that of Japan's political sovereignty. Disappointed that on their successive visits, neither Vice-President BARKLEY, Joseph DODGE nor Dean RUSK had referred at all to the security pact's administrative agreement, the writer saw little hope that DULLES either would clarify any such dubious points as the location of US bases and the scope of extraterritoriality--"since he says he is coming not to negotiate, but to learn the situation." The Japanese "place great expectations on the restoration of national sovereignty after the peace treaty comes into force. If the situation changes very little from that under the Occupation, there will be great disappointment and resentment." Even if DULLES demands no commitments, "the Government should warn him of this popular attitude."

The 14 December speech by DULLES at Tokyo's Union Club, however, relieved a good many journalists concerning the problem of sovereignty. Hokkaido's four-city paper (ag) called the address "extremely important" because it "explained that sovereignty of a modern state no longer means it can have its own way untrammeled." Japan is equal to any other nation in that it is "subject to no limitation of its capacities, nor to any discriminatory treatment." But it must shoulder the same moral obligations as other countries, and obey the UN. This is the "focal point" of the speech. The words had been "expected," but the writer guessed DULLES put special stress on this point "as a convincing warning to those Japanese who indulge in recollections of the past or empty dreams of the future, and detest the idea of their country being involved in the unpleasant reality of joint guarantee of security." DULLES explained "without hesitation" that Japan as a sovereign nation has a duty to live up to as a member of the free world, and "for the time being" this duty is "cooperation with the US."

To Nagoya's most widely-circulated daily (ah) the important point was that "Mr DULLES emphasized this cooperation in connection with Asia, which arouses great response in our hearts." For Japan and the US to conduct an experiment in human relations to prove that East-West cooperation is possible "completely coincides with our views, which we expressed long before the peace conference, that Japan should become the joining link between Western Europe and free Asia." To have free Asia rise to the defense of the West, it is "not enough to strengthen t' military line from the Aleutians to the Philippines--the US, to ensure cooperation, must promote development of backward nations on a large scale, and especially link Southeast Asia with the Japanese economy." For permanent peace in Asia, and for world peace too, "nothing wiser could be done."

(x) Yamanashi Jiji Shimbun (circ 28,289), 14 Dec
(y) Yukan Jomo Shimbun (circ 35,145), 14 Dec
(z) Tokai Yukan (circ 44,047), 15 Dec
(aa) Yukan Iwate (circ 10,000), 15 Dec
(ab) Ise Shimbun (circ 43,771), 11 Dec
(ac) Shimotsuke Shimbun (circ 42,950), 11 Dec
(ad) Fukushima Minyu (circ 35,500), 12 Dec
(ae) Yamagata Shimbun (circ 77,866), 12 Dec
(af) Nagasaki Minyu (circ 23,147), 13 Dec
(ag) Hokkaido Shimbun (circ 609,644), 14 Dec
(ah) Chubu Nippon Shimbun (circ 960,270), 15 Dec (AM)

DIET CONVENES IN A POLITICAL VACUUM

The 13th Diet opened on schedule on 10 December. Though editorialists still clamored for an early Diet dissolution, they turned to see whether the Government party would rally or whether the Opposition would solidify into a rival power. Realizing the importance of the session, which would greet the rebirth of independent Japan, they called on both sides to legislate wisely, especially on the administrative agreement. Other pending issues were the next budget, the third administrative reform, and labor laws revision.

More Important than the 12th

Okayama readers were reminded (ai) of the significance of the session. "Since the 'ratification' Diet only ended two weeks ago, it appears as if the people as well as the Diet members are still not in the mood for another session. Especially since it will be recessed after discussing just the Potsdam ordinances and several other bills this year, with the rest to be taken up in January, the lackadaisical feeling is more predominant. However, the overall task of this session is not something to be regarded so lightly. It must handle in a limited time all the problems that will arise as the result of the decisions of the previous session. In fact, we must pay even more attention to this session than we did to past ones." But the writer wondered if the political parties were "equal to the task." They must not turn the Diet into "an arena of political struggles," he warned, "or the people will suffer." They must discuss issues "realistically" and produce "definite conclusions understandable to all."

"The biggest tasks are perfection of our peace and adjustment of our self-defense," emphasized a Kyodo article reprinted in Tottori (aj), Kofu (ak), Tsu (al), Fukushima (am) and Maebashi (an). "At present, the Government has adopted a policy of avoiding rearmament and reinforcing the National Police Reserve. The extent and nature of the policy must be decided by the Diet. Moreover, this project will have to be coordinated with the stationing of US troops if our security is to be complete. The decision must be made after considering both the local and the world situation." Strengthening of the NPR will also cost more than 60 billion yen, "twice as much as this year." The Diet must decide on this "serious economic burden from a broad viewpoint."

A Gifu pressman (ao) urged the Government to strive to "dispel all doubts of the people" regarding the administrative agreement, whose "underlying principle" was discussed from various angles in the previous Diet, but its "many facets" were untouched. "In relation to this problem, the people are also greatly interested in the rearmament issue. The Government, as well as the Diet, must not hide anything from the people in the coming discussion." The writer hoped that both the Government, "which should guide the people," and the Opposition, "which should observe and supervise the Government's actions," would realize that the Diet will be taking "the first steps of new Japan" and would act appropriately. "The people are intently watching," he reminded.

Assume Responsibility Despite Dissolution

"The Diet seems to forget its weighty responsibility as the highest organ of state power and as the sole lawmaking organ," complained Osaka's Chinese-owned publication (ap). "The 12th Extraordinary Diet ratified the important peace and security treaties before the people understood them. The Government party trusted to numbers without respecting the right of discussion, while the Opposition, lacking harmony, proved to be feeble....Since the 13th Diet has great significance as the pile driver for independent Japan released from the Occupation, we demand that the Diet perform its duty fully....It must clearly keep in mind that, if discussions are settled merely according to the numerical strength of the participants, not only will Japan's reconstruction as an independent nation be retarded but the people will have regrets forever." Further, that the Government "does not reflect on its successive administrative failures while the Opposition

(ai) Sanyo Shimbun (circ 214,150), 12 Dec (AM)
(aj) Nipponkai Shimbun (circ 31,422), 12 Dec
(ak) Yamanashi Nichinichi Shimbun (circ 40,177), 12 Dec
(al) Ise Shimbun (circ 43,771), 13 Dec
(am) Fukushima Minyu (circ 35,500), 14 Dec
(an) Jomo Shimbun (circ 64,974), 14 Dec
(ao) Gifu Times (circ 97,293), 11 Dec
(ap) Kokusai Shimbun (circ 104,250), 14 Dec

is absorbed in party complications indicates a political vacuum. Unless it is removed, our reconstruction and security cannot be achieved. Here the Diet must realize its special mission to start Japan on the right road to independence."

Fukuoka's prominent daily (aq) hoped that the Government and the Liberals would "act prudently" even if a Diet dissolution seems "inevitable." It pointed out that they have the "responsibility" to remain in power at least till the peace treaty comes into force. "Even after that, if there is no other group strong enough to take over the government reins, the Liberals will probably stay in power." They should consider that they faced difficulties in the Upper House because their policies were "against the people's will." They must "study the trend of public opinion" and seek to "reflect" that trend in their policies.

A Tokushima analyst (ar) also thought that the Diet was "headed for dissolution soon," seeing that the Government was "in a state of lethargy." But much depends on the coming Diet proceedings, he declared. "The fiscal budget, which includes expenditures for self-defense, foreign bond redemption, and reparations will be attacked by the Opposition, just as will the organizations control bill, the general strike prohibition, and control of group demonstrations. It is also doubtful whether the third administrative reform can be carried out successfully ....The Government will not find it easy....The Opposition, on the other hand, is gaining in strength, and the people are looking forward to a change. There is no doubt that if the Government failures are pursued in this session, Diet dissolution will soon become an actual problem."

SIGNS OF RIGHTIST RESURGENCE

At a two-day national conference of top-level prosecutors on 6-7 December, Prosecutor General SATO pointed out that the resurging rightist groups are as dangerous as the reawakening Communist Party. Such groups numbered about 350 before the war, 140 after the purge, and now total over 700 following the purge of Communist leaders and the depurge of wartime chiefs. Prefectural writers appreciated the timeliness of the warning, realizing that the rightists may take advantage of Japan's first days of independence, which may bring political confusion as well as an economic crisis. They were reminded of the rise of Nazi Germany after World War I.

Advantages for the Rightists

Concurring with Prosecutor General SATO, a Kyodo article reprinted in Maebashi (as), Morioka (at) and Aomori (au) found the warning "most significant" at this time. The rightist groups are "waiting to expand" just as soon as the peace treaty goes into effect. They are "plotting to take advantage of the situation in which the stationing of US troops here will raise the question of whether Japan is completely free politically. If the Government and the Diet cannot get full public understanding regarding this situation, they will surely furnish propaganda material for the rightists." Moreover, the nation's economy will "become critical" when the peace treaty comes into force. Stagnant trade, higher prices and bankruptcies are "already conspicuous." In the crisis, the jobless and needy will become "easy prey" for rightist advocacies. Another danger is that "ambitious financiers" and "opportunist politicians" may support these "dictatorial" groups.

Similarly, a Hakodate pressman (av) felt the warning was "noteworthy," since it "pointed to the core of our security problem after recovery of our independence." Security in Occupied Japan has been maintained "by the Occupation Forces through Occupation rules." Both the Communists and the rightists have been "controlled in the name of Occupation regulations." Soon the task will be "entirely up to us." The Communists are now recognized as a legal party, but their Diet representatives show "no respect" for the national body. "They are, in truth, like the top of an iceberg with the main body hidden under the water." The Communists are even said to have formed a military committee "to carry out a violent revolution." On the other hand, the rightists have formed more than 700 groups. "The greatest danger lies in the possible increase in friction

(aq) Nishi Nippon Shimbun (circ 529,919), 14 Dec (AM)
(ar) Tokushima Shimbun (circ 70,912), 13 Dec
(as) Jomo Shimbun (circ 64,974), 10 Dec
(at) Iwate Nippo (circ 74,148), 12 Dec
(au) Too Nippo (circ 112,813), 9 Dec
(av) Hakodate Shimbun (circ 45,325), 9 Dec

between the two extremes. Should the Communists undertake a violent upheaval, the rightists are sure to counter with a corresponding blow. Should the labor unions become overactive, the rightists will not remain silent. And if the Government fails to take appropriate steps to control such excesses, the people will suspect that it has become a Communist tool. The rightists can then move in with full force, with the people likely to accept them. The history of Nazi Germany has already showed that such developments are possible....We trust, however, that democratized Japan will not admit any violent ideologies whatever the circumstances."

"Cannot Remain Indifferent"

Osaka's Chinese-owned publication (aw) also saw "a golden opportunity" for the rightists to come back to the scene. "First of all, the people's feelings for their country has always been used to foster imperialism. In Japan, where the democratic revolution has been enforced from without, there is even greater danger of a rightists' revival. Moreover, when many of the imported rights of the people are now restricted to combat Communism, the rightists have a field day." Economically, too, the "crisis" in the spring will give the rightists many advantages. "But we cannot remain indifferent. The tragedy of the Japanese Empire was by no means brought on by TOJO alone, but invited by the people, who failed to complete the Meiji Restoration. In the present democratic revolution, we must block the rise of rightist influences. To this end, we must seek complete freedom of speech and association and progressive economic policies."

The role of the political parties in checking a rightist revival was emphasized by a Kanazawa observer (ax), who particularly noted Japan's "susceptibility" to extremist influences. "America's basic occupation policy has been and still is to have Japan take a middle-of-the-road course toward democracy without wandering off either to the left or the right. Nevertheless, history indicates that it is inevitable for a nation defeated in a large conflict and forced to give up a large portion of its holdings to turn to the extremes of either left or right ....To act as a brake on these tendencies, political parties still seem to be just the influence needed. If the parties would concentrate a little more on improving and upholding society, it would hardly be possible for these extremist groups to crop up. However, if they are simply engrossed in internecine struggles, selfish pursuits, or interparty conflicts, they will encourage the growth of extremists....Both the Government and Opposition parties are presently striving to win public support in view of the reopening of the Diet and talks of Diet dissolution. But we cannot overlook the fact that the Opposition parties are leaving everything up to the Government and its oppressive principles to control the rightists," the writer concluded.

A DECADE SINCE PEARL HARBOR

Pearl Harbor Day (8 December for Japan) received only passing attention from the prefectural press. Most papers used their feature columns for only a line or two of pithy comment. The national papers and the Kyodo syndicate overlooked this day altogether. In view of the extensive coverage given to the surrender anniversary (15 August), the press and the people evidently much preferred to mark the start of new Japan rather than recall the start of their disastrous venture.

An "Amazing" Change in 10 Years

To a Nagasaki journalist (ay), it was "remarkable that somehow or other we have managed to be alive today 10 years after our planes flew over Pearl Harbor." A Kyoto daily (az) exhorted the nation "on the verge of greeting the spring of independence" to once again recall the "bad dream" of ten years ago. "The catchword 'Remember Pearl Harbor' has been presented to Japan and its people by the US." In the evening edition, the same newspaper (ba) emphasized the "big mistake" made by the nation in having been "blindly led" by the militarists. "Since then we have suffered as the human world has never known."

(aw) Kokusai Shimbun (circ 104,250), 13 Dec
(ax) Hokkoku Shimbun (circ 162,536), 9 Dec
(ay) Yukan Nagasaki Nichinichi (circ 8,770), 9 Dec
(az) Kyoto Shimbun (circ 190,498), 9 Dec (AM)
(ba) Kyoto Shimbun (circ 190,498), 9 Dec (PM)

"We can never forget the tragedy," a Kanazawa writer (bb) declared, but feared that the world was "going to repeat it." Hokkaido's four-city evening journal (bc) also feared the appearance of "another Hiroshima or Nagasaki." In a second editorial in the same edition, it cautioned the people to "take care" not to revive bad habits. "Japan was like a presumptuous youth, conceited over the success it had obtained by imitating others. When the war ended, the US fortunately saw some hope in rejuvenating Japan. With its guidance, Japan has gained a new system and form. However, it is usually difficult to shed bad habits. And once a bad habit is restored, overall retrogression will follow."

Osaka's largest local publication (bd) was "amazed," however, over the quick change in the world situation. "Due to developments in the cold war, the enemies of yesterday are now allies....The US is reappraising the nations of the world. How it will classify Japan will be clarified in the administrative agreement of the security pact." A Matsue analyst (be) noted the "irony of fate" that the US is now installing radar equipment for Japan to provide against "surprise attacks like that of Pearl Harbor."

A Lesson of Hardship

Most pessimistic was Osaka's Chinese-owned journal (bf). It declared: "Ten years have elapsed since Japan attacked Pearl Harbor. Today the US and Japan are united as allies. It would be lucky if our tie with the US does not follow the example of the Anglo-Egyptian alliance in the next ten years."

A Toyama daily (bg) wondered what role former Admiral NOMURA was playing in Japan's rearmament. "To this day, the connection between the US-Japanese negotiations and the attack is not clear. Perhaps it will never be known. However, most of the people seem to agree that if the attack had been postponed a day or two, Japan's fate would have been greatly altered. The navy, which set out in mid-November, is said to have had an understanding that it would turn back if the Nomura negotiations succeeded. Yet, 8 December is said to have been set as the day of attack by the navy after a thorough study of weather and sea conditions....When we consider that the lack of connection between the politicians and the militarists as well as the overpowering strength of the latter led us recklessly into war, we hesitate to accept rearmament. Especially when the same ex-Admiral NOMURA is believed to be one of the chief advocates of rearmament, we feel that there is a large unanswered question in the people's minds."

Hiroshima's only local paper (bh) was chiefly concerned over maintaining the people's livelihood, feeling that the question of "cannons or butter" was pressing again. "According to Economic Stabilization Board figures, the living standard is only 82 percent of the 1932-6 average. The 50 percent increase in production during the Korean war boom has only heightened the difference between the production level and the people's livelihood level. Considering the new fiscal burden arising from the administrative agreement of the security pact, we fear that our livelihood will continue to be difficult....The greatest problem for our Government after regaining independence will be to protect our national life despite the sharp trend towards rearmament. Our politicians must study carefully the lessons learned from our past 10 years of hardship."

(bb) Ishikawa Shimbun (circ 42,730), 9 Dec
(bc) Yukan Hokkaido Shimbun (circ 285,158), 9 Dec
(bd) Osaka Shimbun (circ 722,224), 9 Dec
(be) Yukan Sanin (circ 17,813), 9 Dec
(bf) Kokusai Shimbun (circ 104,250), 9 Dec
(bg) Toyama Shimbun (circ 60,864), 9 Dec
(bh) Chugoku Shimbun (circ 224,232), 9 Dec

RESTRICTED SECURITY INFORMATION

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

Gile

SUMMARY OF JAPANESE PRESS

NO: 2022 DATE: 22 Dec 51

Today's Tokyo Newspapers

-NEWS-

Major domestic stories pivoted on the Cabinet. Its decision on the 1952 budget policy drew the best overall play in the morning press. In the evening papers good coverage went to cabinet debate on the budget policy and to the Yoshida-Masuda conference on a cabinet reshuffle. But these developments generally ran behind the top foreign news--the Ridgway appeal for Communist permission to send a Red Cross inspection team into Red prison camps. A later breaking story--the UN decision to return all islands north of the cease-fire line--headed the foreign coverage in the morning papers. Moscow dispatches reporting the award of the Stalin prize to Waseda University professor Oyama were consistently frontpaged.

CABINET RESHUFFLE

Prime Minister YOSHIDA and Liberal Chief Secretary MASUDA exchanged ideas on a cabinet reshuffle yesterday. When questioned later, Masuda said the reshuffle will not come this year. While setting no definite date, he made it plain that cabinet changes were in the mill. This marked a significant departure from his previous denials of reshuffle rumors. (a)

Yoshida is thinking of revamping his Cabinet for three reasons: 1) the people have tired of the present Liberal regime and feel that it has fulfilled its mission with the signing of the peace treaty; 2) the present Cabinet lacks the drive to carry out the policies needed for an independent Japan; and 3) some ministers, who failed to measure up in the last Diet, have become a political liability. (b)

FOOD DECONTROL

In drawing up the 1952 budget policy yesterday the Cabinet reaffirmed its decision to decontrol rice, wheat, and barley. It scheduled a ministerial conference for Monday to start paving the way for the promised abolition of rice controls on 1 November next year. The heads of the Economic Stabilization Board and the Finance and Agriculture-Forestry ministries will work out the details. They will also shape up a bill to decontrol wheat and barley by 1 June. (c)

At the cabinet meeting all the ministers except two--Finance Minister IKEDA and Agriculture-Forestry Minister NEMOTO--insisted that the Government define its stand on the food decontrol issue before compiling next year's budget. They pointed out that a clearcut staple food policy must precede a decision on price subsidies. Ikeda and Nemoto, remembering the Dodge warning, preferred to sidetrack the decontrol issue. (d)

ADMINISTRATIVE REFORM

Cabinet ministers agreed yesterday to send a bill streamlining the administrative structure to the current Diet. They decided to redraft the 1952 budget if the structural reform bill is passed before the budget. (c)

While agreeing on the need for structural reform, the ministers differed on how far it should go. The cautious group wants to scale down the proposed reform, holding that a hard-boiled policy may be fatal to the Cabinet. (e)

The Government intends to couple the structural reform with another cut in personnel. Prime Minister YOSHIDA, dissatisfied with the emasculated retrenchment bill passed by the last Diet, has ordered the Administrative Management Board to draw up a manpower plan that will actually save money. (f)

(a) Yukan Nihon Keizai
(b) Sangyo Keizai Shimbun
(c) Yomiuri Shimbun (AM)
(d) Yomiuri Shimbun (PM)
(e) Tokyo Shimbun
(f) Jiji Shimpo

RESTRICTED SECURITY INFORMATION

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FINANCE

Prime Minister YOSHIDA has advised the Liberal Party to work for less stringent investigation of bank deposits. His advice--aimed at unfreezing an estimated 100,000,000,000 yen in hoarded funds--was transmitted to Finance Minister IKEDA. (a)

The Bank of Japan note issue has increased sharply since mid-December. Yesterday it reached 458,543,000,000 yen--a new postwar record. (a) On Thursday the number of defaulted bills hit a new daily high of 840. (b)

POLITICS

A preparatory council for a new political party will emerge today under the midwifery of the Peoples Democrats. The council, comprising 90 representatives from various interested parties, will work out a platform within the year. Though the new party will not take definite shape until February, the council will represent it when the Diet reopens in January. (c)

Members of the Worker-Farmer Party talked of teaming up with the left-wing Socialists. "The split of the Socialist Party," said WFP President KURODA, "is a big loss to the progressive camp. To unify the front we are ready to negotiate with the Socialist left." (d)

The Socialist leftists will send KATSUMADA Seiichi to India on 28 December to help set up the Asian Socialist conference. The conference is scheduled for early January in either India or Burma. (b)

NEWS BRIEFS

Goal Set for 8th Shipbuilding Program: The Transportation Ministry yesterday fixed a goal of 400,000 gross tons for next year's shipbuilding program. The eighth shipbuilsing program will evolve in two phases--the first starting in May and the second in October. (d)

Japanese Permitted to Enter Hongkong: The Foreign Ministry has received word from the British embassy that Japanese officials and businessmen may now enter Hongkong. (c)

(a) Yukan Nihon Keizai
(b) Tokyo Shimbun
(c) Nihon Keizai Shimbun
(d) Mainichi Shimbun

-EDITORIALS-

Two papers dealt with taxation problems, with emphasis on the added value tax. One editorial spoke of Japan's "mental lethargy" where reform is concerned, and a columnist raised the question of whether the "US-made" Constitution should be retained. Other subjects were immigration, the need for improving hospital supervision, and Great Britain's new exchange policy.

TAXATION

ASAHI discussed revision of the local tax system, particularly the proposal to postpone enforcement of the added value tax. At first, it was big businesses that opposed this tax, but with their improved circumstances it is not they but smaller independent manufacturers and traders who are against it now. In the journal's opinion, the main question is whether prefectural governments, with their "present incompetent tax-collecting methods," are capable of enforcing the "complicated" new tax law justly and efficiently. "If local tax revision is to be enforced, it will first have to be drastically simplified."

The paper continued: "There is great emphasis on revising taxes, increasing local equalization grants, and floating local bonds, but too little consideration of the need for a sweeping readjustment of bloated local finance and administrative structure. The problem should be tackled with the idea of carrying out administrative readjustment of local autonomies parallel with revision of the tax law."

Despite the "many merits" of the added value tax, NIHON KEIZAI favored postponing it. Like ASAHI, it emphasized the complications involved. It acknowledged that the added value tax provides a more stable revenue than the existing business tax because the tax is determined not by the amount of profit, but by the volume of business transactions. But the major disadvantage of the added value tax is that it is "favorable to prosperous large enterprises and unfavorable to less active smaller enterprises."

"Needless to say, primary importance must be placed on the interest of taxpayers rather than on the advantages for public finance. It is hoped that local governments' investigation of the business tax and the central government's investigation of the income tax will be coordinated. It is a big nuisance for taxpayers to have their financial status investigated by central and local government tax officials independently. The situation will become much more complicated if the added value tax replaces the business tax, in view of the weak taxation structure of local governments."

POSTWAR REFORM

A YOMIURI columnist, speaking of problems that will arise when Japan regains full independence, said, "The first question is what to do with the Constitution. The Japanese people have a vague feeling that the Constitution was something given to them. Mark GAYN's 'Japan Diary,' which clearly exposes this fact, will without question stimulate the will to rescrutinize this hand-out Constitution."

The writer cited paragraphs from the book stating that the Constitution was drafted by officers of Government Section at the direction of Brigadier General WHITNEY, and that when Whitney handed the draft to the Japanese, "their faces looked as though they had been struck by lightning." Another quotation was used which said in effect: "This US-made Constitution was not a bad constitution. The fundamental fault was that it did not emerge naturally from the general masses in Japan. A constitution characterized by deception will never be able to exist for long."

The columnist concluded: "At this time when arguments for constitutional revision are heard in conjunction with the rearmament issue, 'Japan Diary' can be called a cultural atomic bomb to a people who have been pampered under Occupational government."

YOMIURI's editorial deplored the people's "intellectual lethargy," "spiritual stagnation," and drift toward the ways of the past. "In contemplating the past year in the cultural fields, we are deeply impressed by the decline in the nation's postwar enthusiasm for reform. The year strongly suggests a reversion to the Japan of former days. This marks a let-up in the nation's determination and a tendency to follow the easiest path. Negligence of this sort may be a desirable condition for dictatorial politicians, but it is an alarming phenomenon if Japan is to aim, in all sincerity, at building a modern and democratic nation."

IMMIGRATION

TOKYO SHIMBUN stressed the need for study of the population problem, since it is estimated that Japan will have a population of 100,000,000 by 1965. "Some other countries have vast expanses of undeveloped lands with sparse populations. Needless to say, such a situation is unfavorable to the maintenance of peace and prosperity in the free world." In any future plans for immigration, however, Japan should not think merely in terms of getting rid of surplus population, but should try to send "suitable persons to suitable places" and make sure that the immigrants are "welcomed overseas."

MISCELLANEOUS

"In the management of hospitals, the idea of giving first consideration to patients has been emphasized since the end of the war, and new management methods have been adopted in some model hospitals," MAINICHI said. "But it is surprising that more than 50 hospitals attached to universities should be the slowest of all hospitals in improving their management."

Renovation of the management of university hospitals should be emphasized as the first step toward the reorganization of the whole medical treatment system. One of the difficulties, according to the paper, is that universities are under the Education Ministry, while university hospitals are under the jurisdiction of the Welfare Ministry.

JIJI SHIMPO said that the recent British exchange measure is being interpreted in various ways. But it felt that this much is certain--the Conservative government is trying to give some flexibility to the formerly fixed exchange rate and to narrow the difference between the official and blackmarket rates. "However, no one can tell if the exchange blackmarket will disappear or at what level the futures rate will settle."

RAIDS AND ARRESTS

17 Suspected "Agitation Points" Searched: Seventeen suspected Red "agitation points" in the metropolitan area were scoured by police yesterday as a result of leads in documents seized earlier in the week in the military espionage case. One hundred fifty plainclothesmen from the Tokyo To rural police headquarters swooped down on Communist dens in Tachikawa, Fuchu, and four other outlying metropolitan districts. Among the search points were the drugstore of MORIYA Takashi in Tachikawa, one of the Juki Kogyo dormitories in Kitatama Gun, and the home of Kitatama District Communist Committeeman YAUCHI Tadao in Jindai Mura. Druggist Moriya was jailed.

Investigators report that the activities of Communist secret agents in the Santama district have geared up lately under the superintendence of a newly-spawned organ called the "military affairs committee." This organ has allegedly sent secret agents into the military bases of the district in the guise of construction workers, barbers, merchants, and maids. Evidence has also come in that Red rural action corps are reorganizing into partisan units and that railroad sabotage corps are forming. (Sangyo Keizai Shimbun, 22 December)

JCP Instructions Found among Union Papers: Members of the Chiba Prefectural Office Workers Union tried to pressure through year-end demands in the prefectural office in Chiba Shi last Tuesday. They used sitdown tactics. The next day the authorities, charging violation of the ordinance barring government workers from striking, raided 16 union assembly points. These included the union's central struggle headquarters and the homes of top union officials. Among the "secret" documents seized were instructions issued by the Chiba District Communist Committee on how to conduct a "winter offensive." (Mainichi Shimbun, AM, 20 December)

Raids on JCP Paper Handlers in Shikoku: Some Communist Party paper lines were ploughed up on Shikoku this week. The National Rural Police and municipal police made combined raids on 14 suspected paper distributors in Kagawa Ken and 11 in Ehime Ken. (Hugoku Shimbun, 19 December)

JCP CAMPAIGNS

JCP Said Waging Nerve Warfare in Hokkaido: It has been "reliably reported" that a Communist cell conference took place in Sapporo early this month. Allegedly the chief output of the conference was an activities program for the underground "Puscov" team, a counterpolice unit otherwise known as the "A-Bloc." Decisions were given as follows: 1) "Top-level peace and security operatives--those connected with the prosecutors' offices, the NRP, and the Sapporo city police--and their families shall be subjected to war-of-nerve campaigns...conducted by letter and telephone." It shall be alleged that the arrest of Communists and Communist-sympathizers is fascistic oppression...Inflammatory leaflets citing the same charge shall be posted around the operatives' homes." 2) "Threatening letters shall be distributed at high schools attended by the children of leading government officials."

The decisions were seemingly enforced at once. On 8 December public prosecutor SHIONOYA, in charge of an inflammatory handbill case, was the target of a name-calling mob of day laborers. Soon after he began receiving threatening letters. A second anti-authority struggle by day laborers followed up on 14 December. (Mainichi Shimbun, Hokkaido edition, 19 December)

RED THEATRICAL

Communist Troupe Performs at Grade School: Part of the Jiyuza troupe, one of the Communist Party's theatrical units, played Fukushima Ken last week. The actors were scheduled to perform in Odaka Machi, Soma Gun, on 13 December. But failing to get together with the local tax office, they jumped the date. They showed instead at an elementary school elsewhere in the county. Principal ISHIBASHI Jin of the Yawata elementary school in Yawata Mura invited them to put on a play in the school auditorium, and, once having arranged the event, allegedly "half-forced" the elementary students and also the students of the adjoining junior high school to attend. Three thousand or more students saw the play. At the conclusion the two schools came forth with a 4,800-yen gratuity. (Mainichi Shimbun, Fukushima edition, 19 December)

GENERAL HEADQUARTERS
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~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

35216

SUMMARY OF JAPANESE PRESS

NO: 2021 DATE: 21 Dec 51

Today's Tokyo Newspapers

-NEWS-

The morning press went in heavily for domestic speculation. MAINICHI tied its main story to veterans pension; ASAHI,to local tax revision; and YOMIURI, to impending revival of diplomatic relations with Nationalist China. Stories on the budget and the new-party drive were consistently frontpaged. The Masuhara statement on maneuver grounds for the National Police Reserve rated good play in the evening papers. It ran about midpage--behind such foreign items as the Acheson news conference on arms reduction and the Truman warning that the POW list is unverified. But the top story in the evening press was half domestic and half foreign--the departure of State Department Adviser Dulles and his parting statement.

FOREIGN RELATIONS

The Government has decided to work for closer diplomatic ties with Nationalist China. It will probably send a goodwill mission to Formosa early in January--after the Nationalist Government formally ends the state of war with Japan. The mission will open negotiations for an amity pact and a commerce and navigation treaty. (a)

But while aiming for de facto peace with the Nationalists, the Government will take no immediate steps to recognize either the Communists or Nationalists as the legitimate government of China. It wants to defer commitment until it gets a better line on international diplomacy and on conditions within China itself. (b)

The Dulles-Yoshida talks did not go into the details of the proposed administrative agreement to the US-Japan security pact. But in negotiating the agreement the Government intends to cooperate fully with the US, offering land, buildings, and other facilities to the US garrison. Concurrently it will build up domestic defense forces with internal security as the immediate goal. To this end the Government plans to ask the US for arms aid and to submit a bill to the current Diet that would set up a public safety ministry to take overall charge of the National Police Reserve and the Maritime Safety Board. Government officials insist, however, that this is not rearmament. Actual rearmament, they say, will not come until the security pact expires. At that time they will revise the Constitution. (b)

Chief Cabinet Secretary OKAZAKI cited the danger of foreign criticim as the main reason for his objection to the payment of soldiers pensions. "Revival of soldiers pensions," he said, "may adversely affect the reparations talks and Japan's relations with other countries." (c) The Liberal Political Research Committee and the Upper House Welfare Subcommittee are studying a program that would reinstate pensions for some 16,000 veterans over 55 years of age. (d)

ADMINISTRATIVE REFORM

Chief Cabinet Sevretary OKAZAKI yesterday promised to set up a public safety ministry concurrent with the reform of the administrative structure. But he considered it difficult to draw up a final structural reform plan within the year. He also foresaw some trouble in getting GHQ approval. "If part of its original draft is disapproved by quarters concerned," he said, "the Government will have to start with a clean slate." (d)

The original draft calls for paring down of the National Personnel Authority and abolition of the Economic Stabilization Board, Public Utilities Commission, public safety committees, and various other administrative committees. As it stands the plan has little chance of winning the approval of either GHQ or the Upper House. (e)

(a) Yomiuri Shimbun (AM)
(b) Yukan Nihon Keizai
(c) Sangyo Keizai Shimbun
(d) Mainichi Shimbun (AM)
(e) Tokyo Shimbun

20408—FEC P&PC—11/51—20M

POLITICS

The Peoples Democratic drive for a new political party gained momentum yesterday. At a liaison conference the representatives of six interested parties agreed on an inaugural date. If all goes well, the new party will hold its first meeting in early February. (a) Leaders of the Farmers Cooperative Party decided to take part in the new-party preparatory council. The council will begin functioning tomorrow. (b)

At an executive committee meeting the right-wing Socialists scheduled a national convention for 20 and 21 January to straighten out the jurisdictional mixup following the recent party split. (c)

Conferring with the General Council of Trade Unions and other labor organizations, the Socialist left-wingers worked out plans for a spring offensive. They projected nationwide struggles against the Government measures to ban general strikes and control radical organizations. They will also fight for wage hikes and "democratic reform of the administrative structure." (a)

NEWS BRIEFS

Yoshida States Power Development View: Following a meeting with Prime Minister YOSHIDA yesterday, Construction Minister NODA said: "The Prime Minister believes that power source development should be considered from the international standpoint and pushed from the viewpoint of US-Japan economic cooperation. He favors a public corporation for the development agency, but we both agreed to prevent the revival of another Japan Power Generation and Transmission Co." (d)

NPR Desires Use of Maneuver Grounds: Director General MASUHARA of the National Police Reserves said at a press interview yesterday that plans are being considered to share training grounds with American forces or to have some released to the NPR. Some of the places proposed are Aibano, Shiga Ken; Aonogahara, Hyogo Ken; Ojojihara, Miyagi Ken; and Shimamatsu, Hokkaido. Another proposal, he said, is to buy 30 training areas for 4,000,000,000 yen. (b)

Convertible Yen Repeal Law to Come Sat: The Government, acting on the cabinet decision of 19 August, will issue an ordinance tomorrow repealing the Special Deposits Account on 1 January. Balances left in the convertible yen accounts after 31 December will become ordinary yen. (b)

(a) Asahi Shimbun (AM)
(b) Asahi Shimbun (PM)
(c) Jiji Shimpo
(d) Yomiuri Shimbun (PM)

-EDITORIALS-

The Anglo-French conference won major attention. Also in the diplomatic field, a writer pondered Special Envoy Dulles' probable reasons for rejecting the ambassadorship to Japan. Two editorials on labor discussed demands for year-end bonuses and the Mitsukoshi department store strike. The US loan to Japan for cotton purchases, the status of administrative reform, and a criticism of "loan sharks" completed the coverage.

DIPLOMACY

ASAHI believed that the Anglo-French conference will bring about closer cooperation between Britain and France in dealing with their problems in the Middle East and Southeast Asia. But the two countries "apparently did not see eye to eye" on the establishment of a European army. "Great Britain will not join the European army but intends to cooperate from the outside. It is most important for Great Britain to have elasticity in its national defense, as it is responsible for vast areas of the British Commonwealth. This, we think, is the chief cause for Britain's hesitation in joining the European Army, but it is clear from the history of World War I and II that Britain will cooperate in the defense of Western Europe."

JIJI SHIMPO similarly considered Britain's stand due to its policy of giving first priority to Commonwealth nations. The paper also said, however, that since Britain seeks US economic aid, it wants to create a situation that will satisfy US desires for speedy strengthening of Western Europe's defense. Now that Britain --although still declining to participate directly--has pledged its support to the European army and the Schuman plan, the journal believed that it will achieve a favorable reaction in the US.

"Britain's thinking naturally differs from that of the continental countries,"

NIHON KEIZAI observed. "But the question of strengthening the European army cannot be considered solved until Britain definitely takes part. There are questions to be solved also in regard to West Germany's remilitarization. A European army in which Germany does not participate would be more meaningless than one which is not joined by Britain."

Turning to the national scene, a MAINICHI columnist speculated on Special Envoy DULLES' reasons for declining the ambassadorship to Japan. "It may be that Mr Dulles will return to Japan many more times and so does not see the need for being stationed in Japan," the writer commented. "The post of ambassador is an important one. At this time, however, when telephone consultations with the home government can be held and when frequent trips can be made, the role of ambassador may have been reduced in significance."

"Apparently Prime Minister YOSHIDA is planning to avoid, as far as possible, the selection of depurged former diplomats as ambassadors and ministers, and to single out new personalities," he continued. "It cannot be said, however, that there is a galaxy of new diplomats available. Even among those being rumored as candidates there are undesirable persons."

LABOR

The current struggles over year-end allowances differ from those in previous years, according to MAINICHI. There is a wide discrepancy among various industries both in demands and in settlements, with the pulp industry workers coming out on top. In flourishing enterprises, labor increasingly believes it deserves a share of the profits. For this reason, management in many cases is more concerned with the nature of the allowances than with the sum to be paid. The paper believed that management could avert much dissatisfaction by acquainting workers with the financial status of the business.

Reviewing the Mitsukoshi department store strike, YOMIURI thought it was prompted by more than the dispute over reinstatement of union leaders. "For all the workers to go on strike because of an illegal labor act is extremely difficult for a powerful union. The fact that this union, though little experienced in dispute, staged the strike with promptness and resolution seems to indicate a deep underlying cause. Now that the worker's awareness of his rights is mounting, management may justly be called upon to understand and respect the worker's reasonable claims, regardless of practices in stores."

ECONOMY

The 40,000,000 dollar US loan to Japan for the purchase of cotton will contribute much to the Japanese economy, ASAHI said in its second editorial. Since a shortage of dollar funds is predicted, the loan will "make it somewhat easier for the Government to manage its foreign currency." And since the interest--which the cotton spinning industry must pay--is more than two percent less than the present interest burden, the loan is good news for the industry.

"However, the question is how many times the loan will be renewed in the future," the editorial continued. "Ways and means to pay the interest and repay the principal must be found. Thus we cannot merely rejoice over the news. We must facilitate exports to the dollar market and earn more dollars."

The end of the year makes it necessary for many persons to raise money, a YOMIURI evening columnist remarked. "The present slump in the commodity market is due to the fact that people are selling short instead of borrowing money from loan sharks. What is the feeling of financial authorities who have driven finance into such straits?"

ADMINISTRATIVE REFORM

TOKYO SHIMBUN noted that Prime Minister Yoshida reportedly has ordered another administrative reform bill prepared for submission to the current Diet, but it was skeptical of the outcome. In its opinion, the reform move so far has failed for three reasons: 1) the first bill was so watered down that it became a "sham," 2) opposition was "magnified because the bill was founded on deception," and 3) bureaucrats exploited the opposition to prevent reductions within their own ministries. In view of the bureaucrats' determined stand, the paper saw little hope of success for administrative reform, no matter "how loudly the Prime Minister may order it carried out."

KOREANS

Korean Demonstrators Nesting in Shiga Mts: About 200 Koreans bivouacked on the Hino river bank roughly a mile and a quarter east of Hino Machi, Shiga Ken, on Tuesday night. This turned out to be the opening phase of a fluid maneuver. The next night they moved into the mountains of Kitabatake and Zao, posting lookouts "with bamboo spears in hand" at various points in the foothills. What the Koreans were doing up there was not reported. But the Shiga rural police blotter reveals that six of them were arrested yesterday on charges of "resisting police officers, committing violence, and assault and battery." (Mainichi Shimbun, AM, 21 December)

Leftist Front Said Planning To Produce Arms: It has been confirmed that the leftist United Korean Democratic Front convened in Kobe on 12 December. According to the Osaka district rural police, about 160 city and prefectural representatives gathered. Three recently smuggled Korean entrants are believed to have MCd the meeting. Resolutions were reported as follows: 1) "to manufacture small arms at Korean-operated plants, including plants run by South Korean republicans;" 2) "to punish those who disobey directives;" 3) "to start a violent struggle toward the end of January when the alien control ordinance will go into effect, or in February to coincide with the proposed Japanese-Korean conference;" 4) "to reorganize the maritime organizers group so that struggle directives from North Korea can be received in safety." The resolutions were reportedly passed down the line to UKDF units throughout Japan.

In the week after the meeting the Kobe city police uncovered a Korean plot to set the former Kawasaki Seitetsu Fukiai plant on fire. Then came the Korean raids on some South Korean factories in Osaka. The police have decided that both were convention-mapped projects. Their chief worry now is that the front is coordinating plans with rural area partisan groups to block rice quota deliveries. (Nippon Yukan, 19 December)

JCP PUBLICATIONS

Around 600 Communist Papers Issued in Kyushu: "An estimated 600 Communist Party papers are being published in Kyushu. Two hundred are issued in Fukuoka Ken alone." These papers are "preponderantly" weeklies but there is a garnishing of monthlies, semi-monthlies, and semi-weeklies. Almost all are mimeographed. The mean circulation is "between 200 and 300." Taking the minimum figure, this adds up to a sum of 480,000 papers a month.

The Communist regional committee, the seven prefectural committees, and the 48 district committees in Kyushu are each bound to issue "more than two papers," according to party headquarters ruling, and the district and workshop cells "at least one." These papers, like the organs they represent, "are all linked systematically in a pyramidal structure." The top papers are reportedly standardized--"all of them reproduced from stencils distributed by party headquarters." The stencils, it is noted, are "not of Japanese make."

The Red paper system in Kyushu has suffered "only minor damage" from the authorities--"only 67 papers in all have been killed." (Shin Kyushu, 14 December)

MISCELLANEOUS

Three More Reds Jailed in Relief Swindle: The catch of Communists in the Nagano relief swindle totals 18 this morning. Three Communists were picked up yesterday by the rural police on suspicion of fradulently obtaining relief funds. Allegedly they were members of the Shimano book store "ex-employee" clique. (Yomiuri Shimbun, AM, 21 December)

Subversive Papers Seized in Gifu Raids: Over 100 antiwar handbills written in English and addressed to the Occupation forces turned up during late November in Naka Machi, Gifu Ken. An unidentified youth caught posting the bills told police that he had mistaken them for cosmetic ads. Doubting police conducted undercover investigations and on 15 December raided five suspected distributing points. They unearthed "much" documentary evidence and arrested Communist KIMATA Morizo, a Gifu University student believed to be a boss agitator, and an unidentified Communist. (Tokai Yukan, 16 December)

RESTRICTED SECURITY INFORMATION

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2020 DATE: 20 Dec 51

Today's Tokyo Newspapers

-NEWS-

Domestic news headed the morning coverage--the best overall play going to the Government disclosure that Japan has received a 40,000,000-dollar loan from the US Export-Import Bank for raw cotton imports. The announcement was generally coupled with domestic reactions. Two other national stories stood out--Prime Minister Yoshida's assertion that he will neither break up the Cabinet nor dissolve the Diet and the mounting tempo of the new-party drive. The best-played foreign dispatches were linked to the Korean truce talks and the Anglo-French conference in Paris. Foreign news topped the evening press but dropped in the later editions to about midpage.

FOREIGN RELATIONS

The Foreign Ministry revealed yesterday that the US Export-Import Bank has granted Japan a 40,000,000-dollar loan to finance the import of American raw cotton. The official ministry statement termed the loan "significant" and explained why. "In the postwar year," it said, "Japan was able to lay the foundation for economic recovery through GARIOA and other US aid. The present credit, which has been granted on a commercial basis, not only constitutes a step toward Japan's full return to the international economic community, but also will further contribute to the establishment of a self-supporting economy in Japan." (a)

Bank of Japan Governor ICHIMADA, who will sign for the credit, said this proof of US goodwill has given Japan's economy "a significant sense of stability." The loan, borrowed for 15 months at an annual interest rate of 2.75 percent, will be used to import 180,000 bales of US cotton. (b)

Prime Minister YOSHIDA met seven members of the Indonesian reparations delegation yesterday. They conferred on the basic issues of the scheduled talks on reparations and fisheries, with Director WAJIMA of the Asia Affairs Bureau sitting in. (c)

The Prime Minister also met WATANABE Teizo, former president of the Toho Motion Picture Co. They discussed rearmament problems for about an hour. (c)

At another one-hour meeting four Japanese labor leaders laid their defense ideas before Special Envoy DULLES. They pointed out that Japan is moving in a direction that threatens its "peace Constitution" and democracy. (a)

In his conference with Liberal Chief Secretary MASUDA, the Prime Minister said the Government will set aside 10,000,000,000 yen in the 1952 budget to start paying back US loansto Japan. (d)

Four government officials will confer with the US troop commander in the Okinawa area on the future administration of Okinawa and the seven islands north of the 29th parallel recently restored to Japan. They will leave Haneda on Christmas. (e)

ADMINISTRATIVE REFORM

Prime Minister YOSHIDA instructed Administrative Management Board Director HASHIMOTO yesterday to get a structural reform plan ready for the current Diet. Yoshida hopes to rush the plan through the Cabinet without a series of ministerial conferences, as in the case of personnel strength and rice decontrol issues. He will explain the basic reform plan himself and ask for immediate cabinet approval. (f)

The Prime Minister also briefed Liberal Chief Secretary MASUDA on his desire for quick action on administrative reform. He told the Liberal executive to submit the implementing bills to the current Diet. (g)

(a) Asahi Shimbun (AM)
(b) Yomiuri Shimbun (AM)
(c) Tokyo Shimbun
(d) Yomiuri Shimbun (PM)
(e) Jiji Shimpo
(f) Mainichi Shimbun (AM)
(g) Yukan Nihon Keizai

RESTRICTED SECURITY INFORMATION

20408—FEC P&PC—11/51—20M

POLITICS

Prime Minister YOSHIDA emphasized yesterday that he has no intention of breaking up the Cabinet or dissolving the Diet. Underlining the importance of the coming year, he promised to meet new foreign and domestic responsibilities "with renewed determination." The Prime Minister spoke at a luncheon in honor of Upper House members who voted for the peace treaty and security pact. The group, while predominantly Liberal, included some councillors from the Ryokufukai and the Peoples Democratic Party. (a)

The PDP-sponsored drive for a new political party inched ahead. The makeup of the preparatory council was decided yesterday at a meeting attended by leaders of the PDP, Farmers Cooperative Party, Shinsei Club, Daiichi Club, Shinjinkai, and Isshinkai. The three-committee council--to start functioning on Saturday--will have 25 members from the PDP, 20 from the FCP, 20 from the Shinsei Club, 5 from the Shinjinkai, and 10 from other interested groups. (b)

At a Diet caucus the Farmers Cooperatives reaffirmed their decision to make "cooperative socialism" the rallying point of the new party. The majority strongly opposed a compromise with "revised capitalism or any other pro-capitalistic concepts." (b)

NEWS BRIEFS

JCP Spy Network Case Goes to Provost Court: Prosecuting officials have turned over a Communist-linked military espionage case to the Tokyo provost court. After an investigation they concluded that the case--because of its anti-Occupation overtone--should be removed from the jurisdiction of the Japanese courts. The seven suspects, including IIDA Shichizo, a defendant in the Mitaka runaway train case, were arrested on 2 December. (c)

SRC Bars Employees from Exchanging Presents: The State Railway Corp, under fire for corruption, has barred its employees from exchanging year-end gifts either among themselves or with outsiders. It also ruled that no employee shall accept an outside invitation to a year-end party. (c)

(a) Mainichi Shimbun (AM) (b) Yomiuri Shimbun (AM) (c) Asahi Shimbun (PM)

-EDITORIALS-

Three main topics--the economy, the Korean truce talks, and the Japanese motion picture industry--dominated the editorial coverage today, with two writers commenting on each. Economic editorials dealt with reparations and next year's budget. The education system, rearmament, and government corruption rated single comment.

ECONOMY

Commenting on the Indonesia-Japan reparations talks, TOKYO SHIMBUN noted that the Indonesians have expressed their intention to demand only reparations through service. "This fundamental interpretation faithfully complies with the provisions of Article 14 of the peace treaty. This Indonesian attitude is not only just and fair, but indicates full understanding of Japan and the good will of a friendly nation. We are resolved to accept their demands with all sincerity and pay as much reparations as our condition will permit." The daily said the talks with Indonesia is a test case for Japanese reparations negotiations. Although seeing many difficulties ahead in the Indonesian talks, it felt that fundamental understanding reached between the Indonesian and Japanese representatives indicates that the talks will end successfully. "We believe and sincerely hope that the parties concerned will conduct negotiations with the spirit of mutual concession and friendship."

NIHON KEIZAI believed that next year's budget should be set at about 800 billion yen instead of at 850 or 860 billion yen. "There are, in particular, such uncertain factors in next year's budget as post-treaty expenses, and it stands to reason that the budget should be compiled in such a way as to leave a considerable margin...Therefore, if post-treaty expenses are 200 billion yen, expenses for domestic administration must be held down to 600 billion yen, and if peace expenses are 250 billion yen, domestic expenses must be cut to 550 billion yen." The paper noted that both the Government and opposition parties are calling for an increase in public works expenses and local finance equalization grants. "But these should be curtailed to the minimum rather than increased...To curtail domestic expenses as much as possible and to appropriate as much as practicable for post-treaty management is the nation's international obligation."

But the journal continued: "We believe that there is a limit to the curtailment of domestic expenses. It follows, then, that the basic principle for compiling next year's budget should be to maintain the reduced tax rates, hold down the ceiling to 800 billion yen, and to fix the maximum of post-treaty expenses with domestic expenditures cut to the barest minimum."

KOREAN TRUCE TALKS

ASAHI was pleased that the Korean truce talks are progressing toward a compromise, but it regretted the "very slow" tempo. "Realization of the looked for Christmas armistice grows dim. Judging from past developments, there is no hope for all pending problems being solved within the next few days." The paper said that the PW issue is still unsettled and that concrete measures for realizing the truce are deadlocked. "If the truce talks continue to go so slowly, it is likely that the final solution will be postponed until next year...The drawn-out negotiations show how difficult it is to conclude a truce agreement at a time when a final victory cannot be won. At the same time, it is evident that the problem cannot be solved only by the negotiations at Panmonjom. With the complicated world situation as the background, the talks are closely connected with the UN General Assembly now in session in Paris." The daily concluded: "Even if the talks should develop rapidly from now on, it is wise for us to refrain from entertaining too much optimism until the agreement is actually concluded."

While difficulties have been settled one after another, JIJI SHIMPO said, there still remain some questions that can offer pretexts to break up the truce negotiations. "There is no outlook for a final settlement since the Korean war is only a part of the rivalry between the Communist camp and the free nations." The paper advised the Japanese "to pray for the success of an actual truce."

MOVIE INDUSTRY

YOMIURI welcomed the news that "Rashomon," a Japanese movie, was selected as the best foreign picture of 1951 in the US. Noting that "artistic" British and Italian films are threatening American movies, the paper said the selection of "Rashomon" has shown the Japanese movie industry that the "higher the artistic value, the greater the entertainment value." "This was a great lesson to the Japanese movie industry and provided a guide for invading the world market. It appears the Japanese movie undustry, which has been in a state of stagnancy, is now facing a turning point." But the journal urged the industry to change its policy only after drastically reforming the existing structure. "Instead of trying to gain immediate profits with little trouble, it should try to rationalize structures in accordance with future plans."

In a similar vein, MAINICHI said "Rashomon" has raised the position of Japanese filmdom internationally. "We expect that Japan's film industry, stimulated by this fact, will become more ambitious. If the export of Japanese films increases as a result, it will not only brighten Japanese film circles, but will also be good from the viewpoint of acquiring foreign currency and international goodwill." The paper urged the Japanese film industry to recover from its "spiritual as well as material backwardness." "We must use strict judgment in selecting films for export so that the reputation now won by Japanese films may not be lost."

MISCELLANEOUS

TOKYO SHIMBUN stressed that unrest in the educational system rising from financial difficulties "undermines the foundation for national reconstruction." "There is no good reason for rejecting the proposal to rationalize school finance. But it must be considered the secondary problem, subordinated to maintaining the minimum standard of education essential to attain the basic goal of education."

An ASAHI columnist observed that most students support rearmament but do not want to become soldiers. Noting that Upper House Speaker SATO and former Prime Minister ASHIDA strongly advocate rearmament and that Prime Minister YOSHIDA is changing his attitude about rearmament, the writer said they do not clarify the question of "who will actually go to war?" "One eminent man stated, 'If I must put my son into the army, I will go in his place.' There must be many people who feel the same." The writer came up with this proposal: "How about forming an army of soldiers over 40 who were responsible for the last war if the surrounding circumstances necessitate rearmament?"

While noting that the US and Chinese Communist governments are taking steps to wipe out graft, corruption, and bureaucratism, a YOMIURI columnist felt "ashamed that only in Japan are statesmen apparently being pushed around by the bureaucrats."

Supplement to
SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

SPIES

Communist Spy Suspect Arrested in Fukushima: More than 30 important Communist documents were found on a cyclist who was stopped for violating a traffic regulation on 18 December in Nakamura Machi, Fukushima Ken. He at first refused to answer police questions, but later revealed that his name was KISHI Saburo. He gave no fixed address. Investigators believe that Kishi was dispatched about 5 December by Communist Party headquarters to Miyagi, Fukushima, and Ibaraki prefectures with important instructions connected with underground activities and arming of the Communist Party. One of the documents was entitled "Preparatory Directive for Military Activities and the Real Situation." Judging from a Communist roster for the Soma area, documents on armament strength of Occupation forces in the aforementioned three prefectures, and Communist plans to overcome this arms superiority, Kishi is suspected to be an influential member of either the "military affairs committee" or the "Y action corps" (military action corps). (Mainichi Shimbun AM, 20 December)

Iida and Six Others to Face Military Court: Communist IIDA Shichizo, a Mitaka incident suspect, and six others were arrested on 2 December during a secret military conference. On 14 December, exploratory raids were carried out on Communist hideouts in Tokyo, Chiba, Kanagawa, and Saitama, and the results of these raids strengthen the suspicion that Iida and the six others are Communist military spies. Consequently, on 17 December, authorities decided to have them tried by a military court. (Sangyo Keizai Shimbun, 18 December)

1952 THESIS

1952 Thesis Reveals Plan for Armed Violence: The Communist Party's 1952 Thesis reportedly is in the hands of Hyogo and Kobe authorities. Various district National Police Reserve headquarters have confirmed the authenticity of the thesis and they are now conferring on countermeasures for the revolutionary tactics called for in the thesis. It is said the thesis consists of four points: 1) pro-Russian and anti-American policy, 2) overthrow of the Emperor system, 3) farmer-labor unity, and 4) guerrilla activities by farmers.

The call for violence, the constant theme of the thesis, was first translated into action on 3 December when day laborers in Kobe, Amagasaki, and Kyoto demonstrated for year-end allowance in repeated waves. The struggle appears to be spreading throughout the nation. Communist organizers in government offices have begun agitating in response to the party's new policy and campaigns against rice delivery are becoming stronger in villages. The thesis indicates that the year-end struggle will be followed by a strike of the Japan Electric Power Workers Union, which will be timed with the dry season between January and February. This will culminate in a violent revolution after the peace treaty takes effect. (Yukan Fukunichi, 14 December)

MISCELLANEOUS

Chiba Day Laborers Arrested for Disturbance: The Chiba Day Laborers Union has been demanding year-end grants from the city government. On 18 December, 70 delegates trooped to the city office for a reply. Dissatisfied with the deputy mayor's reply, they waited two hours for the return of the mayor and immediately went on a sitdown strike in front of the office upon his arrival. Three hours later, when they ignored orders to disperse, police arrested 27, including four women, and also searched the homes of 13 persons. (Asahi Shimbun, Chiba edition, 19 December)

JCP Contact Man Swallows Paper When Nabbed: Communist ABE Rihei, suspected of distributing the HEIWA TO DOKURITSU, was arrested on 16 December as he got off at the Tachikawa railway station. He immediately swallowed a report on ordinary-looking Japanese paper that was marked "secret." Police learned that he was on his way to deliver the report to tailor ABE Yoshio in the city. From this police learned for the first time that he was a Communist contact man. Police discovered when they searched his dormitory room in Kokubunji the following day that the report was written on paraffin paper. Tailor Abe, nabbed on the 17th, is also being questioned. (Mainichi Shimbun, Tokyo metropolitan edition, 19 December)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

35016

SUMMARY OF JAPANESE PRESS

NO: 2019 DATE: 19 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Churchill-Pleven conference on European defense headed evening coverage today in foreign dispatches, while the domestic lead went to Cabinet discussion of the 1952 budget, with emphasis on Japan's repayment of US economic aid. With the exception of NIHON KEIZAI, which spotlighted the Indonesia-Japan talks on reparations, all morning papers headlined the UN-Communist exchange of POW lists. Political news of the Socialists and the new party movement ran midfold. YOMIURI continued to feature a panel discussion on the "Defense of New Japan," with publicist Baba and former Finance Minister Ishibashi among the participants. They agreed on the necessity of Japanese rearmament.

FOREIGN RELATIONS

Yesterday's conference between Prime Minister YOSHIDA and Ambassador DULLES is probably the last. Because of Dulles' trip to Korea, it is presumed the two men discussed Japanese-Korean relations. (a) Central topic of discussion, however, informed sources say, was the question of which China Japan should recognize. It is believed Yoshida promised to establish de facto diplomatic relations with the Nationalists after the peace treaty goes into effect, and "to observe the behavior" of Peiping. "Complete agreement" was also reached on defense—Japan will strengthen its power "in conformity with its economic recovery," and on reparations—to be chiefly in the form of technical services, with repayment of US aid being given precedence over all else. (b) There was further informal discussion at a dinner given by Yoshida to Dulles, Senators SPARKMAN and SMITH, Mr & Mrs SEBALD, and some Japanese Government officials. (c)

The Indonesian delegates to the reparations talks now going on have agreed to negotiate "in accordance with the provisions of Article 14 of the peace treaty." This is interpreted to mean they accept the principle of taking reparations primarily in the form of technical services. (d)

STATE FINANCE

Budget Bureau Chief KONO yesterday told the Liberal Party's Executive Board that domestic expenses in the 1952 budget are being compiled on a priority basis, with emphasis on power resource development, social security and housing. (e) Other Finance Ministry authorities, however, believe that because of "the framework of peace settlement expenses" there will have to be "drastic cuts" in public works, local equalization grants, and appropriations to the Education, Welfare and Agriculture-Forestry ministries. The trouble is that peace settlement expenses cannot be definitely decided on before next month's visit to Japan by Dean RUSK; but temporary estimates are being made. (c)

The Finance Ministry has been rushing assessment of domestic expenses, and will informally notify all ministries on their appropriations around 20 December. (f) Ikeda yesterday got the Cabinet's "rough approval in principle" on his budget compilation policy, and a formal decision will be made at Friday's Cabinet session. After this, only negotiations with Rusk and GHQ will remain to be carried out before the budget can be presented to the reconvened Diet session in January. Latest estimate of its maximum is 860 billion yen. (e)

It has been decided to include about 10 billion yen in the budget as the first installment in repayment of US aid funds. This figure was reached after consideration of "the grave effect it will have on future reparations payments." Concrete details on interest rates and other terms will be determined by future negotiations with America. Of the total sum of 2,131 million dollars, 1,880 million is to be paid back to the US. (f)

(a) Yomiuri Shimbun (AM) (c) Tokyo Shimbun (e) Yukan Nihon Keizai
(b) Nihon Keizai Shimbun (d) Mainichi Shimbun (AM) (f) Mainichi Shimbun (PM)

20408—FEC P&PC—11/51—20M

POLITICS

The Peoples Democratic Party sponsored a new party formation preliminary meeting yesterday, attended by representatives of the Farmers Cooperative Party, the Shinsei and Daiichi clubs, the Ryokufukai, Shinjinkai, and Isshinkai. The conference approved the FCP's line of cooperative socialism for the new party. But opposition to this was voiced by the pro-Government Upper House PDP faction, which wants to maintain its independence in joining the new party movement. The conference resolved to take care of this problem after formation of the new party. (a) The conference studied the composition of the new party formation preparatory committee, which is scheduled to meet for the first time today. In the meantime, as a move to unify all interested persons in the new party formation from the financial, learned, and ex-bureaucratic circles, as well as the five political groups, six Lower House Democrats met 16 Kinsuikai (renamed the Isshinkai) members composed of former bureaucrats. They named liaison officers to the defunct Home Affairs Ministry group and the former Welfare Ministry group. Other former ministerial groups have also named liaison officers to call on veteran politicians to support the new party. (b).

Leftist Socialist executives at Tuesday's meeting decided on a three-day party convention starting 28 January. They decided policy drafts on party finance, organization, peace and diplomatic campaigns to be introduced at the convention. (c) They also set 10 January for a conference of prefectural federation representatives and March as the date for the first issue of an organ daily, to be published by a joint stock company capitalized at 10,000,000 yen. (d)

NEWS BRIEF

JPEA Against Organizations Control Bill: The Japan Publishers and Editors Association has been studying the Organizations Control Bill which the Government intends to introduce in the current Diet session. A special JPEA research committee has concluded that the bill is "unreasonable," and "likely to bring about Government interference in popular political movements." (e)

(a) Yukan Nihon Keizai
(b) Tokyo Shimbun
(c) Asahi Shimbun (AM)
(d) Yomiuri Shimbun (AM)
(e) Jiji Shimpo

-EDITORIALS-

Economic issues dominated the editorial coverage today. Three papers commented on Britain's relaxation of controls on pound sterling. In addition, one writer discussed US-Japan economic cooperation, while another criticized the Government proposal to establish a power source development company. Other writers dealt with the auxiliary unions of workers' families, the Mitsukoshi Department Store strike, West European defense, and international goodwill through films.

ECONOMY

ASAHI said the relaxation of pound control shows that Britain is determined to maintain the pound rate. It said the new measure will contribute much to the stabilization of the world economy. "But we cannot state positively yet whether it will be able to maintain the pound rate or not. For the time being, however, no direct effect on the yen rate can be conceivable because the possibility of devaluating the pound rate has been denied. If the blackmarket rate goes up in the future and approaches the official rate, we can think of the possibility of a change in Japan's surplus pound holdings. But we cannot say that this has solved all difficulties in our trade with the sterling area."

NIHON KEIZAI said: "We have no means of knowing definitely whether the reopening of the foreign exchange market is merely a matter of technique, or whether it has some other objective. Whatever the case, we should consider that it has no direct bearing upon us. Our pound holdings...have not been affected by it, and we are still faced with the danger of incurring losses by the re-devaluation of sterling. The Government must then negotiate with Britain with a view to accelerate imports from the sterling area, or to pave the way for administrative transfer of pound holdings." The daily said Japan is willing to cooperate with Britain to stabilize the pound sterling. "But we too stand in a difficult economic situation. Hence, our Government must negotiate with Britain with a more definite attitude to revise the Anglo-Japanese payment agreement or to find a smoother way to operate it."

TOKYO SHIMBUN believed that Britain's new measure will not create any problem for Japan if imports are smoothly carried on. "But will it work as expected?

Unless considerable privilege is offered, it will be improper to import from the sterling area where the present value of sterling makes commodity prices higher in terms of yen...It will evidently affect our own industry besides offend British sentiment. Yet, to buy higher priced commodities from the sterling bloc to give advantage to a minority of export industries would mean export subsidies to such industries through taxation. It would be more reasonable to impose an export tax with a view to appropriating it for import subsidies." The journal noted that Britain promised to hold a regulatory conference whenever Japan was faced with such problems as the present pound surplus. "Is Japan calling Britain's attention to the present sterling surplus situation and getting a satisfactory reply from Britain?" Pointing out that the last time the pound was devalued, Japan sustained a heavy loss, the daily said: "We do not wish to repeat the injury. The Government should act more positively in the matter."

JIJI SHIMPO observed that the US-Japan economic cooperation has not made much progress. "However, the situation now is such that a lukewarm attitude cannot be permitted. At this time, it is necessary to do away with the old idea of looking to our own interests and help strengthen the defense of free nations." But the paper said Japan, which does not have a lot of reserve strength in basic production conditions such as power and coal, may not be able to contribute much toward US-Japan economic cooperation. "As a result, control of the use of materials should at least be put into practice as in the case of other countries. Also a life of austerity may be demanded to a certain extent...It behooves us to renew our determination to render whole-hearted services for the projected economic cooperation."

YOMIURI criticized the Government proposal to establish a power source development company. "We fail to understand why the Government is planning to establish such a company at a time when government officials' scandals are prevailing without working out any measure to prevent political and bureaucratic corruption." Pointing out that the Japan Electric Power Generation and Transmission Co was liquidated because of its "monopolizing power and bureaucratic incompetence," the daily said the new company may not be as monopolistic because private power companies can do development work side by side with the new organization. "But it is actually monopolizing although in a somewhat different sense...Under the present Japanese situation, it is far more advisable for the Government to supply money to civilian companies and put them under strict government supervision."

MISCELLANEOUS

ASAHI's evening editorial agreed with the General Council of Trade Unions' plan to form "auxiliary unions of members' families." It emphasized that the cooperation of union members' families is necessary for the union movement. The paper urged the families to understand their fathers' and husbands' work and to cooperate with them. "It will not only strengthen the unity of union members and heighten their lives, but also enlarge the social standing of all workers."

A YOMIURI columnist was concerned about the Mitsukoshi Department Store strike. He attributed the dispute to the managers' lack of "labor sense." "The characteristic of Japan's department store enterprise lies in the fact that it has been maintained by the feudalistic virtue of the so-called 'familyism' in which no confrontation whatsoever existed between labor and management and the employees did not grudge hard labor for the sake of the proprietors." The writer said this type of management is no longer practical. "If the managers face the present situation with antiquated ideas without tackling the matter with a modern labor sense, there is danger of producing a break through which dangerous destructive leftists might enter. This is our worry."

MAINICHI observed that very little headway is being made by the projected European army program calling for West Germany's participation. The daily did not think it advisable to force rearmament on West Germany merely because of the West European defense. "At the same time, there is a voice rising in France, Germany, and other countries to seek the withdrawal of US armies from Europe, while Britain, in fear of Soviet attack, is hoping for American garrisons to stay. America, however, is actually waiting for Europe to get on its own feet militarily as early as possible and thus save America the burden of garrisoning its troops. This is a stumbling block to the establishment of the West European defense setup. It is a situation most desirable to the Soviet Union."

Pointing out that "Rashomon," a Japanese movie, was considered the best foreign movie shown in the US in 1951, an ASAHI columnist was glad to see that a "foothold was established for Japanese movies in the foreign market."

KOREANS

Korean Leaguers Demonstrate in Shiga Town: About 50 Koreans on bicycles paraded in Hino Machi, Shiga Ken, yesterday afternoon in the cause of "absolute opposition to Korean deportation." They were identified as members of the Koto district committee of the former Korean League. The demonstration wound up in a Korean vs police clash. The injured totaled 22--21 policemen and one Korean. The latter was grazed by a bullet. (Asahi Shimbun, AM, 19 December)

Koreans Demand Advances on Relief Checks: In Kanagawa, Monday, about 30 Koreans pushed into the Isurumi welfare office and tried to force through demands for a one-month advance of relief funds. The office chief decided to let them draw one-third of their January checks on Christmas. (Asahi Shimbun, Kanagawa edition, 18 December)

JCP POLICY

JCP Plans for "Operation Tokyo" Bared: Following the Fifth National Conference in October the Japan Communist Party stepped up sabotage activities in "important factories" in the delta area of Tokyo and in the Sagamihara district of Kanagawa. Recently it widened the focus to include US military bases at Yokota and Tachikawa and "vital" transportation lines. This "anti-Tokyo action" of the JCP is expected to speed up from here on. Police report that the spade work for the action is "about completed."

The chief objectives of the JCP consist of "blocking military transportation, sabotaging munitions production, spying, and organizing partisan corps--the new name it has given to its factory and rural action corps." It is said that in the Sagamihara district and Tanzawa valley of Kanagawa the party is expanding activities through the Worker-Farmer League.

At its Fourth National Conference last spring the party issued its first edict for "racial liberation war." "An armed struggle by the people will be necessary," it said, "to drive out the US forces and overthrow all terroristic agencies of suppression...A revolution must be realized through a racial liberation war...fought by workers through general strikes and armed rebellions..." These ideas were "improved upon" in the new principles adopted by the Fifth National Convention and action blueprints were distributed among the party members. The blueprints "stressed the need for arming the JCP and paralyzing the functions of the US forces." The military objectives were given as follows: "to assault enemy units and traitors and to attack, destroy, and blow up military bases, factories, warehouses, transportation facilities, rolling stock, etc., and to employ every conceivable means to overthrow the occupation system." (Asahi Shimbun, AM, 17 December)

MISCELLANEOUS

"Unionists" and "Clubwomen" Mob City Hall: Twenty or more people styling themselves day worker unionists and Korean delegates of the Democratic Womens Club ganged up at the Yokosuka city office on 14 December for a year-end demand session. Set on getting individual hearings on the issue, they tried to break into the office of the construction department chief. The chief refused to see them, whereupon they "kangarooed" the office workers and then pulled a sitdown. The construction chief finally agreed to talk with five of them. Police cleared the rest from the building. Out on the street they gave agitation speeches. One of them, a Yokohama Communist named SUGIYAMA Sumi was jailed for resisting an officer. (Yomiuri Shimbun, Kanagawa edition, 15 December)

Subversive Documents Seized in Yonago Shi: Communists of Yonago Shi, Tottori Ken, were the targets last week of a city-wide police crackdown. Early in the week an anti-US handbill campaign broke out in the city. A JCP prefectural committeeman was arrested. Deciding that the campaign was a Red-ring job, the police staged simultaneous raids Friday morning on "20-odd" Communist homes and haunts. They uncovered "a large quantity" of documents and made five arrests--all Communists. (Chugoku Shimbun, 14 December)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

34942

SUMMARY OF JAPANESE PRESS

NO: 2018 DATE: 18 Dec 51

Today's Tokyo Newspapers

-NEWS-

Ambassador Dulles and Australian Prime Minister Menzies won best all-around play in the evening press, with their articles on Pacific collective security appearing in the current issue of Foreign Affairs Quarterly, while ESB Director-General Sudo captured the domestic spotlight with his press interview in Osaka on the 1952 budget and Government plans to form export control associations. The Indonesia-Japan reparations talks got only minor coverage, but came into their own in the morning papers, winning major headlines in both YOMIURI and MAINICHI. ASAHI alone, however, gave a detailed treatment of the PDP-supported movement for a new political party.

POLITICS

Yesterday noon Farmers Cooperative Party Secretary-General NAKAMURA was told by Chief Secretary MIKI of the Peoples Democratic Party and representatives of the Shinsei and Daiichi clubs that the PDP-sponsored new party would "adopt concrete agricultural policies, and others based on cooperative socialism." The FCP will participate fully in the movement if the PDP does follow this line. (a) The FCP demand for a party "based on cooperative socialism and the organized support of farmers, fishermen and small business" is interpreted largely as not necessarily implying an inflexible attitude on these two points, but rather as a demand for a leftist platform. Since the new party's first aim is to oppose the Liberals, the FCP hopes to eliminate such "coalitionist elements" as the presently recalcitrant Upper House PDP Dietmen. (b)

The PDP Supreme Committee has decided not to consider their Upper House Dietmen's proposal to amend party regulations "until the new party is established." The Councillors are thus temporarily thwarted in their efforts to get more independence of action. All PDP Dietmen yesterday attended a meeting of the party's Executive Board, at which it was decided to hold a final joint conference of Opposition parties today "for unification of the new political power." PDP members of the preparatory committee will be chosen tomorrow, and the committee itself will be set up on Thursday. (a)

NATIONAL ECONOMY

Economic Stabilization Board Director-General SUDO told the press in Osaka yesterday that in the 1952 budget, soon to be presented to the Diet, domestic expenses, with the exception of certain public works such as power resource development, would "necessarily" be curtailed in favor of peace treaty expenses. Sudo believes, however, that "enterprise rationalization" subsidies will not be curbed, and that the budget can be kept under the 850-billion-yen mark. Sudo does not like the idea of cutting domestic expenses, nor does Finance Minister IKEDA. (c) The Liberal Party's Executive Committee too is opposed to it. (b) Sudo also thought that the school lunch system, another "domestic expense," could be maintained even after April next year. (d)

Sudo said the ESB and Trade-Industry Ministry, "with a view to adjusting exports on a rational basis," will introduce to the regular session of the Diet a bill for the organization of "export cooperative societies." This bill will be made a special exception to the Anti-Monopoly and Trade Association laws, which prohibits forming such organizations. These export control bodies "will exercise voluntary adjustment" so that exports to the sterling area will be checked and those to the dollar area increased. (c) Meanwhile, a liaison conference of the Finance Ministry, the Bank of Japan and the Foreign Exchange Control Commission yesterday confirmed Ikeda's first recommendation that no immediate measures were necessary to cope with Britain's easing of controls on the pound sterling. (e)

(a) Asahi Shimbun (AM)
(b) Tokyo Shimbun
(c) Yukan Nihon Keizai
(d) Mainichi Shimbun (PM)
(e) Nihon Keizai Shimbun

20408—FEC P&PC—11/51—20M

FOREIGN RELATIONS

Both sides "are eager to reach an early conclusion," but at yesterday's session of the Indonesia-Japan reparations talks it became clear that each side was hoping to get the other to commit itself first to a specific figure. The negotiations are expected to affect Indonesian politics to no small degree, as well as Indonesia's ratification of the peace treaty. To the Japanese, the most important point is that they must readjust the demands of other claimant nations so that all get equal treatment. (a)

The government has decided on the following basic policy to be observed in the talks: (1) reparations must not affect Japan's economic independence; (2) they should not cut into Japan's share of defense expenditures; (3) emphasis will be placed on reparations in the form of technical aid. (a)

NEWS BRIEFS

Four Large Metropolitan Unions Go on Strike: The municipal labor unions of Osaka, Kobe, Kyoto and Yokohama yesterday "resorted to force" in a "joint struggle" for wage hikes and year-end bonuses. Measures included 40 percent absenteeism, and reduction in water supply and transportation facilities. (b)

Bank of Japan Note Issue Hits Record High: Bank of Japan note issue last week reached the mark of 446,019 million yen, which is the highest recorded this year, and 23,956 million over the amount at the end of last year. This rise is attributed mainly to the increase in demands for cash for the payment of wages and special allowances. (c)

PUC to Allow Decorative Lighting for New Year: The Public Utilities Commission announced yesterday that restrictions will be lifted on the lighting of neon and advertising signs and "other decorative illumination" during the period from 20 December to 7 January. This has been made possible because the power supply has become more favorable since November. (d)

(a) Jiji Shimpo
(b) Nippon Yukan
(c) Yukan Nihon Keizai
(d) Mainichi Shimbun (PM)

-EDITORIALS-

Three editorials today commented on Japan's reparations negotiations with Indonesia. In addition, one writer discussed Britain's relaxation of pound controls, while three others dealt with national defense. Other topics included the Korean armistice negotiations, visual education, and Japan's biggest news events of the year.

REPARATIONS

MAINICHI noted that reparations negotiations with the Philippines and Indonesia are finally about to begin. "What basic policy the Government has for conducting the negotiations is not yet known. But inasmuch as reparations will have to be paid out of the Japanese people's taxes, we hope that the negotiations will satisfy the other parties as far as possible and an agreement will be speedily reached."

The paper said the most important problem is how to find the total amount of reparations Japan can afford to pay with sincerity. "We believe that the maintenance of the present living standard of the Japanese people should be considered as the basic principle...If reparations claims that may lower the Japanese people's standard of living are accepted, the Government will not be able to assure that the political unrest that may arise will not be against the better interests of claimant nations." Second, it emphasized that the amount of reparations must be fixed in consideration of the financial burden placed on by other international obligations. "Third, the term of reparations payment should be shortened as much as possible." The journal concluded: "We want to pay the amount of reparations we accept in good faith. It is for this reason that we consider the three points as vital in accurately estimating Japan's capacity to pay reparations."

Similarly, NIHON KEIZAI said: "We have no intention of bilking on 'war bills' since we are fully aware of our guilt. The issue, however, lies not in the will but in the ability. Japan does not have the capabilities to pay reparations as recognized in the peace treaty." The daily pointed out that reparations are to be

paid by "making services available." "This is one of the reasons why the present peace settlement is called a 'peace of reconciliation.' If Japan were to meet all reparation claims without alterations, bankruptcy would be inevitable...From a long-range viewpoint, it is not merely beneficial to Japan itself but also in the interests of Asia's stability as well as of world peace to place Japan on its own economic feet, instead of driving it to ruin through strict collection of reparations." Accordingly, the journal added: "Toward reparation claims which we believe we are incapable of paying it is rather a conscientious attitude to be positive in declaring our inability to comply with them...Therefore, it is necessary to conclude such arrangements as to maintain good relations permanently even if the arrangements should cause an unpleasant feeling for the time being."

Pointing out that Indonesia is reportedly claiming reparations amounting to 25,000,000,000 guilders or 2,360,000,000,000 yen--nearly the total annual income of Japan, JIJI SHIMPO said Japan cannot possibly meet the total reparations claimed by nearly a dozen countries. "Therefore, it may become necessary to convene an international reparations conference to determine the total reparations and make allocations out of the sum decided. For this reason, we cannot expect any definite results from the current reparations talks with Indonesia...But we must hold firm to the belief that we can establish friendly relations with Indonesia."

POUND ISSUE

YOMIURI considered Britain's relaxation of pound controls "noteworthy" since it eliminates the rumors of pound devaluation. It noted that some people believe that the new step will bring about free dollar-pound sterling exchange and that the pound credit on the money market will be recovered. "This will be favorable for Japan to cope with the situation following the abolition of the dollar clause in the British-Japanese payment agreement. But in view of the possible decline in the value of pound sterling, difficult problems of disposing the ever-growing surplus pound holdings and of revising the payment agreement are sure to come to the fore. Even if the official exchange rate is maintained, we should keep vigilant watch on the pound fluctuation."

NATIONAL DEFENSE

A NIHON KEIZAI commentator observed that Ambassador DULLES' present mission is to solve such problems as Japan's reparations, rearmament, the administrative agreement for the security pact, and the choice of Chinese governments. "I, as a Japanese, desire that Mr Dulles resolutely deal with these problems on the basis of reason."

A MAINICHI columnist said it will not be easy to dissipate the feeling of uneasiness of the Japanese people regarding the US-Japan security pact. Although Mr Dulles emphasized that the US alone has the military power to shield Japan, the writer believed that the Japanese may have felt more relieved to hear the recent chief of the US Defense Mobilization Board's statement that the possibility of war has declined from 60 to 50 percent because the US has become stronger. "The Japanese people depend above all things on the efforts of the US as a power to prevent a war."

Referring to an article in Colliers magazine on "World War III," a columnist in the evening YOMIURI saw the need for Japan to take immediate defense measures. The writer said the article refers to a Japanese PW army invading Hokkaido, aided by Communist armies.

MISCELLANEOUS

TOKYO SHIMBUN observed that the Korean truce talks are now at a "very delicate stage." "This is because both the truce supervision issue and the prisoner-of-war problem contain the possibility of departing from a purely military character to take on a political tinge." The daily said: "If the armistice negotiations prove abortive because of these two problems, the world will become more distrustful of the Communist nations. The Communists should bear this well in mind."

ASAHI welcomed the use of 16mm films for education. But it said the "blindspot on visual education lies in the lack of school facilities to show educational films." The journal urged towns and villages, schools and parents to combine their force to build up school facilities systematically and to advance visual education gradually.

A TOKYO SHIMBUN columnist noted that the biggest events of Japan for the year, which were selected on the basis of a public opinion poll, included the signing of the peace treaty, Gen MacARTHUR's dismissal, and the death of the Empress Dowager. "It is clear proof that the people have begun to regain their mental stability."

Supplement to
SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

PUBLICATION RAIDS

Communist Paper Route Raided by Police: One of the Communist Party's undercover paper lines was severed by police yesterday. On a tip-off from a Tokyo University student, police cleaned out the university economics department cell, the home of Tachikawa Communist Committeeman TAKANO Yu, and six other alleged paper distributing points. They uncovered batches of the HEIWA TO DOKURITSU and the KENKOHO. The tipster was a student named ABE in jail for violating Government Ordinance No 325. (Sangyo Keizai Shimbun, 18 December)

Red Printing Shops Uncovered in Muroran: Two mimeograph machines and "several hundred" copies of contraband papers, including the Communist Party's GANEN and KENKOHO, were unearthed in Muroran over the weekend. Police hauled them out of the homes of a steel worker and two day laborers. Allegedly these homes were being used as Communist printing stations. (Asahi Shimbun, Hokkaido edition, 16 December)

KOREANS

Korean Mobs Raid Korean-Operated Plants: Gangs of Koreans belonging to the Fatherland Defense League and the United Korean Racial Front raided four Korean-operated special procurement plants in Osaka Sunday. About 300 Koreans in all took part. The raids were carried out "systematically," the police having been decoyed out of the demonstration areas by anti-police handbills scattered in other parts of the city. (Yomiuri Shimbun, AM, 18 December)

Koreans "Extort" Money from Arcade Mgr: In Yonezawa Shi four left-bank Koreans pulled a stickup at a pinball gallery on 13 December. They forced the proprietor, one MIYAKE Taketoshi, to come across with 2,000 yen for the anti-deportation campaign. Police picked up the four two days later. In a side search of the Korean community they found nearly 200 gallons of home-made wine. (Mainichi Shimbun, Yamagata edition, 16 December)

Koreans Break into Prosecutor's Office: About 100 Korean Leaguers, riled over the arrest of some league action corpsmen, stormed the Hamamatsu branch prosecutor's office on 15 December. They sent in one delegate to demand that the arrested be allowed to receive their families and that the one woman among them be freed. The officials turned him down, whereupon the vanguard gang burst in. They smashed windows and roughhoused police. (Mainichi Shimbun, Shizuoka edition, 16 December)

MISCELLANEOUS

Sendai Student Charged with Bill Passing: A Tohoku University student allegedly passed seditious bills to foreigners in Sendai on 14 December. Student MATSUSHITA Toru, boarder at the Meizenryo dormitory of the university in Sendai, was arrested the next day. (Asahi Shimbun, Miyagi edition, 16 December)

Handbills Found in High School Classroom: Leftist propaganda bills were strewn in classrooms of a Nagano prefectural school early this month. Officials of the target school, the Ina North High School, have not discovered yet whether it was an inside or outside job. (Mainichi Shimbun, Nagano edition, 16 December)

Worker-Farmer Party Campaigns for "Unity": The Worker-Farmer rolled out a Red-toned platform in late November based on the idea that "the best means of liberating the Japanese race is to form a united racial democratic front." The party headquarters came out with the following resolution: As result of ratifying the two treaties "our country has become enslaved...The only way for us to realize racial independence and defend world peace is to...overthrow the reactionary Yoshida Cabinet and abrogate the treaties. The Worker-Farmer Party invites the entire nation to enter into a united racial democratic front...Oppose all so-called patriotic labor movements designed to split the united front. Step up wage hike drives. Fight against enactment of suppressive rulings like the proposed organizations control ordinance. Strengthen and expand peace movements. Form a League of Dietmen for Defense of Peace. Hold a racial liberation conference...designed to bring together the various races of the world including the Asians and Arabs who are rising to fight for racial liberation." (Rono Shimbun, 30 November)

RESTRICTED SECURITY INFORMATION

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2017 DATE: 17 Dec 51

Today's Tokyo Newspapers

-NEWS-

The heaviest domestic play went to statements by junketing Government leaders. The Masuda news conference at Matsumoto made the best showing in the evening press, topping one paper and running high elsewhere. In the later papers the domestic news getting the best all-around coverage was the Sudo trainboard interview. YOMIURI led with it for awhile but switched in the final edition to its nominations for the year's 10 biggest news stories. The peace-treaty signing headed the list, followed by the MacArthur dismissal and the death of the Empress Dowager. MAINICHI keyed its main story to the opening of reparations talks with Indonesia; ASAHI, to the Government's disaster insurance plan. Korean cease-fire developments and the relaxing of pound controls generally highlighted the foreign coverage.

FOREIGN RELATIONS

Liberal Chief Secretary MASUDA refused to be cornered on the China question at his press conference in Matsumoto yesterday. "It is better for me not to refer now to the problem of choosing between the two Chinese governments," he said. "But in light of the fact that Japan obviously belongs to the community of free nations, I think the problem will settle itself." Masuda explained that the Government will build up defense power--as stipulated in the US-Japan security pact--by strengthening the National Police Reserve and Maritime Safety Board. He emphasized that this was notrearmament. "The rearmament problem," he said, "will not come up until the bilateral security pact is changed over to a Pacific security treaty covering Australia, New Zealand, the Philippines, and others. I think such a changeover will come in the not too distant future." (a) He added that when the Pacific treaty takes shape, the Constitution will "naturally be revised." (b)

The Liberal executive pointed out that the Government has no way of knowing definitely how much defense will cost. He said Japan's share of troop-stationing expenses will be fixed by the administrative agreement "to be consummated about the end of January." (a)

At his meeting with State Department Adviser DULLES last Thursday, Prime Minister YOSHIDA outlined his defense plan. He reportedly promised to 1) reorganize and strengthen the NPR and MSB about October 1952 to defend Japan from "indirect invasion" and 2) set up a public safety ministry to supervise home defense units and to work closely with the US garrison. Yoshida is understood to have ordered Administrative Management Board Director HASHIMOTO on Friday to start drawing up plans for the projected ministry. (c)

The Socialist left wing strongly objected to strengthening the NPR in a new foreign policy drafted at a subcommittee meeting Saturday. The policy--to come up for central executive committee approval tomorrow--commits the leftists to working for the NPR demobilization. It also calls for campaigns against rearmament, sending of Japanese units to Korea, and conclusion of the administrative agreement. Drawn up in consultation with the General Council of Trade Unions, the policy would have Japan recognize Communist China and stay out of the United Nations. (d)

In a trainboard interview last night, Economic Stabilization Board Director SUDO disclosed that the Economic Cooperation Liaison Council--the agency set up to mesh Japan's economy with that of the US--will be expanded to "cope with the new situation after the take-effect of the peace treaty." He indicated that some civilian experts will join the council. (e)

Finance Minister IKEDA saw no need to change the present exchange policy as a result of the British decision to relax pound controls. (f)

(a) Asahi Shimbun (PM) (c) Tokyo Shimbun (e) Yomiuri Shimbun (AM)
(b) Yomiuri Shimbun (PM) (d) Asahi Shimbun (AM) (f) Jiji Shimpo

20408—FEC P&PC—11/51—20M

POLITICS

Liberal Chief Secretary MASUDA yesterday discounted talks of an early cabinet reshuffle. He told reporters in Matsumoto that while some Liberals want a change, Prime Minister YOSHIDA is not considering it. (a) Masuda also saw no signs of an early general election. "Neither the Government nor the Government party," he said, "has any intention of dissolving the Diet before the tenure of the present members expires." (b)

The Peoples Democrats will confer today on formation of a preparatory committee for a new political party. In both the supreme committee meeting and the bicameral caucus, differences are expected to arise over admission of the Farmers Cooperatives to the new-party drive. The Upper House Peoples Democrats feel that the new party would veer too far to the left if the Farmers Cooperatives are admitted on their own terms. On Saturday the Farmers Cooperatives proposed "cooperative socialism" as the rallying slogan for the new party. (c)

In Ibaragi Ken the Socialist prefectural federation broke up into left-and right-wing fragments. The two factions will form separate federations early in January. The leftists took over the Gumma Socialist federation, leaving the right-wingers to shift for themselves, (d)

NEWS BRIEFS

Government to Find Jobs for Disabled Veterans: The Welfare Ministry will ask the current Diet to legislate a plan that would force private firms to take on disabled veterans at the rate of one to 100 regular employees. About 100,000 of some 660,000 disabled veterans are believed awaiting placement. (b)

Plan Readied for Natural Disaster Insurance: The Government will insure homes against typhoons, floods, and other natural disasters. The Construction Ministry has already drawn up a plan for the new insurance system and will send it to the postrecess Diet early next year. The proposed state insurance—aimed at speeding post-disaster rehabilitation--will cover risks that private companies will not touch. (e)

(a) Asahi Shimbun (PM)
(b) Yukan Nihon Keizai
(c) Tokyo Shimbun
(d) Yomiuri Shimbun (AM)
(e) Asahi Shimbun (AM)

-EDITORIALS-

MAINICHI urged the Government to pare down excess pound holdings to the maximum possible extent. The paper noted that the Finance Ministry wants to solve this problem by adjusting exports to sterling-bloc areas, while the Trade-Industry Ministry reportedly favors the promotion of imports, avoiding any curb on exports. "It is difficult to say which is right and which is wrong. But while the Finance Ministry's plan seems to put greater emphasis upon the present foreign currency situation, the Trade-Industry Ministry's plan apparently has greater interest in the future of foreign trade." The journal pointed out that the cabinet deliberation council, in taking up the foreign currency budget for the next quarter, endorsed a policy designed to promote imports before restricting exports. "We doubt whether the problem can be solved by this policy alone. It is necessary at present to exert every effort to promote imports for the purpose of avoiding bad effects accompanying the restriction of exports. At the same time, we hope that the British and Japanese governments will take appropriate measures to solve the problem at the earliest possible date. Every effort must be exerted to prevent the Britain-Japan payment agreement, which was revised to promote trade between the two countries, from bringing contrary effects."

EGYPTIAN CRISIS

JIJI SHIMPO attributed Egypt's recall of its ambassador from London to the demand of Arab League members who want nothing to do with Britain. "It appears that the nationalist movement in the Middle East is now culminating in the Iran and Egyptian disputes. The mounting wave of nationalism everywhere will build up further if Libya declares its independence shortly...While we believe all the world sympathizes with Egyptian nationalism, we think it would be difficult for Egypt to win even if it should appeal to the UN."

The daily felt that the British and Egyptian governments may possibly reach an agreement, because, if the latter carries its anti-British struggle too far, the position of the king and other government leaders who largely depend on foreign capital may deteriorate. "But the anti-British feeling of the Egyptian people,

which have accumulated for many years, is too inflamed to be easily mollified. Especially, we fear that the Egyptian Government might have to bend reluctantly to the anger of its people if it has really permitted the people to carry arms as reported. Moreover, if the dispute worsens, Egypt, which has so far been free of communistic inclination, may become vulnerable to Red attempts to exploit the disputes."

EDUCATION

YOMIURI commented on the report of the research council organized by the Metropolitan School Board to investigate admission of students to senior high schools. "The two main points of the report are 1) that areas where pupils live shall determine the senior high school they may enter, and 2) that selection of students be considered on the basis of unofficial reports of each pupil forwarded from his junior high school and the results of an entrance examination."

Regarding the first point, the paper said: "It is true that even public senior high schools are different in their facilities and caliber of teachers, but in many cases schools are thought to be good or bad according to the number of graduates who are admitted to colleges or universities. Whether this standard of judgment is correct, is itself a question; but we think it is illogical to attempt to equalize the differences in schools...by taking the average of the scholastic ability of applicants to those schools. Inadequate facilities should be improved and teachers should be assigned properly to schools...We believe that this alone will alleviate the great difficulty seen in gaining admission to only a few schools."

The daily also criticized the second point. It said the unofficial report is apt to be influenced by partial or personal considerations. "If unofficial reports should be drawn up strictly in accord with certain standards, there would be no need for entrance examinations."

WAR VICTIMS

"Of vital importance in fixing the object and method of relief for war victims is the amount of budget appropriations," ASAHI said. "But this has its natural limit in view of the present state of national finance. It also has a delicate relation to the reparations issue." The daily doubted whether the problem will be settled easily, but it said: "We believe relief to war victims should be made fundamentally from the viewpoint of guaranteeing their livelihood. We believe it desirable on the basis of this basic principle to study technical phases of the method of translating the scheme into action."

SEX CRIMES

TOKYO SHIMBUN regretted the increasing number of sex crimes. "What measures should be taken for this? This question has to be considered, not as a matter of perseverance alone, but on a broader scale--politics. No matter how the Education Ministry cries for purified education and no matter how many persons may plead the dignity of sex, these alone can hardly produce any results. The main thing is that the spiritual activities of all the people following the war and the purification of politics linked with those activities lie at the root of this matter. The problem cannot be solved until a righteous mental attitude toward work in all aspects of life and a pure mind in love are nurtured. From this viewpoint, it may be asked how we must look at the nation's present-day politics. Such things as destroys the sincere will to work are being blithely overlooked; they are rather being encouraged, as witness the chaotic condition found in horse-racing. The primary need is to free life from the predilection for gambling." To curb this trend the journal suggested stronger policies, including controls on amusement centers, proper reorientation of publications and theatrical performances, and "appropriate guidance in juvenile flirtations."

DIET DISSOLUTION

A YOMIURI columnist observed that Diet dissolution will mean that a general election must be held. He wondered if there are any candidates for the Prime Minister's post, other than YOSHIDA Shigeru, to whom the people can safely entrust the government of independent Japan. "When we consider this, we feel as though the strong argument for Diet dissolution has suddenly lost its weight. That is because we can find practically no qualified candidate."

KOREANS

Osaka Korean Leaguers Attack PD Factories: Korean League mobs stormed some Procurement Demand factories in Osaka Saturday, "breaking up machines and assaulting employees." The rioting started immediately after the funeral of one AN Ju Shaku, a member of the league faction. An was picked up by Higashinari station police for drunkenness on 11 November. He died while in custody. Focusing on the detention angle, the league opened anti-police and anti-American activities, in one instance tear-bombing the Higashinari station.

About 500 league members turned out for An's funeral and 400 or so police, the latter assembled on a tip that the mourners were "likely" to attack some local PD plants. When the rites were over the Koreans called a "truth" meeting on the death. Then they divided off into 50-man gangs. One gang broke into the Asia Kogyo factory, smashing windows and junking several cases of PD goods. Another raided a light metals plant. Two more factory sieges occurred before the police won control. One mob member, GEN Sokoku, was jailed. (Mainichi Shimbun, AM, 17 December)

Riot Planning Meet Said Set for Kobe-Osaka: A secret Korean League meeting on the deportation issue was set for 10 December in Akashi Shi, according to the Hyogo Ken rural police. Their information was that a recent sneak entrant from Korea had called the meeting to work out a riot program. Police went on a 48-hour alert. Toward the end of the waiting period, a report came in that the Koreans had found out about the alert and had decided to relocate the meeting--in the Kobe-Osaka area. Neither of the reports was confirmed. But it was confirmed that former Korean League leaders have been slipping into Kobe-Osaka in "increasing numbers" and that "there are strong indications that they will resort to violence at any minute." (Kobe Shimbun, 12 December)

Defendant Sympathizers Riot at Riot Trial: Trial opened Tuesday for the 10 Koreans who headed a raid on the Shimosato village office, Hyogo Ken, back in October. The Himeji branch court, scene of the trial, attracted "scores" of defendant sympathizers. The gallery was packed with the defendants' families. While the families heckled and catcalled inside the courtroom, the overflow crowd rioted in the halls outside. It took a 40-man police unit to clear the building after the session adjourned. Out on the street the Koreans reorganized. They marched, shouted, and made inflammatory speeches. (Kobe Shimbun, 12 December)

RELIEF SWINDLE

Another Communist Booked in Relief Swindle: The 15th suspect in the Nagano unemployment insurance scandal was rounded up yesterday. Latest suspect YAMAMOTO Makoto is supervisor of the Nagano Prefectural Communist Committee office. He allegedly drew 28,000 yen in relief under false pretenses. (Asahi Shimbun, AM, 17 December)

RED POLICE CASE

Red-Championed Local Police under Suspicion: The Communist-styled "liberation center" of Naganohara Machi, a mineral springs town in Gumma, is policed by a Communist-influenced local force, according to National Rural Police investigators. When the issue over eliminating local police came up, the Naganohara assembly chose to keep its force on--allegedly under pressure from spa-manager HAGIWARA Yoshio. On the political side Hagiwara is the boss Communist of the district. While the issue was boiling the police are reported to have "shown up often at Communist banquets." Meanwhile one of the townspeople launched a protest petition against what he charged was the assembly's "biased decision." The petition was promptly banned as an "unreported activity."

The NRP revealed recently that it had severed all ties with the Naganohara police. "How much information on security matters has leaked out (to the Communists) in Naganohara is not known," they said. "But we are...suspicious." (Jomo Shimbun, 7 December)

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
MILITARY INTELLIGENCE SECTION, GENERAL STAFF
~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2016 DATE: 16 Dec 51

Today's Tokyo Newspapers

-NEWS-

Foreign news headed the evening coverage--the best play going to the US choice of Sweden, Norway, and Switzerland as neutral truce inspectors in Korea. The arrival of the Indonesian reparations mission came next with bannerlines in two papers. News of strict domestic origin started out low but finished high. In their final editions ASAHI and MAINICHI led with speculative stories on Prime Minister Yoshida's future plans. YOMIURI, after spotlighting a domestic report for 13 editions, switched in its 14th to a Paris dispatch on European defense. In the other morning papers the leading foreign story was usually tied to the Korean cease-fire talks.

FOREIGN RELATIONS

Chief Cabinet Secretary OKAZAKI told the Lower House Foreign Affairs Committee yesterday that the security pact provides for the gradual buildup of Japan's defense power. "This is only reasonable and proper," he said. "The question lies in the time and method--and this is what we are now studying. We especially feel the need of taking public sentiment into fullest consideration. But since we are not sure whether the people are in a position to express their ideas freely, we would like to hold off a decision on the time and method until the nation gains full independence." (a)

Speaking to the same committee, Foreign Ministry Secretariat Chief SHIMAZU doubted whether the Chinese Communists would endorse the San Francisco peace treaty. "This seems to preclude the possibility of a peace with the Peiping Government," he said. But he emphasized that this does not mean that Japan has written off trade with the Chinese mainland. (b)

In Osaka Socialist left-wing executive WADA Hiroo underlined the importance of Red China trade. "I think Mr DULLES is basically wrong in his ideas on trading with the Chinese Communists," he said. "Private industrialists must do their best to open trade with Communist China." (c)

According to Government sources, Prime Minister YOSHIDA wants to stay in power until Japan has met its obligations under the peace treaty and security pact. They say that the Prime Minister will not voluntarily step down until his tenure as a Lower House member expires on 22 Jan 1953. Before then he intends to make Japan strong and independent, carrying out the defense program he has privately mapped out. He has not shared his long-range defense ideas either with his cabinet ministers or with Liberal executives. (d)

At the Lower House plenary session State Minister MASUTANI declared that strengthening the National Police Reserve does not violate the Constitution. "To keep peace and order at home, it is only natural for the NPR to improve its equipment and training." (c)

The Government will open exploratory talks with the Indonesian reparations mission tomorrow. The negotiations will get more formal on 21 December when the second contingent of Indonesian delegates arrives. The agenda will include fisheries and transportation problems as well as reparations. (d) Japanese negotiators will enter the talks determined to limit reparations to service. (b)

FINANCE

Finance officials have agreed to raise the year-end currency ceiling from 390,000,000,000 yen to 470,000,000,000 yen. (c) The new limit will take effect today. The Lower House adopted a joint resolution urging the Government to loosen up on loans to small and medium business. (e)

(a) Asahi Shimbun (PM)
(b) Tokyo Shimbun
(c) Yomiuri Shimbun (AM)
(d) Asahi Shimbun (AM)
(e) Yukan Nihon Keizai

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ADMINISTRATION

Administrative Management Board Director HASHIMOTO has drawn up a reform plan that would reduce the number of ministries to nine. Prime Minister YOSHIDA, who ordered the reorganization, intends to send the plan to the Diet early next year. Embarrassed by corrupt officials, he especially wants to set up a powerful watch-dog agency. (a)

Eight public officials found guilty of embezzling a total of 300,000,000 yen from the Mineral and Industrial Products Trade Corp were sentenced to prison terms ranging from three to 15 years. (b) The Tokyo District Court also ruled on another government scandal—a bribery and embezzlement case involving four officials of the defunct Fertilizer Corp. SUZUKA Wasaburo, former corporation president and the leading defendant, was fined 250,000 yen and sentenced to two-and-a-half years with a three-year stay of execution. (c)

At a press conference in Takaoka, Postal Administration Minister SATO disclosed that the Government will turn over telecommunications to a public corporation. He advised an eventual transfer to private management. (d)

NEWS BRIEFS

FCP Defines Stand on New-party Drive: The Farmers Cooperative Party yesterday outlined its conditions for joining the new-party drive sponsored by the Peoples Democrats. Secretary General NAKAMURA, in explaining the FCP stand to a Peoples Democratic executive, emphasized that the projected party must be based on "cooperative socialism." (a)

Power Workers Begin Business Strike: The Japan Electric Power Workers Union launched a business strike yesterday to prod management into paying a year-end allowance equal to 45 days' pay. JEPWU leaders set the new offensive in motion soon after the expiration on Friday of the cooling-off period stipulated by the Central Labor Commission. (a)

(a) Mainichi Shimbun (AM)
(b) Asahi Shimbun (PM)
(c) Yomiuri Shimbun (PM)
(d) Yomiuri Shimbun (AM)

-EDITORIALS-

Two topics—economic issues and foreign relations—dominated the editorial coverage today. Economic writers commented on the fisheries agreement, tax collection, and loaning of reparations-earmarked facilities. Editorials on foreign relations dealt with the Dulles speech, the Iron Curtain, and a Soviet article on post-treaty Japan. The small constituency system rated single comment.

ECONOMY

Commenting on the provisional signing of the tripartite fisheries agreement, MAINICHI thanked the American and Canadian delegates for understanding Japan's desire for freedom of the high seas. "It is clear to anyone who reads the draft that acceptance by the US and Canada of Japan's contention was based on the lofty premise that fisheries resources in the high seas are a precious asset of all mankind. Japan's fishing circles should pay deep attention to this fact. So far, a systematic study of fisheries resources has not been pushed in Japan." In this connection, the daily was glad that the UNESCO committee of the Japan Science Council has taken up the question of marine resources and that all academic circles concerned are going to cooperate. "In conducting such a study, the Government and all fisheries circles must cooperate...The need for exploiting new fishing grounds is pressing, but that of conserving the existing ones is more urgent."

ASAHI was concerned about the slow collection of declared income tax. "If the situation remains unchanged, the Government tax collection goal cannot be attained unless as much as 70 percent of the total estimate for the year is collected during the year-end period." The daily attributed this unsatisfactory tax collection to the unstable financial situation and moral shortcomings on the part of the taxpayers. "But at the same time we must reflect upon the taxation system itself."

The paper observed that in the declared income tax this year, there is a wide difference between the Government's estimated tax revenue and the estimate filed by taxpayers. "Since self-assessment is made on the basis of the previous year's tax payment, it is natural that some difference will arise...Such a difference should be adjusted at the year end. But the year-end adjustment would be a serious problem for the people, if the declared tax amount must be doubled at the year end to

secure the tax revenue estimated by the Government. If such a thing happens, the people might feel as though their tax burdens were made much heavier even if a tax reduction is actually carried out." But since some taxpayers are also responsible for the sluggish tax collection, the daily said, assessments must be made on the basis of a thorough investigation of the taxpayers' actual condition.

A columnist in the evening ASAHI noted that economic circles are closely watching the private leasing of facilities once earmarked for reparations. He cited the case of the Navy fuel depot in Yokkaichi. Pointing out that this plant is one of the finest of its kind in the Orient, the writer said oil companies are trying to acquire the right to use the facilities. "This factory is, of course, the property of the people whose sweat and blood were thrown into it during the war to build it up. Therefore, this property should be disposed of to the best advantage of the nation, not in the interest of any particular industrialist."

FOREIGN RELATIONS

JIJI SHIMPO said Ambassador DULLES' speech did not disclose anything new to those who fully understand the spirit of the peace treaty and security pact. "Also it was not a speech that would make the opponents of the two treaties reverse their stand...But we believe that the speech has had quite an effect on the minds of those who have been dissatisfied with the treaties because of their lack of understanding."

The daily observed that Mr Dulles did not touch at all on the China problem nor did he present any demand for rearmament. "On the contrary, he showed his understanding of the fact that Japan, with its present capacity, cannot rearm for the time being. This does not mean, however, that Japan can do nothing by itself. According to Mr Dulles, 'You can take pride in the fact that, as a sovereign nation, you will at once use your sovereignty to make a significant contribution, principally in terms of what the UN Charter calls facilities. In that sense you will be a self-respecting contributing member of the free world and not a nation that gets a free ride at the expense of others.'"

The journal pointed out that Mr Dulles stressed the importance of US-Japan cooperation. "He mentions that 'the wheel of fate has chosen Japan from out of the East and the US from out of the West, to conduct here an experiment in human relations which demonstrate that it is possible for the Free East and the Free West to work together in fellowship as equals.'" In brief, the daily said: "Mr Dulles...advises the Japanese to display the spirit of independence and self-respect after the peace treaty goes into effect. This is indeed the best advice for the Japanese people who are soon to become independent."

A YOMIURI commentator doubted whether rearmament would turn into a serious domestic issue in Russia as in West European nations. "But the question is more acute in the satellite nations, which have been drawn behind the Iron Curtain." The writer pointed out that internal unrest is growing due to political oppression and labor speedup. "Whatever the capacity of a despotic socialistic economy to boost military production through its power of organization, it is no way different from any other economic system in that the resultant oppression of peace industries inevitably increases the suffering of the masses. Mounting hardships and dissatisfaction among Soviet satellite nations create a problem that cannot be readily overcome by government force alone. The only way a despotic government can cope with such a difficulty is to increase oppression and threats." To check "expansion of the Iron Curtain menace," the writer saw the need for the spiritual force of understanding and cooperation.

A commentator in the evening MAINICHI criticized the review on post-treaty Japanese economy written by a Russian authority on Japan. The writer was amazed by such statements as "America has revived Japanese military forces," and "Japan is already participating in the Korean fighting." The writer declared: "What an excellent study of Japan by an 'authority'...We are tempted to comment a la Pravda: 'The article shows deplorable signs of absurd communistic nonsense.'"

ELECTION SYSTEM

TOKYO SHIMBUN supported the small constituency plan proposed by Chairman MAKINO of the National Election Management Commission. The paper agreed that the plan would eliminate the evils of political instability arising from the existence of many splinter parties. The daily said: "It has such strong points as ease surveillance over vote-buying practices. Moreover, it will offer new politicians an opportunity for training through hot competition with old-time politicians." In preparation for the coming general election, the paper urged Mr Makino to create an electoral system that is the nearest possible to the small constituency setup.

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Joint Publications

SUMMARY OF JAPANESE PRESS
COMMUNIST TRENDS AND ACTIVITIES

RAIDS

Subversive Papers Seized in Tokyo-Area Raids: It was revealed yesterday that "a large quantity of Red documents" were seized in the raids Friday on 24 suspected Communist agitation points in the Tokyo area. Simultaneous raids were made on eight points in Tokyo proper and on 16 in the suburbs and in Saitama, Chiba, and Kanagawa prefectures. In Chiba the Geographical Survey Institute, a Construction Ministry agency, was among the four points searched. (Jiji Shimpo, 15 December)

Geographical Survey Institute Is "Red Hotbed": The Geographical Survey Institute, raided on suspicion of furnishing secret maps to the Communist underground, is the "map-making center" of Japan. Formerly the Japanese army's surveying section, the GSI has continued under Occupation control after the war.

"Most of the GSI staff members are ex-army lieutenants and middle-rank technicians left over from the wartime outfit. About two-thirds of them made a complete about-face from the extreme right to the extreme left...becoming Communist Party sympathizers." Eventually a Communist cell materialized in the agency. This cell developed into the "most influential cell in the central district of the Chiba Communist command," supporting a network of its own. One of its most important subsidiaries is a group called the West Chiba Federation of Labor Unions. The GSI Reds have consistently operated undercover. Even the Red purge, it is said, did not touch them. (Yomiuri Shimbun, Chiba edition, 15 December)

JCP Committee Paper Uprooted in Akita Ken: In Akita Ken the Prefectural Communist Committee organ, TO TSUKURI, was closed down Friday. Police made simultaneous raids on 33 suspected distributing points. They picked up over 500 copies of the organ and some handbills. (Asahi Shimbun, Akita edition, 15 December)

FARM CAMPAIGNS

Reds Pouring Agitation Bills into Farm Areas: Blight-ravaged farm districts in Shizuoka are being pelted with Communist-issued handbills urging them to reject "unfair" rice delivery quotas. The Yaizu and Fujieda cells together covered all of Yaizu Shi and neighboring villages; about 2,000 bills, folded in newspapers, were delivered to every house in Fukuroi Machi, Iwata Gun; 200 or so were distributed in Sunto Gun; another 200 in Ogasa Gun. (Asahi Shimbun, Shizuoka edition, 15 December)

COUNTERPOLICE ACTION

Police Chief Hurls Red Charge at Overseers: The police department of Shimonoseki Shi, under fire for corrupt practices, is suspected of maintaining a hookup with the Communist Party. In a press statement on 11 December city police chief TAKENAKA charged that ever since the local elections last spring the police have been exploited by certain political elements as a "tool for political strife." He said that the Public Safety Commission, responsible for overseeing police activities, has slanted its investigations "to favor communism." "The basic reason for the...present corrupt state of the police," he said, "is that there are Communist sympathizers among the members of PSC." The PSC immediately repudiated the police chief's charges, decreeing that "firm steps shallbe taken against the chief...for making such absurd statements." (Nishi Nippon Shimbun, 11 December)

KOREANS

Korean Leaguers Demonstrate at Hamamatsu Jail: A Korean League vs Korean Resident Association fracas broke out in Hamamatsu last week. On 11 December five members of the league faction crashed into the house of KRA chairman LEE Bung Sok. They were jailed. At the news of the jailings, about 40 league-faction Koreans hauled the daughter of KRAer Lee into a kangaroo court. Then the Communist influence emerged. Communist Western District Committeeman SEKI Tatsuo led about 20 Korean youths to the jail to plead for the release of the arrested. A band of adult Koreans, 100-strong, amalgamated with them and the demonstration soon shaped up into a riot. Further sieges on the jail were reported to be scheduled for 15 December. (Yomiuri Shimbun, Enshu edition, 15 December)

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Supplement to

SUMMARY OF JAPANESE PRESS

Prefectural Newspapers

(Period: 2-8 Dec)

Editorial columns in the 119 prefectural dailies scanned this week gave most complete coverage to domestic Japanese politics (124 items). Ambassador DULLES' pending arrival in Japan and its significance especially in regard to Japanese defense strength ran a poor second (61 items), with the year end labor offensive closely following it (59 items). Observation of Human Rights Week occupied the interest of 43 other editorialists.

INCREASING DEMANDS FOR DIET DISSOLUTION

As the prefectural press reflected on the extraordinary Diet session that ended at the close of the previous scan period, mounting demands were heard that the Lower House be dissolved and an election held. Writers were especially displeased that the personnel reduction bill had been "emasculated" to save jobs for the bureaucrats. They felt moreover, that a new administration would be timely to mark the start of independent Japan. However, Prime Minister YOSHIDA seemed intent on staying in office for another year, while the Democrats were still occupied in forming an Opposition party.

Dancing to the Bureaucrats' Tune

Typical general dissatisfaction over the Diet proceedings was voiced in a Kyodo-syndicated editorial, appearing in papers in Tsu (a) and Nagasaki (b): "The 12th Extraordinary Diet achieved concrete results in ratifying the peace and security treaties, formulating the supplementary budget, reducing taxes somewhat, and revising the personnel organization law. However, it often disappointed the people. Especially, when the Government failed in decontrolling rice and reducing personnel as planned and the Opposition was powerless to pursue the Government's responsibility, they saw a large political vacuum. That the people's confidence in parliamentary politics was shaken considerably is indeed regrettable."

Similarly, an Okayama editorialist (c) accused the Diet and the Government of letting down the people. "The latest Diet session, marked by the Government's clumsy approach to internal problems, showed the limitations of the Administration's political power as well as the low caliber of the Dietmen." Especially in handling the personnel retrenchment plan, the Government's concessions in scaling down the number of dismissals to some 60,000 made the bill "meaningless." The original plan had complete public backing. "The people know that the complex administrative setup with its enormous operating staff is a major cause of the heavy tax burden. That the personnel bill, after passing the Lower House, was mutilated in the Upper amounts to overriding the people's will....We fear both the Government and the Diet think too little of the people, forgetting that government is for the people."

"The Diet surrendered to the bureaucrats," a Muroran analyst (d) charged. "Though the Diet should be the master of the bureaucrats, its standing committees became the latter's tool and strived only to maintain the present system and to minimize the personnel decrease. The actual master is still the bureaucrats." More specifically, Kumamoto readers were told (e) that the bureaucrats had "manipulated" the legislation to gain triple retirement pay for those 60,000 who were going to retire anyway. "This is the most absurd law....an example of how large political parties are fooled by bureaucrats working behind the scenes."

Should Assume the Responsibility

Fukuoka's largest daily (f), however, saw "great significance" in the fact that the Diet had raised a question in the people's minds "whether we are competent to run our own government. There are signs that the people are looking for a

(a) Ise Shimbun (circ 43,771), 2 Dec
(b) Nagasaki Minyu (circ 23,147), 3 Dec
(c) Sanyo Shimbun (circ 214,150), 2 Dec (AM)
(d) Muroran Mimpo (circ 21,740), 3 Dec
(e) Yukan Kumamoto (circ 25,900), 2 Dec
(f) Nishi Nippon Shimbun (circ 529,919), 2 Dec (AM)

RESTRICTED SECURITY INFORMATION

change in the situation. It is not accidental that the Lower House took up the issue of who has the right to dissolve the Diet."

Prefectural writers, too, were aroused. More writers this week sought a "responsible" Administration that would admit its fault and put its fate on the election block. "The Yoshida Cabinet can never improve itself despite its frequent reshuffles," asserted a Kyodo article reprinted in Kofu (g), Nagano (h), Osaka (i), Morioka (j), Miyazaki (k), and Yokkaichi (l). "Prime Minister YOSHIDA has already made more than 50 ministerial changes without improvement. Rather, they have become worse. The public knows the names of most big-league ball players but hardly any of the Cabinet members." Even Liberal Speaker HAYASHI "admits the need of dissolving the Diet next April or May. Anyone who can perceive the realities of the current political situation will agree with him."

"It is without precedent in our history of constitutional government that a Cabinet's most important policies, which the Prime Minister himself pledged to carry out in his administrative speech, were suspended and well-nigh neutralized," declared a Nagasaki daily (m), referring to rice control and the personnel reduction. "The political responsibility of the Government is indeed great. Moreover, since these policies were initiated by Mr YOSHIDA himself, the Prime Minister should take full responsibility instead of letting his ministers blame each other."

"Inasmuch as its policies have been blocked and its foundation has been shaken, the Yoshida Cabinet should assume the responsibility either by transferring the reins of power to the Opposition, weak as it is, or by holding a general election to seek public support," commented Osaka's Chinese-owned journal (n). "This would be the regular way of parliamentary government. We believe that if the situation is left as it is, despotism will return to lead the people astray again."

A New Start for a New Era

Feeling that the people's "mistrust" in the present Government "stems from its fallacious policy of laissez-faire," an Asahigawa publication (o) urged the Government to "ask for the people's judgment" and make a new start. "The people's restless feeling is not new. It was quite strong just before the outbreak of the Korean war. Many people warned the Government then about the ill-effects of a laissez-faire policy upon our economy, which faced the collapse of smaller enterprises and shortages of raw materials and goods. Although the complaints disappeared with the Korean war boom, the evils remained latent. Now with the new world developments, it is again evident that the same old policy will not do, just as Mr DODGE has noted. But the Cabinet, resting on its majority backing in the Diet, is too dogmatic to pay the slightest attention to this point....It is true the Government was supported by the people in the local elections last spring. That was because the people wanted the Government to see through the peace and security treaties, and it has done a big job. But this does not mean the people are willing to rely upon it further. In view of the great anxieties of the people, the Government should dissolve itself at this time." Moreover, a general election would be timely. "The people and government officials should make a fresh start under a new government selected by the people. It is hardly permissible to have the present Government continue, wrapped in mistrust, unrest and laxity."

"The Liberal Government is not as stable as it seems," declared Osaka's largest local newspaper (p), pointing to recent difficulties in the Upper House. "Of course, the Upper House has no say in determining the fate of the Government, but its frequent check on government policies indicates political instability. The Liberals claim to be supported by the people on the basis of recent newspaper polls, which possibly only indicate that the Democrats and Socialists are inconsequential. If they are the people's party as they say, it would be of political significance to dissolve the Lower House and hold a general election. If the people's will is redetermined, the Upper House will reconsider its actions." The "most opportune" time for dissolution would be "upon enforcement of the peace treaty."

(g) Yamanashi Jiji Shimbun (circ 28,289), 5 Dec
(h) Yukan Shimmai (circ 43,043), 5 Dec
(i) Osaka Nichinichi Shimbun (circ 140,265), 6 Dec
(j) Yukan Iwate (circ 10,000), 7 Dec
(k) Hyuga Nichinichi Shimbun (circ 45,283), 7 Dec
(l) Yukan Ise (circ 31,150), 7 Dec
(m) Nagasaki Nichinichi Shimbun (circ 33,550), 4 Dec
(n) Kokusai Shimbun (circ 104,250), 2 Dec
(o) Hokkai Nichinichi Shimbun (circ 67,320), 8 Dec
(p) Osaka Shimbun (circ 722,224), 2 Dec

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"To mark the end of Occupation, the Diet should be quickly dissolved," said an Okayama pressman (q). "There will be opposition to this opinion, claiming that a political vacuum should not be created at such a critical moment. The Prime Minister is of that view. However, the more critical the moment, the more the people should be consulted under democratic politics. The recent dissolution by the British Labor Government is a good example." But the writer hoped that the Liberal administration will clear up the personnel retrenchment issue "before it retires as the last Occupation Cabinet."

The Need for Political Reorganization

Mindful of the importance of the situation following effectuation of the peace treaty, many writers favored a political reorganization. A Matsuyama editorialist (r) did not expect the present Government to be able to gain the peoples cooperation in view of its recent failures. "It is no exaggeration that with independence near at hand the Government has not been fully earnest in dealing with domestic affairs. If the Opposition parties were stronger, the Government surely would have changed." But the Socialists have split and the Democrats are involved in forming a new party. "Even if the Liberal Government resigns, there is no party that has the power to take over or has the confidence of the people. Here lies the basic cause for the people's disappointment in political parties ....With the restoration of autonomy, a strong political force will be necessary. Our weak political parties must dissolve and reorganize."

A Kofu journalist (s) saw difficulties for the Democrats' new party, which seemed to be "not another conservative" group but a "progressive" organization. "The breadth of its platform is its weakness." The writer reminded that the public was "wary" of coalition groups ever since the failure of the Democratic-Socialist Cabinet. However, he hoped that the Opposition factions would "successfully unite" under some organization to "apply pressure" on the Government party.

A Kyodo editorial reprinted in Tsu (t) and Osaka (u) advised the new party to "adopt a clear-cut policy worthy of the people's support....The slogan 'Overthrow the Yoshida Cabinet' is insufficient. If that were the only objective, there would be no need for anything more than a temporary union. As a new political organization, it must become united on a permament basis and on a definite platform. Moreover, if it were not a full-fledged party, it would not be qualified to take the reins of government even if it succeeded in overthrowing the Cabinet. It is well that the new party seeks to represent the smaller businessmen, farmers, fishermen and workers, who have been neglected by the Liberal Party, but it must formulate policies that will appeal to these groups." The writer also said that the party should "strive to correct the deeply rooted defects and evils of our party system." If not, "our political world may be reorganized but our politics will not be rebuilt."

Reluctance to Relinquish Power

Prime Minister YOSHIDA, however, was not ready to relinquish the reins. Through Chief Secretary MASUDA, he categorically denied Speaker HAYASHI's prediction that the Liberals were contemplating dissolving the Diet in early spring. A Chiba newspaper (v) commended the Government's "reasonable" attitude of avoiding a political vacuum "in the most critical period after the treaty becomes operative. We want to advise the present as well as future Cabinets to amend the practice of readily changing hands. Of course, they should admit their political failures, but they should make party politics more than a game of catching the other's weakness. From this point of view, we approve the Government's resolution not to give up until its term expires."

On the other hand, a Toyama pressman (w) argued that "if a political vacuum were to be avoided, Diet dissolution would always be impossible. From the general viewpoint, this excuse cannot be justified." He also discounted the Liberals' second reason of political responsibility to see the peace and security treaties through. "Even a new cabinet would be absolutely responsible for taking legal

(q) Sanyo Shimbun (circ 214,150), 8 Dec (AM)
(r) Ehime Shimbun (circ 116,968), 5 Dec
(s) Yamanashi Jiji Shimbun (circ 28,289), 3 Dec
(t) Ise Shimbun (circ 43,771), 8 Dec
(u) Kokusai Shimbun (circ 104,250), 3 Dec
(v) Chiba Shimbun (circ 32,308), 6 Dec
(w) Kita Nippon Shimbun (circ 101,953), 6 Dec

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and fiscal measures necessary to enforce the treaties."

An Akita journalist (x) reminded the Liberals of their "future responsibilities" if they expected to stay in office. "We appreciate the Prime Minister's enthusiasm for tackling the coming domestic problems. He must, however, fully realize that the difficulties will be greater than those he faced in the last session. To be accepted by the people, it is necessary for the Government and its party to avoid making blunders and strive to implement the treaties responsibly in accordance with the true will of the people."

Muroran readers were told (y) that the Government's "abrupt" denial of dissolution indicated a possible delay in enforcing the peace treaty. "Foreign dispatches predict that Japan's approval of rearmament and signing of peace with Nationalist China will be sought by Ambassador DULLES in his coming visit and that unless these steps are taken by Japan the ratification of the treaties by the US Congress may be hampered. Prime Minister YOSHIDA probably feared dangerous effects on the political situation and hurriedly announced that there would be no Diet dissolution in April." Another circumstance was the illness of Liberal leader HATOYAMA, who is still unable to replace YOSHIDA. The writer predicted that Diet dissolution will be postponed till next autumn, if not till the end of the term. "Rearmament and recognition of Nationalist China will replace Diet dissolution as the imminent subjects of political controversy."

DULLES TAKES OVER THE DODGE LINE

Newspapermen's feelings about rearmament continued this week to be those of reluctant approval. Explanation of the security pact's administrative agreement was still anxiously awaited; it was felt that Ambassador DULLES' coming visit to Japan would clear matters up, since apparently the US government had made some final decisions about its future policy for Japan. Anxiety, however, was too mild a word to describe the reaction to rumors that the US Senate would require definite commitment on Japan's rearmament and China policy before ratifying the peace treaty.

Minimum Rearmament, Minimum Militarism

The "inevitability" of rearmament was suggested by Nagoya's leading daily (z), which said: "The time will come without fail when our country must decide whether to rely on the National Police Reserve and the Maritime Safety Board to create a new army and navy." The writer was "ready to support" Prime Minister YOSHIDA's "reasonable" assertion that rearmament is presently impossible, due to economic weakness and "in deference to possible suspicion abroad," but considered it "doubtful" this policy was possible to maintain, "in the face of the two treaties and the tense international situation." He suspected the US was "not completely satisfied" with YOSHIDA's opinion. "Will the Prime Minister resign when Japan is forced to rearm?" He hoped not, for "although this would be a splendid attitude for Mr YOSHIDA as a statesman, it would not help solve the problem at all." Believing "minimum rearmament for self-defense" to be necessary, he recommended that this be carried out. "But at the same time we must take steps to prevent Japan from becoming militaristic again."

A Takaoka journal (aa) pointed out that Japanese rearmament seems to be expected by both US and Soviet blocs. "Various foreign dispatches" suggest this; the peace treaty does not prohibit it; at the San Francisco conference President TRUMAN emphasized the necessity of Japan's participation in a Pacific collective security set-up, and even GROMYKO assumed it was "quite natural for Japan to maintain a defense army at a strength within its means as an independent nation." The Prime Minister, however, "seems to have spread the idea among the people" that Japan can "get away with" joining the UN and being protected by it without assuming any responsibility of its own. "The US government and people are rightly muc concerned about Japan's rearmament....Japanese political leaders must be held responsible for the people's childish interpretation of their international right and duties as being only to their advantage."

Osaka's largest local daily (ab) noted that the security pact "expects" Jap to rearm. It suggested that if the US lends Japan tanks, planes and heavy weap

(x) Akita Sakigake Shimpo (circ 106,380), 5 Dec
(y) Muroran Mimpo (circ 21,740), 8 Dec
(z) Chubu Nippon Shimbun (circ 960,270), 2 Dec (AM)
(aa) Toyama Shimbun (circ 60,864), 5 Dec
(ab) Osaka Shimbun (circ 722,224), 5 Dec

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after the peace treaty is ratified, "this action can promote rearmament without impairing the value of Mr YOSHIDA's statements." Rearmament, "though frugal, is not a remote problem, as declared by the Prime Minister, but a pressing one.... With no change in the Government's basic policy, our rearmament will practically materialize in what is nominally a gradual increase of self-defense forces." The people must realize that the time is coming when their "last decision" must be made on the rearmament question. "Since this means revising the Constitution, Diet dissolution and general elections must be effected at once, to determine the will of the people."

The New Dodge Line: Parallel to Dulles

A Kyodo-syndicated editorial published in Kofu (ac), Yamagata (ad), Fukui (ae), Tsu (af), Osaka (ag) and Kochi (ah) predicted that Ambassador DULLES in his forthcoming visit to Japan would "be in a position to explain the line of US policy already determined." His press statements "have implied this," despite the fact he said his mission was not to "advise or press anything on" the Japanese Government, but to collect information for the US Senate. "We believed that if there were formerly two lines of American policy for Japan, that is, the diplomatic one of the State Department and the military one of the Defense Department, Joseph DODGE represented the latter." But now DULLES has said that "all US-Japan financial relationships" are placed in the State Department's care, and that handling the security pact's administrative agreement has been taken over by John ALLISON and Dean RUSK. "This contrasts with other reports that no accord had been reached between State and Defense. It shows that US military and economic policies for Japan are coordinated, unified and settled." In view of this, "we look forward eagerly to Mr DULLES' visit, for he can explain how Japan, after recovery of its independence, can harmonize external pressure from the foreign political situation with internal pressure from domestic economic circumstances."

A Sapporo editorialist (ai) agreed that DODGE's visit had "left Japan in a state of vacuum," and that "the economic problem has been taken out of Mr DODGE's hands because it has come to be reconsidered in the light of the greater political situation." The most important element in this is "the well-known US desire to conclude a Pacific alliance," one of the "main points" of DULLES' plans. This alliance will also be "a structure for distributing US aid" like the North Atlantic Pact, and will be "a new channel" through which the US lawmakers will be "less reluctant to pour funds." But all this is so far "nebulous," and DULLES will have to clear up the "unknown factors centering around establishment of a defense army in Japan....There are signs that our economic problems, including reparations, will soon be solved against the background of a Pacific security system."

A Yamagata writer (aj) suggested that the "new Dodge line" now in force was characterized by controls aiming to curb inflation and "give Japan the economic capacity to increase exports and fulfil special procurement demand" because this policy is "planned to lay the foundation of the reorganization of our economy as a link in the US defense set-up." As was the case in Italy and France, "Washington never permits inflation in a country that is getting its financial assistance." Although the "rigid 1949 Dodge line" was later "modified" by DULLES with "the hopeful slogan of 'US-Japan economic cooperation,'" it is wrong to think that the two policies are incompatible, that DODGE stands for deflation and DULLES for prosperity. "Mr DODGE has laid the economic groundwork that will allow Mr DULLES to consummate the administrative agreement within limits that will not threaten the anti-inflation policy."

"Conditions" for Ratification: Are They Impracticable?

Some foreign dispatches regarding DULLES' coming to Japan were "highly perplexing" to a Nagano publication (ak), especially those that suggested the US Senate "will find it very difficult" to ratify the peace treaty "unless Japan

(ac) Yamanashi Nichinichi Shimbun (circ 40,177), 2 Dec
(ad) Yamagata Shimbun (circ 77,866), 4 Dec
(ae) Fukui Shimbun (circ 67,490), 5 Dec
(af) Ise Shimbun (circ 43,771), 5 Dec
(ag) Kokusai Shimbun (circ 104,250), 6 Dec
(ah) Kochi Shimbun (circ 107,470), 8 Dec
(ai) Hokkai Times (circ 121,460), 6 Dec
(aj) Yamagata Shimbun (circ 77,866), 2 Dec
(ak) Shinano Mainichi Shimbun (circ 147,318), 8 Dec

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promises to rearm, and to follow the US China policy." It is true that these two problems are "the very greatest ones" for post-treaty Japan, but "circumstances are not mature for Japan to make a final decision" on them, and the people themselves are "not confident they can pass right judgment" on them yet. They are not so simple as to be automatically settled by concluding the peace treaty and security pact....It was entirely beyond our expectations that such conditions would be imposed on us. We cannot believe Mr DULLES is so ignorant of Japanese problems." There is "no doubt," however, that the US hopes for precisely there two promises. "But it would be a violation of respect for sovereignty to force rearmament or foreign policy upon us; it would ruin the spirit of the peace treaty. We hope Mr DULLES can relieve our anxiety."

Speculating over these rumors, a Kanazawa commentator (al) likewise worried lest Japanese inability to fulfil the two US desires should delay ratification of the treaty. "We greatly doubt the belief of Washington experts who think we are rich enough to afford an army of even 10 divisions. At present we cannot even estimate appropriations for rearmament because reparations costs and other expenses arising from the peace treaty have not yet been determined." DULLES is "fully aware" of this, and "will probably not force impracticable conditions" on Japan. He will "primarily examine whether the Japanese people have the resolution and courage to defend themselves and work voluntarily for the peace of Asia.'

A CRITICAL YEAR END FOR THE LABOR MOVEMENT

During September and October the electric power shortage had greatly worried prefectural pressmen, and just as the worst seemed over the Japan Electric Power Workers Union (Densan), notorious for its former left-wing activities, carried out a series of strikes in the form of power stoppages. The press inclined not to sympathize with the union's objective, because of the effect on the public at large. Writers blamed the Government for "inept" policies that had caused the commodity price hike and consequent threat to labor's standard of living; but they warned that "excessive" agitation on Densan's part would prejudice the position of the entire working class in the pending revision of labor laws.

The "Unreasonable Labor Monopoly"

Among those viewing labor's side unfavorably was a Kyodo article printed in Kofu (am), Maebashi (an) and Miyazaki (ao), which said: "It is true the livelihood of power workers has become stringent due to the general price rise. But their demand for a 50 percent wage increase is too high." If management met this demand, it would necessitate another hike in electricity rates, "which would mean the workers had got what they wanted at the expense of the public." The writer believed the Central Labor Commission's proposal to raise the monthly salary to 12,400 yen was proper, as against the workers' demand for 15,750. "Since electricity charges have already been raised once, management will not find this impossible." The unions should realize that "their unreasonable demands and inconvenient strikes lose popular support for them because they increase the people's burdens....They also offer the Government an excuse for enacting a law to prohibit all general strikes, a threat to the whole labor movement."

The editor of the Osaka edition of Japan's second largest national daily (ap) printed a letter that insisted the coal and power strikes "should not be viewed in the same light as strikes occurring in ordinary profit-making enterprises," because their effects are "not confined within the narrow limits of one company or city." They "badly shake" Japan's industrial reconstruction and "threaten the people's livelihood." The result is that the strikers are "abusing their legal privilege," and "would have no grounds for protest" if the people voted for nationalization of coal and power, which would make strikes impossible under the National Public Service Law.

The power strike "must have caused considerable losses" in production and discomfort in homes, opined an influential Osaka business journal (aq), which referred to the "proper indignation" and "wrath of the innocent third party--

(al) Hokkoku Shimbun (circ 162,536), 8 Dec (AM)
(am) Yamanashi Nichinichi Shimbun (circ 40,177), 4 Dec
(an) Jomo Shimbun (circ 64,974), 4 Dec
(ao) Hyuga Nichinichi Shimbun (circ 45,283), 4 Dec (AM)
(ap) Mainichi Shimbun (circ 1,251,921), 2 Dec (AM)
(aq) Sangyo Keizai Shimbun (circ 580,207), 5 Dec

the public--against the needless harm they are forced to suffer." Abuse of the right to strike "should be regulated more correctly" when the labor laws come to be revised. "This right must not be denied; but it must be exercised only against capitalists and operators, not at the expense of the people." Labor unions have been developing from those of the craft type into joint unions of the same industries, and further into their federations. "Thus, despite the fact that cartels and trusts are controlled by the Anti-Monopoly Law and others, labor has developed a monopolistic power as strong as that of the former cartels and trusts. Now that necessary self-control on the part of both labor and management seems not to be hoped for, this unreasonableness must be corrected by legislation."

Legally Permissible, Morally Intolerable

Hiroshima's largest daily (ar) said: "Naturally enough, the advisability of restricting the right to strike has come up as a legal question." Precious power resources were wasted as a result of "sabotage" by the workers, who "deliberately nullified the benefits brought by typhoon Ruth at the sacrifice of the people's lives and property....If this is legally permissible, it is morally intolerable; all the more so in view of the present power shortage. They have succeeded only in hindering our economic reconstruction." Even the basic rights of the individual cannot stand outside of law and social order. "Poverty does not excuse robbery. Why is there no limit to the rights of unions as there is to those of the individual?" Where social order or public welfare are concerned, if unions "go to an excess in what remains a lawful action," the "only step to be taken is a legal countermeasure"; or, if their "radical" leaders are at fault, another Communist purge. "If our unions dislike either of these prospects, then let them voluntarily reorganize themselves in a truly democratic way."

A "strange feature" of the 12th Diet session, offered Kobe's leading newspaper (as), was that "not a single measure" was introduced regarding public security or labor relations. "The reason, we presume, is that the Government lost its nerve because Japan, just beginning to rise to its feet, is unexpectedly inclining toward leftist thought." This trend is "certainly not engineered" by Communists, as in the past, but "is stark proof that the influence of the working masses is becoming predominant....We can foresee that labor unions will continue to grow stronger." The writer suspected the Government was "hoping that democratic labor unions will run to extremes, affecting public opinion and arousing bitter feelings against them, so that this will work to the advantage of the Government's stand on public security and labor laws." The labor movement in the next three months will "constitute a deciding factor" in revision of the labor laws. Meanwhile, the Japan Federation of Employers Associations has "gotten the jump on unions" by opposing the Government's plan to prohibit general strikes. "Management's desire for fair play should prove to laborers that their prospects are best if they too seek sincere dealings with their employers."

Management's "Gross Misconception"

Nagoya's most widely-circulated journal (at) was less inclined to blame the power workers. "Considering their comparatively low salaries, their relatively higher ages, the requirement of special technical knowledge, and the recent pay level of other industries, their demands could not be called exorbitant, so that acceptance of the CLC's arbitration plan is really a great concession on their part." It shows that Densan "has at last abandoned its outrageous methods." The management's "stiff attitude" was such as to "arouse our suspicion that it had some political implications." It is "doubtful" that they realized the serious effects of electricity stoppage on the public. Because of the "peculiar character" of electric power enterprises as public utilities and regional monopolies, strikes "cannot help taking on political coloring, no matter how much the people involved try to stay within the scope of an economic struggle." The union should have planned how to strike without injuring the public, and the management should have been prepared to forestall a strike with an eye to the importance of the power industry as a social enterprise. "If the management had the slightest intention of making the union face public censure, it is a gross misconception of how a public utility should operate....Future discord will impede both the labor movement and the development of power resources."

(ar) Chugoku Shimbun (circ 224,232), 4 Dec (AM)
(as) Kobe Shimbun (circ 219,042), 3 Dec (AM)
(at) Chubu Nippon Shimbun (circ 960,370), 5 Dec (AM)

"The reason the autumn labor offensive was so active is that the workers' livelihood had begun to suffer," asserted a Maebashi pressman (au); all the same, their demands were "moderate and reasonable compared to those of the past." The same is true of the current year end offensive. "Price rises and the inept policies of the Government have offset the small effect of the tax reduction." Managers "must show a generous attitude toward the laborers' demands, within the limit of their financial capacity." Nor should they ignore them because the management itself is in stringent circumstances. "Owners must not lose the spirit of sharing hardships with the workers."

THE THIRD HUMAN RIGHTS WEEK

Human Rights Week (4-10 December), commemorating the third anniversary of the Universal Declaration of Human Rights, was diligently observed by the prefectural press. Though repatriation was not taken up as on the second anniversary when the UN discussed the Soviet detention of war prisoners, writers universally lamented that "infringements" of human rights were increasing on the domestic scene, despite the provisions of the new Constitution.

"Of Particular Significance"

"We need to fully realize that Human Rights Week is greatly different from the commonplace 'week' campaigns," emphasized a Fukuoka analyst (av). "It is of particular significance in Japan where officials unconcernedly infringe upon others' rights and the people apathetically submit to such treatment." He pointed out that a system for protecting human rights "has been completed," but that infringements by police, procuratorial, and tax officials were "prevalent."

Noting that 1,288 violations had been handled by the Attorney General's Office in the past year, a Niigata editorialist (aw) regretted that most of the Japanese "have no knowledge of the actual significance of the Declaration." Traffic in humans is the leading offense, followed by misuse of power by the police. "Due to the deeply rooted family system, children are still considered the property of their parents....The spirit of the Human Rights Declaration must be implanted in the minds of the people."

An Akita daily (ax) was particularly "ashamed" that its prefecture led in statistics on human traffic. "Our prefectural authorities are making every effort to wipe out this practise." However, the slave traffikers are "too adept at circumventing the law." Even when caught, they face a maximum penalty of a year's imprisonment or a fine of less than 10,000 yen. "When one realizes he has been duped by these agents, it is too late. But this does not mean that one should connive at these crimes. Further, when one hears of a neighbor being deceived, he must encourage the other to take proper steps. That would be a definite step toward respect for human rights."

"To make thousands of anti-prostitution laws is easy, but to free one enslaved woman and safeguard her rights is difficult," declared an Aomori editor (ay). "The end cannot be attained by mere formal steps or preaching," he concluded. "Without mutual understanding and trust based on the good sense of all the people, respect for human rights will prove mere flowery words....Enlightenment and education are needed, though they are not to be carried through in a day."

(au) Jomo Shimbun (circ 64,974), 5 Dec
(av) Yukan Fukunichi (circ 140,831), 4 Dec
(aw) Niigata Nippo (circ 144,075), 5 Dec
(ax) Akita Sakigake Shimpo (circ 106,380), 8 Dec
(ay) Too Nippo (circ 112,831), 5 Dec

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SUMMARY OF JAPANESE PRESS

NO: 2015 DATE: 15 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Dulles address at the Union Club luncheon topped all evening papers. They carried the speech with only minor deletions. Later papers trimmed down the speech and ran it with political reactions about midpage or slightly higher. The best general play in the morning press went to the initialing of the tripartite fisheries agreement, although it, too, dropped out of the leadoff spot in the final editions. YOMIURI led with part one of a panel discussion on "Independent Japan and Defense." The participants, including two depurgees, underscored the danger of depending on others for Japan's defense. News from Korea generally headed the foreign coverage.

FOREIGN RELATIONS

Political leaders greeted the Dulles speech with mixed reaction. The address, calling on Japan to work with the free nations on collective security, got strongest support from the Liberal Party. "We are in complete accord with Mr DULLES," said Chief Secretary MASUDA. "Japan represents free Asia and, in this capacity, we think it our duty to cooperate with the West in bolstering the strength of the free world." The spokesman for the Peoples Democratic Party, Chief Secretary MIKI, used the speech as a springboard for an attack on the Government. "It was quite natural that Mr Dulles should ask Japan to take minimum defense measures to meet its collective security obligation," he said. "The fact that Prime Minister YOSHIDA does not come out and frankly ask the people to prepare for this only gives rise to unnecessary confusion." Miki hoped that the US, "instead of merely emphasizing spiritual relationship," would help Japan economically. (a)

Socialist left-wing leader SUZUKI found nothing new in the latest Dulles "lesson." He asserted that Japan cannot gain security by taking sides. "Immediate and maximum security," he said, "will come only by preventing war in Asia, not by joining either the US or Soviet camp." Secretary General ASANUMA, speaking for the Socialist right, gave the speech a roundabout endorsement: "I do not think that collective security is unnecessary...I want Japan to enter the United Nations at the earliest date and take part in its collective security system." (a)

Chief Cabinet Secretary OKAZAKI revealed that the Government has "nearly completed" preparations for formal talks on an administrative agreement to the security pact. He said the talks would open as soon as the US presents a definite plan. (b)

Government sources predict that a US-Japan defense committee will start functioning even before the administrative agreement is signed. The committee is expected to work out arrangements for military bases and facilities and to supervise the gradual buildup of Japan's defense power. (c)

In the Lower House a Foreign Ministry official commented on the probable status of Japanese nationals who will work for the US garrison. International Cooperation Bureau Chief IZEKI told the Labor Committee that the Government will try to negotiate an administrative agreement that would keep these workers under domestic law. (c)

Negotiations on a tripartite fisheries pact ended successfully. Representatives of Japan, US, Canada initialed the agreement yesterday at the Foreign Ministry. (d) The agreement, consisting of 11 articles and an appendix, will last for 10 years. While proclaiming freedom of the high seas, it would virtually bar Japan from halibut and herring fishing and limit its salmon fishing to the area west of 175 degrees. (e) Fisheries talks with Indonesia will open next week. (f)

The Government has put through a deal to import 1,000,000 tons of coal from India. The bulk of this--700,000 tons--will go to the iron and steel industry. The rest will be used for making gas and generating power. A steel pipe company and two iron works, meanwhile, have signed a contract for the import of 40,000 tons of Manchurian coal. (g)

(a) Asahi Shimbun (AM)
(b) Jiji Shimpo
(c) Nihon Keizai Shimbun
(d) Yomiuri Shimbun (PM)
(e) [illegible] Shimbun (AM)
(f) Tokyo Shimbun
Yomiuri Shimbun (AM)

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NEWS BRIEFS

Foreign Vice-minister Offers to Resign: Foreign Vice-minister IGUCHI disclosed yesterday that he has offered his resignation to Prime Minister YOSHIDA. He gave no reason, but it is believed that he took the action because he had embarrassed the Prime Minister. On 13 December he told the press: "Prime Minister Yoshida apparently expressed to Ambassador DULLES a Japanese desire to establish amity with the Nationalists entirely apart from the question of choosing between the two Chinese governments." When the statement was published, Yoshida immediately got in touch with Iguchi and told him to be more discrete. (a)

Automatic Diet Recess to Begin Sunday: The 13th regular Diet will recess for the year-end tomorrow. The steering committees of both houses agreed on an automatic recess at their meeting yesterday. (b)

Freedom Demanded for All War Criminals: KIYOSE Ichiro, UZAWA Somei, and HAYASHI Itsuro, who served as defense counsels at the war trials, urged the Government yesterday to release all war criminals on the effective date of the peace treaty. Speaking before an Upper House subcommittee, they proposed the immediate opening of amnesty talks with the Allied Powers. (c)

Government to Clamp Down on Building: The Cabinet decided yesterday to clamp down on unnecessary construction. The new ruling would limit amusement places to three stories and 200 tsubo and ordinary buildings and houses to four stories and 300 tsubo. (d)

Yoshida Gets Appeal from War Victims: Families of the war dead sent five representatives to Prime Minister YOSHIDA yesterday to appeal for more aid. The delegation reported later that the Prime Minister was sympathetic and had promised to do everything possible to help. (a)

(a) Asahi Shimbun (AM)
(b) Mainichi Shimbun (AM)
(c) Jiji Shimpo
(d) Asahi Shimbun (PM)

-EDITORIALS-

The Dulles speech won top emphasis in the editorial coverage today, rating three editorials. The international category also included single editorials on the "fallacy" of underpaying the Japanese defense army and on the fisheries agreement. Single column space went to the problem of what to do about trade with Communist China. The domestic bracket included an editorial on the Government's power development plan and column comment on internal policing problems and the Liberal Party's "decline."

INTERNATIONAL

ASAHI was appreciative that Special Envoy DULLES in his luncheon speech "put his cards on the table." The paper dwelt mainly on the "cooperation" angles of the speech. Dulles made it "very clear" what is expected of Japan, it said. He explained that the first thing Japan should do under the US-Japan security treaty is to provide facilities for the US troops in Japan. But he stressed that this is "only one phase" of Japan's role in the collective security program, that "Japan and the US must work together to iron out all phases of the security program together and territorial and economic problems as well." In all these relationships, he said, Japan would be expected to "stand on her own feet,...a free and equal sovereignty."

The paper deemed it "of the highest necessity" that the "equality" concept be given the broadest possible interpretation. "The United States and Japan must meet as absolute equals in their negotiations," it said. "Anything less and the cooperation will be only nominal...like the relationship between the East and West in the past...And, as Dulles took pains to point out, such relationship would... result in the colonialization of the Orient by the Occident."

In a word, said MAINICHI, Dulles told us "how Japan should interpret and enforce the spirit and principle of the two treaties which it has already ratified." It was made clearer than ever that the treaties are "closely connected with the UN charter...though Japan has little hope of being admitted very soon into the UN. But under the peace Japan will have the same rights, and same obligations, as the UN members." "Frankly speaking," the paper went on, "the Japanese people have so far paid less attention to their obligations...to the free world...than to garnering their own nation's independence and security. This is probably why Dulles

stressed the subject." The fact is that Japan, having ratified the two treaties, "is obliged to be more positive in rendering services to the free world if the latter demands it...But Dulles set forth no demand that would appear...excessive or forcible. He only asked that Japan fulfill its obligations...in accordance with its capacity to do so. We must exert ourselves to meet his expectations."

YOMIURI got the impression from the speech that Dulles is "burning with the desire to convince this nation." It said the speech was "marked by wonderful figures of speech befitting a veteran diplomat." In one such figuarative turn Dulles said that a nation is as much obliged to safeguard its neighbors by being "inoculated against a contagious disease" as a person is, his point being that Japan is "not entitled to remain defenseless so that another nation--the Soviet Union--can occupy it and turn it into a tool for attack on a neighboring country--the US." The paper rated this as an "unprecedentedly strong expression" on the subject of Japan's rearming. But he later fended off "possible misinterpretation" of the remark by admitting that Japan is "at present incapable of making a major military or financial contribution to Western security." "We conclude," said the paper, "that the Dulles statement has saved us from the worst."

TOKYO SHIMBUN deemed it "absolutely necessary for Japan to organize a self-defense army in the aim of looking after its own security in the future." But the paper thought it "questionable" that armament advocates could command a majority in a referendum to revise the Constitution on this issue. "Japan is poor...We know the terrible failures of an army established on too small an appropriation. We tried it." It believe, however, that the National Police Reserve could be picked up into a more effective defense organ if it were "dignified and compensated...to the extent that would induce soldiering."

Problem of the MacArthur Line

NIHON KEIZAI doubted that Japan will make as good fishing bargains in all its other negotiations as it made with the US and Canada. "If a particular country is really set on blocking Japanese fishing, there is not much chance of our coming out successfully on the issue...Suppose, for example, that the Communist governments take the stand that the MacArthur line remains in force until a peace is concluded with them? It can only be hoped that the 'line' will be abolished before the peace treaty goes into effect."

Relationships with Communist China

Japan's relationships with Communist China will "inevitably be regulated one-sidedly by the Sino-Soviet Treaty of Friendship," said a YOMIURI columnist. " "Regardless of how sincerely Japan acts under the circumstances, it will be ignored by the Iron Curtain countries. The "friendship" treaty, it reminded, states that "in the event that Japan becomes allied with another capitalist nation, Communist China and the Soviet Union will regard both Japan and its ally as potential forces of aggression...and will jointly defend themselves from these forces..." This rule, said the paper, "applies to the US-Japan security pact. No amount struggle now can change the situation."

DOMESTIC

NIHON KEIZAI, in a second editorial, did not agree with the Government's proposal to establish a special power development company. Allegedly this company would not "monopolize" the power development field; existing organizations would also have a "free hand." "So why form a special company at all?" If the reason has to do with the need for huge financing, "why cannot the Government as well invest in existing companies as create a new one?"

A JIJI SHIMPO columnist was against granting fire department investigators the "judicial right to investigate" that they have been seeking. It looked to the paper like another case of "bureaucrats' demanding an unreasonable expansion of authority." There are "too many infringements of people's rights as matters stand to risk...building up side police forces."

An ASAHI columnist noted that the Liber gubernatorial candidate lost out in the recent election in Kochi Ken, "birthplace of the chiefs of both the administrative and legislative organs of the government." The paper believed that the election outcome was therefore a defeat for the Yoshida Cabinet. To an evening YOMIURI columnist the Kochi Ken election "revealed an anti-Government current." "Yoshida is going to embarrass his own partisans unless he adapts himself to the changed circumstances regarding the self-defense of Japan."

SPIES

24 Communist Underground Hideouts Raided: Searching for further evidence following the recent arrest of seven Communists suspected of spying on military operations, police early Friday morning raided 24 Communist underground centers in Tokyo, Kanagawa, Saitama, and Chiba. Authorities said they hoped to learn the general outline of the Communist underground setup from these raids. On 2 December, police arrested IIDA Shichizo, a Mitaka incident ringleader, and six other Communists at a meeting of the JCP Kanto district operation unit, which was organized to spy on military bases. Although they refused to answer police questions, authorities have identified the seven as high-ranking Communist leaders through photographs and documents. (Asahi Shimbun PM, 14 December)

Korean Military Spy Arrested in Kanagawa: Questioning of KIN Manryu, arrested for burglary on 5 December in Chigasaki, has led police to believe that he is a North Korean secret agent smuggled into Japan. He was indicted yesterday for violating the Alien Registration Ordinance, illegal entry, and theft. Meanwhile, investigators have started looking for a Korean espionage ring built around the suspect. Police learned that in 1948 Kin trained as a peace preservation corps member in Seoul. The following year he went to the island of Che-juto, joined the JCP, and collected secret information on UN troop movements. In October 1950, receiving secret orders to enter Japan, he gathered money for his traveling expense by selling a gold ring given to him by fellow agent RYU Kijun of Hakata. He immediately left alone in a fishing boat for Fukue Machi, Nagasaki Ken, and joined Ryu in collecting UN air force information. After a year Kin fled to Yokohama to escape arrest, and gathered information on war crimes and more general affairs throughout Kanto. He apparently ran out of funds and was caught stealing in Chigasaki. He admitted that reports from various secret agents in Kanto were sent to a certain Communist printing shop. (Tokyo Shimbun, 14 December)

TRAIN INCIDENTS

Communists Said Taking Action on Railways: Following the disclosure of the JCP "Y-bloc," an underground espionage organization spying on military bases, authorities learned of another secret action corps. Its function is to sabotage the state railways as a preparatory step for violent revolution. In Santama district the Josei action corps and the Mitaka action corps, organized in late September, are reportedly conducting militant underground activities, setting April as the target date for all-out action. Authorities say that these two units are composed of purged state railway workers and led by State Railway Unity Committee members. Josei action corps activities center on the Nambu, Yokohama, and Ome lines, while the Mitaka action corps operates along the Chuo line between Shinjuku and Asakawa. Their subversive activities can be surmised from KAKKAZAN No 3, a secret JCP guidance pamphlet, which said recently: "As for subversive action, we have numerous experiences in localized destructive activities, such as sabotage of munitions factories and intentional manufacture of poor quality goods. And those incidents which remain unsolved are dealing severe blows to the enemy." Recent activities seem to bear out this directive. On 8 December a train was derailed in the Fukuoi station compound on the Ome line. Authorities do not know whether it was accidental or sabotage. Some believe it was a clever bit of Communist sabotage. Other activities include rumor-mongering by purged state railway workers infiltrating railway offices and workshops in Hachioji. (Yomiuri Shimbun PM, 13 December)

Train Obstructed on Kurume Line, Fukuoka: The last train on the Kurume line of the Nichi Nippon railways was sabotaged near Kurume Shi on three successive nights, starting 6 December. Stones were placed on the rails, but fortunately, no mishaps occurred. Police suspect "ulterior motives" and have begun investigating. (Nishinippon Shimbun, 12 December)

Fukuoi Train Derailment Claimed Sabotage: Following an on-the-spot investigation of the Fukuoi train derailment, a National Rural Police official reported a deliberate attempt at sabotage. But after further investigation NRP headquarters modified this conclusion, saying that the unsolved case needs further study. But investigating state railway officials maintain it was sabotage. (Yomiuri Shimbun, Santama edition, 11 December)

Security Measures Cut Railway Sabotage: Frequent attempts have been made to sabotage trains on state railway lines in Hokkaido, beginning with the derailment of the express Marimo near Nemuro in June. But since then, state railway officials have strengthened policing. This has reduced incidents to about half of last year's 220 cases. (Hakodate Shimbun, 3 December)

GENERAL HEADQUARTERS
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~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2014 DATE: 14 Dec 51

Today's Tokyo Newspapers

-NEWS-

Domestic news generally wound up in the leadoff spot today. In the early papers the main stories were tied to speculation on the Dulles-Yoshida talks, Trade-Industry Minister Takahashi's trainboard interview on exports, and the Liberal defeat in the Kochi gubernatorial election. Later the focus sharpened, and the morning papers headed their coverage with the reported three-point agreement at the second Dulles-Yoshida meeting. National defense news also broke above-fold. YOMIURI kept the Okazaki defense plan--the main story in its final edition yesterday--high on the front page through most of the day. (The story was denied by Chief Cabinet Secretary Okazaki in NIPPON TIMES, but none of the other papers carried the denial.) Gen Van Fleet's promise that the 8th Army will stay in Korea "until the South Koreans are able to defend themselves" and the Dodge statement in San Francisco highlighted the foreign coverage. But foreign news, while doing fairly well in the evening papers, generally dropped below-fold in the morning press.

NATIONAL DEFENSE

Chief Cabinet Secretary OKAZAKI, acting on Prime Minister YOSHIDA's request, has drawn up a national defense plan. An English draft entitled "New Defense of Japan" was handed to the Prime Minister on Monday. He is expected to make use of it in his talks with State Department Adviser DULLES. The Okazaki plan embodies two main points--1) strengthening of the National Police Reserve in both personnel and equipment and 2) setting up of a US-Japan defense council to synchronize the activities of US garrison forces and Japanese security units. (a)

Okazaki has also figured prominently in the drafting of a bill to strengthen the Maritime Safety Board. The bill--slated to go to the postrecess Diet in January--would increase patrol boats from 100 to 200 and personnel from 18,000 to 30,000. It would give the MSB 50 airplanes, in line with the effort to model it after the US Coast Guard. (a)

A high Foreign Ministry official has disclosed that a US-Japan defense committee may be organized before the signing of an administrative agreement to the security pact. The committee would study the problem of building up Japan's defense power--a function that would later devolve to the committee and subcommittee to be formed under the administrative agreement. (b)

FOREIGN RELATIONS

Prime Minister YOSHIDA has promised State Department Adviser DULLES that Japan will establish de facto peace with the Chinese Nationalist Government, according to authoritative Foreign Ministry sources. But they point out that this does not mean that the Government has written off the Communist regime and aligned itself unequivocally with the Nationalists. The Government, they say, merely intends to work out an amity arrangement on a "temporary and limited" basis. (b)

The Dulles-Yoshida talks yesterday ended in an agreement on three points--reparations, national defense, and the need for establishing friendly relations with the Chinese Nationalists. (c)

The Prime Minister told his aides that judging from the progress of his talks with Dulles so far, full-scale negotiations on an administrative agreement will open in mid-January. He looked for a completed agreement by mid-February. (d)

Government negotiators met with US and Canadian representatives to iron out minor differences over the projected tripartite fisheries agreement. The Foreign Ministry revealed that publication of the text--previously scheduled for yesterday --would be postponed until all points at issue are settled. (e)

(a) Yomiuri Shimbun (AM)
(b) Asahi Shimbun (AM)
(c) Mainichi Shimbun (AM)
(d) Yomiuri Shimbun (PM)
(e) Jiji Shimpo

20408—FEC P&PC—11/51—20M

POLITICS

Liberal Chief Secretary MASUDA objected yesterday to the proposal to switch from a medium to a small constituency system in the election of Lower House representatives. He said the system would be "difficult" to change. Masuda made his statement after hearing a report on the British election from Dietman NAKAGAWA Shunshi. Nakagawa, who went to England to observe the recent general election, told the Liberal executive board last Friday that the small constituency system would not suit Japan. It would only work, he said, in countries with a small number of political parties and a high standard of political morality. (a)

Liberal popularity waned in Kochi Ken. The party-backed candidate for governor--incumbent MOMOI Naomi--lost to independent KAWAMURA Wakaji. Kawamura, who got 182,223 votes to Momoi's 155,789 in Wednesday's election, was supported by the opposition bloc.. (a) The defeat came as a surprise to the Liberals. After the rice decontrol and personnel retrenchment fiascos, they had counted on the Kochi election to bolster tottering prestige. But despite the imposing array of campaigners sent out from Tokyo, the Liberals failed to turn back the opposition. (b)

Chief Secretary MIKI of the Peoples Democratic Party said the outcome of the Kochi election foreshadowed an opposition victory in the next general election. A spokesman for the Socialist left derived a similar meaning: "This victory plainly shows the nation's dissatisfaction with the successive maladministration of the Yoshida Cabinet and with its policies following the signing of the peace treaty and security pact." Right-wing Socialist leader ASANUMA considered it significant that the Liberal defeat occurred in the electorate of Prime Minister YOSHIDA and Lower House Speaker HAYASHI. (b)

NEWS BRIEF

Ohashi Softens Organizations Control Plan: Attorney General OHASHI got Liberal approval yesterday for his latest version of the organizations control bill. The new plan, greatly modifying the original restrictions, will probably go to the Diet immediately after the New Year recess. (c)

(a) Asahi Shimbun (PM) (b) Yomiuri Shimbun (PM) (c) Tokyo Shimbun

-EDITORIALS-

International issues--the choice of Chinese governments, the Egyptian crisis, and the East-West German problem--continued to hold the attention of editorial writers. The only other topic rating more than one comment dealt with elections. Year-end disputes, taxes, opportunist scholars, and Amami Oshima rated single comment.

INTERNATIONAL

"If Japan were to recognize Communist China, it would have to deny the peace treaty," NIHON KEIZAI said. "How about recognizing the Nationalist Government?... If Japan is allowed to recognize the Nationalist Government as the 'government of Formosa,' it would be very convenient. But as in the case of Communist China, the best way would be to leave the matter...to future developments and let time settle the matter. We should seek the understanding of the US and the Nationalist Government in this respect."

The daily wondered about trade with Communist China. It noted that some people favor developing trade with Communist China "over and above political ideologies." "But we cannot think of this separately from the fact that the UN forces are fighting the Chinese Communists in Korea. However, within the purview of not violating the resolutions of the UN, it would be necessary for Japan to develop trade with both the Nationalist Government and Communist China...Accordingly, it is difficult for Japan to make any commitments now. There is no other way but to deal with the question according to developments at that time."

YOMIURI observed that Britain's policy to defend the Suez Canal zone by force only served to stiffen the anti-British feeling of the Egyptian people and apparently prompted their government to consider breaking off diplomatic relations with Britain. It said the Egyptian problem is international in that it ties in with the general trend for racial independence. "It is also domestic in that it is linked with Egypt's own economic problems. Furthermore, the geographical position of this country doubles the difficulty of solving this problem on a local

basis." The paper did not expect much from the reported forthcoming talks between British Foreign Secretary EDEN and the Egyptian foreign minister. "A delay in the solution of this issue will affect Middle East defense and the operation of the North Atlantic alliance. It will also have limitless influence upon the various battlelines in Asia."

JIJI SHIMPO commented on East Germany's proposal to West Germany for an all-Germany free election. It said West Germany replied that the election should be held under UN control. "In compliance with West Germany's request, the UN General Assembly in Paris proposed sending an investigating committee to Germany." While East Germany insisted that the German problem be settled by the people themselves under the supervision of the US, Britain, France, and the Soviet Union, the daily said, Premier GROTEWALD did not reject nationwide investigation by the UN. The journal believed that East Germany is assuming such a "comparatively conciliatory attitude" to win over the West German people. "This attitude cannot be entirely dissociated from the Soviet peace offensive in view of the Korean armistice problem and the disarmament negotiations. The problem is how long this step taken by East Germany will be able to put off West Germany's participation in the West European defense cooperation."

ELECTIONS

MAINICHI observed that many politicians, anticipating a general election next spring, have already started campaigning. It said if electioneering continues at the present rate for the coming four to five months, some politicians will have spent as much as 50,000,000 yen. It added that they are going against the ban on electioneering and that they are accepting "tainted money." "If this is the case, politics will be corrupt and bound by ill-gotten money from the time of the election. Therefore, we suggest a national fair-election drive to ensure that the next election will be held in an ideal manner." The daily believed that the National Election Management Commission and the prefectural committees should take the lead in the movement. Although this may require a considerable amount of money, it said, "if clean government can be realized, the amount of money spent for that purpose will prove negligible."

A MAINICHI columnist said the victory of independent KAWAMURA Wakaji over Liberal MOMOI in the Kochi gubernatorial election gave "confidence" to the opposition parties and "surprised" the Liberals. The writer noted that the election was held early because Governor Momoi retired before the expiration of his term of office. "Momoi thought that more persons would abstain from voting if the election took place in early January. Does this reason for moving up the election signify political necessity for the Liberals to move up the date of a general election?"

MISCELLANEOUS

ASAHI hoped that the year-end labor disputes will end amicably through mutual understanding and concession. "We hope that the road to settlement will not be blocked by stalled negotiations or by unnecessary pressure on one party. The recent attitude of management is not entirely free from this tendency. Though it may keep unions in check temporarily, pressure will never prove a wise policy since it will kill the workers' incentive to work in the long run."

TOKYO SHIMBUN was concerned about the delinquency in tax payments from estimated returns. It said the blue tax return system has not secured the taxpayers' support. "This is because taxes tend to become heavier if an estimate is filed. It may be said that heavy taxation leads to the filing of dishonest reports." The paper stressed that tax laws should be applied strictly upon the collection of report-system taxes.

A TOKYO SHIMBUN commentator said popular young professors in government universities are more or less inclined to the left or sympathetic to leftists. "To approve leftist ideology may be a logical step for a professor who wants to head a university infested with radical students and professors. But what we really need are educators who are not opportunists guided by popularity, but who will stand firm without being influenced by any extreme thoughts." The writer urged Dr YANAIBARA, newly-elected President of Tokyo University, succeeding Dr NAMBARA, "to fight resolutely against everything that should be fought against, whether it be fascism or communism."

While pointing out that the "Satsunan seven islands" will be able to celebrate New Year's by hoisting the Japanese flag, a JIJI SHIMPO columnist regretted that Amami Oshima, slightly south of them, will not be under Japanese rule.

Supplement to

SUMMARY OF JAPANESE PRESS COMMUNIST TRENDS AND ACTIVITIES

ARMED ACTION

Communist Party Planning for Armed Action: The Communist Party failed to block ratification of the treaties in the Diet, but not through failure to prepare for the struggle. It had tried since August to unify the party and translate its new program into action. At the fifth national conference in early October, the JCP went so far as to demand armed action and devised definite military plans. The party, which once advocated a peaceful revolution under the slogan, "A Communist Party loved by the people," has finally shed its false cloak of peace.

The JCP outlines its military program in a question and answer form, entitled "We Must Prepare to Arm and Take Action." This differs from February's fourth national conference military policy in that it stipulates positive steps for armed action and production of arms. It seems patterned after MAO Tse-tung's "Guerrilla Tactics." The JCP pamphlet says: "American imperialism, which supports the comprador-like Yoshida Government, arms its military with modern equipment. YOSHIDA, who is the cause of the peoples' difficulties, is protected from the peoples' wrath by this American military might. The Communist Party is becoming unable to defend itself by lawful means. We must fight arms with arms. We must start our armed struggle by first building up the antitax and antirice delivery struggles and labor disputes. A self-defense corps directed by the underground military committee will be the nucleus of these struggles. The partisan tactics of the Chinese and Korean Communists is practicable in Japan and liberation areas can eventually be established. Along with destroying military bases, munition factories, ammunition dumps, transportation facilities, and rolling stock, we must spy on the police and National Police Reserve. We must obtain arms either by producing them or by forcefully seizing them from the enemy. In conclusion, the party must at once form an armed organization and get arms." The military treatise also admires the former Japanese army's organization and calls for the study of the "field operation service regulations" and "field service regulations."

Increasing signs of the new JCP program are cropping up. The recent Kyoto University demonstration reflected the anti-Emperor campaign. Communist organizers in farming villages are trying to form worker-farmer leagues. And North Koreans in Japan, important elements of the JCP armed force, are instigating violence, such as in Osaka Shi on 1 December when they assaulted the Tosei police station with tear gas and sulphuric acid. (Column: Hokuriku Yukan, 8 December)

MISCELLANEOUS

Centralists Unifying Student Organizations: After a year of silence, student movements have burst into public prominence. Under leadership of the National Student Self-government Association students started antitreaty movements this fall. But they were sporadic and local, due to the continued fighting Communist centralists and internationalists among NSSGA members. But this situation is slowly being cleared up by centralist moves to oust the internationalists from important posts in student organizations. University officials believe that unification will be completed by the coming spring, and led by the centralists, the student movements will become more violent in opposing rearmament and war. (Asahi Shimbun AM, 10 December)

Fukushima Reds Uniting under Centralists: A possible battle of radical leftists and rightists after ratification of the peace treaty was predicted by Attorney General OHASHI on December 6 at a national conference of prosecutors. In Fukushima Ken, depurged rightwingers are rallying around the anti-Communist banner, while the Communist Party has shifted recently to the favorite Lenin tactics of "one step back and two steps forward." The Communist prefectural intraparty feuds seem at an end with several internationalist committees dissolving. Prefectural authorities believe this has been done to form a united front in the struggle against the Matsukawa and Taira trials. (Yukan Minyu, 8 December)

Student Dispute over Campus Paper Settled: The two-month bitter dispute between leftist and rightist Ryukoku University students over editing of the student paper came to an end on 4 December. The rightists sponsored a rally and demanded dissolution of the paper. But they were voted down in favor of a "new committee" to do the editing, representing all segments of the student body and the faculty. (Yomiuri Shimbun, Kyoto-Shiga edition, 6 December)

File

GENERAL HEADQUARTERS
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~~ALLIED TRANSLATOR AND INTERPRETER SECTION~~
MILITARY INTELLIGENCE SERVICE GROUP/FAR EAST

SUMMARY OF JAPANESE PRESS

NO: 2015 DATE: 15 Dec 51

Today's Tokyo Newspapers

-NEWS-

The Dulles address at the Union Club luncheon topped all evening papers. They carried the speech with only minor deletions. Later papers trimmed down the speech and ran it with political reactions about midpage or slightly higher. The best general play in the morning press went to the initialing of the tripartite fisheries agreement, although it, too, dropped out of the leadoff spot in the final editions. YOMIURI led with part one of a panel discussion on "Independent Japan and Defense." The participants, including two depurgees, underscored the danger of depending on others for Japan's defense. News from Korea generally headed the foreign coverage.

FOREIGN RELATIONS

Political leaders greeted the Dulles speech with mixed reaction. The address, calling on Japan to work with the free nations on collective security, got strongest support from the Liberal Party. "We are in complete accord with Mr DULLES," said Chief Secretary MASUDA. "Japan represents free Asia and, in this capacity, we think it our duty to cooperate with the West in bolstering the strength of the free world." The spokesman for the Peoples Democratic Party, Chief Secretary MIKI, used the speech as a springboard for an attack on the Government. "It was quite natural that Mr Dulles should ask Japan to take minimum defense measures to meet its collective security obligation," he said. "The fact that Prime Minister YOSHIDA does not come out and frankly ask the people to prepare for this only gives rise to unnecessary confusion." Miki hoped that the US, "instead of merely emphasizing spiritual relationship," would help Japan economically. (a)

Socialist left-wing leader SUZUKI found nothing new in the latest Dulles "lesson." He asserted that Japan cannot gain security by taking sides. "Immediate and maximum security," he said, "will come only by preventing war in Asia, not by joining either the US or Soviet camp." Secretary General ASANUMA, speaking for the Socialist right, gave the speech a roundabout endorsement: "I do not think that collective security is unnecessary...I want Japan to enter the United Nations at the earliest date and take part in its collective security system." (a)

Chief Cabinet Secretary OKAZAKI revealed that the Government has "nearly completed" preparations for formal talks on an administrative agreement to the security pact. He said the talks would open as soon as the US presents a definite plan. (b)

Government sources predict that a US-Japan defense committee will start functioning even before the administrative agreement is signed. The committee is expected to work out arrangements for military bases and facilities and to supervise the gradual buildup of Japan's defense power. (c)

In the Lower House a Foreign Ministry official commented on the probable status of Japanese nationals who will work for the US garrison. International Cooperation Bureau Chief IZEKI told the Labor Committee that the Government will try to negotiate an administrative agreement that would keep these workers under domestic law. (c)

Negotiations on a tripartite fisheries pact ended successfully. Representatives of Japan, US, Canada initialed the agreement yesterday at the Foreign Ministry. (d) The agreement, consisting of 11 articles and an appendix, will last for 10 years. While proclaiming freedom of the high seas, it would virtually bar Japan from halibut and herring fishing and limit its salmon fishing to the area west of 175 degrees. (e) Fisheries talks with Indonesia will open next week. (f)

The Government has put through a deal to import 1,000,000 tons of coal from India. The bulk of this--700,000 tons--will go to the iron and steel industry. The rest will be used for making gas and generating power. A steel pipe company and two iron works, meanwhile, have signed a contract for the import of 40,000 tons of Manchurian coal. (g)

(a) Asahi Shimbun (AM)
(b) Jiji Shimpo
(c) Nihon Keizai Shimbun
(d) Yomiuri Shimbun (PM)
(e) Mainichi Shimbun (AM)
(f) Tokyo Shimbun
(g) Yomiuri Shimbun (AM)

20408—FEC P&PC—11/51—20M

NEWS BRIEFS

Foreign Vice-minister Offers to Resign: Foreign Vice-minister IGUCHI disclosed yesterday that he has offered his resignation to Prime Minister YOSHIDA. He gave no reason, but it is believed that he took the action because he had embarrassed the Prime Minister. On 13 December he told the press: "Prime Minister Yoshida apparently expressed to Ambassador DULLES a Japanese desire to establish amity with the Nationalists entirely apart from the question of choosing between the two Chinese governments." When the statement was published, Yoshida immediately got in touch with Iguchi and told him to be more discrete. (a)

Automatic Diet Recess to Begin Sunday: The 13th regular Diet will recess for the year-end tomorrow. The steering committees of both houses agreed on an automatic recess at their meeting yesterday. (b)

Freedom Demanded for All War Criminals: KIYOSE Ichiro, UZAWA Somei, and HAYASHI Itsuro, who served as defense counsels at the war trials, urged the Government yesterday to release all war criminals on the effective date of the peace treaty. Speaking before an Upper House subcommittee, they proposed the immediate opening of amnesty talks with the Allied Powers. (c)

Government to Clamp Down on Building: The Cabinet decided yesterday to clamp down on unnecessary construction. The new ruling would limit amusement places to three stories and 200 tsubo and ordinary buildings and houses to four stories and 300 tsubo. (d)

Yoshida Gets Appeal from War Victims: Families of the war dead sent five representatives to Prime Minister YOSHIDA yesterday to appeal for more aid. The delegation reported later that the Prime Minister was sympathetic and had promised to do everything possible to help. (a)

(a) Asahi Shimbun (AM)
(b) Mainichi Shimbun (AM)
(c) Jiji Shimpo
(d) Asahi Shimbun (PM)

-EDITORIALS-

The Dulles speech won top emphasis in the editorial coverage today, rating three editorials. The international category also included single editorials on the "fallacy" of underpaying the Japanese defense army and on the fisheries agreement. Single column space went to the problem of what to do about trade with Communist China. The domestic bracket included an editorial on the Government's power development plan and column comment on internal policing problems and the Liberal Party's "decline."

INTERNATIONAL

ASAHI was appreciative that Special Envoy DULLES in his luncheon speech "put his cards on the table." The paper dwelt mainly on the "cooperation" angles of the speech. Dulles made it "very clear" what is expected of Japan, it said. He explained that the first thing Japan should do under the US-Japan security treaty is to provide facilities for the US troops in Japan. But he stressed that this is "only one phase" of Japan's role in the collective security program, that "Japan and the US must work together to iron out all phases of the security program together and territorial and economic problems as well." In all these relationships, he said, Japan would be expected to "stand on her own feet,...a free and equal sovereignty."

The paper deemed it "of the highest necessity" that the "equality" concept be given the broadest possible interpretation. "The United States and Japan must meet as absolute equals in their negotiations," it said. "Anything less and the cooperation will be only nominal...like the relationship between the East and West in the past...And, as Dulles took pains to point out, such relationship would... result in the colonialization of the Orient by the Occident."

In a word, said MAINICHI, Dulles told us "how Japan should interpret and enforce the spirit and principle of the two treaties which it has already ratified." It was made clearer than ever that the treaties are "closely connected with the UN charter...though Japan has little hope of being admitted very soon into the UN. But under the peace Japan will have the same rights, and same obligations, as the UN members." "Frankly speaking," the paper went on, "the Japanese people have so far paid less attention to their obligations...to the free world...than to garnering their own nation's independence and security. This is probably why Dulles