What kind of funds is then, covering the finance of such a great organization as the Japan Communist Party and in what way on earth is it being managed?

In the First Volume of our Report on this matter, we gave a full account of the circumstance under which the pre-war Japan Communist Party obtained the financial support from abroad at the time of its foundation and it is generally rumoured that the Communist Party is still now getting aid-funds from abroad, especially from Soviet Russia.

Secretary-general TOKUDA referred to this matter in his general report in the Fourth National Party Convention, on December 1, 1945, denying that, "Many rumours are in circulation; first: we are getting funds amounting to 20 or 50 million yen from Soviet Russia, but this is quite a nonsensical demagogism against our Party and, second: our Party is plotting to start a riot, but this is one of the fraudulent propagandas designed to alienate the people from our Party and we must shatter it to pieces."

Apart from whether such rumors are true or false, it is true that the leaders of the reconstructed Party are attaching importance to the Party's finance and taking every chance to urge every member to take the greatest interest in the financial problem and to make his utmost in settling the matters of that kind. They are warning them as follows.

2. Importance of the Party's finance:

A. The financial problem at the Second National Conference of the Party:

In his general report at the Second National Conference held Jan. 16, 1947, Secretary-general referred to the Party's financial problem with the following self-comment on the matter.

"We must take a serious interest in establishing the Party finance upon the basis of people's support, reminding that if it lacks such a basis, it would be conductive to a sectional tendency and a series of strifes within the Party.

If our financial activity is made light of, how can we make our Party take a right course and how can our Party activity be placed on a sound basis? There are many who are liable to believe that such a thing as "finance" will go well anyhow. Especially those who have so far been active underground and financially supported by sympathizers with the Party are apt to have such a delusion.

Financial activities are prerequisite to the progress of the Party. Many are often unaware of this and this will cause many troubles. We urge you to overcome this difficult point by all means. It is necessary to place the finance on the basis of a popular support. Any lack of this support would lead to every

sectional activity and every intra-party strife. Therefore we must bear this fact in mind.

It is the most important to cover the Party finance by the membership fees to be collected, and the income from the sales of publications to the masses, as well as by the constant contributions from our sympathizers.

It is also necessary to get a big lot of contributions from some special sympathizers, but this is rather a temporary measure. It is not, however, possible to lay the foundation for the Party finance by this way only. The Party must be financially based upon the masses by all means. It is necessary to base our finance upon the masses' support so that it may cover a huge sum of money to be expended for our future election campaigns and other various purposes. Detailed plans must have been shown to you in this respect by other comrades, too, but we should like urge you repeatedly to take an interest in the financial problem."

B. Financial problem in the Fourth Central Committee meeting:

Secretary-general TOKUDA took up the financial problem again and stated as follows at the Fourth Central Committee meeting on May 18, 1947.

"The Party activity would be ineffective, if we

are all talk and no deed in dealing with the financial problem. As often pointed out, no succeed has yet been made in this respect. It is very dangerous to deal with "finance" as a special matter and leave it in the hands of some specified persons. It is necessary for any member of the Party to pay attention to the financial activity and proceed with this activity in an organized effort and in combination with other Party activities. The more vigorous the Party activity becomes, the more extensively must the financial activity be promoted, and with the progress of the Party activity, the financial activity must be directed, as a rule, so as to raise funds to cover every expense for the Party activity. In this respect we must give up such a feudalistic ethical thought, that is, an unreasonable way of thinking as to make it ill-bred to talk about money.

As pointed out in connection with our election campaign, our members lack activeness in raising funds. They are urged to do anything in the interest of the Party, however imprudent it is regarded in a worldly sense. We must not overlook a fact that the various enterprises of the Party, the Akahata and all other publications and every cultural activity are the main sources for the settlement of the financial problem.

We must consolidate these matters in the first place and carry them out in close connection with the political activity in order to deal with the financial problem. This is the most important matter for us to bear in mind."

Further in the Fifth Central Committee meeting on October 12, the same year, the Secretary-general again called the attention of Party members to the financial problem of that time, pointing out that, "Our Party members are still considerably disinterested in the Party membership fee and its finance." He is thus making efforts in placing the party finance on the basis of the masses' support.

The above-mentioned statements by Secretary-general TOKUDA indicate that the rebuilt Japan Communist Party has had no financial support based upon the masses, but only depended upon Party members and a few sympathizers to back it in financial matters. He is regarded to have made a self-criticism on the matter concerned in his statements by pointing out that such a way would no more be effective to meet the financial need of the Party, with the intention of showing the way how to manage the future finance for that public party and especially how to raise funds for that purpose in the end.

CHAPTER II.

Fundamental Principle of Party Finance.

1. Fundamental plan in regard to party funds.

As mentioned above, the Japan Communist Party took up the problem of party funds in its party rules in view of its important character.

The sixth national assembly held in December, 1947 revised the "party rules" in which there is seen the following provision concerning party funds. This provision has been followed up to present.

Party rules, Chapter 10 "Party funds".

Article 60: Party funds shall be obtained from party fees, contributions and party enterprises.

Article 61: Any contribution to the party shall be attached no conditions.

Article 62: Party fee is one percent of fixed income. The party fee of a person who has no fixed income shall properly be decided by a prefectural committee.

In the Article 1 of the rules there is prescribed that "to pay party fee regularly is a prerequisite to membership".

The Article 2 shall read as follows:

"Any one who has neglected to pay his party fee for more than three months shall be recognized as having seceded from the party."

This provision obliges party organ or member to do what is to be carried out exactly.

2. Fundamental plan of party finance.

The sixth National Assembly establlshed the foregoing provision relating to party funds. At the same time, a meeting of "Subcommittee on Financial Problem" was held on December 24 when a fundamental plan as regards finance was established.

On December 24, there was held a meeting of "Subcommittee on Financial Problem" at the SANFU-SO, apartment-house near the Japan Communist Party Headquarters. It was attended by five Communists including KAMEYAMA Kozo, chief of the Finance Section and member of the Central Committee, NISHIZAWA Ryuji, member of the Control Committee, INOUE Morio, chief of the Management Bureau of the AKAHATA News Agency and other two local representatives.

Under the chairmanship of KAMEYAMA, chief of the Finance Section, there was repeated a conference on the following subjects.

(1) Establishment of finance laying its foundation on the masses.

(2) Problem of party fee.

(3) Campaign for party funds.

(4) Winning of sympathizers.

(5) Daily struggle and finance activity.

(6) Education propaganda activity and stabilization of financial conditions.

(7) Technical propaganda, practice and finance

The conclusion was:

A. Condlusion of the Finance Subcommittee in the sixth National Assembly.

The Finance Subcommittee acknowledged the following basic principle of party finance on the basis of rich experiences throughout the country.

a. Finance activity of party organs.

In Ibaraki Prefecture, there was established a fundamental plan covering party finance with party fees and contributions. "That only the Finance Section is responsible for finance is the old idea prevailing while the Funds Bureau was existent" "Finance in the hands of all the party members". "Important duty of organizers is to collect party fees regularly" "Organizers

should undertake to guide struggle, propaganda, organization and finance systematically or with consciousness" or "To collect contribution from outside is out of the question without complete payment of party fees".

Thus, the rate of payment of party fees increased as September, October and then November passed. There were many who contributed one percent of thier monthly incomes, giving as much or more relief funds.

In the settlement of accounts at the end of November more than 30,000 yen out of 40,000 yen was financed by party fees.

What is worthy of attention here is firstly that the complete payment of one percent of monthly incomes shall elevate the political standard of party members and serve to strengthen the party organization. It is secondly that new party members have been active in strengthening the enlargement of party system by taking the initiative of "one percent payment."

Thirdly and to be worthy of special mention is that the financial aid of party supporters has been greatly promoted in proportion to the complete

payment of party fees and that the scope of party supporters has been greatly enlarged, not to speak of a raise in party incomes.

This fundamental trends of party finance must be rightly and seriously grasped. To be neglectful in paying party fees or collecting them is the first step toward the corruption of party organizations and members. It is to be understood that to collect party fees will strengthen the unity or heighten the moral standard, of party members.

Collection of party fees first!

Party finance depends on all the party members!

Go everywhere to win small and big contributors systematically and constantly!

b. Cultural and financial activities.

Revolutionary movement without originality is nonsense.

(a) By peddling two comrades in Ishikawa prefecture sold books for one hundred thousand yen a month.

(b) In Kumamoto Prefecture two thousand yen was earned from admission charges for the lecture meeting of comrade TOKUDA.

The hall was crowded to its utmost capacity

and good results were obtained from the fund campaign made on the spot.

(c) A certain cell in the central part of Tokyo Metropolis held a cultural festival successfully, collecting funds for this cell.

(d) In Kobe City there are some comrades each of whom gains profit amounting to three hundred yen at least a day from the sale of children's cartoon books or performance of paper-picture shows.

(e) In some farming villages cells, Nagano Prefecture, there were held joyous cell conferences or other entertainments for cells. In the former, every member of the families attended was asked to enter the party and in the latter funds were accumulated through campaigns.

In short, it is the problem of "initiative".

There were a few reports on the local organizations of the party which have come on the verge of bankruptcy because they have continued to run through big contributions in idleness since the Communist Party was officially recognized.

This is the most imaginary and adventurous method Give up the primitive principle with regard

to party finance! Cultural and financial activities be combined! Compaigns be directly tied up with the originality of party cells!

c. Propaganda and finance activity.

Appeal to the masses! A street is a battle field! It is not impossible that one hundred thousand party members will be increased to one million according to our efforts. All the conditions are complete, but what is dissatisfactoryy is our means of struggle or method of systematization. If we go to streets and call back passengers, letting them know about people's severe struggle, opposition to bad taxation, electric power preblem, struggle for food, racial independence, liberation of people, it is no doubt that their taking part with us will depend on our seriousness and vehemence.

Therefore, a campaign for the collection of party funds will surely obtain good results when the masses are publicly informed of the difficulties of party finance. On this occasion, it must not be forgotten that propaganda corpses and organizers are financed regularly for their activities.

These party activists dissipate much of energy and feel keenly a fatigue physically and mentally. In the last year's campaign for 10,000,000 yen the supply of activity funds was very poor. In the future, it is to be reconsidered and a grand-scale organization of propaganda corpses and direct connection of propaganda with finance are disirable. We aim at the masses numbered 80,000,000.

With the masses and into the masses!

d. To force party members to collect alloted amount of contributions is unadvisable. There was a report impressing us that in a certain district each of party members had been compelled to collect four hundred yen for his campaign. This is a poor policy. To go too far is bad. It is important that we should appeal to all the party members after explaining the matters to their satisfaction, rousing their voluntary intentions.

Naturally there are no rich party members. They are laborers, salaried people or medium and small merchants or industrialists who can earn their living by working assidously. Party fees, charges for AKAHATA and other books or magagines

and important political campaigns all over the country!

A scruplous attention as well as a serious concern is needed lest all the party members be too much overburdened economically.

Do away with opportunism and easiness in party finance!

Every party member must pay his membership fee regularly! Pay one percent of his salary exactly!

Collect party funds from outside by means of campaigns! Let us organize party supporters!

As for party finance, it is necessary that it should go along all the political and systematic activities of the party and be swelled automotically as the party developes.

The Finance Subcommittee reacknowledging this fact passed the following resolution, grasping the real state of developing and changing party finance.

(1) The completion of racial independence and people's revolution depends on the blood and sweat of Communist Party members.

(2) The poverty and destitution of party members, especially professional revolutionists,

is the biggest obstacle to the enlargement of party organization. All the party members are responsible for guaranteeing them the maintenance of their livelihood and freeing them anxiety about their homes. Above all, this is the first step toward the stabilization of party finance.

(3) The finance activity is not merely a method of fund collection but a party of political and systematic activities of the party. It is an organizers' activity, or that of culture or propaganda.

(4) Party funds are based on party fees, complete payment of which strengthens party organization. A contribution to the party stands on the bases of "devotion to the masses who do not expect recompense.

"All the party members must pay party fees regularly! Collect party funds from outside by means of campaign!"

This is a foundation of finance activities of our party.

(5) The enlargement of party business in management, such as the publication of AKAHATA, keeps pace with the political development of

the party and proceeds on its basis. Let us do our utmost efforts to promote the democratic management of party undertakings and to strengthen their financial foundation.

(6) Let us systematize party finance by making a budget and settling an account for the proper management of financial matters. Let us give up the primitive method in finance, sweeping away speculative and money-making principles. Let us contemplate a nation-wide unification and consolidation of party finance.

(7) Let us increase the number and improve the quality, of the members of the Finance Section.

From an individual finance to an organized finance! The finance activity is attributable to an individual person after all. Let us establish a strong foundation of the Finance Section.

(Note)

The Japan Communist Party obtained from two years and several months' experiences since its reconstruction the said rules as a basis of party finance and "dicision of the Finance Subcommittee" as concrete essentials for practice.

Accordingly, by examining them closely, comparing them with the real state of party finance after that and putting together the instructions on finance issued by the Party Headquarters or resolutions reached by the Central Committee, we can understand in principle how the party finance of the Japan Communist Party is being managed.

With the establishment of the plan mentioned above, the Japan Communist Party Headquarters guided the finance activities of all the classified organs of the party. Finding it not easy to obtain satisfactory results in a short time, the Headquarters faced numerous troubles in carrying it out. Thus the party finance came to a deadlock. In the meeting of the Central Committee held in May, 1948, the year after the instruction on fundamental plan had been given, the Committee took up this problem of finance as an important subject.

Under the chairmanship of KAMEYAMA chief of the Finance Section, all the members of this Committee discussed this subject exhaustively to find a way out of difficulties. In consequence, they adopted the "decision on finance activity" mentioned below and gave an instruction to all the party organs.

B. Decision of the Central Committee on finance activity made on the meeting of Central Committee held in May, 1948.

a. What we keenly felt in the last local block conferences was the two points stated below:

a) The fact that our comrades in local districts and prefectures are pushing the various kinds of struggles in spite of their hard living conditions.

b) The fact that most of the party organs in local districts and prefectures have come to a financial deadlock and are unable to overtake a revolutionary standard of the masses since they cannot develop their political activities to their satisfaction.

These two points are the biggest obstruction to the progress of party activities.

The young party members aflame with revolutionary passions are going into managements and farm villages one after another, and a rise in the revolutionary senses of the masses is expecting an action from the party.

Notwithstanding that, the prefectural committees are lack of funds enough to make these actors devote themselves to their works. That we take up the financial problem as a serious issue of the party

is due to the fact that we are being confronted with this indisputable reality.

b. Counting on the support of reactionary powers within and without, the Government Authorities are contemplating a promotion of inflation and a big rise in commodity prices, or suppressing candidature by a revision in election law (under semi-public control a deposit amounting to more than 70,000 yen) or they are trying by the Law concerning the Regalation of Funds and Expenditures to cut off the source of funds of democratic parties laying their political fundations on the masses.

The Government Authorities are scheming to raise expenditures in a large scale by cutting off the fund sources of the Japan Communist Party. How we can stabilize party finance in facing such a situation, is to be taken up seriously by us and we should break through the hindrances at all costs.

c. (a) What is most worthy of attention is an example in Yamaguchi Prefecture where struggles are developing in close connection with propaganda, organization and finance. In Shimonoseki City, an arrearage to the CHUO SHOSEKI Publishing Company had exceeded thirty thousand yen and most of party

fees had been unpaid until a half year ago. The prefectural committee there appointed new members of the Finance Adjustment Committee according to the decision of the sixth general assembly on finance and they carried out a basic inspection on the conditions in Shimonoseki Area. As its result, all the arrearages were paid and the books of the party are being sold by organizers who supplement what is deficient in their oral propaganda by these books. They have penetrated in the deep of the masses and their organizations are developing very satisfactorily.

(b) Next question is about the Finance Section in Kyushu district. This section has had many experiences of the class struggle, and has a stabilized foundation. Besides, many members are devoting themselves to the financial activity. That fact enabled them to develop all the polyhedral activity. They would sell flowers or cinema-tickets in advance on May-day to get a considerable profit, not to say their selling books. A conclusion to be brought here, is that any financial establishment will not be expected without a solid finance section.

In Otaru City, there is stationed an areal committee, and the party activity has grown up to the political activity as of a political party. When a fire breaks out, the committee immediately calls at the spot, expresses its sympathy, endeavors to get delivery goods as many as possible. Thus they enjoy great popularity among general masses. In their background, the membership fee is almost fully paid, minor sympathizers are sure in their hands, and branch offices are under extremely reliable management. They say the district finance became adequat only because they had faithfully practised the instruction shown in directives and AKAHATA (Red Flag) without establishing any counterplan.

We cannot but admire this great result. It strengthens the party to collect membership fee correctly and to gather minor sympathizers. It strengthens the upper organs fully to pay the fee and subscription price to them, and at the same time it proves to strengthen the party structure itself.

e. What should be done for establishing the party finance.

(1) In Osaka, the Finance Section had been put under a quite unsystematic management till two months ago, but all the party organs are taking the lead in order to get the financial question completely penetrated into the termination of the cell. Namely, the party organs are to break down every indifference to finance.

(2) Establishment of regional and prefectural finance section.

There are only two way to obtain the fund of the party.

One is the way to collect from the whole organizations.

The other is that of collection to be made by the Party Finance Section.

When these two ways are unified, the finance will be regularized.

The absence of a finance section means to have no place specially to discuss and manage financial questions.

It is hoped that each region and prefecture will immediately establish a finance section and have at least five or ten full time personnel.

The first business of the section is to make an estimate, to establish the way of financial business and then should found a responsible finance system.

All the individual sympathizers shall be concentrated into the party sympathizer. All the enterprisers of the party members shall be investigated and organized. Around them, small and medium merchants and industrialists shall be organized.

All the party enterprise shall be planned and carried out. All the book-selling by branches shall be inspected, enlarged and strengthened by the KEIEI KYOKU (Managing Bureau). Each kind of "Campaign" shall be organized.

(3) Books-selling systematic work.

This is the above mentioned example in Yamaguchi Prefecture.

We expect to overcome the coming financial crisis by means of this kind. Unlike AKAHATA (Red Flag), the source of books is abundant. We have seen many

examples that the basic line of the party was success-
fully realized by this way. (Yamaguchi, Tottori,
Aichi, Western Shizuoka, etc.). We shall adopt it
on a large scale, and will emphasize that all the
"Organizers" should take a rucksack full of books.

The central quarters also thinks it the largest duty of finance and organization to enlarge and strengthen the Publishing Section.

We will finish this work in three months.

In the future, any arrearage should be cleared away in each local district and prefecture. It is the most effective way to sell books systematically, as it is completely combined with propaganda, structure and finance.

Firstly, it is the first consideration to realize the full payment of one per cent's membership fee. Though the fee is a per cent of all the income, a campaign is hoped to be staged so that those not only who can afford, but also who can manage to have some reserve, may pay more than a per cent, understanding that the one per cent means more than one per cent. Even the SEINYO DOMEI (Youth Communist League) collects ten yen. Now, the minimum of the membership fee should be ten yen.

(4) Small and large sympathizers.

The supporters of the party are all our respectable friend.

We should surely express thanks, give informations on international problems, party policy, and strnggles, and increase their interest in the party. Those persons part from us, because such considerations are neglected.

We should invite them to the open cell conference and let them fully understand the policy of our party.

In short, all the financial activities consist in the unified management and skilful synthesis of propaganda, organization and finance.

(a) Membership fee and small sympathizers in areas.

(b) Membership fee, sympathizers, and party enterprise in large districts and prefectures.

(c) Membership fee from members.

(d) "Campaign" from the outside.

(e) Full payment of the price of publications.

It is the key of making the party finance rich to carry out the above items most strongly.

Next, we should like to point out the below three points as the destructive elements of the finance.

(a) The wilful tendency, and selfishness of each organ.

We cannot expect an organic development of the whole party without the whole party's joint responsibility, or in case of appropriation of money of the Akahata General Bureau by a prefectural organ, or of failure to pay to the upper organ the membership fee and the price of the paper which have been collected by a lower organ.

(b) Principle to depend upon the upper organ.

(c) Principle of financial adventure.

It is nonsense to dream of making a fortune at one stroke. Lastly, it is a point specially to be pointed out that "it is necessary for fellow comrades to firmly believe that the finance of our party will extremely strong if it is managed sincerely" as claimed frequently.

Only the belief in the victory and the practice afire with the belief can make the finance of the party be well-off.

C. Establishment of Six Main Principles.

Due to the resolution made by the Finance Sectional Meeting at the Sixth National Convention and the resolution concerning finance, which had been reached at the

session of the Central Committee held in May, 1948, the financial condition of the party seemed to take a turn for the better, but the general election of 1949 made it extremely expanded. In inverse proportion to that, the living condition of party-members fell into distress so that the percentage of the payment of the membership fee went gradually worse on account of general financial stringency, depressed market, non or delay of payment of wages, unemployment, and high prices of commodities. Such being the case, those who have fully paid their membership fee came to be decreaced to forty per cent of the all members.

As the then allotment of paper for a political party was not enough for the AKAHATA (Red Flag), large quantity of paper was bought at blacmarket and the subscription price also went high. The percentage of recovery of its paper, however, was extremely aggravated like other publications, so that 3,75 kilogrammes used paper was recovered without compensation from each party member. The ten million yen's "fund campaign" driven since the beginning of this year could only collect three million yen by the end of the first half of the year.

Thus, finance came to suffer a extreme distress not only at the Party Headquarters but also at local organs of each class, so that many cases such as missing and appropriation of official money, and non-payment of membership fee, were seen in succession at local organs and the Control Committee came to take it up seriously.

Thereupon, Secretary-General Tokuda, made the below mentioned report on finance at fifteenth general meeting of Enlarging Central Committee held on 18 and 19, June, 1949, when he showed the Financial Six Main Principles and demanded their strict observance.

a. Financial report made at the fifteenth general meeting of Enlarging Central Committee.

The finance of the party must be placed on the basis of masses. Especially it must be placed on the basis of activity to aim at mass, membership fee, and publications to be issued by the party. For that purpose, it comes to be an urgent question to unify propaganda, organization and finance. It should be remembered that the way aiming only at finance has been failure in every case. The policy of unifying propaganda, unification and finance should always be strictly abided by even when an entertainment or

other show is given. It is considerably often deplored that the finance met a severe defect on account of economic panic and that many a defects are expected to happen to arise to trouble the party. That is clearly an error. Economic panic is, needless to say, to cause an unbearable financial defect upon reactionary political parties, but it is, on the contrary, financially profitable for our party, because the people's living condition will not turn to the better so long as the duty as of a vanguard of the party and leading role are not recognized and the struggle is not cooperated in accordance with the policy of our party. Therefore, it is clear that masses will give financial support to the party if this standing of a class is sincerely carried out. If newspapers and other publications are used from the standing of unifying the foregoing three elements, they will certainly be a great cause to enrich the finance rapidly.

We, rightly recognizing the situation that the enemy becomes weak and we make a rapid progress, should endeavor to utilize it. In view of the financial success of the Okayama Prefectural Committee, the financial dealing is decided as follows:

b. Financial Six Main Principles.

(a) To make an estimate.

Though it is loose at first, it will become good after many trials, therefore an estimate must be made without expecting its completeness at first.

(b) Appropriation is not to be allowed among each item.

(c) When a new work is done, its meaning should certainly be appealed to masses and a fund should be established under their cooperation.

(d) Firmly to abide by unification of propaganda, organization and finance.

(e) The responsible persons of each organ shall direct the finance on their responsibility.
Needless to say, a financial section and persons in charge of it may be posted. It means that finance shall be adjusted on the line of the whole organization of the party.

(f) Books should always be in order and possible to be taken over.

In order to get financial affairs truly understood, the elementary and leaders' educations must be diffused. At the same time, each party-member should firmly believe in the party activity and be boaldly and fearlessly engaged in the financial

activity, making propaganda of the party.

c. National Convention for the Financial Affairs of the Party.

Before the "Finance Six Main Principles" was established at the foregoing fifteenth meeting of Enlarging Central Committee, the Party Headquarters, summoning chairmen of local committees, financial section chiefs, financial "organizers" in the whole country, held the "Party Finance National Conference" at the quarters on 26 and 27, March, the same year, and conferred the following matters:

(a) Establishment of local finance.

(b) Carrying out of 50,000,000 yen's campaign.

(c) Establishment of the net-work for selling publication and books.

(d) Establishment of the foundation for managing local political newspapers.

Besides, the Control Committee directed a financial inspection at large regions and nine committees from the middle of may to the same of June, the same year.

d. Appeal concerning the finance of the Central Committee.

The Secretariat of the Central Committee of the Party published the below appeal on June 25, 1949:

Appeal to all the party members for the sake of establishing the party finance.

The struggle to be staged by all the people against the coming catastrophe has already started and is under development. The Yoshida Cabinet of the Liberal Party, positively carrying out anti-revolution mobilization, continues a crazy campaign to destroy the Communist Party.

As an instance of the campaign, the cabinet in concentrating its energies on the destruction of the finance of the Communist Party. In order to defeat the enemy's attack and to win in the struggle of all the people, the unification of propaganda, organization and finance must immediately be carried out in accordance with the resolution made at the fifteenth meeting of Enlarging Central Committee, and the inclination to manage finance by the adventurous principle, must be rooted out, because such is not only to confuse and weaken the finance of the party, but also fallen into the enemy's trap, further because it will prove most foolish in opening a way to the spy-policy which the enemy is most skilful in.

We, hereby appeal to all the party members for completely understanding the above and for energetically carrying out the resolution made by the foregoing committee concerning finance.

e. Enforcement of Financial Six Main Principles:

Fundamental policy for Party funds, subsequent financial resolutions carried on a few times and the Party financial policies by which Financial Six Big Principles have been made during the period of call-up of National Financial Conference and 15th Enlarged Central Committee Meeting; what kind of progress did these policies resolved since 6th National Convention make after that? Viewing how the fundamental points of the Party finance were practised and materialized, it was proved, as the following notification shows, that the Party funds demanded from the Party's internal and external objective condition cannot make both ends meet.

That is to say, the Central Committee's Propaganda and Education Section urged for all Party members' further efforts by clarifying the real state of affairs through the comment titled "For the sake of establishing the Party finance" inserted in the "Party Activity Guide No. 21" dated Nov. 11, 1949:

"For the Establishment of Party Finance",

Was the Six Principles carried out?

Into the masses, together with everday struggle!

Until now, the Central Committee has frequently gone through serious decisions about the Party finance, and in spite of all

Party organs' financial embarrassment, it was so late to be considered as a whole party problem. It is since the beginning of this year that the financial problem has been taken up so seriously: Financial Six Big Principles here decided at 15th Enlarged Central Committee and establishment of financial policy for the lower facilities stressed at 16th Central Committee's General Assembly, which are the so-called pyramid-type financial policy. Accordingly, all Party members have come to seriously grapple with financial problems. In consequence, things have been improved as follows:

a. It was understood by all Party facilities and members that the Party financial policy was an extremely serious and important problem for all Party activities.

b. The Party financial policy cannot be and shall not be taken only by the Financial Section. It was generally known to all Party members that it should be practised by the whole Party and be understood as a chain of the whole Party activities.

c. The Party financial policy should absolutely be based upon the masses. It has come to be understood that it cannot be essentially gone through, unless incorporated with the propaganda activity.

" New Direction of Activities "

As memtioned above, the Party, making a big growth and

development recently in its financial activity, can be admitted to have paved its way fundamentally to its solution, but owing to a more rapid transition of objective situations, many problems remain unsettled yet. Long before when the Party was so infant that its financial activity mainly lay in managing to produce the standing committee members' struggling expenses, only the existence of able members in the Financial Section could answer the purpose.

But nowadays, along with the development of struggle, the Party's field of activity has become so dense and wide as being obliged to organize the whole people toward the struggle, and therefore the former method of activities has become unserviceable in any way. (For instance, all the farming communities should be organized toward struggle, because there exists no people's struggle which does not combine with them!) Nevertheless, they remain almost blank at present.

Even if the Farming Communities' Operation Corps were posted in, only the Financial Section members' activity can do nothing in managing to produce travelling expenses.

When a scale of struggle becomes so wide and it comes to have a political character, its organization activity cannot add nothing with a handicraft-like method of former days, but should be combined with a large-scale propaganda activity. Then we need extraodinary expenses for one-time propaganda.

Although this is only an instance, an ordinary method would never be able to manage any longer because of the present-day Party's wide-scale activity.

The Party funds, in the nature of things, consist of personal contribution, which, however, owes to the Party's devoted efforts for the people's emancipation. Accordingly, there exists no financial activity separated from the Party's political purpose and devoted activity for it. As the struggle in recent days has become so wide-scaled and profound as to assume the form of the people's one, the whole Party activities have come to the stage of being reorganized toward the fundamental activity --- trinity of organization, propaganda and finance --- , through which the more it is based upon the masses, the more the fund for activity will be obtained.

"Where do defects of financial activities exist?"

Even if such a fundamental policy for financial activities were said to have been gradually understood by the whole Party, it could not be said that all problems have been completely solved. But in reality, we know that matters extremely common-sense and obvious to everybody are not being observed due to various defects in managing the Party financial policy.

Much less, the financial six principles.

"First Bad Aspect"

A tendency to dissolve the Financial Section is seen on the pretext that the financial policy should be managed by the whole Party. But, as it is a solid kernel supporting the Party organs financially on its own responsibility, without it the Party would not be able to develop many-sided financial activities and take a practical guidance for the lower facilities. It may be true that the Party financial policy can be maintained through the unified activity of all Party members' and facilities' work, organization and propaganda, but, at the same time, the Financial Section should actively work as a center of such kind of action.

Only by the unification of the above two, the Party finance will surely be established.

"Second Bad Aspect"

Although it is said that Party finance should be carried out by the coordinated organization activity, this does not mean to manage it with the Party funds, and those obtained through selling pamphlets and the Red Flag. As was obviously clarified at 16th

Enlarged Central Committee, they are to include the funds obtained from printing offices, cultural enterprise of book distribution, legal consultation, clinics, day nurseries, beside organs and publication all of which coincide with the Party's political purposes. We need to absorb any big contribution, if unconditional. But, in every district of Japan, the activities of the construction of book-stores, printing offices and clinics are going to be neglected recently.

This must be said to be due to the lack of understanding of the so-called organized finance, which means denial of financial venturism or get-rich-quick principle. On the other hand, we should be convinced of that the Party facilities should not devote themselves to purely economic activities just like banks, commercial firms or such.

"Third Bad Aspect"

Big increase of pecuniary diversion and arrearage and planless financial condition --- these are the worst aspects and here lies the very cancer of the present Party organization.
In fact, there are almost few facilities higher than Prefectural Committee which have no debt.

What is worse, we see, in some of them, such momentary measures as making a debt whenever and from wherever possible in order to live from hand to month, but such will result in eating up the Party supporters and friendly organizations outside the Party. Moreover, the prohibition of pecuniary diversion seems to be understood only as a slogan, but it is really the Party's rule to be strictly observed, absolutely not a formal slogan. That is to say, these planless policies are deeply related with those facilities' self-satisfaction, heroism, opportunism and selfishness. For instance, some leaders took upon in high spirits the service in the Red Flag subscription increasing movement, but as it was decided without the lower-class Party members' approval, they rejected it and consequently unsold paper is being piled up on the contrary , far from the said increasing movement. Nevertheless, the upper facilities are, still now, unable to understand the very reason.

Due to such a loose political activity, the Red Flag Publishing Headquarters, driven into impossibility of the recovery of unsold newspaper, has come to the serious stage of feeling so difficult to get funds for purchasing the organ paper: the same thing shall be said of books published by the CHUO SHOSEKI (Central Book-Publishing Co., Ltd.). Any way, nowadays when our struggle

have been so intensified and strongly requested of the so-called "sufficient preparation for the future", such an evil condition should immediately be overcome.

The Central Committee issued the following noticication that the adjustment of arrearage, accumulated stocks and debts should be carried out during two months i.e. Nov. 1 - Dec. 31 of this year in order to sweep the abovementioned bad trends and establish a sound finance:

(1) Multi-grade facilities shall clarify their own relations concerning funds and materials.

(2) Policy shall be taken for adjustment within the shortest period: half in November and half in December.

(3) As for the accumulation of unsold newspaper it shall be adjusted by means of everyday struggle, e.g. mobilization of the jobless and repatriated Party members, and organization of Operation Corps.

(4) As for debts, persons living in a remoter place from the Party shall pay them the earlier, and nearer shall pay them later, and thus, with their sincere understanding, they should be payed out monthly or annually.

(5) The upper-grade facilities shall directly despatch one leader at least to the lower-grade ones for about ten days from Nov. 20, and let the latter's members join their finance establishing movement.

(6) In addition to the fact that the Centre shall despatch each one leader to each large region, it shall cooperate with and take leadership in the adjustment of arrearages during about ten days of this period, despatching leaders at the rate of one for each Prefecture.

(7) The Centre shall cooperate with the Big Regional Committee in constructing book-printing offices, clinics, etc.

As proved by the above "Guide for Activity", we can know how the Party finance is so poor and how the Party Headquarters are being embarrassed for its overcoming, although its figure is not being expressed in it.

CHAPTER III.

Financial Organ of the Party.

1. Constitution of the Party financial organ.

The financial organ of the Party, according to the Party's regulation of the Article 18 ---Special Division is established in the Central Committee for the purpose of special plan by which the Party carries out the Party's policy and this division is under the management of the Politobureau--- is established and this organ is displaying its activity as a central financial organ. And in regulation, it is described that administration of this Central Finance Division is a duty of the convention as a supreme organ of the Party. Branches of this financial organ, as a special section, are established in local, prefectural and area committees and these financial managements were put under the control of the aforesaid committees.

In comparison of Finance Division of the Party Headquarters with one of local committee, there are a large difference in content and scale, and for establishment of the Party's budget, as a fundamental function of the

organ, and for carrying out, the organ is displaying such activities as collection of members' fee, flotation of donation and funds collection for selling organ papers and others. And these activities are special function of Finance Division which aims the cooperative activity with other organs. The financial activity of the Party is becaming importance according to the development of the Party and by this reason, now the subordinate organizations are established this organ as a important and special section. And rise and fall of the Party depends on the activity of the financial organ.

2. Arrangement of members in charge of finance.

After reconstruction of the J.C.P., the Financial Division chief of the Headquarters was a Central Committee member KUROKI Shigenori and after sudden death of KUROKI in March 1946, a Central Committee member KAMEYAMA Kozo was in charge of this position until early September 1947 but, during time when KAMEYAMA resigned his position for a time, YOSHIZEKI Kiyoshi who seemed to be NOSAKA's direct descendant was in charge of this. And soon, late October KAMEYAMA returned to his former position and had been in the service of this until

June 6, 1950 at the time when he was designated for purgee with other members of the Central Committee.

After establishment of Temporary Central Guidance Body as a reconstructed form of Central Committee, KAWADA Kenji had been in charge of this. Along with the recognition of importance of the Party's finance, the able men and proper men as the responsible persons for it were arranged and their number was increased day by day and at the superior classes to prefectural committee, a few persons were to be appointed as a professional member of Finance Section. But the choise of these persons seemed to be difficult, in fact, most financial organs in the prefectural committees were not arranged and professional members of this organ were in additional post of the other organ. And many trouble about financial matters were caused and now it brought many scandals as a matter of Party's control.

Concerning importance of choise of persons in charge of financial organ, chief of Finance Division KAMEYAMA stated in organ paper "the ZENEI" (Front) under the title of "Members' View on Finance" as follows:

"Finance depends on person's ability who takes on. What kind of person is fitted? I venture to speak a work concerning this matter, that, no concern to the

finance as seen in whole Party's organizations, frankly speaking, brought wrong constitution of finance section. members. For instance, the member of finance section was positioned by reason of his possibility of gaining money and chief of this section was in additional post of other business and today many of prefectural committees have the financial organ according to the regulations, but the proper members of it are not seen. For such committee, the serious problems lies in the recognition of importance of finance not in its members' ability.

Setting aside for the moment this question, many a member has no concern about financial dept. members' ability. This attitude cames from their wrong idea about Party's activities dividing into two parts and this is a serious error of principle of the Party. For instance, it is a anti-Bolshevistic thought that we consider to be a impure thought such a task as distributing Party's prints, serving as reporter and collecting prints' fee. In my opinion, our divided tasks of the class struggle as a Party's activity are the political activities with same worth, and merits and demerits between our devided tasks can never choose.

We should make to join persons to the revolution struggle by mean of utilizing their merit and faculty.

My discussion is beside the matter in hand, laborers who are working at the AKATSUKI (Day-break) Printing House and the AKAHATA (Red Flag) Publishing Office, in my opinion, have a merits to the Party in political and practical views. Judging from our two years' experience, man who lacks systematic faculty can't act the financial activity and one who can't understand the financial activity can't perform the systematic activity. We expect the financial activist to be man who has active attitude and good health and especially enthusiasm with the spirit of self-sacrifice.

Next, I will mention a feature of the political activity which is worthy attention. As you know, the Party member, as a man, often sell himself by money and reduced to a spy. And if he gain some money, he can't break off with money. There is no difficult activity as a financial one for members and on the contrary, there is no effective struggle as a financial activity. Each member of the Central Finance Division is making efforts with complete understanding that my financial struggle is my whole life struggle and all my revolution movement can be found in the financial struggle. All of them grew and developed to become true revolutionist through the financial activity,

though they are not so at the beginning. We expect that the finance division has many good members and the financial activity brings up many good revolutionists.

The financial slogan in 1948, Consequently it depends on man who treats it. We make effort to establish a firm Finance Division! shows the up-mentioned expectation."

CHAPTER IV

Actual State of the Party's Finance

I. Outline of the Party's finance.

As the previous detailed reports of the Central Committee and the Finance Congress, an importance of the financial problems, many principles for them and the concrete principle for them were stressed but figures showing actual conditions of the Party's finance had been not announced. This is a political tactics of the revolution party which keeps secret. Seeing the aforesaid reports, we can find the very efforts in shifting of the Party's economy. At a glance of the actual conditions, Finance Dept. of the Party which was reconstructed in November 1945, opened the business under the management of KUROKI Shigenori and in May, 1946, KAMEYAMA Kozo succeeded KUROKI's position.

Then the Party's finance could not be supported by only members' fees owing to small number of members. By this reason, all staffs of the leading members collected the Party's funds and donation from members and supporters. And then KAMEYAMA offered his pocket money of ¥600,000 for the Party funds.

This contribution-first-principle came to end in 1947 and as mentioned before, the Party established the fundamental principle of finance considering the financial matters most vital and the Party seeked its funds in members' fees and fruits from the Party's

enterprises to establish a sound finance. As a result of increase of professional members to develop the Party's power, a huge sum of money for election campaign and personnel expenditure of members was spent and the Party was in debt of about ¥300,000,000.

In 1948 the Party's power was developed and the income from members fees showed an increase of twenty times in addition to the incomes from donation and enterprises and the Party paid off its debts.

And in 1949, expenses of the personnel expenditure for the professional members showed 90% of total expense. And though expenses for activities and elections increased to five times of last year, the income did not increase and at last a debt of 53,000,000 was needed. This debt was owed to efforts of KAMEYAMA Kozo, NOSAKA Sanzo and HOSOKAWA Karoku under their personal responsibility. In Sept. 1949, the Party's income root consisted three, the fundamental root in the gripe of KAMEYAMA, donation from NOSAKA's friends, persons who are engaging in China-Japanese trade and fruits from AKAHATA Paper, and KAMEYAMA, chief of Finance Division, was troubled about many matters. Moreover, troubled, with the leading members of the Party, about net profit distribution matter of the construction work, as a enterprise of the Party, under the management of his younger brother TSUJIKAWA Katsuo.

By this reason he resigned his position under pretence of illness and this showed his mistaken magement of finance.

In the second half of 1950, owing to mass fire of professional members, the expenses for personnel expenditure reduced and roots of financial resources were unified. Suddenly in June 6 22 leading members including chief-secretariat TOKUDA, chief of Finance Division KAMEYAMA were designated for purgee and after then the Party's power rapidly withered and incomes from publishing enterprises not speak of income from members' fees and donation reduced and the Finance Division was transferred to the Central Guidance Body with last year's debt.

Especially, owing to the mass fire of red employees from pablic offices, the Party's management cells, as the bases of the Party was destructed. And their donation from their discharge allowance made the Party's finance abundantly for a time but the destruction of cells was mortal wounding to the Party in addition to the struggle in the Party, 9 leading members' underground hiding and outlawry of the organ papers. These moves were reflected directly in the Party's power and made the finance more harder.

II. Public announcement of the White Paper on the Party's finance.

As mentioned above, the truth of the Party's finance is

one which has been never announced and KAMEYAMA Kozo, chief of Finance Division, who was purged with other Central Committee members on June 6, 1950, at the occasion of succeeding its business to the Temporary Central Guidance Body, announced "White Paper of the Party's Finance" which was drafted by himself and revealed the figures of the Party's financial conditions since 1949.

Thus, the announcement of the financial figures of the Party is the first one through the Party twenty-year history but the figures appeared in this White Paper were revealed under some tactics of the Party operation but we can believe it as the announcement of the Party because we have no accurate data of the figures which we can produce contrary evidence of it. The whole sentence of the White Paper is as follows:

The White Paper on the Finance of the Japan Communist Party (Outlined).

Preface:

The tactics of the Japan Communist Party were changed one after another in proportion to the advance of people's volshevization from 1945, the party's recognition as a political one, to the present time, and at last such a great development as what it is now has been completed. That is well be said to be a long stride, if compared with the past age of its outlaw. However, the more development could not be hoped by the pressure of the American camps.

Be it allowed on the law or outlawed, it is absolutely necessary for the Japanese that the Japan Communist Party continues struggles, existing here in whatever form it may take. The Party's Central Committee has no power to settle the surrender of struggle carelessly.

What is the necessary factors in the struggle are,

Person and Property.

When we think of these factors closely, we can hit the fact that general party members, not to speak of leading staffs, are liable to overlook the importance of the latter, property, which has driven the Japan Communist Party to the final point, one pace nay a half pace to the stoppage of all the function of the Party; yet they have no knowledge of it.

I don't want to say now about the question on responsibility of it, but I want to present my article hoping your starting in the next struggle for the consideration of successor leading persons on the complete establishment of the party's finance, on the occasion of my retiring the post of Chief of Financing Division.

1. Character of the party's finance:

(i) Main items of revenue, as the basis of financial resources, are the three;

Party fee

Party fund

Contribution

(ii) As the other revenue, there is a general business income, but it is under the policy of non-expansion.

(iii) The largest item of expenditure is Personnel Expense.

(iv) No advance is included in the annexed report, because all the advances are rather hopeless than difficult to get back.

(v) Approx. 25% of all the expenditure is appropriated by loans.

(vi) The above percentage is not necessarily hopeless judging from the idea of common accounting, but they are considered to be difficult in its coming

back, compared with the side of revenue of the party.

(vii) Our actual loans are on the marginal line in the view point of financing negotiation, so that the further loan will be hopeless. These are of too conceptual, but are the outward character abstracted so as to be able to understand by general members.

2. Defects on finance and management of the party:

(i) As you see in the annexed paper the first defect of the party finance is the deadlock of financing coming from the unbalance of estimates: above all that of 1949 is affected a great influence to the following years.

Here we analize it in brief.

(a) The revenue of 1949 fiscal year was decreased by ¥226,000,000 in settlement compared with that of estimates, on the contrary, the expenditure was increased by ¥65,000,000.

(b) The party fee was completed paid only 53% of all.

(c) The amount of uncollected money of AKAHATA and other publications was more than ¥3,860,000.

(d) The personnel expenditure was paid to two thirds of the vocational party members, about 5,280

persons, of their allowance for January and February, from December of 1949, about a half for March and April, and one fourth for May, the remaining payment was carried over to June.

These are, of course, the result that the opinion of the finance division had not been highly regarded in the meeting for budget, but they had laid emphasis on struggle.

(ii) In spite of the directive that some specialist should be arranged at least as the responsible person for party financing in the unit structures lower than the Regional Committee, some of them allowed the person in charge of other business go on the business or leave the post empty, thus they are liable to make light of the business. The actual number of persons of full-time service are only 39 in all.

(iii) After the examination of financing condition of units there revealed that none is carrying completely on the Six Principles of Finance directed by the party, so that the handling of finance is extremely disorder[illegible] and confused.

(iv) Non-payment of the Party-fee is a common inclination, but there is no unit of structure which has been

active aiming at overwhelming the defect.

(Other several items)

As you can see from the defects mentioned above, the party's finance is already on the verge of ruin.

3. Personal opinion on the establishment of future finance of the party:

Perhaps we can get through the financial crisis with the means mentioned below for the time being, but my personal opinion is started on the premise that the question of loans will remain for ever.

(i) The loans shall be considered as the another matter of individual person by separating completely from the party's finance in the personal responsibility of persons who barrowed them actually. Fortunately, these loans are made in the name of individuals, and it has already come to an understanding in a certain degree with our comrades, NOSAKA, TAKAKURA and some others.

(ii) As indicated on the figures in expenses what is the main origin of red-finance is the personnel expense of a vast amount and unnecessity.

Of course, even a marxist must make a living, that is a common-sense, but I have a doubt, on

such a numerous number as five thousand and several hundred vocational party members of the Japan Communist Party, what distinguished services they would bring about it we compares with the effect of the struggle carried out by the Japan Communist Party.

Not only the Japan Communist Party but also the Communists in the whole world have their vocational party members, but it was one mistake for us that we had arranged without a careful study on the following points,

(a) Do we hold the vocational party member for development and expansion of the party?

(b) Do we hold the vocational party member keeping step with the development and expansion of the party?

The consideration on the financing power and economic conditions of sympathizers as well as the scale of the party is of course necessary. Notwithstanding of it, the Japan Communist Party has failed because it hurried its expansion too much.

I think the Party must arrange the member owing to the second clause as the objective. For the purpose, it is desirable and necessary

that a vast rearrangement of actual vocational party members are required.

A major part of leading staffs and the local unit of structure need not any vocational ones. The system should be applied to the pure business men of headquarters and other offices. In place of them, semi-vocational ones should be arranged more; for example, the actual organizers must be enroled into the structure other than the party as a wage-earner, and on the other hand, they shall get another income from the party; the number of them will be more than 450.

(iii) More loans will be difficult considerably in the present stage. If it be needed, however, it should be made in the personal qualification, otherwise, it will remain many a trouble in future.

(iv) It is out of question that the complete payment of party-revenue should be the first objective, and this point will necessitate more distinct, concrete and strong disposition.

(v) Immovable assets except a part of land are mortgaged to the party, which are transformed from the loans of individuals, or they are what the loans of individual members were transferred to

the party. They must be altered to individuals at once. If not, they should be disposed of immediately.

(vi) AKAHATA (Red-Flag) and other organs are issued unpremediatedly, which is due to the fact that they rejected our advise, and which only increases the non-payment.

It is a wonder that ZENEI (Vanguard) or ATARASHI-SEKAI (New World) can publish the same number of copies in every month. They must be more or less in number. Even AKAHATA (Red-Flag) there recorded the remainders of more than 10,000 copies after it began to issue daily. It is really an essential tool for struggle, but the condition is too unpremediate. I think it is necessary that they should be examined again for the strict readjustment of them. Hereafter such an unnecessary expense will never be permitted. (other some items)

4. Self-criticism of financing activity. (omitted)

5. Conclusion:

All that I stated is too abstract, but I stated all what I have to state. What remains in future is the method and its study how the rational and sound finance should be stood alone under the new leading staff..

As I have repeatedly pointed it out, without this fundamental solution such a thing as discussions on the struggle method is only a nonsense. With this additional word I will conclude my statement.

Balance Sheet on Party Finance

(1945 - 1946)

Revenue

	1945	1946	1947	1948	1949
Balance brought for	20,287,00	104,769,12	159,599,51		1,488,885,81
Party-fee	645,00	2,650,00	3,762,871,00	62,853,470,00	150,296,300,00
Party-fund	208,046,15	264,940,75	1,203,500,00	8,234,990,00	17,264,825,40
Donation Rev.	103,035,85	210,464,75	2,169,800,00	3,267,480,00	11,602,000,00
Red Flag Rev.	19,916,85	28,996,00	1,002,945,70	4,153,700,00	3,163,925,00
Publication Rev.		18,750,50	763,670,00	873,952,00	645,300,00
Welfare Facilities Rev.		1,260,00	186,453,60	1,131,780,00	784,631,00
Works Rev.		5,760,00	837,960,00	2,194,994,00	2,033,625,00
Loans			29,710,728,19		53,036,071,79
Miscellaneous Rev.	72,482,16	89,654,74	136,700,00	1,802,600,00	675,300,00
Total	424,415,01	272,241,86	39,934,228,00	84,512,966,00	240,990,864,00

Expenditure

	1945	1946	1947	1948	1949
Personnel expenses	67,513,90	110,976,00	28,445,700,00	41,204,520,00	216,853,200,00
Cost of Supplies	23,085,20	39,785,40	216,900,00	374,600,00	293,700,00
Office expenses	21,658,00	124,074,30	187,654,00	297,880,00	
General movement expenses	55,505,79	102,050,00	7,243,900,00	6,405,500,00	31,600,00
Publication expenses	58,520,30	72,532,00	683,731,00	3,194,532,00	13,152,400,00
Campaign expenses	26,123,30	34,700,00	2,675,423,00	1,253,000,00	437,864,00
Expense for AKAHATA	46,006,00	52,960,50	197,800,00	368,700,00	6,292,500,00
Loan		3,760,00	28,600,00		479,500,00
Miscellaneous	21,233,40	26,804,15	254,520,00	214,620,00	
Total	319,645,89	567,642,35	39,934,228,00	53,313,352,00	240,990,864,00
Balance	104,769,12	159,599,51		31,199,614,00	3,164,700,00
Arrears of loan				1,488,885,81	

III. Conditions of the financial resources of the Party:

The aforesaid White Paper of Party Finance made first public the figures of the fundamental income of the party, such as membership fee, endowment, contributions and incomes from the AKAHATA (Red Flag) and other publications and from welfare facilities.
It is a means for clarifying the true state of the party finance to inquire closely into the materials and conditions on which these figures were calculated.
Let us examine the real conditions of the resources for party fund.

In this case, it is a fundamental obstacle or vital defect in the course of examination of the basic materials for the calculation that the materials always lack accuracy. In the case of calculating the membership fee, for instance, the accurate number of the party members is hardly grasped and, as regards the increase or decrease of party members and rate of full payment of membership fee in every year, there is no other way than judging from fragments described in the instructions or directives of the party.

As regards the contributions, the case is the same. The collected amount of the contributions which were publicly raised with the name of So and So Fund Campaign

is always not clear about from whom or how much contributions were collected except their interim reports and others.

As regards the profits of enterprises especially, an autonomous account system is adopted by the enterprises of publication, sale and printing of the organ paper and other printed matters, and no enterprise had ever made public its balance sheet.

Such being the case, no one but a few persons concerned in the party knows the real conditions of the party fund and finance. The finance and others of the district committee or prefectural committee are not understood by its common members. The only fact which is well understood by them is that the finance of the party shows deficit due to lack of funds and consequently the party activities are remarkably restricted. Therefore, among actives in the terminal organ of the party there is a word "to strip oneself." There are many promising youths, as mentioned in the aforesaid report of the party finance, who would first pour to the last piece of their property into the party activities, spend the contributions, large or small, increase debts and finally drop out repeating unfaithfulness.

(1) About the membership fee:

A. Rate of membership fee payment:

It is as mentioned above that bearing of membership fee, according to the regulations of the party, is one of the qualifications of the party member. The bearing rate is provided to be one per cent (1 %) of the monthly income as a rule. However, it is actually more than that and liable to be increased to from two to five per cent (2-5 %). It is a form of sound finance that the membership fee is the mainstay of the party income. However, even if the whole party members paid fully the membership fee every month, it would be insufficient for committeemen at the termination to finance solely the expense for activities in the area.

Now that the payment rate of membership fee is very poor, what could we expecet from them?
It is so poor that we doubt if this were the real state of the qualification for members of the vanguard party.

According to the instruction of the Finance Division as of February 15, 1949, for instance, there were arrearages amounting to two million yen (¥ 2,000,000) at that time. Accordint to the information at the

end of June of the same year, it was said that there were, every month, arrearages amounting to two million seven hundred thousand yen (¥ 2,700,000) out of the membership fee amounting to thirteen million seven hundred thousand yen (¥ 13,700,000). The aforesaid White Paper of Party Finance in June, 1950, publicized that fifty-three per cent (53%) of the membership fee had not been paid.

Accordint to the party weekly report as of September 9 of the same year when the rate was best, the payment rate of each regional committee was as follows:

Hokkaido	67%	Tohoku	52%
Kanto	48%	Tokai	64%
Hokuriku	71%	Kansai	51%
Chugoku	63%	Shikoku	55%
Kyushu	57%	Average	59%

B. Number of the Patty members:

Although a question would be raised what is the real number of the members as the standard for calculating the total amount of the membership fee, there is no accurate figure in this regard.

For instance, it claimed at the Sixth Convention of th party held at the end of December, 1947, its round number was one hundred thousand (100,000), but according to the report submitted in conformity to the Organizations Control Order, the number was sixteen thousand nine hundred forty-seven, or seventeen per cent (17%) of the claim. According to the announcement of the Eighteenth Expansion Central General Committee in January, 1950, it was claimed to be two hundred thirty-six thousand (236,000), but the numb er reported to the authorities was ninety-three thousand nine hundred thirty-five (93,935) at the end of December of the previous year.

Such contradiction, however, appears also in the announcement of the party itself as follows:

January, 1950	(Announcement at the Eighteenth Expansion Central General Committee)	236,000
April 28, 1950	(Announcement at the Nineteenth Expansion Central General Committee)	295,400
June 30, 1950	(Weekly Report as of August 12)	147,210

July 31, 1950 (Weekly Report as of August 12)	136,981
August 31, 1950 (Weekly Report as of October 7)	100,201

As the figures show us, the decrease of one hundred fifty thousand (150,000) only for two (2) months from the end of April last year is too remarkable, though it is also supposed to be due to the secession of the "swelling members" astonished by the thoroughgoing purge of the members of the Central Committee on June 6 last year and to the ousting of those members who failed to pay the membership fee. The monthly decrease since then is also considerable.

Meager income of the membership fee in 1945 and 1946 mentioned in the White Paper of the Party Finance shows that the principal funds relied on campaigns and contributions for a while after the reconstruction of the party, and plentiful income after 1947 was a result of guidance to the membership-fee-first principle and increase in party members in addition. Thus, the number of membership is important enough as the party influence as well as

the basis of the party finance. Therefore, the number of membership in every regional committee shall be indicated as follows to offer you a data for judgment of their financial conditions:

The number of regular members in June and July in 1950

(Party Weekly Report dated August 12)

Name of Regional Committee	As of June 30	As of July 31	Decrease
Hokkaido	13,860	13,262	598
Kanto	37,980	37,211	769
Tohoku	10,970	9,650	1,320
Tokai	20,340	19,265	1,075
Hokuriku	10,050	9,219	831
Kansai	23,600	21,364	2,236
Chugoku	10,260	9,579	681
Shikoku	7,600	6,215	1,385
Kyushu	12,550	11,216	1,334
Total	147,210	136,981	10,229

The numbers of membership appear in the reports submitted in conformity to the Organizations Control Order are as follows:

At the end of	1946	8,133
"	1947	16,947
"	1948	37,612
"	1949	93,935
"	September, 1950	76,832

When we compare the figures with those announced by the party and mentioned above, we can realize there is a large difference between them.

This is because the Communist Party would evade submitting of reports in conformity to this Order and keep everything secret from its character as a revolutionary party. And the figures are nothing but the numbers reported strategically as the legitimate party which adopted peaceful revolution as stratagem.

After the purge of the members of the party's Central Committee on June 6, 1950, party members of excellent areas tendered report of bolting in succession in compliance with the instruction of "rescission of registration" to erase their registration, but they in reality engage in the party activities more wholeheartedly. As regards the actual state of the cell,

cells would have secret party members three or five times the registered members and there are such cells that preserve secret cell members of whom no one but the captain of the cell and a few of area committeemen knows. Since the execution of the Red Purge, party members would evade to have their affiliation registered not to became target of purge. They are, in consequence, not registered as yet. Therefore, the real number of the party members cannot ascertain.

C. Allotment percentage of the income from membership fees among party organs of various classes:

Membership fees would be collected by the responsible person for finance from cell members, be sent to the area committee, which would send them to the prefectural committee, which to the regional committee or to the party headquarters.

The membership fee is the resource of various organs of the party with campaigns and contributions. The income obtained as membership fee would be allotted to party organs of various classes as follows and the remainder would be sent to upper organs:

Allotment:

Cell--30%, Area--30%, Prefecture--20%

Party Headquarters (including Regional Committee) --20%.

Now, suppose that the total amount of the membership fees collected by a cell was one thousand yen (¥1,000). Three hundred yen (¥300) at first shall be deducted by the cell, and next three hundred yen (¥300) by the area committee, Then, two hundred yen (¥200) shall be deducted by the prefectural committee, which shall send the rest to the party headquarters.

As regards the income of enterprise, such as publication of organ papers and pamphlets and other than the membership fee, the cell is authorized to receive profit of fifteen per cent (15%), the area (branch office) thirty per cent (30%) about the organ papers and fifteen per cent (15%) about the ZEN-EI (Avanguard), and the cell fifty percent (50%), the area twenty percent (20%) and the prefecture thirty percent (30%) about the pamphlets. These incomes are important resources for them together with contributions and funds raised at campaign addressed to the organs of the Party.

2. Contents of the contributions:

It is stipulated (Article 61 of the regulations of the party) that the contributions should be well-earned money which would not impose any conditions for the sake of the contributions. But the major part of the finance of the party relies on these contributions. In the days when the party was an unlawful existence, most of the finance had been maintained by these contributions. For one year and a half immediately after the reconstruction of the party in 1945, the party had staged a campaign by mercy of them. Afterwards, when the collection of contributions had reached its peak, the reliance was transferred to the membership fee and profits from enterprises. But the contributions are treated yet as the indispensable and important resources. Especially at local organs of various kinds, the finance shall not be able to make both ends meet without contributions.

A. <u>Condition of the network of the Party's sympathizers:</u>

The contribution is raised from the party supporters and sympathizers in principal. The party members themselves contribute money for the funds collection campaign. In many cases, the finances of area committees and cells are covered by the contribution made by the party members. There are two kinds of contributions--one as especially raised for the purpose of conducting the important activities

of the party headquarters under the name of the so and so funds collection campaign and the other. In the latter case, there are two kinds of contributions, namely big contribution and small one which is raised from each person every month. The party is assisted by the party supporters who render monetary assistance. They are the reservoier of the party and under the powerful party system. Accordingly, the following organizations, the oultined organizations of the Japan Communist Party and its members are supporters.

Leftwing organization affiliated with the ZENKOKU RODOKUMIAI RENRAKU KYOGIKAI (National Liaison Congress of Labor Unions), Organizations affiliated with the ZEN NIHON SANBETSU RODOKUMIAI KAIGI (National Congress of Industrial Unions), NIHON MINSHU SEINEN DAN (Japan Democratic Youths Association), NIHON MINSHUSHUGI YOGO DOMEI (Japan Democratic Preservation Alliance), NIHON NOMIN KUMIAI TOITSU HA (Japan Farmers' Union Unification Faction), FUJINMINSHU KURABU (Women's Democratic Club), Twenty one (21) organizations affiliated with the NIHON MINSHUSHUGI BUNKA REMMEI (Japan Democratic Cultural League), RONO UNDO KYUEN KAI (Labor-Farmer Movement Relief Society), MINSHU SHUKO KAI (Democratic Industry and Commerce Society), TEKISEI NOZEI KISEI DOMEI (League for payment of Normal Taxes).

Organizations of the third country men residing in Japan.

a. ZAINICHI KAKYO MINSHU SOKUSHIN KAI (Society of Chineses in Japan for Acceleration of Democracy)

b. ZAINICHI CHOSENJIN REMMEI (Defunct League of Koreans in Japan) lined organizations.

c. CHUJITSU BOEKI SOKUSHIN KYOKAI (Chinca-Japan Trade Promotion Association).

The publishers of left-wing books also are influential sympathizers.

The following announcement was made at the 19th general meeting of the Central Committee in 1950 concerning the number of quasi-party members and sympathizers who are ready to contribute money for the funds campaign and to make other contributions.

The number of quasi-party members and sympathizers belonging to each regional committee.

Districts	Number of quasi-party member	Number of Sympathizers
Hokkaido	5,800	57,000
Tohoku	7,000	137,000
Kanto	41,000	294,000
Tokai	13,000	146,000
Hokuriku	6,200	80,000
Kansai	45,300	309,000
Chugoku	17,300	149,000
Shikoku	5,300	52,000
Kyushu	26,800	192,000
Total	168,100	1416,200

B. Number of quasi-party members and sympathizers of each prefectural committee (announced by the party in its Weekly on February 6, 1950).

Name of Committee	Number of quasi-party member	Number of sympathizers	Name of Committee	Number of quasi-party member	Number of sympathizers
Hokkaido	4,600	43,000	Tochigi	1,200	30,000
Tokyo	26,000	102,000	Yamanashi	900	17,000
Kanagawa	38,000	32,000	Aomori	1,000	20,000
Saitama	2,000	16,000	Iwate	800	15,000
Ibaraki	1,500	27,000	Nara	8,000	19,000
Gumma	1,600	29,000	Akita	1,300	12,000
Chiba	1,600	13,000	Miyagi	3,800	46,000
Mie	1,400	20,000	Nagano	4,400	27,000
Wakayama	1,400	20,000	Niigata	2,700	24,000
Okayama	3,800	39,000	Fukui	1,000	20,000
Hiroshima	4,700	52,000	Toyama	900	15,000
Yamaguchi	4,000	33,000	Ishikawa	2,000	14,000
Shimane	1,500	11,000	Osaka	25,000	82,000
Tottori	1,200	10,000	Kyoto	8,300	74,000
Tokushima	1,100	12,000	Hyogo	6,300	61,000
Kumamoto	2,800	28,000	Shiga	2,000	23,000
Yamagata	1,100	15,000	Ehime	1,400	10,000
Fukushima	1,000	20,000	Kagawa	1,500	10,000
Shizuoka	3,200	34,000	Kochi	900	10,000
Aichi	6,100	51,000	Fukuoka	4,900	49,000
Gifu	2,100	23,000	Oita	2,100	21,000
Miyazaki	1,800	13,000	Kagoshima	2,200	10,000
Nagasaki	3,900	29,000			
Saga	2,500	20,000	Total	160,000	1300,000

3. Condition of the party funds collection campaign:

The party funds collection campaign is an open way for us to raise fnnds by working on sympathizers' network and the masses for the purpose of obtaining money necessary for the accomplishment of an urgent important struggle which is set up as a target.

This is a party movement aiming at two effects of political agitation and contributions made as a result of the practice by party supporters. The party conducts such funds collection campaign once or twice a year. The figure of the above-mentioned financial white paper well tells that the results of the campaign are the great source of revenue next to the party expende. The way is as follows; At first, an appeal for a funds collection campaign is issued under the name of the central committee. The amount of money aimed is alloted in accordance with the number of members of each prefectural committee. The prefectural committees will allot the aimed amount to their area committee. Each area committee will allot it to each cell. They are collecting publicly money at their own workshops or in the streets.

A. <u>Fifty million yen party funds collection campaign:</u>

The Central Committee issued the following appeal concerning party funds fifty million (50,000,000,000) yen collection campaign collected publicly from March to July, 1949.

We appeal to you on the occasion of Fifty Million Yen of Party funds collection camapign.

February 25, 1949.

Our party has made a remarkable progress in the general election. The people's power has grown up greatly. The reactionary elements centering round the Democratic Liberal Party which had a great number of successful candidates by dint of bribary and unfairness are attempting to sell our race and to break down the people and industry. A historical struggle is likely to be launched between the conservative elements and the people. Arms are necessary for this struggle. We must have essential arms, papers, printing houses, and propagada organs.

Since February, last year, the power of the labor unions is concentrated on the NIHON KIKANSHI KYOKAI (Japan Organ Paper Association). As the result, the association was successful in obtaining newsprints. A printing house should be built so that papers may be used as a weapon. The party intends to do its best to fight through for the building of a democratic printing house together with taking the initiative in obtaining paper for the use of the unions. It is the many years desire of our party and all democratic organizations that we shall have a printing house equipped with a high-speed rotary press. The time for this realization has come now. A high-speed rotary press is very essential for the speedy printing and increased copies of the AKAHATA (Red Flag), communist organ paper.

This is one of the greatest objects of the fifty million yen funds collection campaign. The extension of publishing works becomes another target of the campaign in the central place. The masses' demand for magazines, pamphlets and books published by the party is very strong. It is urgent that we meet this demand and send a great quantity of publications in order to strengthen political activities from political point of view.

It is earnestly desirous for us to publish local political newspapers and to establish the fundation of its management as well as to establish system-local book network which party publications will be sold all over the country.

The fifty million (50,000,000,000) yen funds collection campaign is one of the greatest nation-wide campaign aimed at the accomplishment of these works. We shall be provided with arms, which we shall be able to attack furiously on monopolistic indigenous capital under the control of foreign capital, by dint of this campaign. The fifty million yen funds campaign started in March and will end in July.

The results of the campaign extending for five (5) months will become great and control the party activities.

It is up to the support of the masses and the efforts of all the Communists whether or not the above campaign is successful. I heartily desire that a great majority of people in factories, farming communities and streets, will be willing to participate in this campaign. I dovoutly hope that the party Central Committee will shake hands with the leaders of democratic organizations and the masses, and expand the movement powerfully.

a. Let the masses subscribe for the fifty million yen funds collection campaign.
b. Let the masses subscribe for the purchase of a high-speed rotary press.
c. Let the masses subscribe for the expansion and strengthening of publishing works.
d. Let the masses subscribe for the establishment of the foundation of the management of local political newspapers.
e. Let the masses subscribe for the extension of local book networks.
f. Fifty million yen will be secured if one party member makes a contribution of one hundred yen per month.

According to an interim report, the results of contributions toward the funds amounted to twenty one million seven hundred ninty thousand (21,790,000) yen as of June 30, the same year.

It is presumed that less than thirty million (30,000,000) yen will be raised by the campaign which was postponed until the end of August. On the contrary, eleven million two hundred sixty thousand (17,260,000) yen of the party funds was appropriated in the above-mentioned financial white paper. Because the amount of contributions is distributed as follows:

How to distribute the funds stated in No. 338 issue of Directive No. 225 in 1945)

"Prefectural committees will gather the total sum of money which was collected from its lower organizations and then remit half of the amount of money which they were alloted. It will be decided by the prefectural committees how the prefectural area committees and cells will distribute the remaineder."

Thus, half of actual income by subscription will be remitted to the party headquarters and the remainder was distributed by the prefectural committees. Especially, according to the purpose of the fifty million yen funds collection campaign, those who belong to organs under the prefectural committee and contributed more than one thousand yen (1,000), will be given the shares of the organ paper printing company and the CHUO SHOSEKI K.K. (Central Book Company) and be admitted to become shareholders if they want.

Furthermore, we find out that the area committees and cells which are the terminal organizations of the party seem to greatly endeavor for this campaign, that is they applied to this funds the benefits made by selling books, wheat-gluten, soaps, shocolates, candys and electric bulbs on the ground that the amount of money collected by them in the cash collection campaign would be limitted. For example, all the communists in Akita Prefecture organized a storming party for a fifty million yen funds collection campaign, participated in the funds collection campaign for two days by stopping their party activities and their individual works, and raised a contribution of one million (1,000,000) yen.

B. Thirty million yen party funds collection campaign:

During the period from April 10 to June 10, 1950, the Communists conducted a fund collection campaign in an effort to raise thirty million yan (¥30,000,000) for the Party. According to their announcement, the appropriation thereof was as follows:

a. 55% of the sum total for election campaign for the House of Councillors.

b. 45% for salaries of professional members.

The sum to be raised by the respective regional committees was shown as follows:

Hokkaido	¥2,500,000
Tohoku	¥1,500,000
Kanto	¥8,500,000
Tokai	¥3,500,000
Hokuriku	¥1,500,000
Kansai	¥6,000,000
Chugoku	¥2,000,000
Shikoku	¥1,500,000
Kyushu	¥3,000,000
Sum total	¥30,000,000

Further assignment was made by a regional committee to its prefectural committees and the same by a prefectural committee to its local cells.

The sum actually raised in this campaign is said amounting to some twelve million yen (¥12,000,000). Compared with the last year's fifty million yen (¥50,000,000), however, the poorer result this time accounts for the fact that the Communist Party had lost ground greatly. The party would raise its necessary resources by a campaign for funds. But it, being impossible to attain its target sum, would manage to make both ends meet by borrowing money.

4. Abotu contributions :

Contributions would be made for the party regularly or irregularly, with big quota or small quota and by cash or by goods. It was above mentioned that they are important resources for the party together with the funds raised at campaigns. Regarding the sum total, we cannot do other than belive the figure publicized in the White Paper of the Party Finance. And it is unknown concretely who made contributions so much. We can learn only a part of them by their reports in conformity to the Organizations Control Order.

Contributions of more than ten thousand yen (¥10,000) made for the party during five(5) years from October, 1945, to October, 1950, were as follows according to the reports submitted to the outhorities :

Central Committee	172 cases	¥3,955,599,50
Respective regional Committees	68 "	1,023,070,00
Respective prefectural Committees	102 "	1,645,880,17
Sum total	342 "	6,624,550,00

This figure does not include those of the whole Kyushu and Osaka City.

Those who are organized in the network of associate members and fellow travellers are the class which are in direct connection with this act of endowment. They connect directly with various party organs ranging from the party headquarters to a cell or with individual party members. The contents are also of various kinds. The acts of endowment, however, are not necessarily restricted outside the party. According to the reports in conformity to the Organizations Control Order, big contributions by influential members of the Party.

For instance, among the contributors for the Central Committee there are the following members of the Central Committee :

HASEGAWA Hiroshi, JAMEYAMA Kozo, TOKUDA Kyuichi, ITO Ritsu, SHIGA Yoshio, NOSAKA Sanzo, KURAHARA Koreto etc.

Other well-known members as follows are also among the contributors :

YAMADA Katsujiro, NASHIKI Sakujiro, KIN Toyo, ISHIMURA Umizo, INOUE Morio, ANEHA Saburo. and others.

This trend is especially remarkable in prefectural committees.

Among the big contributions made from outside the party, there are many made by the ZAI NICHI CHOSENJIN REMMEI (League of Koreans in Japan) and labor unions affiliated with the SANBETSU (National Congress of Industrial Unions) in the name of persons. It is onw of the characteristics of the party that many contributions were made by anouyms.

It is necessary for the party to grasp the so-called resources of money for the sake of not on y campaigns for funds and contributions but also of the party finance. To meet this demand, the MINSHU SHOKOKAI (Democratic Commerce and Industry Association) and the TEKISEI NOZEN KISEI DOMEI (Alliance for Just and Fair Taxation), struggle bodies against taxation centreing around medium and small merchants and industrialists, were active, around 1947 to 1949, in the name of the so-called citizens' struggle. They were a powerful measure for obtaining the party fund.

The party had induced racial capitalists into its democratic racial front. NOSAKA, member of the Central Committee, formed the CHUNICHI SHINZEN KYOKAI (Sino-Japanese Friendship Society) and the CHUNICHI

BOEKI SOKUSHIN KYOGIKAI (Sino-Japanese Trade Acceleration Council) since 1948 to induce traders concerned in the Sino-Japanese trade, and obtained a considerable amount of contributions for the Party funds from traders and Chinese merchants in Kansai District by such empty propagation as the Japan Communist Party's success in revolution of Japan or cooperation with the Chinese Reds. These are the so-called Nosaka Route which was so powerful that KAMEYAMA, Chief of the Finance Department, got angry in regard to the unification of the party finance.

5. About earnings from enterprises :

(1) Charater of the party's enterprises.

The regulations of the party stipulate that the funds of the party shall consist of membership fee, contributions and profits of party's enterprises. The range of the party's enterprises is so wide that it contains publication of pamphlets and books such as the AKAHATA (Red Flag) , party's organ paper, ZEN EI (Avanguard) , organ magazine, ATARASHII SEKAI (New World) and other magazines for culture of the masses ; sale of books by the

CHUO SHOSEKI K.K. (Central Books Co., Ltd.) of which the party is the most influential stockholder and the backbone of management ; printing enterprise by the AKATSUKI INSATSU K.K. (Dawn Printing Co., Ltd.) and the KIKUNSHI INSATSU K.K.(Organ Paper Printing Co., Ltd.) ; welfare enterprises such as clinics, day nurseries and law consulting offices ; management of tea-houses and civil engineering and building enterprise. These enterprises, without being profit-seeking, have had socialistc character and management policy. These are the enterprises closely connected with the propagation and systematic activities of the party as their principal object and are strictly warned not to give priority to profit-seeking. However, several years ago when the lower organs of the party were in desperate fund stringency, there were cases that party members aiming at making a fortune at one stroke were finally arrested as a result of their engaging in various enterprises ranging from blackmarketeering to illicit sale of bad natured narcotics and santonin. The publication enterprise of the party organ paper and magazine and other publications which the party looks upon as one of the basic enterprises is treated as an important weapon rather than as an enterprise.

Therefore, it has been utilized, for the sake of necessity of the party activity, for systematic activity of propagation and agitation disregarding the profit at all. However, realizing that if the prices were completely collected the enterprise would pay as a profit-seeking one as well as from the necessity to eternize this as a weapon, they are devoting themselves in collecting the prices of paper and publications.

But the actual results are told to be unfavorable.

The principal executives, employees and components who engage in these enterprises are mostly or wholly Communists or their fellow travelers Even by dint of the structure of personnel in the enterprise, the will of the system would naturally be expressed with the hue of supporting the Japan Communist Party economically and psychologically.

As regards the finance of these enterprises, it is managed with the investiment given partly or wholly by the Finance Department or other departments concerned, and they make contract to pay the department concerned a part of or all of

the profit yielded by the enterprise.

They, no matter they adopt an independent account system or depend on the party or are given subsidy by the party, abide by this principle.

Even when the official registration of an enterprising body is not recorded.in the name of the party but of those who are not partisan, that is, evenwhen the nominal persons are mere robot, the enterprising body should be judged to be one that is under the direct management in case its management policy, object or actual results show a character of the party.

(2) Principal Enterprises of the Party.

Such characteristic enterprises of the Party as shown above are as follows ;

A Class (officially announced as under the Party's direct management)

(a) The Japan Communist Party Publication Office Enterprise Department.

a. Location : the Party's Headquarters.

b. Details of business : Sales and Publication of the Party's organ "ZEN EI (Vanguard)", the popular magajine

"ATARASHII SEKAI (New World)."
and other printed matters in a form of book, pamphlet or leaflet, which are edittod by the Party's Publication Office, Propaganda & Education office, etc.

(b) The "AKAHATA" office.

Details of business : Edition, Publication and Sales of the daily organ "AKAHATA (Red Flag)2, the EAKAHATA Weekly," the Reduced Edition of "AKAHATA" and the "NAKAYOSHI SHIMBUN (Friendly News) ".

B Class (under self-supporting management)

(a) AKATSUKI (Dawn) Printing Co. Ltd. :

a. Location: 714 4-chome, Sendagaya, Tokyo.

b. Details of business : Printing of the "AKAHATA (Red Flag)" and other publications from the Party. Besides, printing of organs for the Party's friendly organizations.

(b). The CHUO Book Store, Ltd.

a. Location : 54 1-chome, Kandajimbo-cho, Chiyoda Ward, Tokyo.

b. Details of business : Sales of Leftist Books and Magazines published by the Party and others. Sometimes, sales of its own publication.

(c). The NIPPON Organ Printing Shop, Ltd.

a. Location : 100 2-chome, Shiba-atago-cho, Minato Ward, Tokyo.

b. Details of business : Printing of organs for the Party Leftist Labor Unions, and other Democratic Masses organizations.

(d). The Japan Associated organ News Agency, Corporate.

a. Location : 100 2-chome, Shiba-atago-cho, Minato Ward, Tokyo.

b. Details of business : Offering of news concerning Social & Labor Movement to the organs of Proletarian Parties and Democratic Masses Organizations.

(e) The NOMIN NO TOMO SHA (Farmers' Freiend Publishing Co.)

a. Location : 853 5-chome, Sendagaya, Shibuya Ward, Tokyo.

b. Details of business : Publication of the monthly "NOMIN NO TOMO (Farmers' Friend)" ---- something like the organ of the Japan Communist Party's Farmers' Department.

(f) The JIMMIN SHA (People's Publishing Co.)

a. Location : 3 Nishi-2-chome, Ginza, Chuo Ward, Tokyo.

b. Details of business : Publication of the Communistic disclosing magazine "SHINSO (Truth)" and other printed matters in book form.

Since March 1950, however, this Company has temporarily secede from the party.

(g). The HIKARI Chemical Works, Ltd.

a. Location : opposite the Communist Party's Headquarters, Sendagaya, Shibuya Ward, Tokyo.

b. Details of business : Sales of cleansers, soaps and toilet creams.

(h). The Canvas-souvenir Sales Co. Ltd.

a. Location : 746 4-chome, Sendagaya, Shibuya Ward, Tokyo.

b. Details of business : Sales of such badges, medals and other souvenirs as used fro the Party's canvassing.

(i) The Yoyogi Clinic Foundation

a. Location : 553 1-chome, Sendagaya, Shibuya Ward, Tokyo.

b. Details of business : Medical Treatment, such as examination, prescription, operation, etc.

(j) The CHUGAI Civil Engineering Co. Ltd.

a. Location : 4-chome, Sendagaya, Shibuya Ward, Tokyo .

b. Details of business : Civil Engineering.

Manager : TSUJIKAWA Katsuo .

(k) The Japan Magic Lantern Cultural Co. Ltd.

Location : 744 4-chome, Sendagaya, Shibuya Ward, Tokyo.

C Class (under the management of Individual Communists but closely connected with the Party)

(a) The Yoyogi Club

a. Location : opposite the Party's Headquarters, 4-chome, Sendagaya, Shibuya Ward, Tokyo.

b. Details of business : Tea-room & Co Convenient Restaurant.

(b) The BUNKA Tea-room

a. Location : BUNKA KAIKAN Hall, Shibashimbashi, Minato Ward, Tokyo.

b. Details of business : Convenient Restaurnt Manager : TABATA Mohachi.

(c) The BUNSEI Mimeograph Shop

a. Location : 4 2-chome, Kandasurugadai, Chiyoda Ward, Tokyo.

b. Details of business : Mimeographing.

(d) The AKATSUKI SHOBO Publishing Co.

a. Location : 24 3-chome, Kandaogawa-cho, Chiyoda Ward, Tokyo.

b. Details of business : Publication of printed matters for the Party.

Manager : ICHIKAWA Yoshio

(e) The SHINJIDAI SHA Publishing Co.

a. Location : 11 1-chome, Kandatsukasa-cho, Chiyoda Ward, Tokyo.

b. Details of business : Publication of the monthly "SHINJIDAI (New Age)" introducting the world-wide situation of Communist Movement.

There are many other establishments under the management of individual Communist throughout the country including Tokyo which shall be ommitted here.

D Class (under self-supporting management but chiefly managed by the Party's Cultural Troopers)

(a). The ZENSHIN ZA Troupe, 2546 , Kichijoji,
Musashino City, Tokyo.

(b). The "Pook" Puppet Show Troupe.

(c). The Soviet-Repatriates' Orchestra.

(d). The CHUO Musical Academy (including the CHUO Chorus)

(e). The SHINSEI Film Company.

(f). The HOKUSEI Trading Co. Ltd.

(g). The SHINKYO Troupe and others attached to the Japan New Theatrical Association.

Those enterprises as shown above have been receiving subsidies from the party. But their profits do not go to the party.

The above is the outline of the Party's enterprises. There remains, however, a question concerning their earning power. No exact figures thereto have b en available except those published in the "Financial White Paper" as shown above. So we are going to take up the "White paper" as the data for our inquiry. According as the party's

proceedings through the enterprises are classified, in the white paper, under the headings of the "Red Flag," the Publication, the Welfare Works and the Miscellaneous, our inquiries will be made in the respective headings.

(3) Managing Condition of the AKAHATA.

The AKAHATA was the only organ of the Japan Communist Party and had discharged its grave duties of propaganda, education and organization. It revived with the Party and had operated as the most powerful weapon for struggling through its way.

At first, the mechanism of management was devided in five offices, business, editorial, general affairs and general head office. Under the general head office, there were a branch office in each prefectural committee, and a sub-branch office in each area committee, under which there were party members, reporters, writer and general subscribers who had also immadiate connexion with the other offices.

Chief editor was SHIGA Yoshio, a central committee member, whose substitute was ITO Ritsu; chief of the editorial office, TAKAHASHI Katsuyuki; chief of the business office, INOUE Morio; chief of the general affairs office, KAWAMURA Tatsuo; the general head office had on its staff the able party members who belonged to the Tokyo District committee and other eight district committees. There were 113 able party members in the editorial office, 17 in the business office, and 20 in the despatching office.

Its circulation which was unsettled was in proportion sometimes with the expansion of the Party, or increased

suddenly according to the Party's stratagem.

At the zenith of it in 1949, 400,000 copies were printed daily, but in 1950, reduced to 200,000 or 230,000, and copies of feature article and special number were printed by 260,000 or so.

The copies were distributed to the fixed subscribers through the prefectural branch and each cell, and considerable number (of copies) were districuted for nothing.

Subscription-fees being slow to come in, three or four tenth of them were always in arrears. In consequence the main office was often led into financial difficulties, and the headquarters of the Party had to issue desperately warnings to subscribers to pay fees.

Beside the AKAHATA(Red Flag), daily press, 20,000 or 30,000 copies of the Red Flag Weekly were being printed, and the smaller-size edition of the Red Flag were published in the earlier half of 1950. But the money of these papers was very slow to come in, and the smaller-size edition ceased to publish soon.

The Red Flag had a large income, but the expenditure was large, too. According to the financial white paper of the party, the income and expenditure of the Red Flag is as follows: