Cobinet

No. 11

January 21, 1938

From: Prime Minister Prince KONOYE, Fumimaro.

To: Foreign Minister HIROTA, Koki.

I hereby report that the general principles of the National Policy have been decided as per enclosure under separate cover.

THE General Principles of the National Policy

Based upon the real sense of our national structure, and wit national unity, we shall make it the basic principles of the administration to strive for the strengthening of our national power internally and to plan for the development of our Empire externally. With a period of emergency extending over several years as our objective, and after profound consideration, we shall carry out the following governmental policies:

- Our foreign policy shall be based on the realization of a close cooperation between Japan, Manchukuo and China, establishment of an eternal peace in the Orient and contribution to the peace of the world.
- 2. Firmly maintaining inseparable relations between Japan and Manchukuo, the establishment of an important policy toward Manchukuo shall be expected, positive efforts shall be made to carry out our policy towards China, and efforts shall be made for the economic development in the Southern Areas.
- Military aims in the China Incident shall be perfectly according to the necessity of national defense as well as making plans to strengthen our military preparedness. Furthermore, all measures shall be taken in response to the prolonged resistance of China.
- Within the next four years the promotion of the development of important industries shall be planned, the over-all.
 expansion of our productive capacity achieved, and supplies of
 materials necessary from the standpoint of national defense
 secured under a comprehensive plan, including North China, etc.,
 besides Japan and Manchukuo; international balance of trade
 shall be improved by promoting the export trade. Thus, the
 establishment of a national defense economy and the strengthening of the econimic power of our Empire can be expected.

- In the present Incident, the home front shall be managed, aid given to the war dead, wounded, and diseased and their families; proper measures shall be taken for demobilization and necessary measures shall be taken for the recovery of (Japanese) residents in China. Thus, the future development of our Empire is expected to be secured.
- The guidance of national thought shall be strengthened and made complete, science and culture shall be promoted, and it is expected that education will be reformed in order to cultivate the character of the people of a great nation.
- The determination of the nation towards the emergency shall be increasingly emphasized, and together with the display of the sacrificial spirit, every effort shall be made to enforce various policies necessary for the stabilization of the national livelihood, especially in the promotion of the development of agricultural and fishing villages. Furthermore, the promotion of the welfare of the medium and minor merchants and manufacturers and laborers, as well as the physical strength of the people shall be emphasized.
- 8. Together with imposing necessary state controls over prices, finance, industry, foreign trade, transportation and communication, power, labor, etc., for the purpose of national preparedness, the promotion of industry, and the stabilization of the national livelihood, an emergency financial plan shall be established.
- 9. Efforts shall be made to eradicate and overcome Communism and other thoughts or actions inconsistent with our national structure.
- 10. In order to assure the rapid and precise execution of the above policies, the political administration shall be reformed and it is expected that the various organs of the state shall be made to conform to this reform.

Reasons

Although the CHIANG Kai-shek Regime has lost its capitol city and other important districts, they have not yet awakened from the anti-Japanese delusions; instead, they are still expecting foreign assistance and anticipating the economic and financial collapse of Japan; they are devoting themselves to prolonged resistance.

Consequently, it can be judged that the national character istic to rely on others and to insist on (rights of) legitimate titles will tend to prolong an obstinate resistance.

Meanwhile both England and Russia are skillfully agitating China and therefore the general trend of the situation is far from reassuring. Considering the situation from the long point of view, it is necessary for Japan to devote itself towards achieving the military objectives of this Incident, and plan for the undermining of the long term resistance by China, togethe with planning for a rapid over-seas expansion; and in order to meet any changes in the international situation, with national unity, it is necessary for Japan to establish a firm determination and attain complete military preparedness. With the next few years as the objective, it is indeed an urgent necessity that the nation's course be clarified, and that all the elements in our state devote themselves to the attainment of this objective. It is for this reason that these general principles of national policy were established, and as a policy of the administration, it is expected that this will be steadily realized.