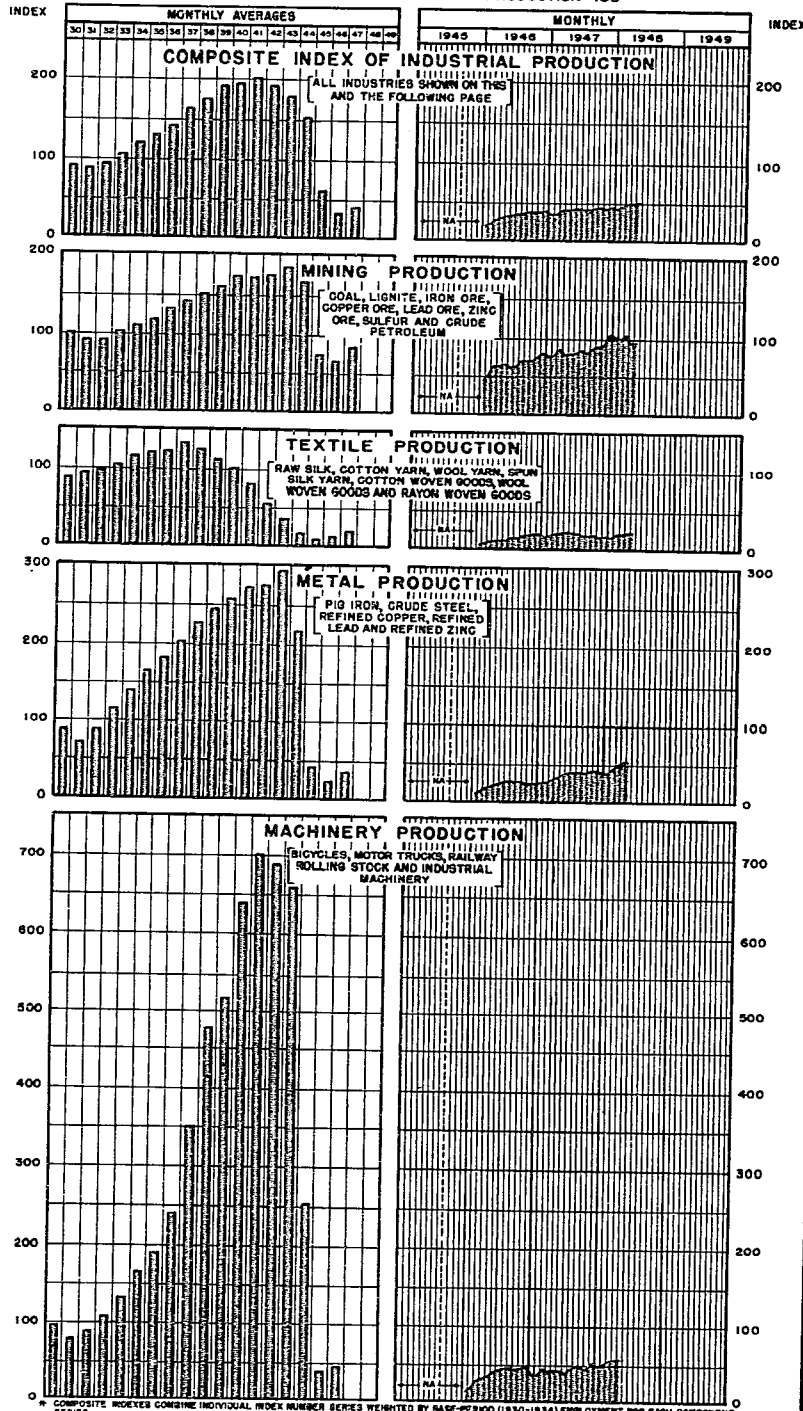


# INDEXES OF INDUSTRIAL PRODUCTION\*

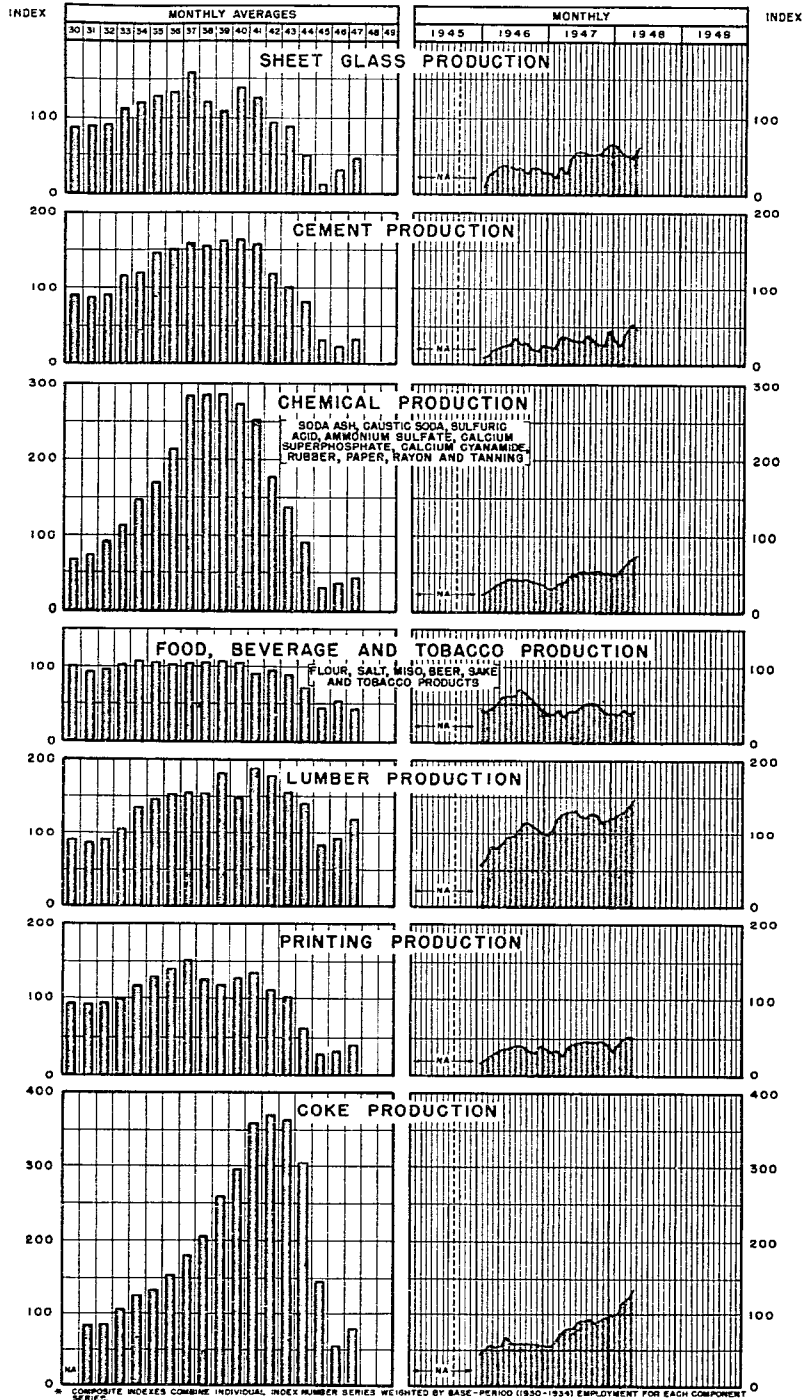
1930-1934 AVERAGE MONTHLY PRODUCTION = 100



\* COMPOSITE INDEXES COMBINE INDIVIDUAL INDEX NUMBER SERIES WEIGHTED BY BASE-PER100 (1930-1934) EMPLOYMENT FOR EACH COMPONENT SERIES.  
 NOTE: MAY 1948 DATA PRELIMINARY; APRIL 1948 DATA REVISED; MAR-DATA NOT AVAILABLE.  
 SOURCE OF BASE DATA: REPORTS BY JAPANESE AGENCIES.  
 GHQ - SCAP JAPAN - JUN 48

# INDEXES OF INDUSTRIAL PRODUCTION\*

1930-1934 AVERAGE MONTHLY PRODUCTION = 100



\* COMPOSITE INDEXES COMBINE INDIVIDUAL INDEX NUMBER SERIES WEIGHTED BY BASE-PERIOD (1930-1934) EMPLOYMENT FOR EACH COMPONENT SERIES.  
 NOTE: MAY 1948 DATA PRELIMINARY; APRIL 1948 DATA REVISED; NA=DATA NOT AVAILABLE.  
 SOURCE OF BASE DATA: REPORTS BY JAPANESE AGENCIES.  
 GHQ - SCAP JAPAN - JUN 48 NUMBER 1 B

23. New postwar peaks were reached in production of silk fabric, rayon staple fiber and rayon filament yarn while spun rayon yarn decreased slightly.

One plant produced a small amount of a synthetic fiber, polyvinyl acetate, using entirely indigenous raw materials.

24. Woolen and worsted yarn and fabrics showed slight production gains after receipts of additional imported raw materials.

#### Transportation

25. Registered commercial and private motor vehicles numbered 209,002 in May of which 148,769 were trucks, 13,270 were buses, 31,242 were passenger cars and 15,721 were special vehicles.

Of the total vehicles registered in May 100,228 trucks, 9,362 buses, 20,728 passenger cars and 10,296 special vehicles were operable.

26. Freight tonnage carried by private and government motor trucks was estimated at 13,722,047 in May. Passengers carried numbered 69,578,564.

27. Passengers carried by private and government railways numbered 565,601,143 in May while train kilometers operated totaled 15,699,100.

Government railways transported 10,419,900 metric tons of freight in May.

28. Steel and wooden ships over 100 gross tons conveyed 1,944,807 freighted tons in May.

29. Cargo imported from Asiatic ports in Japanese-manned steel vessels totaled 53,864 freighted tons in May and exports totaled 104,255 freighted tons.

#### Public Utilities

30. Electric power generated in May, exclusive of private industrial generating plants not connected with the utility system, totaled approximately 2,974,000,000 kilowatt hours of which hydroelectric generation was approximately 2,828,000,000 kilowatt hours and thermal generation was approximately 146,000,000 kilowatt hours.

The major utility system generated and purchased approximately 2,891,000,000 kilowatt hours of electricity for public distribution of which hydroelectric generation was approximately 2,745,000,000 kilowatt hours and thermal generation was approximately 146,000,000 kilowatt hours.

31. Consumption of electric power supplied by the electric utility system in April totaled approximately 2,046,000,000 kilowatt hours.

32. The Japan Electric Generation and Transmission Company received 207,125 metric tons of coal in May of which 143,283 metric tons were consumed by the thermal plants.

33. The electric power industry was allocated 1,119,270 metric tons of coal for the second quarter of the 1948 fiscal year by the Far East Command Allocation Committee 11 May. Of this amount the public utility electric power system was allocated 902,700 metric tons.

34. Gas produced and purchased by the public utility gas industry in May totaled 64,231,533 cubic meters of which 22 percent was self-consumed, 46 percent was distributed for domestic use, 23 percent went to industrial use and nine percent was apparent loss.

#### Communications

35. A draft bill setting up a Broadcasting Commission responsible for regulating broadcasting activities and a nonprofit Broadcasting Corporation of Japan for operating broadcasting facilities was approved by the Cabinet 18 June.

36. A bill merging the Physical Institute for Radio Waves of the Ministry of Education with the Electrotechnical Laboratory of the Ministry of Communications was passed by the Diet 19 June. Bills amending the Postal Transfer Law and the Postal Money Orders Law were passed the same day.

37. The number of toll calls placed in the nine major cities of Japan in May was 2,359,008, a new postsurrender peak.

38. Authorization was granted 22 June to change the call signs of 60 domestic broadcasting stations in line with the new call-sign plan formulated at the International Atlantic City Conference of 1947.

39. Effective 1 June radiotelephone service via the United States was expanded to connect Japan with Trinidad, British West Indies. Authority was granted to extend service 1 July to connect Japan with Barbados and Italy.

Effective 15 June radiotelegraph service via Manila was expanded to connect Japan with French Indo-China.

40. In a balance sheet published in June the Broadcasting Corporation of Japan reported a profit of ¥ 8,095,930.96 for the fiscal year ending 31 March. A forecast of operations for the current fiscal year indicated that BCJ will operate at a loss of approximately ¥ 200,000,000 unless listening fees are again increased or expenses are drastically curtailed.

41. Arrangements were completed in June for the third issue of postal savings certificates, to be sold 1 July - 31 August. Premiums will be awarded by lottery 25 September.

42. In the fiscal year ending 31 March the total insured value of policies sold by the Postal Life Insurance Department increased 83 percent.

43. May production of communications equipment generally increased over the April level. Monthly vacuum tube production reached 988,505, the highest level since the beginning of the Occupation.

#### Labor

44. There was a growing struggle for power between the right and left wings of the labor movement. Moves were made to strengthen top control in the unions.

45. Negotiations for increased wages and discussions of grievance machinery continued. Unions viewed inclusion of grievance machinery in collective bargaining agreements with skepticism although major employer organizations expressed themselves in favor of it. Members of labor relations committees, while considering

it desirable, deemed it unnecessary under existing labor relations machinery.

46. Organization of new labor unions continued at a low rate. Most major industries were already organized and a large number of small unions dissolved and reorganized or affiliated with large existing groups. By 31 April labor unions numbered 31,075 with 6,553,816 members. One thousand eighty-eight unions were formed in April with 109,655 members. Two hundred fifty-two unions with 48,822 members were dissolved during the same month.

47. Government workers presented demands for a net monthly average wage of ¥ 5,200. The Government discussed wage stabilization and set the new wage level of ¥ 3,700 on which the 23 June price revisions were based. Settlements in leading industries reached through collective bargaining called for monthly wages averaging above ¥ 5,500.

#### Imports and Exports

48. On 28 May Boeki Cho was authorized to deal directly with firms or persons outside Japan and with firms, persons and foreign missions in Japan on international trade matters. All contracts made remain subject to review and validation by SCAP.

49. A \$ 60,000,000 credit agreement was arranged between five private American banks and the controller of the Occupied Japan Export-Import Revolving Fund to finance the procurement of raw cotton in the United States. The agreement was signed 6 June.

50. On 31 May an over-all sterling payment agreement was executed between Japan and sterling area countries placing private and government trade on a cash basis in sterling, subject to periodic settlement of balances.

51. Contracts worth \$ 22,700,000 for the purchase of raw cotton on a private trade basis, the first since hostilities ended, were concluded between Japanese buyers and the United States, India and Pakistan.

52. Private trade transactions approved in April and May included 142 import contracts valued at \$ 31,919,000 and 1,249 export contracts valued at \$ 20,784,000. Japan's private foreign trade balance for the first five months of 1948 was positive in the amount of \$ 126,000.

53. Japan received 58 percent of her total April imports, valued at an estimated \$ 34,898,893 from the United States and 13 percent from Asiatic countries. Most important among the April imports were foodstuffs whose estimated value was \$ 31,275,591, accounting for 52 percent of the month's total imports. The foodstuffs came primarily from the United States, Cuba and Mexico. The estimated dollar value of textile fibers and manufactures imported in April was \$ 15,473,371, 26 percent of the month's total imports, shipped primarily from the United States, Argentina, Australia, Egypt and the Philippine Republic.

54. Asia received 74 percent of Japan's total April exports, the estimated dollar value of which was \$ 11,967,529. The United States received 17 percent of Japan's exports.

Textile products, valued at an estimated \$ 7,147,543 and representing 60 percent of the total April exports, were shipped for the most part to the Netherlands East Indies, the United States and Hongkong.

Nonmetallic minerals accounted for 16 percent of total exports in April.

55. Japan's over-all trade balance for the first four months of 1948 was negative in the amount of \$ 200,186,092. The largest single unfavorable balance, that with the United States, amounted to an estimated \$ 166,021,401. The largest single favorable balance, that with the Netherlands East Indies, amounted to an estimated \$ 13,254,637.

Japan's trade balance with Asia as a whole for the first four months of 1948 was favorable in the amount of \$ 469,512, while her balance with Europe and other countries was negative.

#### Price and Distribution

56. Full staple food ration requirements were met by drawing from indigenous stocks of rice and substituting imported sugar for five days.

57. May perishable food supplies were adequate, with increases reported in receipts of vegetables, fruits and fish.

58. The Cabinet 1 June approved a program to tighten price and distribution controls over fish and vegetables.

59. Interim producer price increases for milk products, vegetables and grains were authorized to determine the effect of proposed final price increases on the agricultural price parity.

60. Consumer prices and urban family expenditures continued their steady rise in April.

#### FINANCE

##### Money and Banking

61. Licenses of nine foreign banks operating in Japan were amended 14 June to increase the scope of their activities.

62. Bank of Japan notes outstanding 30 June totaled ¥ 230,588,000,000.

63. Holdings of national government securities by the Bank of Japan decreased ¥ 3,902,000,000 in June due chiefly to the Government's redeeming short-term treasury bills.

64. Reconstruction Finance Bank loans outstanding aggregated ¥ 70,427,206,000 31 May, an increase of ¥ 6,144,656,000 in May.

65. The Securities Coordinating Liquidation Committee by 24 June had sold 17,617,240 shares of corporate securities for ¥ 1,528,699,539. Proceeds between 21 May and 24 June aggregated ¥ 586,000,588.

##### Liquidation

66. The Closed Institutions Liquidating Commission closed 51 control organizations in May.

67. Cumulative proceeds of liquidation amounted to ¥ 21,310,345,000 on 25 May, including receipts of ¥ 2,270,748,000 in the month.

Cost of liquidation to 25 May totaled ¥ 735,390,000.

### Public Finance

68. Tax collections for the 1947-48 fiscal year totaled ¥ 147,219,000,000 by 31 May, including May receipts of ¥ 1,176,000,000.

69. June interim budgets for the national government were passed by the Diet 28 May containing appropriations of ¥ 25,884,902,000 for the General Account and ¥ 56,662,760,000 for the Special Accounts.

70. The national debt aggregated ¥ 365,640,000,000 on 31 May.

### PROPERTY CONTROL AND REPARATIONS

#### Property Control

71. The Custody Account for SCAP aggregated ¥ 384,957,123 on 20 June, a net increase of ¥ 16,659,078 in the month. Deposits were chiefly proceeds from the sale of former German-owned medicinal supplies and industrial materials.

72. The German External Property Commission Account amounted to \$ 277,222 on 20 June.

#### Antitrust and Cartels

73. No objection was offered to 775 applications submitted by restricted and designated concerns to effect transactions outside of the normal course of business, including expenditures of ¥ 4,552,221,528.

In the rehabilitation of the electric power industry the Tohoku, Chubu and Kansai Electric Supply Companies were authorized to expend a total of ¥ 1,570,649,000 for the repair and construction of power plants, transmission lines and other electrical installations.

74. Between 15 May and 15 June 14 restricted and designated companies were authorized to increase their capital. The Toyo Rayon Company was authorized an increase from ¥ 35,375,000 to ¥ 200,000,000 and the Takeda Pharmaceutical Company from ¥ 35,700,000 to ¥ 142,800,000.

75. The Closed Institutions Liquidating Commission in June was ordered to close and liquidate 21 national control organizations.

76. By 24 June the Holding Company Liquidation Commission issued final orders to 64 of the 144 companies designated by the commission as not required to undergo structural reorganization. The orders provide for disposition of securities holdings, severance of subsidiary relationships and continued surveillance by the Fair Trade Commission.

These companies were part of the 325 concerns designated for investigation under the Law for the Elimination of Excessive Concentration of Economic Power.

77. The Fair Trade Commission between 15 May and 15 June received 444 applications filed under the Antitrust Act. Four hundred twenty of these applications requested approval of foreign trade agreements.

Reparations

78. By 30 June 14,122 tools weighing 41,809 metric tons had been shipped to the advance transfer claimants, including June shipments of 3,008 tools weighing 8,020 metric tons.

SCIENCE AND TECHNOLOGY

79. The draft of the Science Council Bill was passed by the Cabinet 8 June and is now in committee for presentation to the Diet.

80. The Japanese contribution of reports to 25 commissions of the International Astronomical Union's General Assembly, to meet 10-18 August in Zurich, Switzerland, was forwarded 1 June. Included in the set of papers were reports on astronomical and astrophysical activities in Japan in the years 1940-48, original papers and proposals for future activities.

81. A pilot plant for producing ephedrine is in operation at the Institute of Scientific and Industrial Research of Osaka University. Only moderate quantities of the drug are being produced at present.

82. Volumes III and IV of the series "A Short Biography of Japanese Scientists" were released in June by the Ministry of Education's Scientific Data Section.

83. A recent booklet written by Dr. Fujio Uchinomi entitled "Ships and Cirripedia" presents for the first time an exhaustive study of the fouling of ships by barnacles and other marine organisms.

84. Eighteen new Japanese Standards were promulgated by the Industrial Standards Association in May and 12 Japanese Emergency Engineering Standards were abrogated. The total number of Japanese Standards (those promulgated since the beginning of the Occupation) in effect 1 June was 1,327; all types of standards in effect totaled 2,297.



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SOCIAL ACTIVITIES

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Media of Expression . . . . .	35

PUBLIC HEALTH AND WELFARE

1. The first prefectural model health center was opened at Morioka in Iwate Prefecture 15 June.
2. A Preventive Vaccination Law and a Venereal Disease Prevention Law were passed by the House of Councillors on 21 and 25 June respectively and were sent to the House of Representatives.
3. The total incidence and deaths from the 11 principal communicable diseases increased from 3,237 and 328 respectively in April to 4,399 and 420 in May.
4. Although total farm animals slaughtered in April declined from the March figure, total ante-mortem and post-mortem condemnations increased.
5. The Pharmaceutical Law passed by the Diet 30 June establishes standards for drugs, devices and cosmetics; requires national examinations for licensure; and provides penal sentences for violations of its provisions.
6. The Japanese Pharmaceutical Association was organized 25 May replacing the Japan Pharmacists' Association, a government-controlled body in which membership was compulsory.
7. Ninety-nine public health nurses representing all the prefectures attended a 10-day health center training course at the Institute of Public Health in Tokyo 21 June.
8. Total medical and dental supply production in May was valued at ¥ 1,940,886,154, compared with ¥ 1,882,080,440 in April.
9. The distribution of medical and dental supplies and instruments in May was valued at ¥ 1,734,055,757, compared with ¥ 1,874,268,549 in April.
10. A Narcotics Control Law and a Marihuana Control Law were passed by the Diet 28 June to be effective 10 July.
11. Registered narcotics dealers numbered 82,324 on 30 April.
12. The first of 12 institutions for physically handicapped persons opened 7 June in Tokyo with 116 persons registered and housed.
13. The Welfare Commissioner Law passed by the Diet 30 June

establishes a new legal basis for the appointment and responsibilities of welfare commissioners.

14. Officials of the Japanese Red Cross and the National Interdependence Campaign agreed on conducting a joint fund-raising campaign in October for the fiscal year 1948.

15. Social service workers with projects designed to demonstrate recognized theories of modern social service practices were permitted entrance into Japan by SCAP provided that their projects are considered suitable and necessary and will offer services rather than relief.

16. Amendments to the National Health Insurance Law passed by the Diet 30 June placed responsibility for operation of National Health Insurance Associations on local governments contingent upon majority decision by the local representative assemblies.

17. The Ministry of Welfare reported 224,293 births, 79,753 deaths, 13,559 infant deaths, 11,304 stillbirths, 192,887 marriages and 7,312 divorces in April.

18. Persons repatriated to Japan from 28 May to 1 July numbered 59,196.

#### EDUCATION

19. The adoption of a resolution 18 June reaffirming the invalidity of the Imperial Rescript on Education of 1890 nullified the educational emphasis on the concept of the fundamental virtues of "filial piety" and indomitable loyalty to the imperial throne and to the destiny of the nation.

20. The national budget submitted to the Diet 8 June appropriated ¥ 26,742,647,000 to the Ministry of Education, including ¥ 1,200,000,000 to meet the 1947 deficit in teachers' salaries.

21. The Cabinet approved a bill establishing boards of education in all cities, towns and villages of over 10,000 population and sent it to the Diet 15 June.

22. Seven three-day regional conferences to train instructors for the normal-school summer courses in elementary and lower secondary education were attended by 552 instructors, 12 from each prefecture.

23. A National Association of Principals of Upper Secondary Schools was organized 28 May to assist in developing schools under the new educational system.

24. Approximately 18,000 students of lower and secondary school age have enrolled in a correspondence course in the Japanese language and 15,000 in mathematics.

25. The publication of "The New Secondary School and Vocational Guidance," a 400-page symposium of 1947 lectures presented at the summer Institute on Vocational Guidance at Tokyo University, was announced by the Nippon Vocational Guidance Association.

26. The Nippon Vocational Guidance Association sponsored a Tokyo conference on vocational aptitude tests 15 June, while a conference of the National Association of Commercial School Principals was held in Tokyo 3 June.

27. The National Firemen Instructors' Training School was established by the National Fire Bureau, Tokyo, 14 June.

39. In political affairs the opening 29 May of the fourth branch of the Civil Liberties Union located in Osaka, the activities of the union, the initial competitive civil-service examinations, the activities of the Diet's Illegal Property Transaction Investigation Committee and the budget debate were emphasized.

38. Nationing of perishable foodstuffs, increasing coal production and city planning continued to receive attention in information programs in the economic field.

#### Information Programs

37. Settlers attitudes toward the land reclamation program and concomitant problems, daylight saving time and democratization of police were the subjects of surveys.

36. More than 100 representatives of public opinion organizations attended the monthly technical conference of the Japan Public Opinion Society in Tokyo 24 June.

35. The Newspaper Public Opinion League, comprising 13 newspapers and one news agency, was organized 26 May by the Jiji News Agency in cooperation with the Hokkaido Shimbum, Chubu Nihon Shimbum and Nishi Nihon.

#### Public Opinion Surveys

#### MEDIA OF EXPRESSION

34. Following termination of applications for transfer of title to state-owned precincts 31 May, the Ministry of Finance reported that applications were received from 72,000 shrimps and 20,000 Buddhist temples, involving a total of 81,666 acres.

33. At its early June assembly the Tenri Shinto Sect decided on a new three-point program to extend its social welfare, educational and propaganda activities.

32. The Tosei Agency for the dissemination of Catholic news issued its first press release 5 June. The first volume of a projected five-volume Catholic Encyclopedia was published by Sophia University.

31. Francis Cardinal Spellman and 14 high officials of the Roman Catholic Church arrived in Tokyo 7 June for three days of conferences.

#### RELIGION

30. To simplify the teaching and printing of Japanese the Japanese Language Investigation Committee approved a standard form for the writing of 1,350 Chinese characters commonly used in Japanese.

29. As of 12 June the Ministry of Education had authorized the printing of 124,325,623 copies of textbooks for all school levels, including vocational texts and courses of study for the 1948-49 school year.

28. The formal opening ceremony of the National Diet Library on 12 June was attended by more than 1,200 persons.

#### Press and Publications

40. To raise journalistic standards six journalism institutes for editors and reporters were conducted in Mito, Sendai, Morioka, Aomori, Hakodate and Sapporo.

41. Japanese book publishers bid for commercial translation rights on 91 of the 98 American and British books for which licensing arrangements were completed in May. A total of 1,012 bids were received from 238 publishers.

42. Secession of six members of the Democratic Party's conservative Taiyo-kai resulting from the decision to suspend war bond interest payments for one year, right-wing discontent of the Democratic Party over the compromise with the Social Democrats on fiscal policies, and Deputy Prime Minister Suehiro Nishio's statement on distribution of funds received from contractors resulted in much press speculation and comment on the political situation among Tokyo journals.

The prefectural press commented primarily on the Administration announcements of economic policy, the five-year rehabilitation plan, the second economic "White Paper" and the budget.

43. Detailed surveys of the 1947 fiscal year coal output were introduced in June economic magazines.

#### Motion Pictures, Theater and Music

44. Six educational motion pictures, two entertainment films and one current events short were produced by commercial companies in June.

45. The Mainichi Press and the American Drama Study Group sponsored a forum on American plays in Tokyo 5 June while a special drama on the new status of women under the Constitution was conducted by the League for Political Education.

46. Modern plays such as Thornton Wilder's "Our Town" and Holm and Abbot's "Three Men on a Horse" received unprecedented enthusiasm from both Japanese producers and the public.

47. Musical highlights of the month were the first performances in Japan of Edward MacDowell's "Piano Concerto No. 2" and Aaron Copland's violin and piano sonata.

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION  
of  
NON-MILITARY ACTIVITIES  
in  
JAPAN

Number 33

June 1948

PART II

POLITICAL

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SECTION 1  
GOVERNMENT AND POLITICS

C O N T E N T S

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1. Formal adoption by an antiadministration alliance of a resolution calling for the overthrow of the Ashida cabinet, investigation of the political donation case involving Deputy Prime Minister Suehiro Nishio and continued disagreements over the budget were the centers of intense political activity.

At the end of the month government parties united to reject an opposition-sponsored Diet vote of nonconfidence in Nishio and moved gradually toward agreement on major budget issues.

POLITICAL DEVELOPMENTS

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NISHIO CONTROVERSY

Threats to Cabinet and Social Democratic Party

2. A challenge to the security of the Ashida cabinet was seen in the charges arising from the receipt and disbursement of ¥ 500,000 for political purposes by Deputy Prime Minister Suehiro Nishio. Nishio admitted to the Illegal Transactions Investigation Committee that he had received and disbursed the funds but claimed that they had been handled as a personal matter rather than as secretary general of the Social Democratic Party. Opposition members of the committee discounted this claim and took steps to have him indicted for failure to declare the funds as required.

3. The Nishio case was more than a cabinet issue: it gravely affected internal relationships within the Social Democratic Party. The party's left wing, which had frequently opposed Nishio, actively demanded his ouster from the party.

On 9 June 30 members of the left-wing group decided to push an investigation of the case to clarify the facts surrounding the receipt and distribution of the money involved. A committee of seven was appointed to draw up a "purge plan" to cleanse the party of corruption.

The same group had been meeting regularly to discuss general party policies and was vigorously opposed to some of the government budget proposals. It was reported that the group felt that the limit of cooperation between Social Democrats and Democrats had been reached and was therefore prepared to oppose the Government on rail and communications rate increases, the proposed transactions tax and the wage base issue.

The right wing of the party branded these activities as a factional maneuver launched without official sanction but the group continued to press its campaign and petitioned Party Chairman Tetsu Katayama to take action on the Nishio case. The left wing issued a public statement 11 June denouncing the affair as "a disgrace to the dignity of party politics and the National Diet" and added, "From the standpoint of a political party, we have requested Chairman Katayama that he take steps to have Nishio resign from the Cabinet and to call an emergency meeting of the party's investigation and control committees to examine the case carefully. We hope that a general purge will be effected within our party as quickly as possible." Simultaneously the left wing started a campaign to obtain signatures of Social Democratic Diet members to support their stand and to force Nishio's resignation.

4. The majority of the party, at a caucus 13 June, favored a "cooling off" of the left wing's move for a party "housecleaning." Majority opinion was based on the fear that the left-wing campaign would play into the hands of the Democratic Liberals and the anti-administration alliance which was trying to capitalize on the Nishio controversy to effect the downfall of the Ashida cabinet. At a subsequent party caucus 16 June it was agreed to avoid an internal rift in order to present a united front in speeding up budget deliberations in the Diet.

After a conference with Attorney General Yoshio Suzuki, whose consent would have to be given before procuratorial action could be taken against Nishio, Chairman Katayama advised the press 16 June that the party's Central Executive Committee was not contemplating Nishio's immediate withdrawal from the Cabinet. He added that the party would consider the case independently of the budget deliberations.

The party's Central Executive Committee decided 24 June to give Chairman Katayama a free hand to take action on the Nishio case after the complete report on the case by the Illegal Transactions Investigation Committee had been submitted. Nishio indicated at the meeting that he would "dispose of himself" in such a way as to avoid involving the party in the issue. Party executives then decided (1) that Social Democratic Diet members would act in unison "to crush" the anticipated anti-Nishio resolution in the House of Representatives and (2) that Party Chairman Katayama would assume responsibility for disposal of the case.

#### Agreement of Government Parties

5. On 11 June the People's Cooperative Party, considering the budget deliberations as well as the Nishio case, had demanded that an emergency meeting of top leaders of the three government parties be called in a cabinet unification effort. A liaison meeting of leaders of the government parties decided 13 June to leave the Nishio case entirely in the hands of the Illegal Transactions Investigation Committee and agreed that the Government should wait for a complete report of the committee and of procuratorial investigations before making a decision.

In reply to a question in the House of Councillors by Yoshiakira Sato, Democratic Liberal member. Prime Minister Ashida



stated 16 June that "an impartial treatment of the Nishio case will be made in accordance with my conscience."

Nonconfidence Resolution

6. A tense atmosphere pervaded the plenary session of the House of Representatives 24 June when the antiadministration alliance presented its motion calling for a vote of nonconfidence in the Deputy Prime Minister. The motion was presented by Japan Farmers' Party representative Shiro Nakano. Following his remarks, Kisaburo Iano, Social Democrat, Yasushi Yoshida, Democrat, Kazuhiko Matsubara, People's Cooperative, and Kiyoshi Otaki, Japan Liberal Party member, spoke against the resolution. Opposition members Kanichi Tsujimura, Democratic Liberal, Koshin Narushima, Social Renovation Party, and Kyuichi Tokuda, Communist, spoke in support.

The resolution was defeated by a vote of 209 to 178. Despite the earlier decision by the Social Democratic caucus to vote solidly against the resolution, 12 left-wing members of the party stayed away from the session or abstained from voting. Unjuro Mito, Social Democrat, also abstained on the ground of his nonpartisan status as chairman of the Illegal Transactions Investigation Committee.

TABULATION OF VOTES BY PARTIES  
ON NISHIO NONCONFIDENCE RESOLUTION

<u>In Favor</u>		<u>Opposed</u>	
Democratic Liberal Party	145	Social Democratic Party	101
Social Renovation Party	16	Democratic Party	78
Japan Farmers' Party	7	People's Cooperative Party	25
Dai Ichi Club	5	Japan Liberal Party	<u>5</u>
Communist Party	4	Total	209
Independents	<u>1</u>		
Total	178		

7. After a meeting of chief procurators 28 June, Attorney General Suzuki announced that the Government would soon issue a formal statement on the case and added, "The reason the Nishio case has been pending so long is that immediate prosecution of Nishio would react as a serious obstacle in the deliberations of the budget, thereby bringing about great instability in the future political situation. Since the Government will soon issue its statement on the case, I believe that Nishio will resign voluntarily from his post after the passage of the budget. In this connection, I think Nishio is a man of common sense. Shortly after that, he will be prosecuted."

BUDGET CONTROVERSY

Outline Budget Submitted

8. The Cabinet submitted a general outline of the 1948-49 budget to the Diet 29 May but postponed to 31 May the scheduled address of Minister of Finance Tokutaro Kitamura to explain the Government's financial policy. The Government promised to submit the general budget bill with concrete figures by 8 June and urged the opposition bloc, led by the Democratic Liberals, to join in the

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BUDGET CONTROVERSY

Outline Budget Submitted

8. The Cabinet submitted a general outline of the 1948-49 budget to the Diet 29 May but postponed to 31 May the scheduled address of Minister of Finance Tokutaro Kitamura to explain the Government's financial policy. The Government promised to submit the general budget bill with concrete figures by 8 June and urged the opposition bloc, led by the Democratic Liberals, to join in the

preliminary study. The antiadministration alliance, however, refused to participate. It issued a statement 1 June assailing the Government for its failure to fulfill its promise to submit the budget bill by 15 May and contended that the antiadministration bloc was in no position to deliberate on a "skeleton" budget. The statement declared that "by circulating only sketchy data on the budget, the Government is trying to give the country the impression that it already has submitted the budget bills," and urged the Government to desist from "such a patchwork method" and face the Diet "with sincerity."

9. In the House of Councilors 28 May a group of Democrats and Democratic Liberals reached an agreement to act on the budget problem without consideration for the attitude of fellow party members in the House of Representatives. The group decided also to induce the Ryokufu-kai to join them in the proposed conservative merger. On the same date the Teiyo-kai group of right-wing Democrats voiced strong opposition to the cabinet-advanced Tomabechi plan for a one-year suspension of interest payments on war bonds.

10. On 2 June the Cabinet submitted a bill proposing a 350-percent increase in passenger and freight rates to add ¥ 59,600,000,000 to the income of national railroads. It was pointed out that even with this increased revenue, subsidies amounting to ¥ 9,000,000,000 would be needed to cover operating deficits.

11. The bill to defer interest payments on war bonds for one year beginning 1 July was submitted 4 June. The bonds affected total ¥ 78,100,000,000 in face value and the annual accrued interest totals ¥ 2,733,000,000. Interest payments due between 1 July and the end of the 1948-49 fiscal year amount to ¥ 2,238,000,000.

12. The Rules Committee of the House of Representatives agreed 3 June to the Government's request that Minister of Finance Kitamura deliver his long-deferred address on the "skeleton" budget but the opposition concurred only on condition that he would offer supplementary explanations when the detailed budget bill was presented. They also insisted that their attendance on this occasion would not obligate them to participate in discussion based on the outlines of the budget.

#### Kitamura's Address

13. In his speech to the Diet 4 June Minister of Finance Kitamura outlined the Government efforts to balance both the national and local budgets. While pointing out that the new budget would increase the people's financial burdens, Kitamura predicted a marked improvement in the national economy as a result of foreign aid, including food imports. He promised reduction of personnel expenditures in the general budget by 15 percent. He pointed out that appropriations for education, general culture, health, sanitation and reconstruction would not reach five percent of the entire budget because of the necessity for making appropriations relating to the settlement of war termination expenditures and subsidies for price differentials.

On the other hand Kitamura expressed his determination to levy taxes on profiteers since two thirds of the total expenditures for the next fiscal year were to be met by people's revenues. The budget plan was predicated, he declared, on foreign aid.

Excerpts from the speech follow:

"To cut expenditures the Government laid down a plan for administrative adjustment.

"In the wage-price field, the Government tried to prevent the ill effects of rising prices by enforcing a revision of the price structure at the expense of the national treasury.

"By this policy of sound finance, the Government seeks to stabilize prices and wages as well as to restore the nation's production to normal.

"Expenditures of the general account totaling ¥ 399,300,000,000 constitute 21 percent of the people's revenue for the fiscal year 1948-49 which is expected to rise to ¥ 1,900,000,000,000; this is a little more than last year's 18 percent.

"In implementing the budget plan for this year, the Government will see to it that adjustment in time between income and outgo is carried out in an attempt to curb the expansion of currency in circulation.

"Inasmuch as the prefectural governments are financially weak due to their lack of independent revenue resources, the Government not only has decided to transfer the admission tax to the prefectural treasuries and create an enterprise tax but also is preparing to submit to the Diet the Prefectural Finance Law and bills calling for revisions of the Prefectural Taxation Law.

"Although the demand for capital is expected to rise as a result of a revision of the price standard, the Government will restrict loans to productive enterprises in an effort to increase production as well as to preserve healthy financing for the nation.

"Parallel with the administrative adjustment, the Government will strive to rationalize private enterprise.

"As for the Reconstruction Finance Bank loans, the Government will try to pave the way for the consumption of the RFB public bonds in the market, and to supervise carefully the collection and use of loans.

"The Government is planning a fifth increase in the RFB capital and will present a bill to the Diet soon.

"A rise in the collection of taxes has not had any ill effects on the nation's savings and the Government has set the savings goal for this fiscal year at ¥ 300,000,000,000.

"The Government reiterates that it does not contemplate the freezing of the new yen currency.

"To get ready for introduction of United States economic aid to Japan, the Government expects to enforce an over-all economic reconstruction policy, thereby trying to slow down the spiral of inflation and realize interim stabilization in national economy on the basis of foreign aid which eventually will serve as the foundation for full-dress economic recovery."

#### Presentation of General Budget

14. On 8 June the Cabinet presented to the Diet the general budget bill for the 1948-49 fiscal year, listing balanced revenues and expenditures of the General Account totaling ¥ 399,380,000,000. Revenues for the Special Accounts amounted to ¥ 1,422,096,000,000, representing, according to reports, the first instance in the nation's history that the national budget had surpassed the ¥ 1,000,000,000,000 level.

With presentation of the general budget plan the opposition parties opened their offensive against the Ashida administration. Vigorous interpellations on the general financial policies of the Government followed a formal request by Chief Cabinet Secretary Gizo Tomabechi for extension of the Diet session to the end of the month. The session, originally scheduled to close 10 May, had already been extended to 20 June and at the Government's request was extended to 30 June on action by the House of Representatives 17 June and the House of Councillors 19 June.

#### Democratic Liberal Proposals

15. The Executive Committee of the Democratic Liberal Party met 8 June to decide on proposing major amendments to the budget bill. Firm opposition to increases in communications and railway rates and to institution of the transactions tax was affirmed. At the close of the meeting the committee announced that the party would demand increased appropriations for implementation of the 6-3-3 educational system to be supplemented with appropriations from the national treasury, an increase in the flood disaster rehabilitation expenses, a concrete administrative reform program and continuance of war bond interest payments. The party issued a statement 13 June charging that delays in presentation of the budget had been caused by the "unstable" situation existing within the Democratic and Social Democratic Parties.

After further deliberations the Democratic Liberal Party published 19 June a seven-point program of budget revisions formulated by its Political Affairs Research Committee, calling for:

- (1) Savings of nearly ¥ 30,000,000 by reducing personnel expenses and expenditures on materials under the policy of gradually abolishing economic control measures.
- (2) Reduction of the burden on the masses of the population by abolishing the turnover and enterprise taxes and revising railway and communications rates, passenger fares to be increased twofold and freight rates threefold.
- (3) National government sharing in the cost of inaugurating the 6-3-3 educational system by reduction of flood disaster rehabilitation projects.
- (4) Transfer of the sake consumption tax to the prefectural governments as a means of establishing local finance.
- (5) Increase of public works expenditures to establish the foundations of industrial reconstruction and to increase the output of foodstuffs.
- (6) Continued payment of interest on war bonds.
- (7) Adoption of legal steps to insure that the Government will contribute ¥ 10,000,000,000 to the Agriculture and Forestry Central Bank and ¥ 50,000,000,000 to the Commerce and Industry Central Bank.

#### Defections in Government Parties' Support

16. Agreement on the budget by the three government parties was forestalled by the insistence of the Social Democratic Party on certain major revisions in the Government's bill. The party's

Political Affairs Research Committee announced 6 June its adoption of a plan providing for substitution of a 150-percent increase for the 350-percent increase in railway fares, claiming that the Government's proposal would impose too great a burden on average wage earners.

Mosaburo Suzuki, left-wing Social Democrat and chairman of the Budget Committee of the House of Representatives, declared to the press 12 June that the Diet had to act speedily on the national budget "before a possible cabinet change occurs." Suzuki pointed out that public works and other important projects were at a complete standstill due to the delay in enacting the budget.

The Social Democrats insisted on a twofold increase in railway passenger rates and a threefold rise in postal charges while the Democrats and People's Cooperatives demanded a threefold rise in passenger fares and the Government's plan called for a 350-percent increase.

The Social Democrats demanded the inclusion of the railway rates in the General Account; the Democrats and People's Cooperatives insisted that they be independent of the General Account. The Social Democrats supported the plan calling for a 150-percent increase in commuters' charges and a 350-percent increase in railway freight charges as carried in the budget bill but they opposed the over-all imposition of a new one-percent sales tax on transactions, maintaining that such a tax should be confined to luxuries and amusements. Another revision advanced by the Social Democrats called for an increase in appropriations for the 6-3-3 educational system which would add ¥ 1,600,000,000 to general expenditures.

Minister of Finance Kitamura at a meeting of the House of Councillors Budget Committee 19 June expressed confidence that the government parties would shortly reach agreement on budget revisions but insisted that the Government would not withdraw the transactions tax. He admitted that a new sales tax "is not generally desirable, but it is unavoidable under the present circumstances."

#### Committee Hearings

17. The Finance and Monetary Committee of the House of Representatives opened its deliberations 21 June on the Government's bill to defer interest payments on war bonds. In answer to interpellations by opposition members Prime Minister Ashida stated, "Some circles have entertained doubts on the prolongation of interest deferment for another year, but the Government is not going to extend this measure over the next fiscal year." Minister of Finance Kitamura declared, "All those bonds on which interest is to be deferred have already been put into the account of claimable interest in the balance sheets of all banks. Practically speaking, moreover, it is not difficult to adjust relations between the Bank of Japan and other commercial banks since 96 percent of the war bonds have already been registered."

18. On the same day Prime Minister Ashida stated at a meeting of the Budget Committee of the House of Representatives that he was not contemplating the Cabinet's resignation but that "the Diet's dissolution will be considered. If it should become necessary to ask for the people's opinion, I will dissolve the Diet without hesitation." Such a move would bear out the increasing forecasts of an early general election and was regarded as a counter-threat to the Democratic Liberal efforts to force resignation of the Cabinet and as a means of gaining time for passage of the budget.

### Deadlock of Government Parties

19. The government tripartite liaison conference deadlocked 23 June over new tax sources to compensate for proposed changes in the Government's revenue-raising plan.

Urging the parties to consider the national welfare, Prime Minister Ashida on 24 June called on the Political Affairs Research Committees of the three parties to make every effort to reach an agreement. Ashida declared that failure to pass the budget bill by the end of the month would mean a loss of revenue amounting to ¥ 10,000,000,000 a month and that the delay might jeopardize proposed aid to Japan from the United States.

The outstanding disagreement continued to be over railway passenger fares. On 27 June representatives of the Social Democratic Party were determined to limit the fare increase to 250 percent while leaders of the Democratic and People's Cooperative Parties advocated a 285-percent increase. It was expected in political circles that the Social Democrats, having elevated their 200-percent increase stand of 26 June, would make further concessions.

20. Further controversy followed the suggestion of Chief Cabinet Secretary Tomabechi for a 270-percent increase. Right-wing Social Democrats seemed ready to accept the compromise figure but it was rejected by the left wing which insisted on the 250-percent rate as proposed by the party's Central Executive Committee and supported by such leaders as Minister of Labor Kanju Kato, Minister of State Masaru Womizo and Chairman Mosaburo Suzuki of the party's Political Affairs Research Committee and of the Lower House Budget Committee.

Prime Minister Ashida called on Chairman Katayama of the Social Democratic Party's Central Executive Committee 29 June and, according to press reports, requested that Katayama exert his influence to get his party's cooperation in breaking the deadlock.

### Deadlock Broken

21. The 10-day deadlock was broken 30 June when the government parties decided that the Cabinet should present a revised budget bill to the House of Representatives Budget Committee 2 July calling for railway rate increases of 255 percent. The agreement was reached after two meetings of the heads of the three government parties, Prime Minister Ashida, Chairman Katayama and People's Cooperative Party Chairman Takeo Miki. They agreed that the House of Representatives should be prepared to act immediately on the revised measure and that it should go to the House of Councillors on the same day.

The tripartite compromise, according to Chief Cabinet Secretary Tomabechi, was a "face-saving" device for both the Democrats and Social Democrats but it was reported that 15 left-wing Social Democrats were still opposed and intended voting against the budget measure. The reports stated that this left-wing group would probably secede from the Social Democratic Party in August to form a new farmer-labor party.

The tripartite agreement on the 1945-49 national budget changes would result in:

- (1) A 255-percent rise in railway passenger rates, effective 20 July, and a decreased revenue yield of ¥ 19,700,000,000.

- (2) A ¥ 700,000,000 reduction in traffic tax revenues.
- (3) A ¥ 1,500,000,000 decrease in postal service revenues due to postponement of the enforcement of the proposed new postal rates to 10 July.
- (4) Revision of the proposed transactions tax, entailing a ¥ 5,000,000,000 decrease in revenues.
- (5) An ¥ 800,000,000 increase in the 6-3-3 educational tax appropriations.
- (6) A ¥ 500,000,000 increase in appropriations for disaster rehabilitation projects.
- (7) A ¥ 300,000,000 increase in expenditures for expediting Japanese repatriation from abroad.
- (8) An increase of ¥ 600,000,000 in the appropriation for pension payments.
- (9) A ¥ 200,000,000 increase in appropriations for the Diet.
- (10) An increase of ¥ 100,000,000 in appropriations for scientific research subsidies.
- (11) An increase of ¥ 100,000,000 in tax transfers to the prefectural governments due to revisions of the business tax applying to physicians and maternity-nurses.

To cover the ¥ 30,100,000,000 unbalance caused by decreased revenues and increased expenditures, the joint amendment proposal calls for substitute sources of revenue as follows:

- (1) ¥ 2,000,000,000 by raising the proposed income tax rates on taxpayers in the higher brackets.
- (2) An estimated ¥ 15,800,000,000 by increasing income taxes.
- (3) ¥ 2,600,000,000 by cutting costs of supplies and materials.
- (4) ¥ 2,100,000,000 from profits on price increases.
- (5) ¥ 3,000,000,000 surplus carried over from the 1947-48 fiscal year.
- (6) Miscellaneous revenues totaling ¥ 600,000,000.
- (7) ¥ 4,000,000,000 to be obtained by the Government on its own responsibility through fines for excess use of electricity, sale of state property and from reductions in unemployment insurance allowances and in the amount of government investments.

Supplementary Action

22. The Cabinet 29 June formally approved a ¥ 3,791 wage standard for government employees, representing an increase of nearly ¥ 900 over the existing ¥ 2,920 wage level. A bill authorizing the new standard was immediately submitted to the Diet and, if approved, is to be retroactive to 1 June.



23. At the Cabinet's request the Diet on 30 June again voted to extend its current session. This third extension, to 5 July, was voted to give adequate time for deliberating on the budget measure and on other urgent legislation.

#### ZAIBATSU DISSOLUTION

24. In reply to an interpellation by Communist Sanzo Nosaka, Prime Minister Ashida made a statement 22 June before the Budget Committee of the House of Representatives on dissolution of the Zaibatsu, reporting that (1) the dissolution of the Zaibatsu companies has been virtually completed in compliance with the Potsdam Declaration, (2) all leading personnel formerly in the management of these companies have been replaced, (3) the stocks formerly under their control have been transferred to the custody of the Holding Company Liquidation Commission, (4) a part of these stocks has already been released for public purchase, (5) there is no truth in allegations that some of the purged businessmen retain positions of influence in financial circles behind the State and (6) necessary restrictions have been placed on the political activities of all purgees.

#### INTRODUCTION OF FOREIGN CAPITAL

25. At a session of the Foreign Affairs Committee of the House of Representatives 3 June Vice Director General Teizo Horigoshi of the Economic Stabilization Board made the following statement on the problem of introduction of foreign capital:

"The amount of foreign capital introduced up to now is estimated at approximately ¥ 500,000,000. This amount, appropriated from the United States Army budget, has apparently been employed for the importation of domestic consumers' goods to prevent starvation and disease and eliminate social unrest. Definite expense details have not been specified as yet.

"The investment of capital by the United States Government in the new fiscal year starting in July should be called relief funds rather than credit. It is, as it were, a lubricant for rehabilitation of Japanese economy. It will benefit the nation as a whole. The use of the funds should be put under strict supervision. It should be strictly forbidden to use them for the interests of a certain group of people alone.

"Although there have been optimistic views that, along with the United States Government investment, private capital will also flow into this country, the present situation, with many difficulties existing on both sides, does not allow us to pin much hope on introduction of private capital except for investments at a sacrifice for future advancement. Major difficulties now besetting investment of private capital are:

- "(1) The majority of American investors, after suffering large losses in the last World War, are hesitant about overseas investment.
- "(2) The fact that Japan is now under occupation by the Allied Forces places an unfavorable restriction on foreign investors from the viewpoint of international law which provides that any contract concluded with a nation under occupation cannot be regarded as a free contract.
- "(3) The taxation methods have changed. Particularly, the high rate of the corporation tax in Japan is a drawback to introduction of private capital.

"(4) The provisions of Article 10 of the Antimonopoly Law are discouraging to foreign investors.

"(5) The prevailing labor unrest, particularly the existing collective bargaining agreements and the existence of labor-capital management councils in Japan, are looked upon dubiously.

"In addition to these drawbacks, the greatest difficulty is the fact that exchange rates have not been determined yet. As was clearly stated in the Draper Report announced some time ago, it is extremely difficult for Japan to decide on exchange rates because her dollar reserves are insufficient to maintain the rates. Even if the rates were determined now, it would be done at the responsibility of the United States Government.

"In case of the fluctuation of the rates, therefore, the United States Government would have to obtain the approval of the International Monetary Funds Commission as provided for by the Bretton Woods Agreement and, at the same time, there is the strong possibility that Japan would follow in the footsteps of France which forcibly carried out the devaluation of the franc some time ago.

"In consideration of these points, the existing military rates, with necessary modifications in the light of the current economic situation, will apparently become the provisional exchange rates. I believe that there is as yet a considerable distance to the stage where, along with government-to-government credits, private capital is introduced into this country.

"The Government now plans to put emphasis on the import of key materials while controlling the imports of such consumers' goods as food to a certain limit for it intends to realize speedy rehabilitation of our economy even at the sacrifice of domestic inconveniences for the time being. The food imports, which are expected for this autumn, will probably be a little below the amount we desire. With the imported food, the present ration will be slightly increased. Labor's special ration, in particular, is expected to be raised considerably."

#### ILLEGAL TRANSACTIONS

##### Procuratorial Revelations

26. In an attempt to bring to light the ramifications of various cases of illegal disposition of arms and weapons which occurred in the confusion following Japan's surrender, the Supreme Procurator's Office, with the aid of its 25 local offices throughout the country, on 15 April confiscated some 30 truckloads of account books and other pertinent documents of the Arms Disposal Committee and its local branches.

The Attorney-general's Office released an interim report 4 June based on the investigations of these documents by 80 expert accountants attached to procuratorial agencies. This report revealed that 93 officials of the Japan Iron and Steel Company and several other leading metal manufacturing companies had been investigated. Of the 93 investigated, 39 had been indicted, one had been cleared and the remaining 53 were still under investigation. Those indicted were charged with breach of trust, illegal possession and theft of government property and embezzlement. Illegal disposition of weapons took place at subcontract factories which were responsible for dismantling weapons as well as for supervision over various plants. The extent of the illegal disposal of material, which had been facilitated by the central headquarters of the

committee, was not disclosed, but it was reported that in addition to 20,000 tons of metal, a considerable amount of such items as oil, coal and hemp had been misappropriated.

The Okayama District Procurator's Office on 7 June impounded approximately 50 tons of copper sheeting, tin, aluminum, copper wire, scrap iron and other items illegally hoarded by the Nakajima Propeller Company in Okayama. According to the procurator's report, this secret cache of concealed former military supplies in the company's warehouses and workshop was the biggest so far exposed within the prefecture. The Nakajima Company was an officially designated war plant during the war, and after the surrender the company buried large stocks of former military supplies, erecting warehouses and other buildings over the sites to ensure concealment. It took a week for workmen to dig out all the hoarded stocks which procurators reported to be worth over ¥ 45,000,000. All values quoted by the procurators and the Illegal Transactions Investigation Committee are based on present official prices.

On 12 June officials of the Sendai District Procurator's Office seized a cache of diamonds aggregating 151 carats and 11 platinum melting pots concealed in the warehouse of the Tohoku Metals Company in Sendai. At the same time, some 300 tons of coal concealed beneath the bed of a reservoir in the company compounds were unearthed. The company also was alleged to have channeled into the black market ¥ 300,000 worth of heavy oil, cement and other goods in March of this year. It was also alleged that the company had obtained both the diamonds and platinum pots through Army Ordinance headquarters in 1940 and 1944.

The Maebashi District Procurator's Office announced 21 June that extensive investigations conducted by that office revealed the total amount of hoarded goods held by the Fuji Sangyo Company, formerly the Nakajima Aircraft Company, exceeded ¥ 600,000,000, including the following: oils and silk valued at ¥ 716,873,102; coal and steel to the amount of ¥ 87,461,313; felts, paints and other items, ¥ 246,467,580. These goods had been seized by the authorities between 26 February and 3 March of this year from 206 separate places in Gumma, Tochigi and Saitama Prefectures.

A report of the Economic Stabilization Board 7 June disclosed that in the year ending 31 March the board had been instrumental in exposing hoarded and illegally concealed goods worth ¥ 682,000,000. Director General Takeo Kurusu declared that of this amount about one third to one half could be estimated as constituting a profit for the state after deduction of expenses in connection with the disposal of these goods through legal channels. This profit had been deposited with the national treasury, according to Kurusu.

#### Illegal Transactions Investigation Committee Report

27. In a report submitted to the Diet 29 May the Illegal Transactions Investigation Committee of the House of Representatives revealed the extent of its investigations into the political funds case involving Kuroku Tsuji and the uniforms case concerning Kanichiro Kamei.

28. The Tsuji investigations, according to the report, were centered around the ¥ 2,500,000 presented to Tsuji by Ikutaro Nakasone, former Liberal Party member, and the ¥ 6,500,000 donated by Eikotaro Yoshida, president of the Midori Industries Company, and three others. Investigators sought reasons for the donations, their ultimate distribution and the effects of such distribution on political parties.

The committee ascertained that 26 House of Representatives candidates in the April 1947 elections had received "campaign-sourring funds" in varying sums ranging from ¥ 10,000 to ¥ 200,000. Included were nine candidates belonging then to the Liberal Party, two who then were members of the Democratic Party, one who was a member of the People's Cooperative Party and four who were independent candidates. All but one of the 26 admitted receiving funds; eight of the 26 candidates were elected to the House of Representatives.

At the time of the April 1947 elections the receipt and expenditure of more than ¥ 75,000 as expenses in any one Diet campaign was illegal and violators may be prosecuted by procuratorial action.

The report stated that three representatives, Kohei Kimura, Te'jo Isozaki and Toranosuke Miura, all Liberals, had been indicted by the Tokyo District Procurator's Office for perjury in connection with their testimony before the committee and that Ichiro Kono, purged former secretary general of the Liberal Party, had been indicted for both perjury and violation of the Purge Directive by engaging in political activity after being purged. Kono's trial opened in the Tokyo District Court 15 June.

The committee's report stated that portions of the submitted testimony were often contradictory and that the committee particularly found Tsuji's own explanations regarding his accounting of the ¥ 6,500,000 presented to him as difficult to believe.

29. In the Kamei case the report stated that Kamei, a prewar Social Democrat, and three others were charged with having collected ¥ 19,400,000 from various organizations throughout the country. A portion of the sum was used as expenses for "inducing" authorities to grant Kamei a concession for obtaining military uniforms and the remainder was donated as campaign funds to political parties and politicians.

The Kamei case had been committed for trial in the Tokyo District Court on charges of fraud and embezzlement. The interest of the Illegal Transactions Investigation Committee in probing the case was to determine the extent to which political parties and politicians were involved. In the course of its investigations the committee examined 14 witnesses and reached the following conclusions:

- (1) Kamei had donated ¥ 550,000 to Eiichi Nishimura and ¥ 100,000 to Junzo Matsumoto, both Social Democratic Party Diet members.
- (2) The other two individuals implicated in the case, Kiichi Watabiki and Yoshitake Ogawa, had donated a total of ¥ 4,653,500 to six politicians of various parties, the donations varying from ¥ 23,500 to ¥ 3,300,000. With the exception of Noburo Tanikawa, a Liberal Party member who allegedly received ¥ 100,000, all admitted having received the donations.

30. On the strength of the conclusions reached in the Tsuji and Kamei cases the committee's report, submitted by Chairman Unjuro Muto, closes with a recommendation that the Diet adopt measures to extend the committee's authority. Text of the recommendation follows:

"We submit that these illegal transactions involving political funds donations constitute the underlying causes of political corruption.

"The scandalous practices of political donations centering on Tsuji and Kamei, as revealed by this committee, must be completely eliminated from our political life.

"The purpose of this committee's investigations in the Kamei and Tsuji cases is in line with the process of democratizing our government. Therefore, this committee hopes that all political figures who accepted monetary funds for the conduct of their electoral campaigns will reflect deeply on their actions. . .

"As for the methods of investigation of this committee, the experiences of the past several months have revealed the limitations of our authority and have impressed us with the necessity of strong measures which will invest our committee with more effective powers and authority in the conduct of its investigations. Accordingly, the committee desires to draft a bill empowering it to conduct house searches and seize documents to serve as evidence in our inquiries."

#### Nishio Case

31. Disclosure that Deputy Prime Minister Nishio had received political donations from construction companies aroused comment in both government circles and in the press. The Illegal Transactions Investigation Committee in its inquiries disregarded political implications.

Nishio was summoned 1 June to testify before the committee. He admitted that he had received a donation of ¥ 500,000 from Seita Iida, managing director of the Railway Industry Company. Nishio also admitted having received other contributions from the Obayashi-gumi in Osaka because of his long acquaintance with the president of the company. Nishio maintained that he had received these donations as an individual and not as a representative of the Social Democratic Party, of which he was then secretary general. The funds he received from Iida, Nishio testified, were to be "used as he saw fit."

With this understanding, Nishio turned over ¥ 100,000 of the sum received to the Political Affairs Research Committee of the Social Democratic Party. He emphatically denied the implication contained in a previous statement by Sakae Fujita, of the Social Renovation Party, that he had pocketed the difference. Nishio stated that he had distributed the remaining ¥ 400,000 among some 50 Social Democratic Party candidates prior to the elections of April 1947.

Nishio denied that he had ever sought or received any funds from Fujita, who had previously testified that he had served as "middle man" for Nishio in securing certain other funds from construction companies. Nishio also denied ever having received donations from the Takenaka-gumi as alleged.

Questioned by Kyuichi Tokuda, Communist member of the committee, Nishio refused to reveal the names of the candidates to whom he had distributed the ¥ 400,000.

On the following day the committee ruled that Nishio should submit the list of names of the candidates involved. On 4 June Nishio submitted to the committee the names of 36 Social Democrats to whom he had allotted ¥ 330,000 during the 1947

electoral campaign. The list included Minister of Agriculture and Forestry Kazuo Nagae and 17 other Diet members. Nishio at the same time acknowledged that he spent some ¥ 70,000 in his own behalf.

32. Minister of Education Tatsuo Morito, who was summoned to testify before the committee 5 June, admitted that he had received ¥ 100,000 from Nishio. He testified, however, that the sum had been given to him in his individual capacity as chairman of the Political Affairs Research Committee of the Social Democratic Party. Maintaining that he did not know from what source Nishio had obtained the funds in question, Morito added that the money Nishio allotted to him was "from one individual to another and did not concern the party."

Concerning the spending of the money, Morito stated that it had been used to defray the expenses of the Political Affairs Research Committee to pay for information facilities and as gifts distributed to clerks and other personnel of the party committee.

33. Following a stormy session 11 June the Illegal Transactions Investigation Committee released a more detailed report regarding the spending of the funds transmitted to Morito by Nishio. According to this report Morito had transmitted ¥ 32,000 to Eiichi Nishimura while the remainder had been used to pay for information services of the Political Affairs Research Committee, especially in financing the publication of an election campaign pamphlet entitled "Campaign Policy of the Japan Social Democratic Party," as well as to defray personnel expenses of that agency, such as benefits for sickness, marriage and rewards for services.

The committee continued to debate the issue of Nishio's acceptance of contributions and of his failure to register them. Because the committee failed to reach agreement, 14 antiadministration members of the committee filed charges 12 June with the Procurator's Office against Nishio for violation of Article 328 of the government ordinance concerning registration of political funds.

The statement against Nishio, as drawn by opposition members of the committee, charged that he had received and disbursed ¥ 500,000 for party purposes without reporting them as required by party regulations. Nishio's claims that the funds were for personal use were questioned and the crux of the accusation lay in his admitted failure to register the funds as required.

34. On the same day, commenting on the disorder engendered by the politically motivated attitudes of some committee members, Chairman Mito asserted that in the future members of the committee debating an issue such as the Nishio case should not be influenced by party affiliation. In a public statement Mito declared: "The disorder witnessed at the committee meeting 11 June is attributable to the fact that our committee is a super-party agency in conception only. Its members are in fact primarily loyal to party decisions when they are called upon to pass judgment on findings involving controversial matters. To avoid a repetition of such a state of affairs, I propose to make this committee a super-party agency both in conception and practice."

35. The question of indicting Nishio was discussed by the Supreme Procurator's Office, and a decision was reached 9 June in favor of the indictment. On the following day this decision was referred to the Attorney-general's Office since, according to Article 75 of the Constitution, legal action against a cabinet minister must receive the consent of the prime minister. On 17 June

Attorney General Suzuki requested Procurator General Seita Fukui to conduct a re-examination of several items in the documents pertaining to the Nishio case.

After the re-examination was completed the procurators reaffirmed their previous decision and again requested the Attorney-general's Office to indict Nishio. On 23 June Attorney General Suzuki announced that such action would be taken.

The members of the Illegal Transactions Investigation Committee also favored prompt action. Political observers predicted, however, that because of the difficult political situation attending the Diet's budget deliberations Government action on the Nishio case would be postponed pending Diet enactment of the 1948-49 budget bill.

#### Funds Presented to Democratic Party

36. Testifying before the Illegal Transactions Investigation Committee 2 June, Usaburo Chizaki, purged former secretary general of the Democratic Party, stated that he had received a total of ¥ 1,500,000 from Seita Iida, managing director of the Railway Industry Company. The witness declared, however, that it was impossible to determine whether the donation was made to him as an individual or to the Democratic Party.

This donation, according to Chizaki, was spent "as a secret fund" in connection with the dissolution of the Progressive Party and the organization of the Democratic Party. Chizaki admitted that part of the donation, as well as some money of his own, was spent for supporting Democratic Party candidates in the elections of 1947. Chizaki further testified that when he settled the accounts of the Democratic Party with Manitsu Tanaka, party adviser and then vice-speaker of the House of Representatives in May last year, he (Chizaki) had reported to the executives of the party the ¥ 1,500,000 donation in question. At that time, according to Chizaki, he had sought and received the party leaders' understanding that ¥ 1,000,000 of the sum should be registered in his name.

Chizaki stated that he had forgotten the details as to how the money was spent.

Besides the ¥ 1,500,000 donation in question, the witness related that he had accepted further monetary aid from "a few friends," adding that he could not reveal their names.

Pressed by Takeo Nakano, Democratic Liberal Party member of the committee, as to whether the ¥ 1,500,000 donation was for him or for the Democratic Party, Chizaki replied that the donation in question could be regarded as having been made to him as an individual, since the donor, Iida, did not specify that the money was for the party.

Committee Chairman Muto then ruled that Chizaki should submit a written statement to the committee explaining disposition of the donation.

The committee released a report 11 June in which Chizaki admitted that he had received a total of ¥ 3,500,000 in donations. This sum was distributed as follows: for the dissolution of the Progressive Party and formation of the Democratic Party, ¥ 700,000 had been spent; "secret funds" distributed at the time of the elections of April 1947 amounted to ¥ 1,800,000; and the remaining ¥ 1,000,000 had been donated to the accounts of the Democratic Party in Chizaki's name, also at the time of the elections of 1947.

Chizaki declared that since he had been purged he did not recall the exact details as to how the fund had been spent, advising the committee to question officials of the Democratic Party on that score.

Testifying for the second time before the Illegal Transactions Investigation Committee 28 June, Chizaki refused to reveal the source of the ¥ 3,500,000 in question, pleading that disclosure of the donors' names would force him to violate a pledge of secrecy. Further hearings are expected.

At the time of his committee appearances Chizaki was also under investigation for suspicion that he had violated the ordinance prohibiting political activity by purgees.

#### Gumma Coffee Case

37. Another case in which procuratorial agencies as well as the Illegal Transactions Investigation Committee of the House of Representatives are currently interested is the so-called "Gumma Coffee Case."

On 17 February 1946 the Shibukawa police in Gumma Prefecture uncovered 93 tons and 540 kilograms of coffee beans formerly belonging to the Japanese Army. This was turned over to the Gumma prefectural government. During the months of July and August 1947, 65 tons were sold at ceiling price for ¥ 2,784,128. In return for the sale the Gumma prefectural government received ¥ 14,858,000 as gifts from the various recipients. Besides this, prefectural government officials also received 57 tons of salt and two houses in Tokyo.

38. After investigations conducted on the spot, a conference at the Supreme Procurator's Office 11 June decided that the following officials of the Gumma prefectural government should be indicted on the charge of violating the price control law of 3 March 1946 by receipt of gifts and failure to turn derived funds over to the central government: Shigeo Kitano, governor of Gumma Prefecture; Hiroyuki Isozaki, Economic Section head; Kaoru Ishikawa, administrative head; Kakuzo Takizawa, chief of the Foods Branch; and Motoyuki Moro, clerk in the Foods Branch.

This conference also concluded that the governor should be notified that the above-named persons would be indicted. It was agreed that if the governor resigned and the money was turned over to the national government the procurators would refrain from indicting any of the individuals concerned. Reasons for this decision were:

- (1) Although the money in question had not been turned over to the national government it had been ascertained that the prefectural government had intended to use it for welfare purposes, such as flood relief and damage incurred by recent hail storms.
- (2) That none of the money had been used for personal gain.
- (3) That the prefectural assembly, supported by public opinion in Gumma Prefecture, opposed indictment of the governor.

Involved members of the Gumma prefectural government resigned 21 June and Governor Kitano resigned his post 25 June. The resignations were accepted by the prefectural assembly. According



to a report of the Supreme Procurator's Office the trial of Governor Kitano and his associates was to open 19 July since the money was not turned over to the national government. By-elections for the office of governor and members of the Gumma prefectural government have been scheduled for 10 August.

Sasebo Shipping and Industry Company Case

39. Chairman Muto announced 2 June an investigation of the Sasebo Shipping and Heavy Industry Company in Nagasaki Prefecture, a case concerning hoarded goods and the irregular disposal of supplies which, according to allegations advanced by members of opposition parties, involved Minister of Finance Kitamura.

The original complaint in the case was filed by Terusaburo Myorei, a Democratic Liberal Party member of the committee. Myorei alleged that the Sasebo Shipping and Heavy Industry Company participated in irregular transactions and made monetary donations to political parties while Kitamura was president of the company.

In anticipation of his being summoned to testify before the Illegal Transactions Investigation Committee, Minister of Finance Kitamura issued a statement 21 June in which he denied any complicity in irregular activities on the part of the Sasebo company. The company, according to Kitamura's statement, was formed under government sanction in October 1946 as a nonprofit enterprise. His position as president was only "nominal" and thus he did not take an active part in the actual management of the company.

The goods that the company took over, according to Kitamura's statement, were from the Demobilization Bureau and were accompanied by an accurate inventory. The company merely used the former Sasebo arsenal to house the enterprise and any hoarded goods found there were outside the operation of the company, the statement declared. "These facts," the statement concluded, "clearly demonstrate that I have nothing whatever to do with the Sasebo affair and that there is no ground at all for the allegations that hoarded goods were illegally used for political funds."

40. The committee heard the testimony of Procurator Unejiro Okamoto of the Supreme Procurator's Office on the Sasebo case on the day of Kitamura's statement. Okamoto had been in charge of the case involving public works contractors in Sasebo while serving as chief public procurator of Sasebo.

Okamoto told the committee that as the result of investigation, the Umemura-gumi and several other public works contractors in the Sasebo area had been found to be guilty of violating economic control laws and to have been involved in the irregular disposal of concealed and hoarded goods valued at several millions of yen. In the course of his investigation into the Sasebo case, Procurator Okamoto said he had learned that Seiichi Kadoya, Democratic member of the House of Councillors, had become involved in the disposal of campaign funds totaling ¥ 1,400,000 donated by local public works contractors.

The witness further disclosed that the name of Minister of Finance Kitamura became involved when procuratorial authorities started their investigations last February into the case of the alleged irregular dealings in hoarded goods at the Sasebo Shipping and Heavy Industry Company. Okamoto estimated that the amount of hoarded goods involved was worth several hundred million yen.

41. Appearing before the committee 26 June Minister Kitamura repeated the gist of his previously published statement concerning his connection with the Sasebo company.

Kitamura admitted that goods concealed by the Japanese Navy in the Sasebo area, valued at from ¥ 2,000,000 to ¥ 3,000,000, were uncovered by his company. He said that when the Sasebo Shipping and Heavy Industry Company was formed he consented to serve as its president on the condition that he would not engage in company business which consisted mainly in salvaging and repairing vessels in the former naval port of Sasebo. He stated that the company had taken over only a part of the former naval port and that the concealed goods were uncovered in the area outside the company's control.

Democratic Liberal members of the committee, Kanichi Tsuji and Kisaburo Myorei, countered Kitamura's testimony that he served merely as a nominal president by maintaining that documents revealed that Kitamura had participated frequently at executive board meetings, often as chairman. The committee planned to continue the hearings into July.

42. The committee hearing 25 June was thrown into confusion when opposition parties' members challenged the reliability of a witness in the Sasebo case. The witness was Hideshige Shiotsu, managing director of the Sasebo Shipping and Heavy Industry Company, who was discovered reading replies to the committee's questions from a prepared text. Under committee pressure, Shiotsu disclosed that he had been secretly briefed by Mikita Yasuda, Democratic Party member of the committee, concerning the committee's line of cross-examination.

Yasuda, it was learned, had also supplied a list of questions to another witness in the case, former Admiral Osamu Kitagawa, chief of the Government Employees' Section of the Second Demobilization Board. Yasuda explained his action in these words: "Since it was I who demanded the appearance of Shiotsu and Kitagawa, I thought it proper to inform them beforehand of the committee's scheduled questions."

Anticipating disciplinary action by the committee, Yasuda notified the Diet body 26 June of his "intention" to resign.

#### Donations to the Liberal Party

43. On 26 June it was announced that perjury proceedings would be instituted against Banboku Ono, adviser of the Democratic Liberal Party and former secretary general of the defunct Liberal Party. The Illegal Transactions Investigation Committee revealed conflicting statements made by Ono concerning the spending of ¥ 500,000 donated to him by Ryokichi Niwa, former member of the House of Peers.

The committee probed Ono's previous testimony before the Public Procurator's Office in which he had stated that he had distributed a sum of ¥ 1,400,000 to more than 100 Liberal Party members in the 1947 general elections. This sum included funds which Ono said he had received as "private loans," including the ¥ 500,000 he had received from Niwa, some ¥ 500,000 he had received from Toshio Hanabusa, president of the Dai Ichi Fiber Company, and ¥ 400,000 from Kyujiro Mitsui, a building contractor.

Testifying before the committee 23 June Ono admitted that he had received a donation of ¥ 1,500,000 through Seita Iida from various building contractors, but he emphasized that the donations were made to the Liberal Party and not to him personally. These donations, according to Ono, had been reported in detail to the competent authorities in accordance with the law. As for the ¥ 500,000

he had received from Niwa, Ono maintained that he had used the sum to build himself a 40-tsubo house in Gifu Prefecture.

Niwa followed Ono on the stand. Niwa admitted to the committee that he had lent Ono ¥ 500,000 in April of 1947 to help defray the expenses in building Ono's house in Gifu, adding that he had known Ono for some 30 years.

44. Five Social Democratic Party Diet members filed a petition 28 June with the Tokyo District Procurator's Office charging Ono with perjury. Thereupon the Illegal Transactions Investigation Committee decided to hold its decision on the case in abeyance pending the outcome of the charges filed against Ono with the Procurator's Office.

45. In connection with political funds contributed to the Liberal Party, Shizuo Kajikawa, Social Democratic member of the committee, moved 22 June to investigate the source of ¥ 800,000 allegedly contributed to the party in March or April 1947 by Shigeru Yoshida, former Prime Minister and now president of the Democratic Liberal Party. Kajikawa maintained that since it had been ascertained that Yoshida had no clear source of income it was "unbelievable that he was in a position to make such a large monetary contribution out of his income."

Testimony by Toshio Numata, chief of the Suginami Ward Tax Office, revealed that Yoshida had paid ¥ 5,400 in taxes on his house in Tokyo. Numata added, however, that he could not reveal Yoshida's income since he had paid his income tax at Oiso in Kanagawa Prefecture.

Kajikawa emphasized at the committee meeting 28 June that strong suspicion existed that Ono and Yoshida had "conspired" to make Niwa a member of the House of Peers. Niwa, in turn, was suspected of presenting "a large sum of money" to Yoshida when he was Prime Minister in order to be recommended for such a nomination. The transaction was made through Ono who, according to allegations, also received monetary contributions from Niwa in April of 1947 in return for political support of his candidature to the House of Councillors. Niwa is now an adviser of the Democratic Liberal Party.

46. Meanwhile Ono filed an "appeal" with the Tokyo District Procurator's Office in an endeavor to clear himself of the charge of perjury. The appeal stressed that since his testimony before the Illegal Transactions Investigation Committee was made under oath and in accordance with legal form it should be considered the correct version of the ¥ 500,000 he "borrowed" from Niwa. While being examined by the procurators, Ono submitted, he may have made incorrect statements about things difficult to remember.

Niwa was also under suspicion of perjury because of conflicting testimonies in a procuratorial examination and before the committee.

#### Other Developments

47. Katsuma Nakamura, president of the Sankei Commercial Company, was arrested 8 June on suspicion of perjury before the Illegal Transactions Investigation Committee. It was charged that Nakamura's testimony before the committee conflicted with other depositions in the Kamei case and investigations of the "Army Uniform Fraud Case."

48. President Setsuzo Hinohara of the Showa Electric Company surrendered himself 23 June to the chief of the Criminal Affairs Department of the Metropolitan Police Board. Hinohara had been under suspicion of bribery in connection with the investigation of Tsutomu Homiyama, chief of the First Fertilizer Section of the Chemistry Bureau of the Ministry of Commerce and Industry. Another official of the same company, Tsutomu Kishida, was arrested by the Metropolitan Police Board 22 June on charges of bribery.

49. The Odawara District Procurator's Office and the local police were reported 26 June to be investigating a transaction in fertilizer and chemicals involving Yoshikuni Suzuki, who was indicted with five others on charges of violating the economic controls regulations. Suzuki is a brother of Attorney General Yoshio Suzuki.

Resolution of the Diet Committee

50. The following resolution was introduced in the House of Representatives 22 June defining the character of the Illegal Transactions Investigation Committee:

"Whereas, the members composing this Special Committee for Illegal Transactions Investigations have been empowered with a special mission, be it resolved

- "(1) That they should conscientiously carry out the aims of said committee with strict impartiality as to party affiliation and transcending all partisanship and should attend to the investigations with circumspection and thoroughness, thereby contributing to the democratization of the Japanese nation and the purification of our political, governmental and financial spheres;
- "(2) That any change in the committee's membership should not be effected to suit the convenience of any political party, except in such cases when it becomes unavoidable in accordance with the rules of the House of Representatives; and
- "(3) That this committee must achieve the aims for which it was formed in order to inspire the general confidence of the people of the nation."

The resolution was passed unanimously by the House.

GOVERNMENT ACTIVITIES

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The Diet. . . . .	57

NATIONAL GOVERNMENT

National Property Law

51. Another step toward complete reorganization of the governmental structure was accomplished with the presentation to the Diet 2 June of a bill governing the acquisition, management, classification and disposition of all public property under the control of the national government. The bill was enacted into law 28 June as the National Property Law.

Under the new law five classes of public property are set up: Official Property, Public Enterprise Property, Imperial Household Property, Parks and National Treasures and Common Property.

Official Property is that which is in actual use in the operations of government. Public Enterprise Property is property owned, managed and used by the national railways or communication system, or property being used by kodans or state corporations. Imperial Household Property is that being devoted to the personal use of the Imperial Family. Parks and National Treasures include all the property which should be used and enjoyed by the people as a whole or as individuals. All property not being devoted to any of the foregoing purposes will be classified as Common Property.

Under the law a commission will survey and make an initial classification of all public property and will report the results to the Diet for confirmation. Thereafter, under the terms of the law, property may be reclassified by the appropriate cabinet officers with the concurrence of the Minister of Finance among Official Property, Public Property and Common Property but once property has been classified as Imperial Household or Parks and National Treasures only the Diet can reclassify it.

One of the more important effects of this law will be to remove from the exclusive control of the Imperial Household Office such properties as the Shosoin, the treasure house at Nara, Kyoto's Katsura Villa with its seventeenth century house, one of the finest examples of classical Japanese landscape architecture, and others.

Equally as important will be the settlement of the difficult problem of title between the national government and local government entities. Bureaucrats of the national government have frequently claimed exclusive control, if not ownership, of property actually being used by the prefectures and other local public entities. The new law is designed to make clear the dividing line and to prevent further encroachment.

#### LOCAL GOVERNMENT

##### Local Finance Taxes

52. Three measures to regulate local government finances and provide revenue amounting to ¥ 199,370,000,000 for the 1948-49 fiscal year were presented to the Diet. The Local Finance Law, presented 18 June, was specifically drafted to establish basic principles for the financial administration of local governments and to outline the fiscal relationship between national and local governments. It provides that local financial administration must be consistent with national public interests, that the national government shall foster the independence of local finance and that undue financial burdens shall not be shifted to local governments.

The Bill Amending the Local Tax Law, introduced 21 June, concerns procedures for calculating the amount of national government income tax and corporation tax which is to be turned over to local governments and provides formulas for distribution of these revenues among various local government units.

The Local Tax Distribution Bill, also introduced 21 June, effects changes in local tax structure and creates new taxes for the exclusive use of local governments. Among new local taxes are admission taxes, principally on theater admissions, enterprise taxes applicable to farmers and businessmen and a five-percent liquor consumption tax.

Additional taxes will be levied on consumption of electricity and gas and on newly constructed houses, while taxes on land and other real estate will be increased. As a result, taxes levied by prefectural and local governments will average ¥ 1,000 per person.

The taxes are distributed as follows:

- (1) Business taxes: Basic industries, such as agriculture, fisheries, stock raising and forestry and independent enterprises, such as those of physicians, dentists, midwives, barbers and teachers of dancing, flower arrangement and tea ceremony, will be taxed as in the case of other businesses on which a management tax is levied. Producers of staple food, such as rice, wheat, potatoes, etc., will not be taxed. These prefectural and municipal taxes will average 15 percent for basic industries and 10 percent for independent enterprises.
- (2) Electric and gas taxes: Electric and gas taxes will be levied at the rate of 10 percent throughout the country; excess charges will also be taxed.
- (3) New house tax: In towns and villages in the vicinity of war-devastated areas, certain newly constructed houses coming under the housing emergency ordinance will be taxed. This ordinance allows a tax-free maximum of eight mats per capita or 42 mats per family. A monthly charge of from ¥ 15 to ¥ 100 per mat will be levied on dwellings larger than these.
- (4) Employee taxes: A municipal tax averaging ¥ 100 per person will be levied on maids and other household servants.
- (5) Land and real estate taxes: Land and real estate taxes will be raised to 200 and 250 percent of existing official rents. An increase in rents by an average of 250 percent will be permitted.
- (6) Residents' taxes: The existing maximum tax of ¥ 400 will be increased to ¥ 1,000 for each person liable to taxation.
- (7) Waitress tax: The existing "geisha" tax will be abolished and new municipal taxes to be paid by the employer will be levied on all waitresses, including geishas, dancers and entertainers. For example, a tax of ¥ 500 will be levied on each waitress in Tokyo.
- (8) Amusement and liquor taxes: Amusement taxes will be abolished and a new tax of 20 percent will be levied on amusements and beverages in tea shops and restaurants, with a certain exempted limit. For example, a ¥ 10 tax must be paid on each cup of coffee priced at ¥ 50.

#### Local Finance Loan

53. In line with the compilation of the general local government finance budget, the Local Finance Committee, after considering

a series of proposals, drew up a plan to raise ¥ 18,100,000,000 from loans. Minister of Finance Kitamura approved a program to raise ¥ 21,100,000,000 in debentures, including ¥ 18,100,000,000 of the proposed loans, but the Ministry's Deposit Bureau, on which local debentures would have to depend for funds, claimed that ¥ 12,600,000,000 would be the maximum which could be derived from the bureau. The divergence being so great, financial circles expected the Government to delay a formal decision until a workable point of conciliation was reached.

54. The Local Finance Committee's budget plan anticipates ¥ 192,464,000,000 in revenue and ¥ 199,370,000,000 in expenditures for this year's local government financing. The plan assumes that a ¥ 6,906,000,000 deficit can be overcome by economizing.

Since the Deposit Bureau estimates that it would not be capable of furnishing more than ¥ 12,600,000,000 and a maximum of ¥ 3,000,000,000 was expected from other credits, financial authorities insisted upon immediate floating of loans of ¥ 4,600,000,000 for the enforcement of the 6-3-3 educational system and ¥ 900,000,000 for police expenses. Differences in the two conflicting estimates, the original Local Finance Committee plan to raise ¥ 21,100,000,000 and the Deposit Bureau estimates totaling ¥ 15,600,000,000, was ¥ 5,500,000,000. The over-all revenue program having already been fixed in the local government budget, attempts to bridge this gap delayed agreement on the local loan problem.

#### Prefectural Conferences

55. After effectuation of the Law Concerning Local Autonomy 17 April a program designed to assist the Government in acquainting officials of all prefectures concerning the powers and responsibilities delegated to local government entities was initiated.

A series of 34 two-day conferences was held in the capitals of as many prefectures between 16 March and 30 June. Officials spoke to audiences averaging 800 persons. Participants in the conferences have included the governor; vice governor; chiefs of tax offices; representatives of prefectural, municipal, town and village election administration committees; judges and public procurators; police station chiefs of the National Rural and the Autonomous Police; chiefs of local agencies of the national government; chiefs of prefectural departments and sections; chairmen of prefectural, municipal, town and village assemblies; representatives of labor unions, labor relations committees and agricultural associations; and representatives of educational institutions, women's organizations and professional groups.

On the first day conferences were addressed on the following subjects: (1) representative government, (2) powers and responsibilities of the office of governor, (3) powers and responsibilities of the legislative body, (4) administration, functions and responsibilities, and (5) the committee system of the local public bodies. On the second day group discussions were conducted.

#### Elimination of Local Offices of the National Government

56. Prime Minister Ashida informed the House of Councillors 23 June that the Government intended closing many of its local offices and transferring their functions to prefectural governments. The plan provides for abolition of 46 prefectural offices of the Construction Board, 46 offices of the Equipment Bureau of the Ministry of Education, six offices of the Agricultural Administration

Bureau of the Ministry of Agriculture and Forestry, 52 road transportation control offices of the Ministry of Transportation, national park supervision offices of the Ministry of Welfare, eight local labor bureaus of the Ministry of Labor and 47 charcoal distribution offices of the Ministry of Agriculture and Forestry.

THE DIET

Bills Introduced

57. The following bills were introduced into the Diet in the period 26 May to 25 June:

Diet Member Bills

Bill for Special Cases of Taxation re Transfer of Property to Agriculture Cooperative Associations	7 June
Bicycle Race Bill	9 June
Eugenics Protection Bill	12 June
Bill Amending Diet Law	24 June
Bill for Drainage Structure for Railroads and Tramways	24 June
Bill Amending Riyoshi Law	25 June

Government Bills

Ministry of Agriculture and Forestry

Bill for Promotion and Improvement of Agriculture	10 June
Plant Quarantine Bill	10 June
Food Maintenance Temporary Measures Bill	10 June
Bill Amending Agricultural Cooperative Association Bill	10 June
Bill Amending Agricultural Land Adjustment Law	10 June
Bill Amending Owner-Farmer Establishment Law	10 June
Bill Amending Agricultural Loss Compensation Law	14 June
Bill Dissolving Veterinary, Medical and Horse-shoer's Association	14 June
Bill Amending Law for Prevention of Infectious Diseases of Domestic Animals	14 June
Bill Amending Fertilizer Kodan Distribution Law	21 June
Agriculture and Forestry Commodities Inspection Bill	23 June
Stock Breeding Bill	25 June

Attorney-general's Office

Bill Amending Code of Criminal Procedure	26 May
Bill for Exception to Authority of Assistant Judges	5 June
Bill Relating to Stamps Used Under Code of Civil Procedure, etc.	10 June
Bill Amending Law for Temporary Measures for Code of Criminal Procedure	15 June
Bill Amending Law for Total Number of Court Officials	16 June
Bill Amending Juvenile Law	16 June
Bill Amending Law for Establishment of Attorney-general's Office	18 June
Reformatory Bill	23 June
Bill for Punishment of Prostitution	24 June



Government Bills (continued)

Cabinet Boards and Prime Minister's Office

Bill for Adjustment of Laws re Law Establishing Ministry of Construction	10 June
Trade Association Bill	10 June
Bill Establishing Ministry of Construction	10 June
Honors Law Bill	10 June
Science Council of Japan Bill	10 June
Bill Concerning Duties of Police Officials	10 June
Bill for Agency for Paper Allocation for Newspapers and Publications	12 June
Local Finance Law Bill	18 June
Bill Amending the Pension Law	19 June
Bill Amending Law for Enforcement of Imperial House Economy Law	21 June
Bill Amending the Local Tax Law	21 June
Local Tax Distribution Bill	21 June
Bill No. 2 Amending Administrative Offices Law	22 June
Administrative Management Authority Bill	23 June

Ministry of Commerce and Industry

Bill Amending Patent Law	27 May
Bill Amending Patent Attorney Law	1 June
Bill for Agency of Industrial Science and Technology	24 June
Bill Amending Regulations Governing Organization of the Ministry of Commerce and Industry	25 June

Ministry of Communications

Government Communications Employees' Training Bill	29 May
Bill No. 2 Amending the Mail Law	4 June
Bill for Telephone and Telegraph Charges	5 June
Bill Establishing the Ministry of Communications	8 June
Bill for Adjustment of Laws re Establishment of the Ministry of Communications	8 June
Broadcast Bill	18 June

Ministry of Education

Bill for Provisional Measures re Publication of Textbooks	10 June
Bill for Treasury's Subsidy to Expenses for Staff in Charge of Part-time Courses in Public Upper Secondary Schools	12 June
Bill for Share of Local Government of Pay of Personnel of Municipal Schools	12 June
Bill Amending School Education Law and Law for Treasury's Share of Compulsory Education Expenses	12 June
Board of Education Bill	12 June

Ministry of Finance

Bill Amending Law for Special Rules for Filing Provisional Tax Return and Period of Payment	26 May
Bill Amending Foreign Trade Fund Special Account Law	1 June
Bill for Revision and Decision of Fixed Prices of Manufactured Tobacco	1 June
National Property Law	2 June
Bill Amending Extraordinary Currency Law	4 June

Government Bills (continued)

Ministry of Finance (continued)

Bill for Profits and Interest of Companies	4 June
Bill for Special Instances for Interest Payment on War Bonds	4 June
Bill Amending the Account Law	5 June
Budget, General Account, 1948	8 June
Budget, Special Accounts, 1948	8 June
Bill for Compensation to Prime Minister	8 June
Transactions Tax Bill	8 June
Bill Amending Income Tax Law	8 June
Bill No. 2 Amending Tobacco Monopoly Law	9 June
Bill Revising Law No. 182 (1947): Compensation Granted to Nondemobilized Persons	9 June
Bill No. 3 Amending Reconstruction Finance Bank Law	11 June
Bill for Transfer of Funds from General to Special Accounts for Expenses of State Railways, etc.	11 June
Bill Amending Law for Transfer of Funds from General Account for Deficits in Deposit Bureau Special Account	11 June
Bill for Reduced Debentures	12 June
Bill Amending Charcoal and Firewood Demand and Supply Adjustment Law	14 June
Bill for Control of Insurance Soliciting	14 June
Bill for Exceptions to Lease and Transfer of Ex-military Property	14 June
Certified Public Accountants Bill	16 June
National Public Service Mutual Aid Association Bill	18 June
Bill Amending Law re Adjustment and Coordination of Disposal of Securities	18 June
Bill for Payment of Revenues by Stamps	22 June
Bill for Revising Mint Regulations	25 June

Ministry of Labor

Bill Amending Workers' Accident Compensation Insurance Law	11 June
Bill Amending Employment Security Law	16 June

Ministry of Transportation

Bill Fixing Railroad Rates	2 June
Port Regulations Bill	10 June
Bill Amending Pilot Law	10 June
Bill for Dissolution of Wooden Vessels Insurance Association	10 June
Port Area Bill	10 June
Mariners' Employment Security Bill	14 June

Ministry of Welfare

Pharmaceutical Affairs Bill	4 June
Narcotics Control Bill	7 June
Welfare Commissioners Bill	9 June
Preventive Vaccination Bill	10 June
Veneral Disease Control Bill	10 June
Bill for Special Case of Riyoahi	10 June

Government Bills (continued)

Ministry of Welfare (continued)

Bill for Taima (Hemp) Control	10 June
Bill Amending Welfare Pension Insurance Act	11 June
Bill Amending National Health Insurance Law	14 June
Dentists Bill	21 June
Medical Practitioners Bill	21 June
Public Health Nurse, Midwife and Nurse Bill	21 June
Dental Hygienist Bill	21 June
Ryokan (Hotel) Business Bill	22 June
Public Bath Bill	22 June
Entertainment Facilities Bill	22 June
Medical Service Bill	23 June
Bill Amending Seamen's Insurance Law	23 June
Bill Amending the Ministry of Welfare Organization Law	23 June
Hot Springs Bill	25 June
Bill for Plants Processing Dead Animals	25 June
Bill Amending Health Insurance Law	25 June

Bills Enacted

58. The following bills were enacted into law during the period 26 May to 25 June:

Diet Member Bills

Bill to Regulate Political Contributions	19 June
Bill for Special Cases of Taxation re Transfer of Property to Agricultural Cooperative Associations	23 June

Government Bills

Ministry of Agriculture and Forestry

Bill Amending Law No. 176 (1947): Farm Land Development Works	31 May
Agricultural Chemical Regulation Bill	14 June
Plant Quarantine Bill	25 June

Attorney-general's Office

Bill Amending Law No. 72 (1947): Validity of Provisions of Orders in Force at Time of Enforcement of New Constitution	28 May
Bill for Adjustment of Relevant Laws re Enforcement by Law for Administrative Execution by Proxy	28 May
Bill for Temporary Measures for Higher Examination and Ordinary Examination Commissioners	4 June
Bill for Compensation of Judges (Amended)	25 June
Bill for Code of Administrative Procedure (Amended)	25 June
Bill for Salary of Public Procurators (Amended)	25 June

Cabinet Boards and Prime Minister's Office

Bill Amending Administrative Offices Law	31 May
Bill Amending Fire Defense Organization Law (Amended)	25 June

Government Bills (continued)

Ministry of Commerce and Industry

Bill Establishing Board for Smaller Enterprises 4 June

Ministry of Communications

Bill for Temporary Measures to Make Telephone Applicants Purchase Bonds 28 May

Postal Money Order Bill 19 June

Postal Transfer Savings Bill 19 June

Bill for Merger of Physical Institute for Radio Waves and Electrotechnical Laboratory 19 June

Ministry of Finance

Supplementary Provisional Budget No. 3, General Account, June 1948 28 May

Supplementary Provisional Budget No. 2, Special Accounts, June 1948 28 May

Bill Administering Law for New Pay 31 May

Bill Amending Law for Special Rules for Filing Provisional Return and Period of Payment 31 May

Bill Amending Extraordinary Currency Law 14 June

Bill for Compensation to Prime Minister 14 June

Bill No. 2 Amending Tobacco Monopoly Law 23 June

Bill Revising Law No. 182 (1947): Compensation Granted to Nondemobilized Persons 23 June

Bill for Profits and Interest of Companies 25 June

Bill for Reduced Debentures 25 June

Ministry of Transportation

Bill Revising Cabinet Order No. 325 (1947): Maritime Safety Authority Law 26 May

Ministry of Welfare

Bill Concerning Graveyards, Burials, etc. 31 May

Bill Abrogating Regulations for Import and Export of Animal Meat 31 May

Imperial Rescript on Education Rescinded

59. The invalidity of the Imperial Rescript on Education of 1890, virtually defunct since effectuation of the new Constitution 3 May 1947, was reaffirmed by a resolution adopted by the House of Councillors 18 June and unanimously confirmed by the House of Representatives 19 June.

By-elections

60. Seijiro Takahashi, Democrat, was elected to the House of Representatives in a by-election in Miyagi Prefecture 29 May.

61. Akinobu Fujieda, Social Democrat, was elected to the House of Councillors in a by-election in Nara Prefecture 18 June.

POLITICAL PARTIES

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Social Democratic Party . . . . .	68
People's Cooperative Party. . . . .	72
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Other Parties . . . . .	78

DEMOCRATIC PARTY

Secession from Party

62. A rift within the Democratic Party and the suggestion of organizing a merger of conservative forces, long supported by the party's right-wing faction the Taiyo-kai, were spearheaded by a group of eight Democratic Diet members 6 June with announcement of their secession from the party in protest over the party endorsement of war bond interest deferment and after general dissatisfaction over compromising with Social Democratic policies.

The eight members, Senhichiro Ozawa, Fukushima; Yagoro Suzuki, Akita; Umhi Kobayashi, Nagano; Shigezo Okano, Shizuoka; Hitoshi Teramoto, Kumamoto; Shunichi Hasegawa, Gifu; Noritsuma Utsunomiya, Oita; and Takeo Kubo, Nagasaki, also announced intentions to organize a new party with the provisional name of People's Party to form a cornerstone for unification of conservative forces. Utsunomiya, as spokesman for the group, declared: "Although we have decided to leave the party because we are opposed to the deferment of the bond interest payment, that is not the only issue with which we are dissatisfied. We are opposed to the latest conduct of the Ashida cabinet. Our cherished hope is in the conservative merger."

The Taiyo-kai group of Democrats decided 9 June to remain in the party but to keep close touch with the secessionists. They urged immediate action to set up an "ideological framework" on which "a sound conservative party" could be constructed. Chief Cabinet Secretary Tomabechi declared relative to the secession that the cooperation between the Democrats and Social Democrats would not be affected by the action of the dissidents.

Formal secession from the party was postponed in order to observe the reaction of other Democratic Diet members who seemed dissatisfied with the party leadership, which exerted pressure to dissuade disgruntled party members from joining the movement. On 16 June six of the members formally resigned, reducing the party's strength in the House of Representatives to 87, 34 less than the 121-member total it held after the April 1947 elections. Kobayashi and Okano remained in the party.

Leadership Disaffection

63. Secretary General Kozaemon Kimura and two assistants, Tetsuno Kojima and Kazuhisa Ibaraki, submitted resignations from their party offices 10 June. At a party executive meeting 11 June Kimura declared that his resignation came as a result of Prime Minister Ashida's "dictatorial leadership." He accused the party head of "going ahead on his own accord" in the matter of war bond interest suspension and added that he had not been consulted on the arrangements to bring Wataru Narahashi, one of the founders of the

Democratic Party, who had recently been cleared in purge hearings, into the party. Kimura disclaimed any intention of leaving the party and concluded, "The president's attitude toward me and other officers of the party is too arrogant. A feeling of revolt against his leadership is now rising within the party. . . . If anyone should leave the party, it should be the president."

Speculating on the resignations, some political observers maintained that Kimura had assumed responsibility for the announced secession of eight members of the party just prior to the important Diet budget deliberations. Other observers felt that the resignation came because Kimura felt that he was about to be replaced by Narahashi.

#### Narahashi Appointed Adviser

64. Alarmed at the threat of party disintegration, leaders attempted to placate Kimura and at the same time persuade Narahashi to accept the post of secretary general, and gave Prime Minister Ashida a free hand to settle the issue in the best interests of the party. Narahashi declined to accept the post of secretary general 11 June, pleading disqualification because of political inactivity during the year he had spent as a provisional purgee.

Narahashi accepted appointment 14 June as adviser of the party and Kimura was persuaded to withdraw his resignation and remain as secretary general.

#### Conservative Merger Requested

65. Leaders of the Taiyo-kai, which comprises 30 right-wing members of the party who publicly protested the Democratic Party decision to support the suspension of war bond interest payments, called on the Prime Minister 16 June, requesting a merger of conservative forces. Ashida acknowledged agreement with the group's aims but opposed the plan if such a merger would result in weakening the position of the Democratic Party while bolstering that of the Democratic Liberal Party. He declared that "such a merger should be based on the premise that the Democratic Liberal Party change its present character. The feudalistic ideology exemplified in the 'boss-and-followers' relationship should be eliminated."

#### Accession and Withdrawal

66. Makita Yasuda, formerly an independent member of the House of Representatives, joined the Democratic Party 17 June.

67. Masagoro Taguchi, Democratic member of the House of Councillors from Hyogo Prefecture, transferred his membership to the Democratic Liberal Party 10 June.

### SOCIAL DEMOCRATIC PARTY

#### Policy Statements

68. The Social Democratic Party's fear that the National Government Organization Standards Bill and the ministerial organization bills would, if enacted, result in the expansion of government departments with consequent elevation of bureaucratic power and control was expressed 29 May by Secretary General Inajiro Asanuma.

The party's Political Affairs Research Subcommittee reported 19 June that stricter control over the black market and reduced subsidies for basic industries were prerequisites for the stabilization of wages and prices. It warned that the proposed

¥ 3,700 wage scale would prove ineffective unless supported by measures to curb the black market and to stimulate industrial recovery.

#### Plan for Nationalization of the Electric Power Industry

69. The Central Executive Committee of the party announced 8 June approval of a plan drafted by the party's Special Electric Subcommittee of the Political Affairs Research Committee which would place the electric power industry under state control.

A summary of the plan proposes establishment of an Electric Power Advisory Committee appointed by the Government and entrusted with formulating basic policies relating to nationalization of the industry:

The Japan Electric Power Generation and Transmission Company and nine other distributing companies would be unified under a single national administration. An Electric Power Board would coordinate and supervise district bureaus to be set up in the nine sections into which the country would be divided under the plan. Branch offices are planned for each prefecture to be managed by a five-man committee appointed by the Government for a period of three years.

#### Organization Developments

70. Announcement was made 2 June that a congress of Social Democratic prefectural and five-major-city assemblymen would meet periodically to insure implementation of party policies through local autonomous bodies and to encourage unified action by local organizations. The first congress was scheduled for July.

On 8 June the party announced that the Liaison Council, an agency established 3 June to strengthen the party's link with the Japan Federation of Labor Unions, would handle the following matters:

- (1) Deliberation on regulations governing labor affairs and other bills relating to the livelihood of workers.
- (2) Party labor policies.
- (3) Representations and petitions by labor unions to the Government or Diet.
- (4) Measures to stimulate political activity by labor unions.

It was agreed that any labor group with policies similar to those of the Social Democratic Party would be offered membership in the council.

#### Withdrawal

71. Mrs. Shigeko Hirano, member of the House of Councillors from Yamanashi Prefecture, withdrew from the party 2 June. Mrs. Hirano is the wife of Rikizo Hirano, a purgee, who was formerly Minister of Agriculture and Forestry in the Katayama cabinet and a member of the Lower House.

#### PEOPLE'S COOPERATIVE PARTY

##### Party Announcements

72. The People's Cooperative Party announced 16 June its advocacy of compensation to farmers for the difference between the

projected new price of rice and the existing price and of inexpensive and ample credit for rural districts through an agriculture-forestry bank.

In the course of Diet interpellations party members stressed the need for increasing agricultural production, agricultural land reform, land reclamation, completion of the 6-3-3 educational system, submission of the Livelihood Cooperative Association Bill to the Diet as a government proposal and dismissal of excess government personnel.

73. Following an emergency meeting of Diet members 22 June, the party announced clarification of its views concerning revision of budget estimates as follows:

- (1) The proposed boost in railway passenger and freight rates should be restricted to 350-percent increases for freight, 250 percent for passengers, 250 percent for commuters, 200 percent for student commuters and proportional diminution of charges according to increased mileage, representing a total decrease of ¥ 19,800,000,000 in railway revenues from the Government proposed budget.
- (2) Tuition fees for Government-managed schools should be doubled rather than tripled as proposed.
- (3) Pensions should be increased by ¥ 1,000,000,000.
- (4) The income-tax exemption should be raised to ¥ 20,000 but the tax rate increased to yield additional revenues of ¥ 10,000,000,000.
- (5) The proposed sales tax should be rejected.
- (6) Commodity prices should be revised to secure additional revenue of ¥ 10,000,000,000.
- (7) ¥ 10,000,000,000 should be transferred from the trade fund special account to the general account.
- (8) An additional ¥ 10,000,000,000 should be raised by making more alcohol available for sake production.
- (9) A savings of ¥ 10,000,000,000 should be effected by administrative adjustments.
- (10) Cost of establishing the proposed Agriculture-Forestry Rehabilitation Bank, amounting to ¥ 10,000,000,000 should be charged against the special account.

#### DEMOCRATIC LIBERAL PARTY

##### Opposition Tactics

74. Executives of the Democratic Liberal Party decided 25 May to launch a national anti-Government campaign in cooperation with all opposition groups except the Communists, to be known as the "People's Front for the Immediate Resignation of the Ashida Cabinet."

The Democratic Liberal Party and other opposition groups failed to attend the Government-sponsored meeting held on 29 May to hear preliminary explanations of the Cabinet's budget policy, contending that a "preview" of the budget prior to its formal presentation to the Diet was contrary to regular parliamentary procedure.



The party, heading the antiadministration alliance, also refused to participate in the Diet deliberations on the outline budget for 1948-49 and issued a statement 1 June assailing the Government for failing to fulfill its promise to submit the regular budget to the Diet by 15 May.

Policy Resume

75. The following resume of major policies of the party was announced 15 June:

- "1. Establishment of a labor program:
  - "a. The Democratic Liberal Party will promote the democratization and wholesome development of labor unions by encouraging voluntary action on their part to effect:
    - (1) Establishment of the 'nonpolitical' principle.
    - (2) Public announcement of union accounts.
    - (3) Reform of the method of electing union officials.
    - (4) Adoption of procedures by which the will of all union members can be expressed.
  - "b. The democratization of unions by reconstruction and expansion of the Union Health Insurance System; establishment of clinics and labor schools; dispatching union members abroad for the study of labor movements.
  - "c. Rejection of political union direction and all political strikes aimed at interference with or destruction of the state structure.
  - "d. The enactment of laws to prohibit strikes, if necessary, in enterprises vitally affecting the public welfare.
- "2. Measures for increasing railway fares and postal rates: The party advocates doubling passenger fares and tripling freight charges.
- "3. Taxation policy: Democratic Liberal Party policy opposes the institution of a sales tax and other enterprise taxes.
- "4. Budget issue: The party will oppose the Government by introducing amendments in the House of Representatives. It will refrain, however, from adopting tactics which might prevent the budget bill from passing the Diet.
- "5. Investigation of irregular property transactions and revision of the Election Law: The party supports a full nonpartisan investigation of irregular property transactions with the objective of 'cleaning up' politics. In regard to Election Law revision, the party favors public management of elections in order to prevent political graft. It also desires that the present system of voting and medium-sized electoral districts remain unchanged."

### Accession and Withdrawal

76. Masagoro Taguchi, Democratic member of the House of Councillors from Hyogo Prefecture, transferred to the Democratic Liberal Party 10 June.

77. Torakichi Nakano, member of the House of Representatives from Fukushima Prefecture, resigned from the Democratic Liberal Party 26 May to rejoin the group of former Liberal Party members who did not affiliate with the Democratic Liberals.

### OTHER PARTIES

#### Ryokufu-kai

78. The Ryokufu-kai, or Green Breeze Society, with 90 members in the House of Councillors, established a regulations investigation committee 9 June to prepare for its projected transition into a political party. The group, so far officially nonpartisan, includes members nominally of the Democratic, People's Cooperative and Democratic Liberal Parties.

The society at a general meeting 28 June revised its constitution to provide:

- (1) Decisions of the general meetings shall have binding effect.
- (2) A new financial section shall be created to receive political contributions.
- (3) An election policy section shall be established.
- (4) Diet members belonging to other political parties shall not be admitted to the society.

#### Communist Party

79. Sanzo Nosaka, Communist Party leader and member of the House of Representatives, attacked Prime Minister Ashida 24 May at a plenary session of the Diet for his declaration to the Foreign Affairs Committee 20 May to the effect that the Government was considering the purge of Communists from public office. Nosaka cited the Potsdam Declaration and Article 14 of the Constitution as guaranteeing the political freedom of the Japanese people.

Chief Secretary Tokuda announced at the second party central committee meeting 31 May plans for an intensified struggle against anti-Communist organizations; expansion of activities to remote regions; sending organizers into farming areas; initiation of new tactics in addition to strikes, production control and regional struggles; intensified opposition to local authorities; improvement in operation of the group-leader system; training of new leaders and re-education of the old; and the need for studying the history of the Russian Communist Party.

#### Independents

80. Toramatsu Konishi, Osaka, and Takehiko Moriyama, Miyazaki, former independents in the House of Representatives, joined the Daiichi Giin Club (First Diet Members' Club) 1 June.



SECTION 2

PUBLIC SAFETY

C O N T E N T S

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Law and Order . . . . .	4
Police. . . . .	9
Prisons . . . . .	12
Fires . . . . .	18
Maritime Safety . . . . .	24

ACCIDENTS

Earthquake

1. An earthquake of major proportion struck central Japan along the Japan Sea coast 28 June, principally affecting Fukui and Ishikawa Prefectures. Approximately 70 percent of Fukui city was destroyed by the quake and the fires that followed, leaving more than 300,000 persons in need of urgent aid. In Fukui Prefecture, principally in Fukui city, 3,195 persons died and 9,858 persons were injured while in Ishikawa Prefecture 43 persons died and 299 persons were injured.

Communications and transportation services were disrupted, approximately 31,000 buildings were damaged and 6,300 buildings destroyed by fire in the Fukui area. Ishikawa Prefecture suffered over 2,000 buildings damaged or destroyed.

2. An accidental dynamite explosion in the Mitsubishi-Katsuda coal mine in Fukuoka Prefecture 19 June killed 62 miners and injured eight others.

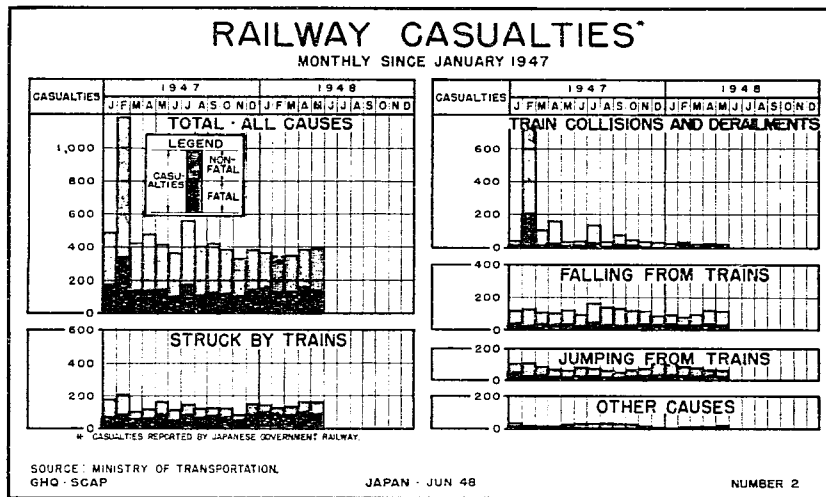
Rail Accidents

3. Rail accidents in May decreased one under April and the total deaths and injured decreased 20 and 25 respectively from the April figures.

RAIL ACCIDENTS AND CASUALTIES

	<u>April</u>		<u>May</u>	
	<u>Government Railways</u>	<u>Private Railways</u>	<u>Government Railways</u>	<u>Private Railways</u>
Accidents	402	194	414	181
Killed	155	64	138	61
Injured	233	145	253	100
Causes of casualties				
Falling from trains	120	31	119	32
Jumping from trains	61	34	61	37
Struck by trains	166	83	166	75
Collisions and derailments	27	59	23	14
Others	14	2	22	3

SOURCE: Ministry of Transportation.



#### LAW AND ORDER

4. Eight Koreans who participated in the disorders concerning Korean schools 23-26 April and whose activities culminated in leading of the siege of the Osaka prefectural government building were found guilty of actions prejudicial to the Occupation objectives by an EIGHTH Army military commission in Osaka 28 June and ordered deported to Korea after serving prison sentences in Japan ranging from one to three years. Ten Japanese codefendants, including the chairman of the Osaka District Council of the National Communications Workers' Union, were also convicted to terms of from three to four years' imprisonment.

#### Black-market Activities

5. The value of hoarded and concealed goods recovered by the Economic Stabilization Board and placed in legal distribution channels in May declined ¥ 92,575,541 from ¥ 123,296,141 reported in April. With the exception of miscellaneous goods all goods recovered declined in May from the preceding month.

#### HOARDED AND CONCEALED GOODS RECOVERED (yen)

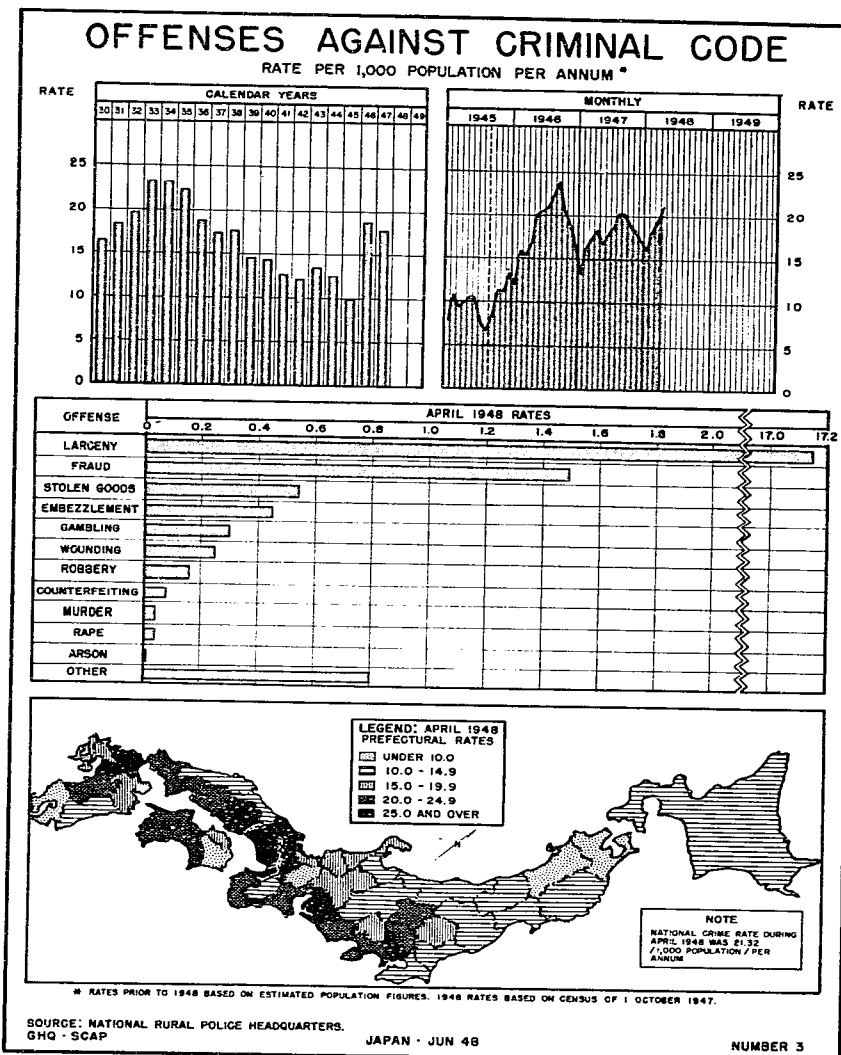
	<u>April</u>	<u>May</u>
Foodstuffs	823,500	0
Textiles	17,613,909	12,192,194
Metals	80,796,665	5,172,194
Petroleum products	5,762,407 <sup>a/</sup>	108,750
Crude rubber and rubber products	883,364	53,440
Leather and leather products	3,648,954	2,237,414
Paper	6,854,117	431,496
Chemicals	5,007,375	4,752,344
Miscellaneous goods	<u>1,905,850</u>	<u>5,772,768</u>
<b>Total</b>	<b>123,296,141</b>	<b>30,720,600</b>

<sup>a/</sup> Revised.

SOURCE: Economic Stabilization Board.

Crime

6. Reported offenses numbered 196,951 in April while arrests totaled 111,723, an increase of 16,101 and 10,321 respectively over the preceding month. Of the total reported offenses and arrests in April, 136,448 and 52,054 respectively were violations of the Criminal Code. Larceny constituted 81 percent of the reported criminal offenses and accounted for 51 percent of the arrests for violations of the Criminal Code.

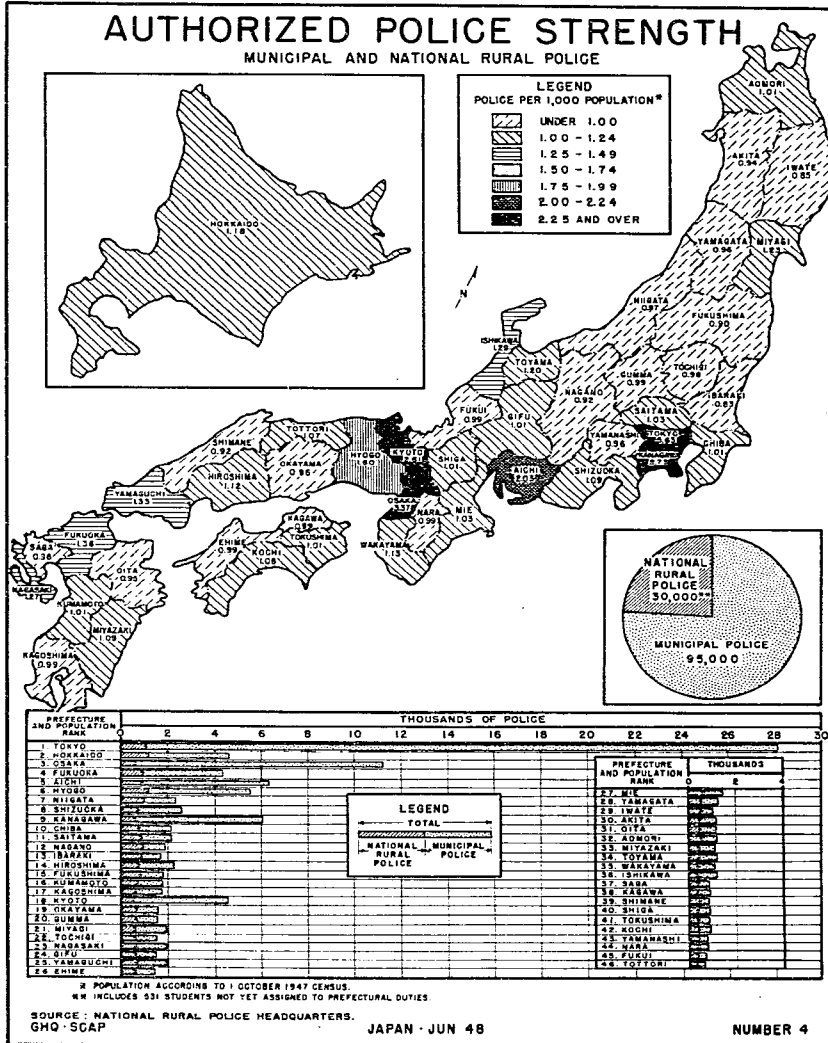


7. Of the 136,448 violations of the Criminal Code reported in April, Tokyo reported a rate of 43.02 per 1,000 population per annum, the highest of all the prefectures. The rate per 1,000 population per annum for Fukuoka and Kyoto was 38.70, Osaka had 33.95, Hyogo had 31.98 and the others ranged from 28.46 to 5.16.

8. Among the 111,723 persons arrested in April were 105,750 Japanese, 5,864 Koreans, 74 Chinese, 13 Formosans and 22 of other nationalities.

**POLICE**

9. Of the 125,000 police authorized under the new police system Tokyo was permitted to have 28,133 or 5.63 per 1,000 population. Osaka was next with 11,235 policemen or 3.37 per 1,000 population while 34 prefectures were authorized from 1,077 to 6,327 policemen and the remaining 10 prefectures from 627 to 913 policemen. The lowest prefectural rate was 0.83 per 1,000 population in Ibaraki.



10. Following the Fukui earthquake the national headquarters of the National Rural Police dispatched 729 policemen from 10 prefectures in the Osaka National Rural Police Region to the disaster area. In addition 314 municipal police from the surrounding cities were sent to join forces with the local police.

11. The Tokyo municipal police rounded up 1,330 homeless persons, including 297 children, at the Ueno railroad station 8 June. Of this number 19 persons wanted for criminal offenses were arrested and 1,311 persons were placed in municipal dormitories and temporary camps or in care of their relatives.

PRISONS

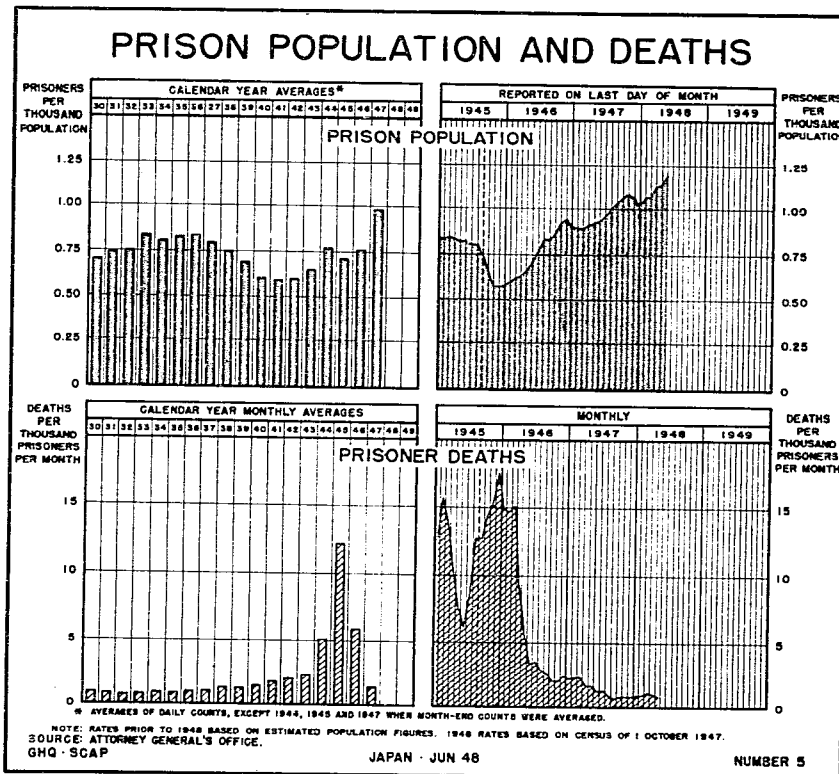
12. The Attorney-general's Office reported 30 June that emergency food, clothing and guard personnel were sent from six prisons in the Osaka and Nagoya Prison Districts to the Fukui prison which was destroyed by the 28 June earthquake. Inmates of the Fukui prison later were transferred to other prisons.

13. Thirty-seven graduates of a special teacher training course at the Central Guards' Training School in Tokyo were assigned to duty in various juvenile correction institutions throughout the country. Included in this group were 15 newly recruited teachers and 22 teachers with previous experience in juvenile reformatories.

14. Sixty-six prisoner classification officers, 40 of whom were from various Kanto district prisons, began a one-month advanced training course at the Central Guards' Training School in Tokyo. The course was designed to prepare these officers as parole supervisors.

15. A 60-day refresher course for prison guards was begun in each of the eight prison districts of Japan.

16. The prison population 31 May was 92,607 of whom 72,164 persons, including 3,495 juveniles, were sentenced and 20,443 were awaiting trial. The prison population increased 3,373 persons from 30 April.



17. Seventy-six prisoners died in May compared with 90 the preceding month.



### FIRES

18. Two engineers and one administrative officer from the National Fire Defense Board were sent to the Fukui disaster area 29 June to observe and coordinate local fire-fighting units' activity in controlling fires resulting from the earthquake.

19. A two-month fire department inspector training course and a six-week arson investigator training course were opened at the National Fire Research Institute 14 June with 78 firemen in the former and 15 in the latter course. The classes are scheduled to be continued in successive cycles with fire department personnel from all the prefectures attending under a quota system established by the National Fire Defense Board.

20. A streamlined fire prevention inspection program was instituted by the Tokyo Municipal Fire Department. Simplified inspection report forms were put into use and inspection responsibility was reorganized with local fire districts conducting routine inspections and forwarding their reports to the Central Fire Prevention Bureau which in turn will study the reports and conduct inspection and control of special fire hazards.

21. The number of fires in April was 1,907 and losses amounted to ¥ 950,411,160, a decline of seven and 34 percent respectively from the March total. Fires caused by careless smokers increased 39 percent over the March figure and fires from embers and incendiaries increased slightly. See the chart on the facing page.

### FIRES

Causes	March		April	
	Number of		Number of	
	Fires	Losses (yen)	Fires	Losses (yen)
Embers	580	163,016,255	593	242,468,962
Careless smoking	110	25,408,113	153	35,470,890
Electrical	132	144,984,676	116	105,317,774
Incendiary	45	13,609,661	46	61,450,800
Inflammable liquids	79	62,471,960	76	22,519,422
Miscellaneous	832	734,416,015	677	300,179,377
Unknown	268	299,933,491	246	183,003,935
Total	2,046	1,443,840,171	1,907	950,411,160

SOURCE: National Fire Defense Board.

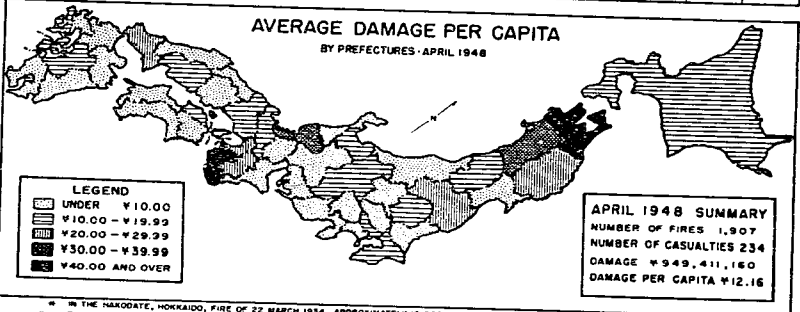
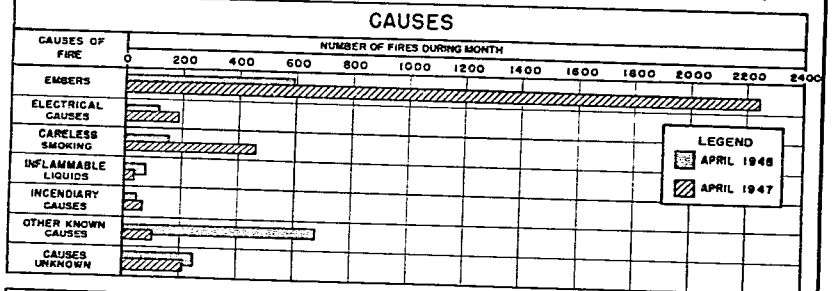
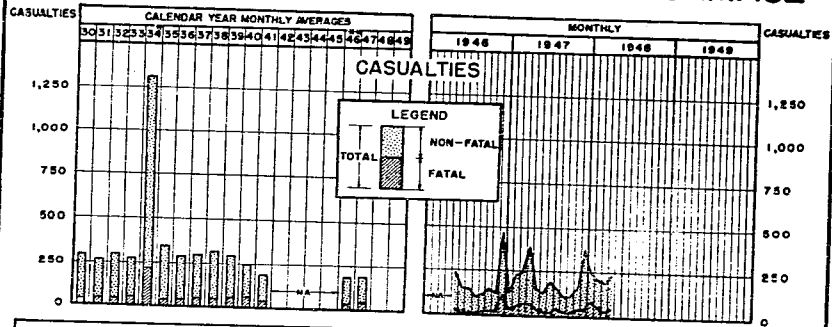
22. The national rate of fire losses per capita was ¥ 12.16 while the prefectural breakdown of fire losses per capita showed ¥ 51.36 in Aomori, ¥ 49.75 in Tottori and ¥ 38.36 in Fukui. Nineteen prefectures had rates ranging from ¥ 10.23 to ¥ 37.24 and the remaining 24 prefectures ranged from ¥ 0.05 to ¥ 9.52.

23. The April fires killed 42 persons and injured 192, compared with 28 deaths and 165 injured in March.

### MARITIME SAFETY

24. The Maritime Safety Board dispatched tugboats from the port of Tsuruga to Fukui city to assist in the evacuation of the injured and the homeless after the 28 June earthquake.

# FIRES: CASUALTIES, CAUSES AND DAMAGE



\* IN THE NAKODATE, HOKKAIDO, FIRE OF 22 MARCH 1934, APPROXIMATELY 12,000 PERSONS WERE INJURED AND 2,000 KILLED.  
 \*\* EIGHT-MONTH AVERAGE, JAN - APR 46 DATA NOT AVAILABLE.  
 NOTE: AVERAGE DAMAGE PER CAPITA BASED ON CENSUS AS OF 1 OCTOBER 1947. NA, DATA NOT AVAILABLE.  
 SOURCE: NATIONAL FIRE DEFENSE BOARD.  
 GHQ - SCAP



SECTION 3

LEGAL AFFAIRS AND WAR CRIMES

C O N T E N T S

	Paragraph
Legal Affairs . . . . .	1
Investigation of Suspected War Criminals. . . . .	7
Apprehension of Suspected War Criminals . . . . .	8
Prosecution of War Criminals. . . . .	10
International Prosecution of War Criminals. . . . .	12

LEGAL AFFAIRS

Administrative Litigation Regulations

1. The Law for Special Regulations Concerning the Procedure of Administrative Litigation was enacted by the Diet 25 June. The Provisional Revision of the Code of Civil Procedure, enacted as an interim measure until the various laws of the Civil Code were rewritten to comply with the new Constitution, established the principle that all actions for the annulment or alteration of any illegal disposition made by an administrative office may be brought to the regular courts. The scope of such action was meant to be unlimited. The Law for Special Regulations Concerning the Procedure of Administrative Litigation adopts this revolutionary reform and makes the provisions of the Code of Civil Procedure applicable to such actions.

The old rule that the citizen must exhaust the administrative channels before he can institute an action was retained, with the important limitation that if no decision is made by the administrative office within three months, court action may be instituted. The court may also dispense with the petition if heavy damages are anticipated.

Other important provisions of the law relate to injunctions against an illegal disposition. To prevent the court from stopping or paralyzing the proper functions of the executive branch of the Government, the law admits injunctions only when the court considers them urgently necessary to prevent irreparable damage which may result from the execution of an administrative disposition. This provision will not apply when the suspension of execution is against the public interest. If the prime minister declares that the national interest is affected, an injunction must be rescinded, although the case as to the remedy of the plaintiff would continue to final adjudication.

Compensation of Judges and Procurators

2. Two laws concerning the compensation of judges and procurators enacted by the Diet 25 June granted increases in salaries to judges and procurators of Japan.

The president of the Supreme Court will receive ¥ 25,000 per month and associate judges will receive ¥ 20,000 per month. The scale for other classifications of judges throughout Japan will run from ¥ 3,500 to ¥ 19,000 per month.

The procurator general will receive ¥ 20,000 per month and other procurators from ¥ 3,500 to ¥ 18,000 per month.

#### Administrative Execution by Proxy

3. The enactment of the Law for the Administrative Execution by Proxy 28 May made technical changes necessary in laws which referred to the old Law for Administrative Execution. Provisions for these changes are contained in the Law Concerning Adjustments to Relevant Laws Consequent on the Enforcement of the Law for Administrative Execution by Proxy.

Changes, to be enforced from the date of the enforcement of the Law for the Administrative Execution by Proxy, were made in the Forest Law, the Law Concerning the Use of Land and Property for Public Use under Custody of Public Bodies, the City Planning Law, the Law for the Improvement of Areas of Unsatisfactory Housing, the Road and Highway Law, the Law for the Making of Forestry Resources and the Disaster Relief Law.

#### Japanese Judicial Administration

4. The Supreme Court accepted jurisdiction of 17 new civil and 156 new criminal cases and disposed of 10 civil and 107 criminal cases in May.

5. The Supreme Court, by explicit reference to the Potsdam Declaration, made a rule requiring special treatment of criminal cases involving violation of the purge ordinances.

This rule, to be enforced effective 1 July, stipulates that these cases are to be tried prior to all other cases. In the court of first instance and in the court of koso appeal (complete new trial), public trial must begin not later than 10 days from the date when public action is brought or from the date when the record of proceedings is received.

In the court of jokoku appeal, restricted to questions of law, the first day of public trial must be designated not later than three days after the record of proceedings is received. The date of first trial will ordinarily be within 25 days after the receipt of the record of proceedings. If this is impossible the first session may be set within 40 days of the receipt of the proceedings. In this case the inferior court must notify the Supreme Court of the postponement.

After the court of jokoku appeal has designated the date of the first session of public trial, both the jokoku appellant and the respondent must be notified at once. The jokoku appellant must present a written statement of the reason for the appeal not later than seven days before the designated date of the first session of the public trial.

If it is impossible to complete the case on the first day of public trial, subsequent sessions must be held as continuously as possible.

In a case where a motion to challenge a judge or judges is filed, the trial proceedings may be stopped only when the collegiate body of which the challenged judge is a member recognizes that there are grounds for the motion, or a single judge of the District Court or a judge of the Summary Court who has been challenged admits that he is prejudiced.

The presiding judge is empowered to limit repetitions.

irrelevant or otherwise inappropriate questionings or statements of the parties. Other provisions concern the expediting of records and exhibits from the lower to the higher court.

The Supreme Court is charged with the responsibility of seeing that these rules are strictly observed and of taking the necessary action when a judge acts against the provisions or the spirit of the rules.

Location of Courts in Japan

6. The map on the following page shows the location of the Supreme Court, the eight High Courts, the three Branch High Courts, the 49 District Courts, 227 branches of the District Courts and 559 Summary Courts in Japan's court system.

INVESTIGATION OF SUSPECTED WAR CRIMINALS

7. One hundred one atrocity investigations were completed in the June reporting period, reducing cases on hand to 796.

ATROCITY INVESTIGATIONS

	Cases on Hand <u>24 May</u>	Cases Received <u>24 May - 24 June</u>	Cases Completed <u>24 May - 24 June</u>	Cases on Hand <u>24 June</u>
POW camp conditions	3	0	0	3
POW atrocities	73	0	8	65
Flyers	251	0	14	237
POW ships	8	0	0	8
Kempei-tai (Military Police)	22	0	2	20
Miscellaneous	<u>540</u>	<u>0</u>	<u>77</u>	<u>463</u>
Total	897	0	101	796 <sup>a/</sup>

<sup>a/</sup> Represents cases still under active investigation which may or may not result in prosecution of an undisclosed number of war criminals.

APPREHENSION OF SUSPECTED WAR CRIMINALS

8. The Japanese Government was directed to apprehend and deliver to Sugamo Prison 35 persons wanted in connection with war crimes, of whom 28 were former army and navy officers and seven were former enlisted men. The total number of persons interned at Sugamo as of 24 June was 1,136.

9. The Government was notified of the release from custody and the return of impounded property of eight previously suspected war criminals. Four names were deleted from previous apprehension lists.

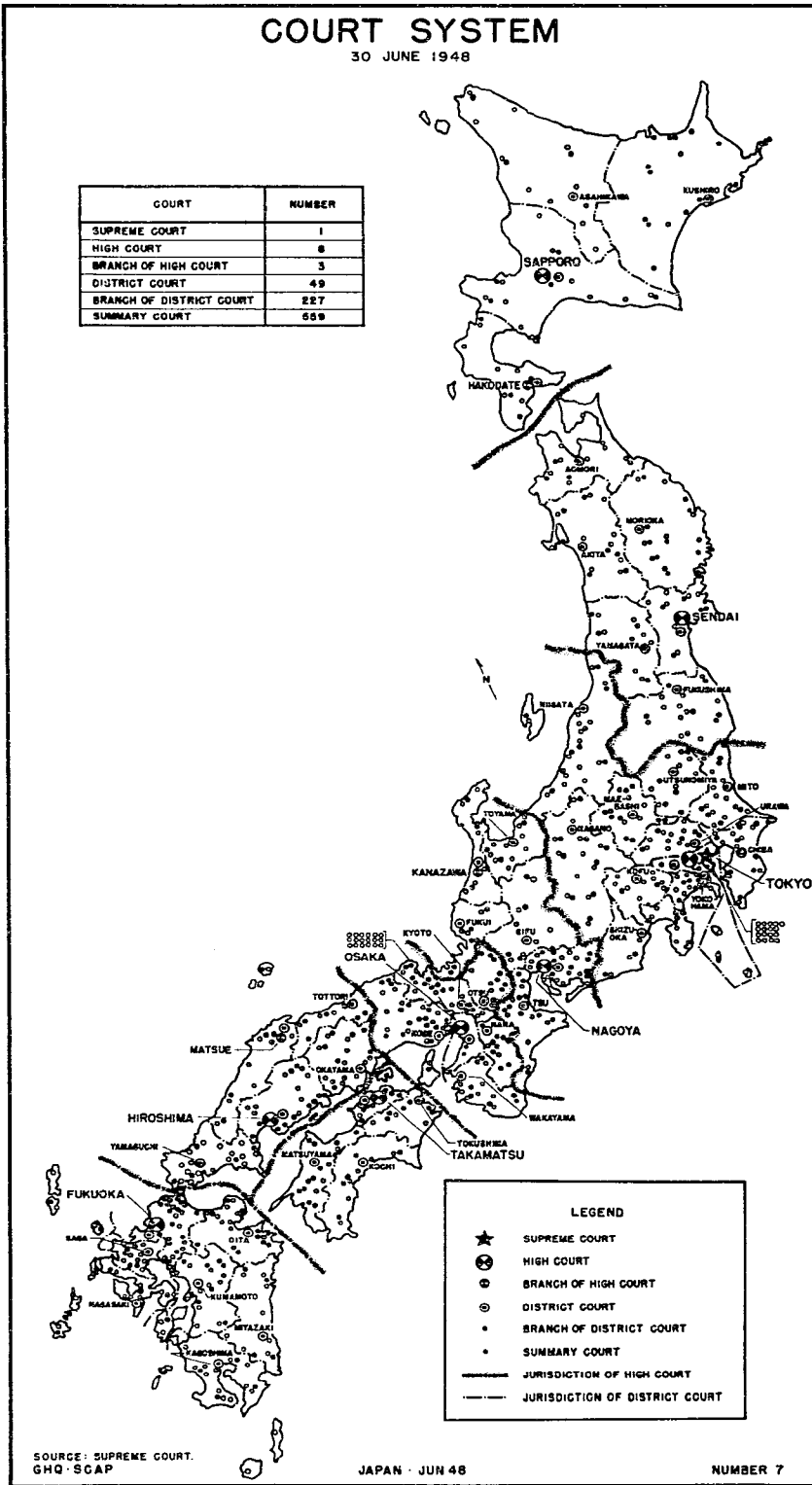
PROSECUTION OF WAR CRIMINALS

10. By 20 June 873 war crimes suspects had been tried of whom 623 were found guilty and 50 were acquitted.

# COURT SYSTEM

30 JUNE 1948

COURT	NUMBER
SUPREME COURT	1
HIGH COURT	8
BRANCH OF HIGH COURT	3
DISTRICT COURT	49
BRANCH OF DISTRICT COURT	227
SUMMARY COURT	659

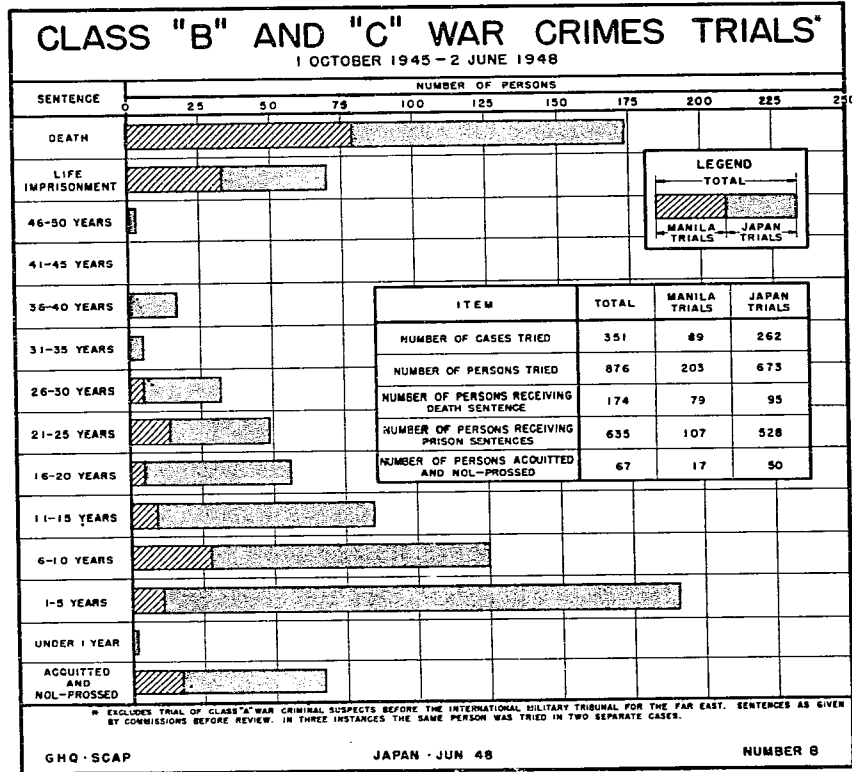


SOURCE: SUPREME COURT.  
GHQ-SCAP

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Of the total number guilty 95 were given death sentences. Five death sentences have been executed, four have been commuted and 77 are waiting approval of sentence. Nine death sentences have been approved and are awaiting execution. The remaining 528 war criminals found guilty were sentenced to terms ranging from six months to life at hard labor.



From 21 May to 20 June three trials were completed involving seven suspected war criminals, of whom one was a former army officer, one a former enlisted man and five were civilians. Six suspects were found guilty and one was acquitted.

**TRIAL OF WAR ATROCITY CASES**

<u>Name</u>	<u>Capacity</u>	<u>Rank</u>	<u>Date</u>	<u>Results of Trials</u>
KOMATSU Tsurugi	Overseer	Civ	20 May 48- 26 May 48	25 years
SUZUKI Masao	Foreman	Civ		13 years
SUZUKI Ken	Foreman	Civ		4 years
-----				
SASAKI Jukichi	Foreman	Civ	21 May 48- 1 Jun 48	5 years



<u>Name</u>	<u>Capacity</u>	<u>Rank</u>	<u>Date</u>	<u>Result of Trials</u>
ISHIGAKI Kakuji	Foreman	Civ		Acquitted
-----				
INAKI Makoto	Camp Commander	Lt	19 Apr 48- 2 Jun 48	7 years
MIKAWA Masaru	Adm NCO	Sgt	19 Apr 48- 2 Jun 48	5 years
-----				

11. Tsurugi Komatsu, former mine overseer at the Joban Tanko Mining Company, found guilty of beating and striking prisoners with a mine hammer, a shovel, a pick handle and various other weapons, was sentenced to 25 years' imprisonment.

INTERNATIONAL PROSECUTION OF WAR CRIMINALS

12. The International Military Tribunal for the Far East held no session in June. The tribunal adjourned 16 April to prepare its judgment and sentence for the 25 accused.

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION  
of  
ECON-MILITARY ACTIVITIES  
in  
JAPAN

Number 33

June 1948

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ECONOMIC

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SECTION 1  
AGRICULTURE AND FISHERIES

C O N T E N T S

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AGRARIAN REFORM

Tenant Land Sales

1. Tenant farmers bought 101,498 cho (100,660 hectares) of land in May, bringing total cumulative sales under agrarian reform laws to 632,832 cho (627,605 hectares) by 31 May. Land sales in May were 2,516 cho under April's sales.

Tax Lands

2. As of 31 March the Ministry of Finance stopped accepting land in payment of taxes. Payment for such lands is now made in land bonds which are acceptable as tax payment.

3. The revised total of lands received by the Ministry of Finance in lieu of tax payments and transferred to the Ministry of Agriculture and Forestry as of 30 April was 200,383 cho (198,727 hectares).

Land Reclamation

4. The Government purchased by 9 April 169,206 cho (167,806 hectares) of land suitable for immediate reclamation, and 398,667 cho (395,374 hectares) of public and national land was transferred to the Ministry of Agriculture and Forestry, making a total of 567,873 cho (563,180 hectares) acquired by 9 April.

Of this total, 297,454 cho (294,997 hectares) was reclaimed by 31 March of which 78 cho (77 hectares) was sold to eligible persons as of 29 May.

5. To expedite the sale of reclaimed land and land reclaimable by individuals under the agrarian reform program, the Government stipulated that all phases of the program involving transfers of land be handled by land commissions. Work of reclamation technicians is to be confined to functions directly related to physical reclaiming of land.

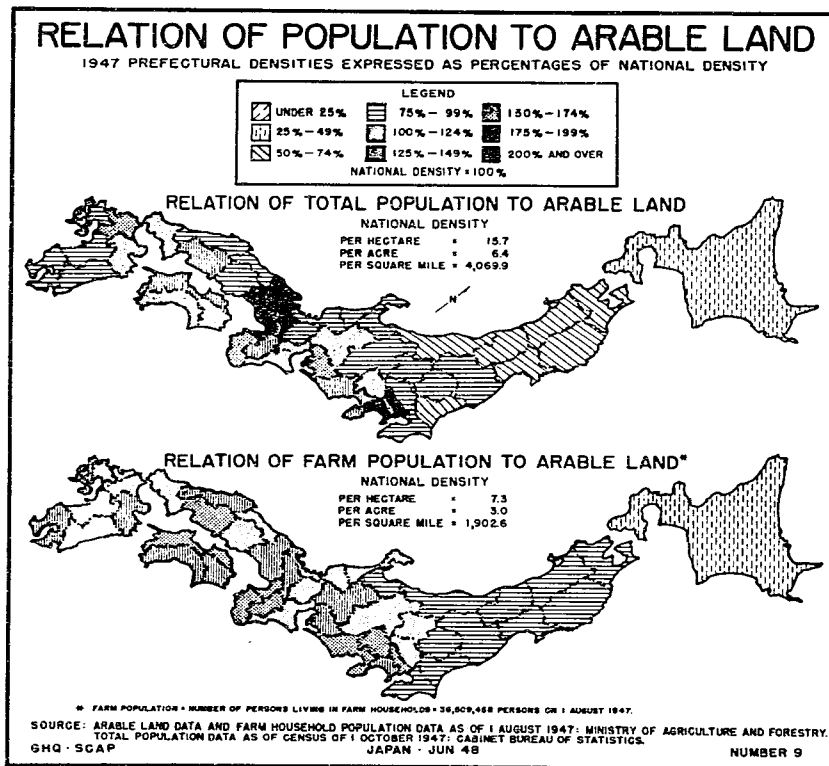
Extension and Demonstration Farms

6. Lands from extension and demonstration farms occupying 2,767 cho (2,744 hectares) are to be purchased by the Government under a new program and sold to eligible persons or cooperatives. Extension and demonstration work will be conducted by the Government through an Agricultural Improvement Service.

Land Use

7. Of a total of 36,848,047 hectares of land area in Japan Proper, 15.49 percent was arable land as of 31 August 1947. Hokkaido Prefecture with the greatest land area was only 9.40 percent arable. In proportion to its land area, Saga Prefecture had the greatest percentage, 20.26, of irrigated rice-land. Of the 204,186 hectares of land area in Tokyo Prefecture 3.48 percent was irrigated rice-land, 12.84 other arable land and the rest nonarable land. See charts on pages 77 through 86.

8. According to a Ministry of Agriculture and Forestry census of 1 August 1947, there was a total farm population of 36,509,458 living on 4,970,092 hectares of arable land, or an average of 7.346 persons per hectare. The most densely farm-populated prefectures were Tokyo, Yamanashi, Shizuoka, Osaka, Nara, Wakayama, Hiroshima, Kagawa and Ehime, averaging 150-160 percent of total farm density per hectare.



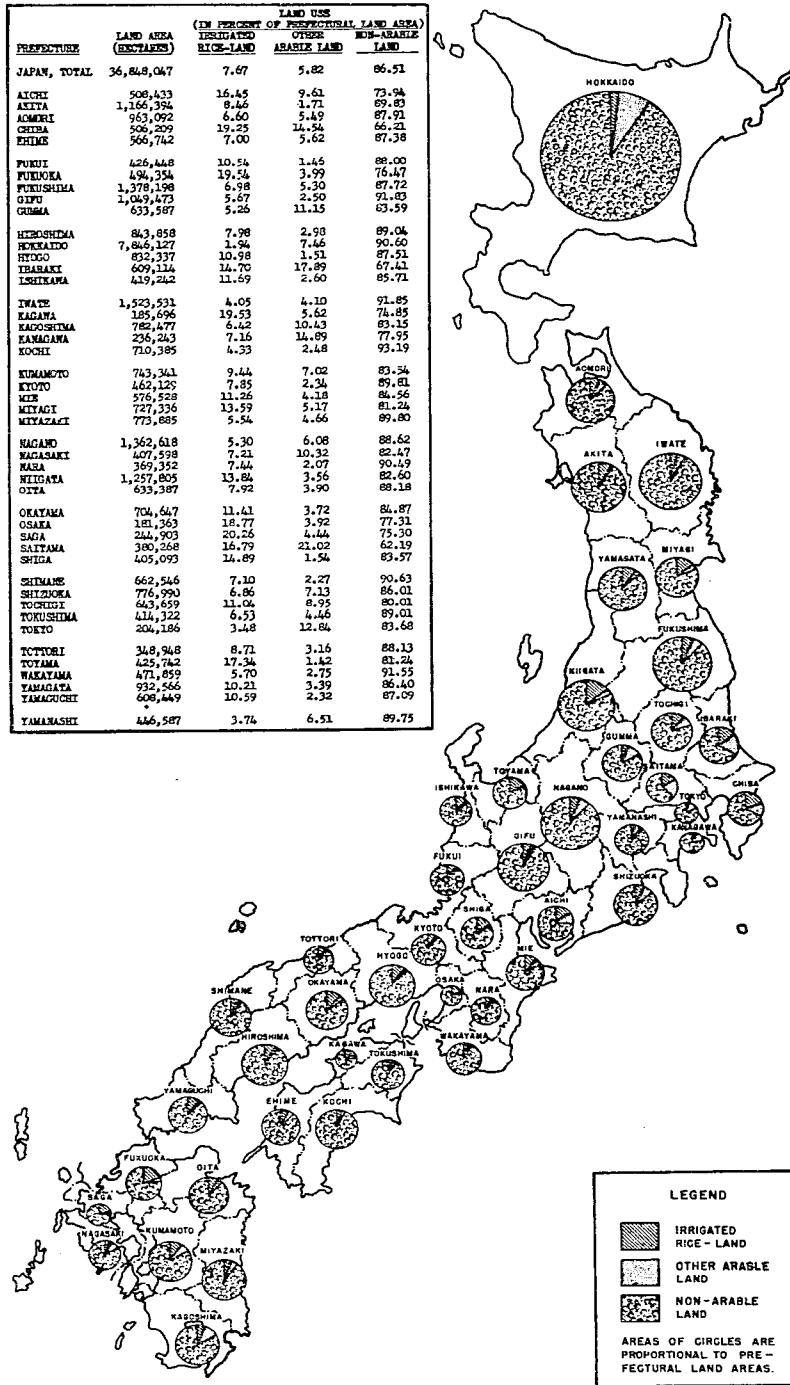
AGRICULTURAL COOPERATIVES

9. Prefectural governors were instructed 24 May that federations of agricultural cooperatives engaging in credit activities

# ARABLE LAND BY PREFECTURES

AS OF 1 AUGUST 1947

PREFECTURE	LAND AREA (HECTARES)	LAND USE (IN PERCENT OF PREFECTURAL LAND AREA)		
		IRRIGATED RICE-LAND	OTHER ARABLE LAND	NON-ARABLE LAND
JAPAN, TOTAL	36,848,047	7.67	5.82	86.51
AICHI	508,433	16.45	9.61	73.94
AKITA	1,166,394	8.46	1.71	89.83
AKOMERI	953,092	6.60	5.49	87.91
CHIBA	506,209	19.25	14.54	66.21
EHIME	566,742	7.00	5.62	87.38
FUKUI	426,448	10.54	1.46	88.00
FUKUOKA	494,354	19.54	3.99	76.47
FUKUSHIMA	1,378,198	6.98	5.30	87.72
GIFFU	1,049,473	5.87	2.50	91.63
GUMMA	633,587	5.26	11.15	83.59
HIROSHIMA	843,858	7.98	2.98	89.04
HOKKAIDO	7,846,127	1.94	7.46	90.60
HYOGO	832,337	10.98	1.51	87.51
IBARAKI	609,134	14.70	17.89	67.41
ISHIKAWA	449,242	11.69	2.60	85.71
IWATE	1,523,531	4.05	4.10	91.85
KAGAWA	185,696	19.53	5.62	74.85
KAGOSHIMA	762,477	6.42	10.43	83.15
KANAGAWA	236,243	7.16	14.89	77.95
KOCHI	710,385	4.53	2.48	93.19
KUMAMOTO	743,341	9.44	7.02	83.54
KYOTO	462,125	7.85	2.34	89.81
KZE	576,528	11.26	4.18	84.56
MIZAGI	757,336	13.59	5.17	81.24
MIZAZAKI	773,685	5.54	4.66	89.80
NAGANO	1,362,618	5.30	6.08	88.62
NAGASAKI	407,598	7.21	10.32	82.47
NARA	369,352	7.44	2.07	90.49
NIIGATA	1,257,805	13.84	3.56	82.60
OSKA	639,387	7.92	3.90	88.18
OKAYAMA	704,647	11.41	3.72	84.87
OSAKA	181,363	18.77	3.92	77.31
SAGA	244,903	20.26	4.44	75.30
SAITAMA	380,268	16.79	21.02	62.19
SHIGA	405,093	14.89	1.54	83.57
SHIMANE	662,546	7.10	2.27	90.63
SHIZUOKA	776,990	6.86	7.13	86.01
TOCHIGI	643,659	11.04	8.95	80.01
TOKUSHIMA	414,322	6.53	4.46	89.01
TOKYO	204,186	3.48	12.84	83.68
TOTTORI	348,948	8.71	3.16	88.13
TOYAMA	425,742	17.34	1.42	81.24
WAKAYAMA	471,859	5.70	2.75	91.55
YAMAGATA	932,566	10.21	3.39	86.40
YAMAGUCHI	608,449	10.59	2.32	87.09
YAMASAKI	446,587	3.74	6.51	89.75



**LEGEND**

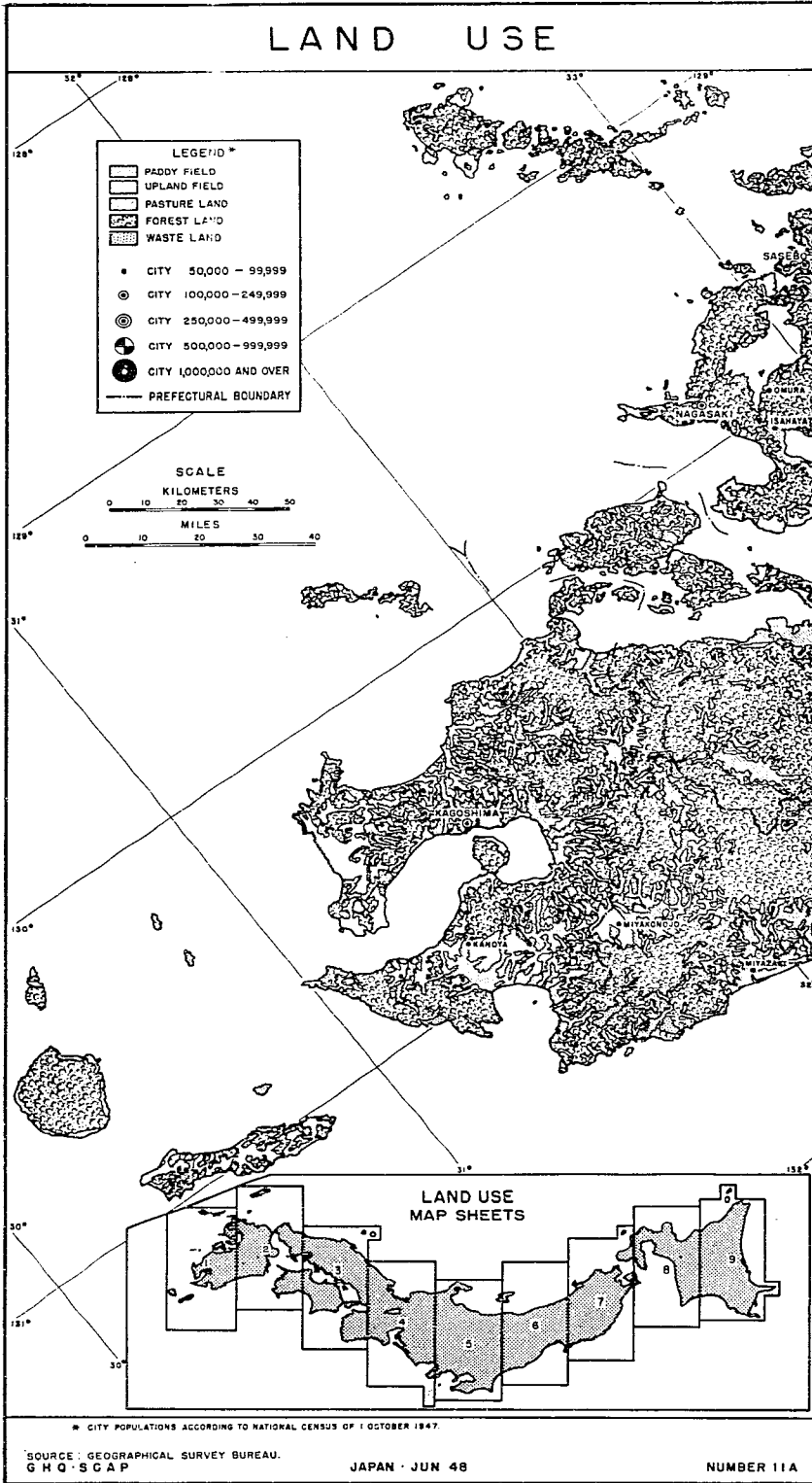
- IRRIGATED RICE-LAND
- OTHER ARABLE LAND
- NON-ARABLE LAND

AREAS OF CIRCLES ARE PROPORTIONAL TO PREFECTURAL LAND AREAS.

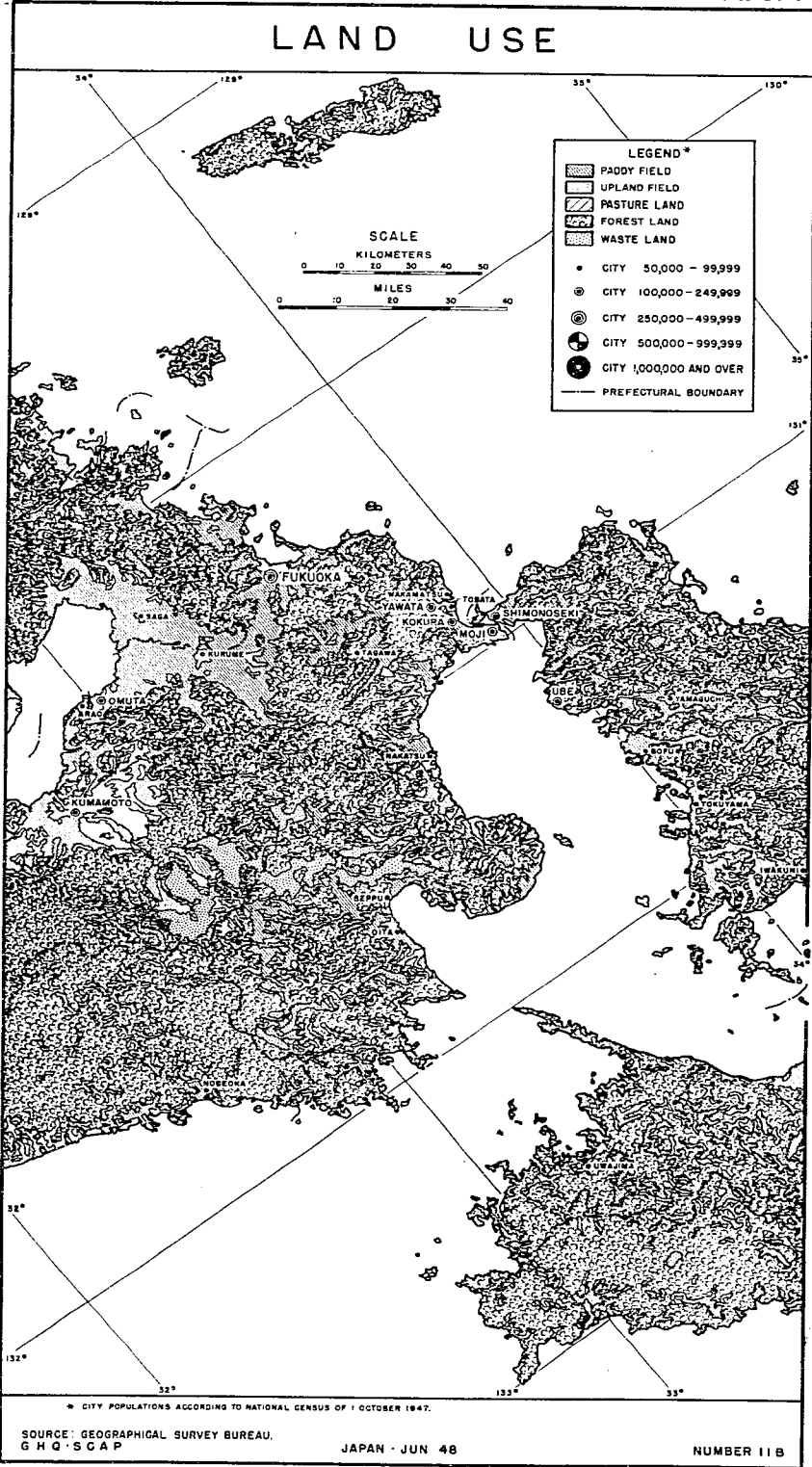
SOURCE: MINISTRY OF AGRICULTURE AND FORESTRY. GHQ-SCAP JAPAN - JUN 48

NUMBER 10

# LAND USE



# LAND USE



\* CITY POPULATIONS ACCORDING TO NATIONAL CENSUS OF 1 OCTOBER 1947.  
 SOURCE: GEOGRAPHICAL SURVEY BUREAU.  
 G H Q - S C A P JAPAN - JUN 48 NUMBER 11 B

0492.



# LAND USE



**LEGEND\***

- PADDY FIELD
- UPLAND FIELD
- PASTURE LAND
- FOREST LAND
- WASTE LAND

- CITY 50,000 - 99,999
- CITY 100,000 - 249,999
- CITY 250,000 - 499,999
- CITY 500,000 - 999,999
- CITY 1,000,000 AND OVER
- PREFECTURAL BOUNDARY

**SCALE**

KILOMETERS 0 10 20 30 40 50

MILES 0 10 20 30 40

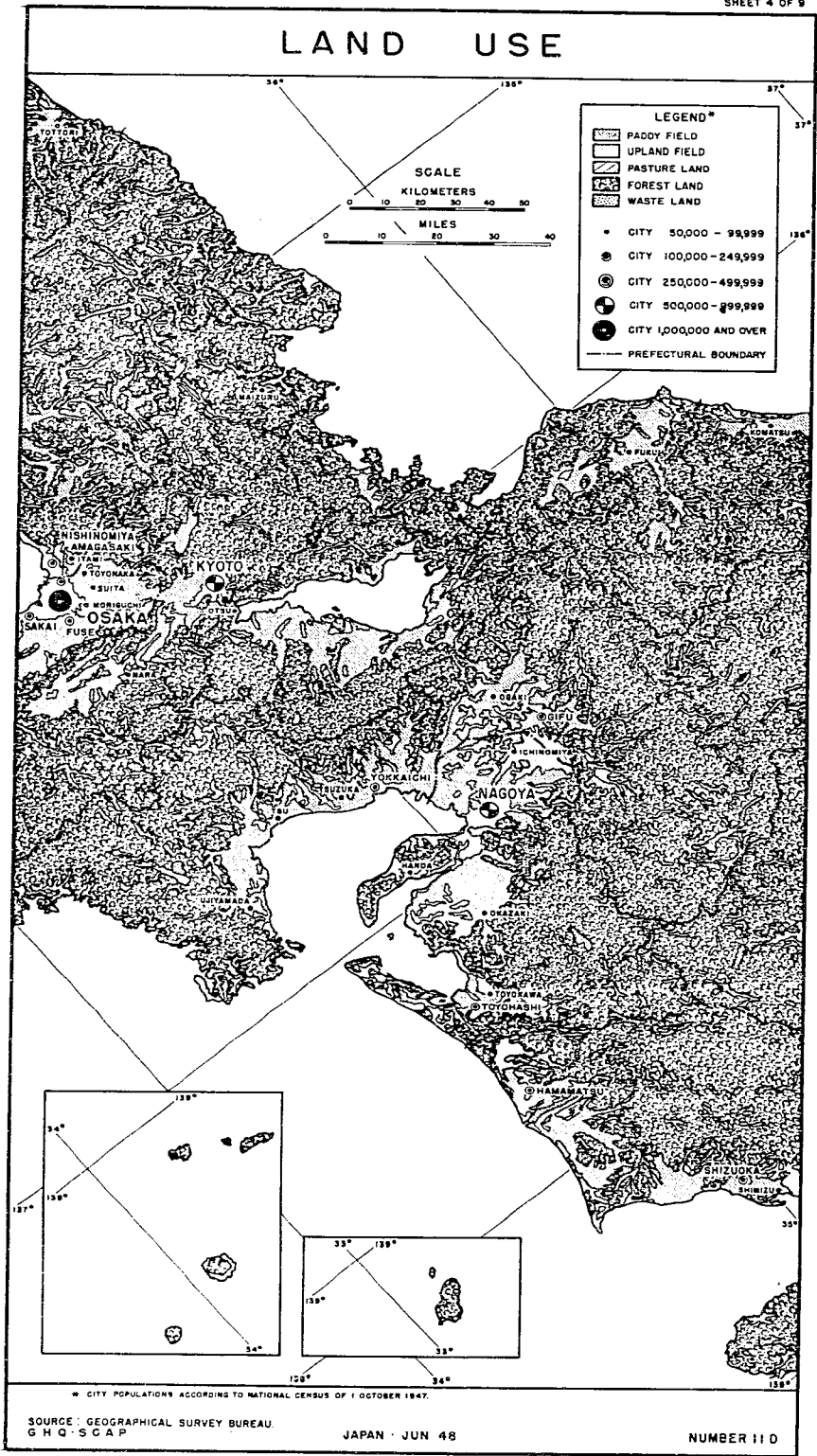
\* CITY POPULATIONS ACCORDING TO NATIONAL CENSUS OF 1 OCTOBER 1947.

SOURCE: GEOGRAPHICAL SURVEY BUREAU  
G.H.Q.S.C.A.P.

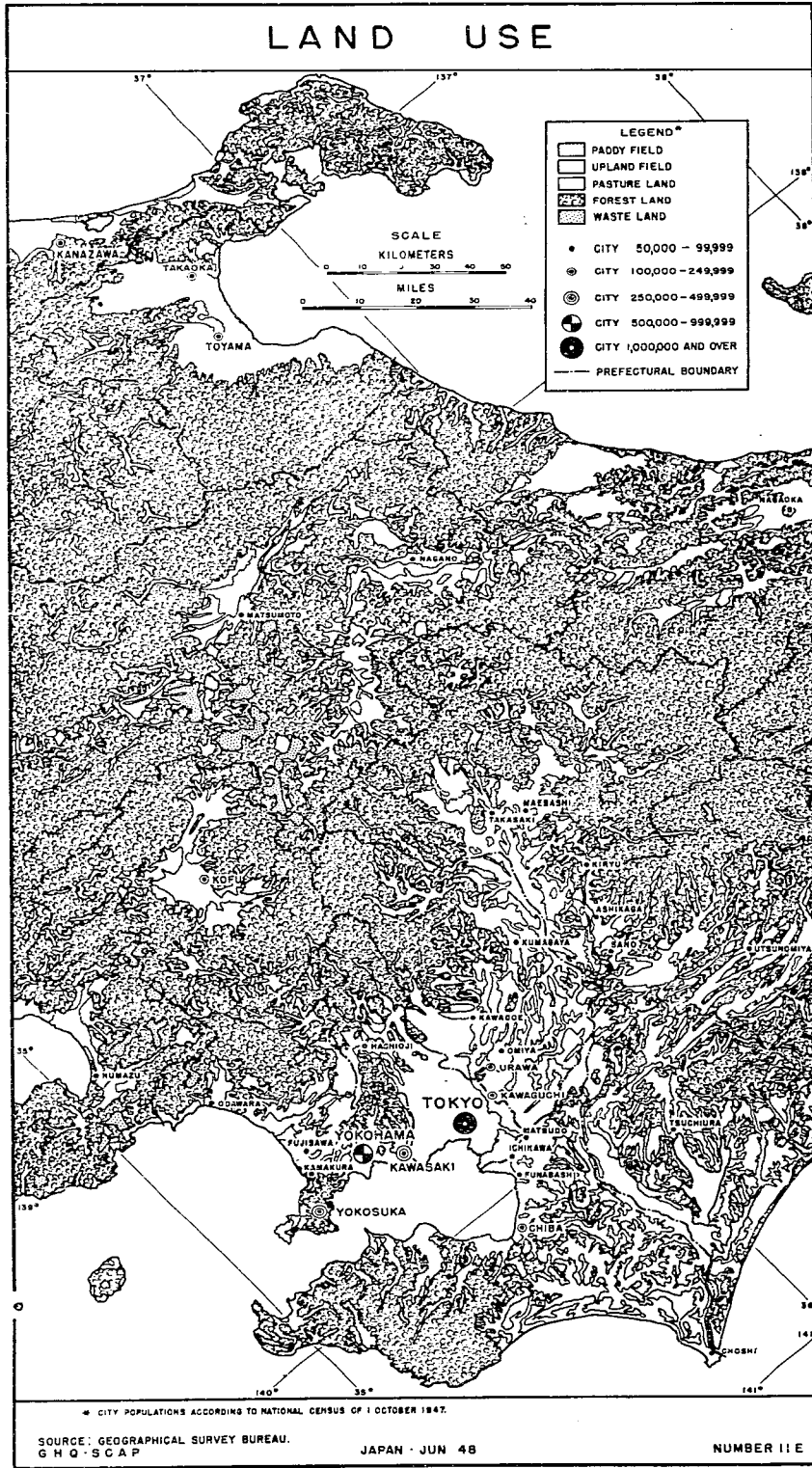
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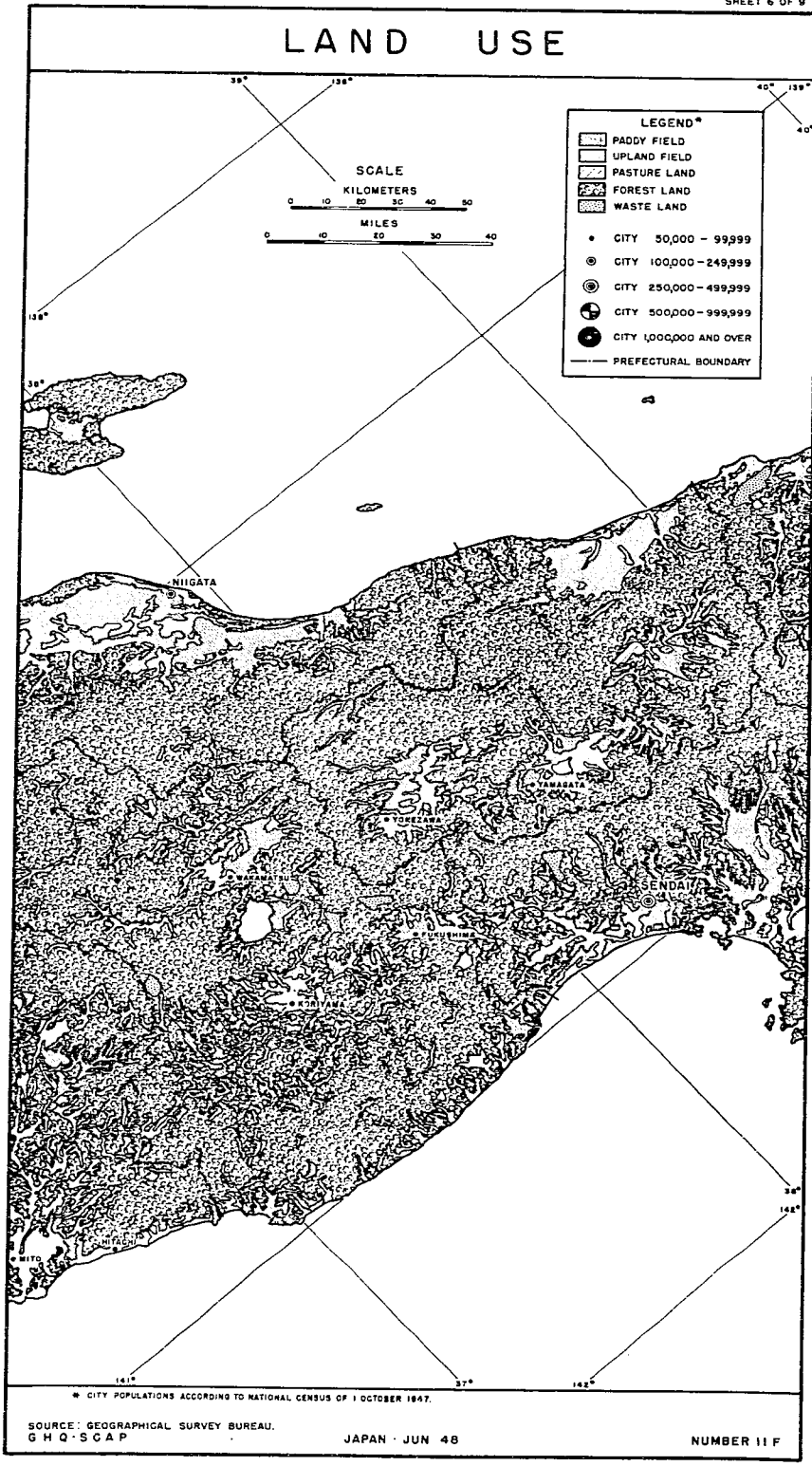
# LAND USE



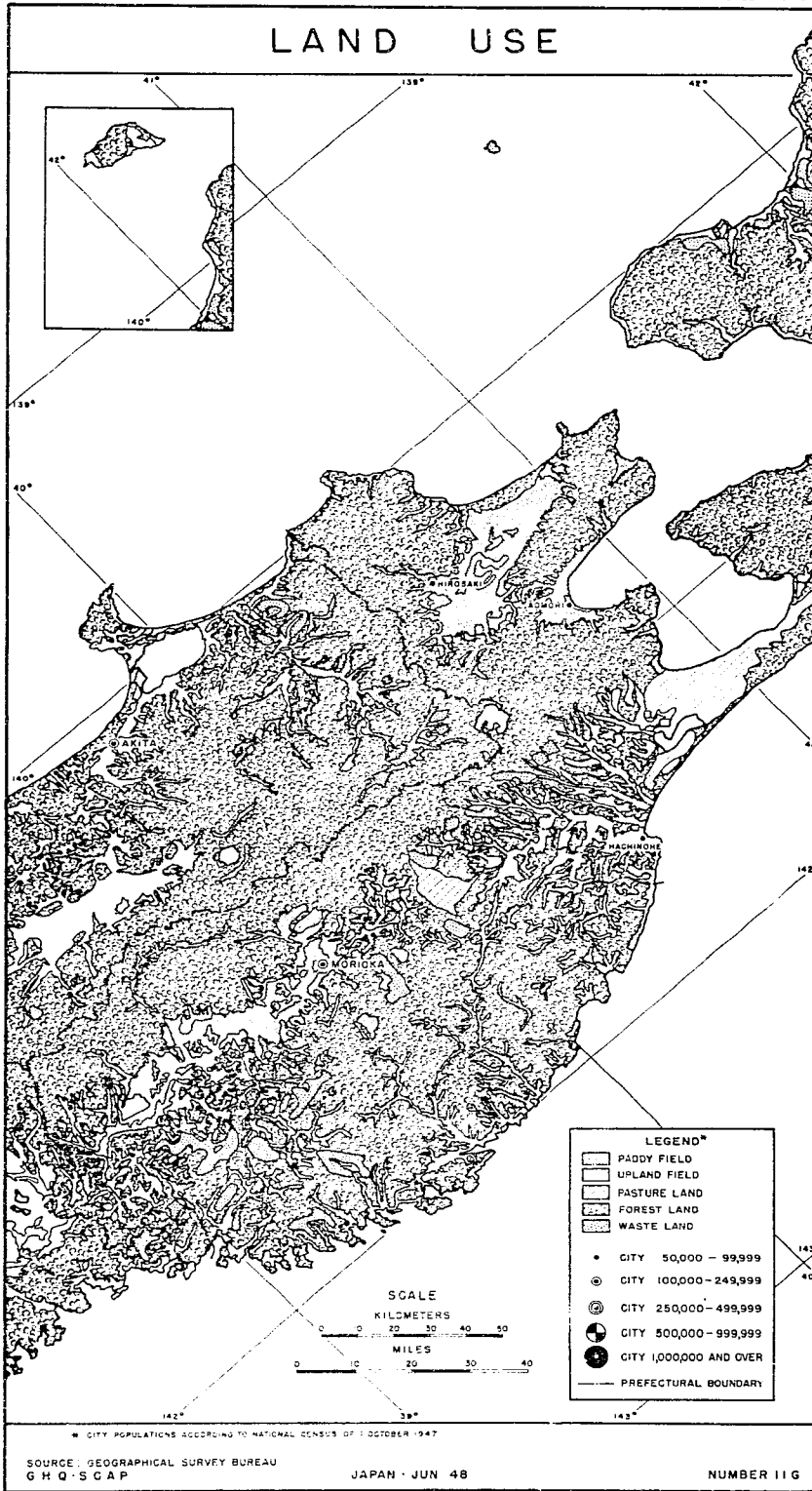
# LAND USE



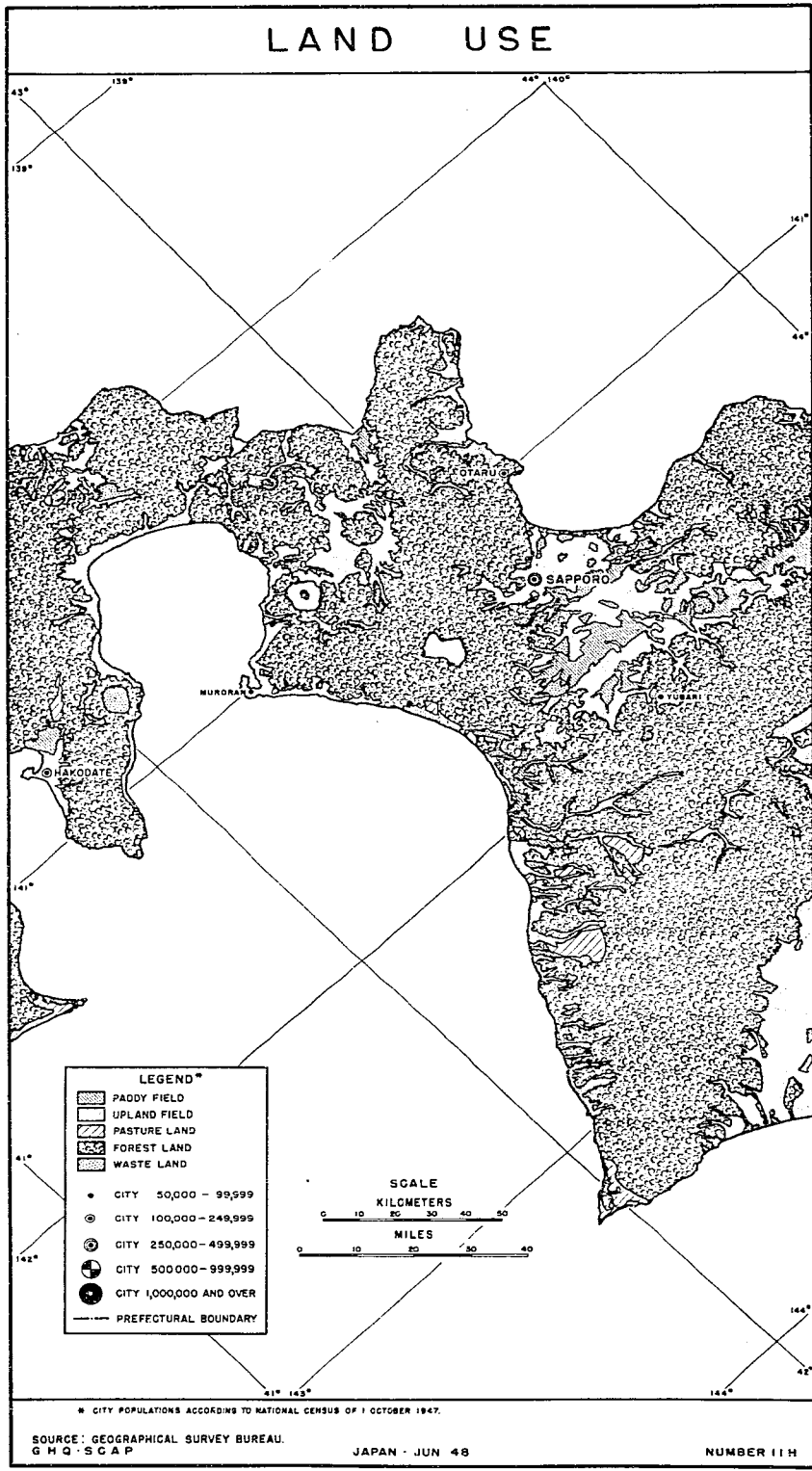
# LAND USE



# LAND USE



# LAND USE



**LEGEND\***

- PADDY FIELD
- UPLAND FIELD
- PASTURE LAND
- FOREST LAND
- WASTE LAND
- CITY 50,000 - 99,999
- CITY 100,000 - 249,999
- CITY 250,000 - 499,999
- CITY 500,000 - 999,999
- CITY 1,000,000 AND OVER
- PREFECTURAL BOUNDARY

**SCALE**

KILCMETERS  
0 10 20 30 40 50

MILES  
0 10 20 30 40

\* CITY POPULATIONS ACCORDING TO NATIONAL CENSUS OF 1 OCTOBER 1947.

SOURCE: GEOGRAPHICAL SURVEY BUREAU.  
G H Q · S C A P

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NUMBER 11 H