# INFORMATION PROGRAMS

- 44. To augment regular information progrems a number of miscellaneous publications were issued by various agencies. These included:
  - (1) Ministry of Construction pamphlets on housing laws, city zoning and construction.
  - (2) Ministry of Finance leaflets and slides on juvenile banks and on the new tax system.
  - (3) A Ministry of Labor monthly bulletin on labor statistics and a weekly information bulletin.
  - (4) Osaka Price Bureau and Tokyo Price Investigation society bulletins on prices.
  - (5) National Flour Association, in cooperation with the Ministry of Agriculture and Forestry, courses in Tokyo and Osaka in use of foreign foods. The same association sponsored cooking demonstrations in Tokyo and Yokohama depertment stores.
  - (6) Kanto Power Distribution Company bulletins on power rationing.
  - (7) A National Efficiency Research Institute fortnightly megazine "Heat Management News."
  - 45. Conferences were held in Tokyo as follows:
    - (1) Pay Your Tax in Full Movement, 30 June to 25 July. Training courses for union leaders on labor laws.
    - (2) Central Labor College, summer school courses.
    - (3) Fisheries Bureau, Ministry of Agriculture and Finance, in conjunction with Economic Stabilization Board, 15 July, Osaka 20 July and Fukuoka 23 July on plans for fish rationing.

# Civil Liberties

46. The Civil Liberties Union opened its fifth and sixth branches at Maizuru and Onomichi in July. Each branch member has a membership of approximately 100 persons. The union agreed to defend in court five cases believed to involve infringement of civil liberties. A Tokyo meeting of 50 lawyers to consider the habeas corpus clause in the Code of Criminal Procedure was sponsored by the Civil Liberties Union.

The Legue for Political Education produced 1,000 prints of a film on civil liberties. They are to be shown at commercial theaters and at public meetings. Two exhibits on the Constitution were held in Koriyama and Gifu. Five thousand persons attended the Koriyama exhibit and 2,500 saw the one in Gifu.

The Attorney-general's Office distributed 10,000 copies of a poster advertising a lecture meeting on civil liberties in Tokyo, one of three such meetings held in July. Attendance at the three meetings was 1,500 persons.

#### Rural Affairs

- 47. The Ministry of Agriculture and Forestry distributed 100,000 copies of a poster on summer crop deliveries and devoted a special issue of its 500,000-circulation fortnightly publication, Norin Koho, to publicize credit means available for purchase of fertilizers.
- 48. Information concerning agricultural cooperatives was broadcast on 20 radio programs over the national network and in numerous spot announcements over both the radio and railway public address systems. Regional meetings were held in five cities to discuss the problems and purposes of agricultural cooperatives.

For the land resale phase of the land reform program the Ministry of Agriculture and Forestry printed for distribution to Japan's 11,000 villages 250,000 copies of a poster explaining written rental contracts and two pamphlets, "Land Consolidation" and "Land Reform and the Rural Community." The ministry notified each prefectural governor to utilize all information media to promote the final stages of the land transfer program.

# Women's Affairs

49. The first meeting of the Citizens' Subcommittee on Women's Affairs of the Women's and Minors' Bureau was held in Tokyo 21 July to discuss the projected Diet bill for the punishment of prostitution. It reviewed SCAP and government directives on the subject as well as the history of antiprostitution legislation.

Mrs. Kiyo Takeda, Democrat, was appointed to the House of Representatives Finance Committee: Niss Mieko Watanabe, chief of the Women's Section of the Government Workers' Union, to the Committee for the Education of Workers in the Ministry of Education; Mrs. Tomi Kora and Mrs. Mitsu Koro, Democratic members of the House of Councillors, to the Committee for the Revision of the Diet Law; and Mrs. Tamayo Miyagi, independent, to the Standing Organizational Affairs Committee of the Ryokufu-kai of the House of Councillors.

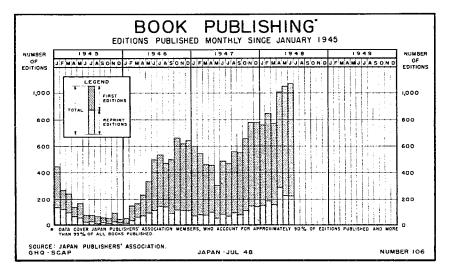
# PRESS AND PUBLICATIONS

# Precensorship Lifted

Action on 25 July completed transfer of all Japanese newspapers and news services to a postcensorship basis. This action was in line with the policy of freeing, as rapidly as possible, informational media from close censorship. The following major actions have been taken since July 1947: 1 August 1947, all stations of the Broadcasting Corporation of Japan were placed on postcensorship, with the proviso that they might volunterily continue to submit questionable material for precensorship; 15 October, all book publishers except 14 believed to represent extreme right and left wings' views were placed on postcensorship; 15 December, all magazines were placed on postcensorship except 28 representing the extreme right and left wings; 15 July 1948, all larger Japanese newspapers and news agencies including 16 newspapers and three news services were placed on postcensorship; 17 July, all medium-sized newspapers and news agencies in the Tokyo and Osaka areas, including 12 newspapers and three news services, were placed on post censorship; 21 July, all remaining precensored newspapers and news agencies except eight newspapers and three news services, were placed on postcensorship. On 25 July these also were placed on postcensorship.

#### Book Production

51. The Japan Publishers' Association reported that 844 editions of new books and 229 reprints had been published during June. In the first six months of 1948 printings of new books totaled 4,253 and reprintings totaled 1,250.



#### Tokyo Press Comment

52. Political developments subsequent to the closing of the second Diet session dominated Tokyo press comment in the first three weeks of July. Journals focused attention on the split within the Social Democratic ranks, on the move to organize a center party, and on the Social Democratic demand for dissolution of the legislature. Writers contended that various problems, notably the protracted discussion over the budget, the Nishio case, and the rebellious attitude of the Social Democrats, had weakened the Administration's position to a point where further cooperation was impossible. The movement to form a new center group failed to win press endorsement on the ground that party organizers lacked a real conception of the proposal and that the action was an attempt to prolong the power of the Democrats and the People's Cooperatives. It was admitted, how-ever, that re-emergence of Ken Inukai after his clearance from the Purge gave impetus to the proposed organization. The Social Democratic request for dissolution of the Diet evoked press charges that the party was motivated by political considerations. News and editorial attention during the latter part of the month focused upon the Supreme Commander's letter to Prime Minister Ashida on the subject of the Japanese public services.

53. On the economic front, commentators expressed relief that the ¥ 414,460,000,000 budget had been passed after weeks of heated deliberations over the increase in government railway and communications rates. Disappointment was widespread, as writers declared that politicians had placed party interests above those of the nation.

Formal government acceptance of the Central Labor Relations Board arbitration in the civil-service dispute concerning the proposed ¥ 5,200 wage base highlighted developments in the field of labor. Reaction was almost evenly divided between contentions that union demands went beyond economic limits and claims that wage issues were inseparable from politics.

The Berlin dispute also claimed widespread interest. Most commentators criticized Soviet blockade tactics and voiced fears that the "cold war" might be reaching a climax.

# Prefectural Press Comment

54. Economic comment dominated prefectural editorial columns in July. Writers considered two major developments, official price revision and passage of the budget. Doubting the workability of the price revision plan, commentators complained that a projected Y 3,791 wage scale was inadequate to meet, the increased cost of commodities, that the anticipated labor offensive would cause the eventual breakdown of the price structure, and that the rise in the cost of key industrial materials would create confusion in production and thus directly affect economic reconstruction. As to the budget, editors contended that "behind-the-scenes" negotiations by ministerial party representatives precluded sufficient deliberation by the Diet.

Although conceding that failure of the House of Representatives to pass a motion of nonconfidence in Deputy Prime Minister Nishio had stabilized the political situation temporarily, writers emphasized that the political funds issue had not been closed and foresaw future developments which may involve government officials.

Belief that the Social Democratic Central Executive Committee had acted wisely in expelling leftists who voted against the budget bill was expressed by many papers, but leaders were warned that continued dissension would have a serious effect on national politics. Desire for a fundamental reorganization of Japanese politics appeared in many journals.

55. Comment on the American political conventions highlighted discussions of foreign developments. Significant change in the United States foreign policy was not expected, although some editors predicted a firmer stand against Russia in the event of a Republican victory. The attack on Yugoslav policies by the Cominform won attention from a number of papers, which saw possible major influence on the international situation.

# Magazine Comment

56. Magazine writers expressed concern over the expanding influence of Communism in the Japanese labor movement. Several articles attempted to expose the tactics of Communist fractions and the infiltration by Communist Party members into positions of authority within unions. Historical reviews were presented to explain the alliance of the National Congress of Industrial Unions with the extreme left.

Economic commentators urged careful enforcement of conservation methods and development of all possible forest areas. Some writers advocated price increases for lumber, pulp and paper to parallel expected official price changes in coal, transportation and electricity.

57. Divergent opinions were expressed on the wisdom of the measures taken for language simplification. Some writers asserted that the number of characters in written Japanese should be reduced; others argued that a living language could not be regulated artificially. Literary men almost unanimously attacked the simplification measures, charging that restrictions of the number of Kanji would limit exactness of thought and hinder accuracy of expression. Acquiescence of a number of newspapers and magazines to the simplification recommendations was condemned as revealing a lack of independent judgment. Acceptance of Romaji was advocated as an ultimate

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objective by some who felt that limitation of the number of Kanji for general use and standardization of kana usage provide no permanent solution. An additional argument for the adoption of Romaji was that the Japanese would be better able to maintain cultural contacts.

58. On the eve of a third revision in basic wages for government workers, writers studied the ¥ 1,800 wage base and the new ₹ 2,290 base which was granted last April, retroactive to 1 January. The growing disparity between wages and prices was attributed to the "unsatisfactory" policy of the Government toward inflation. Some commentators demanded a greater share of the national income for wage earners, while others deplored labor's decreasing productivity in the face of the growing domestic demand for goods and services in the nation's rehabilitation program. Attention was drawn to the effects of lowered Japanese efficiency at a time when the nation was attempting to revive export industries to compete for world markets.

59. In the opinion of many writers the cotton spinning industry has assumed primary importance in the nation's export trade. Writers speculated on the industrial level permitted Japan by the Allied Powers, on the amounts of raw material imports and the Government's policies on official prices, the rate of exchange and the decentralization of enterprises. Focal point of optimism was the proposed revolving fund. Textile enterprisers were said to be eagerly awaiting the arrival of raw cotton which may be purchased through these credits.

While most comment on international trade concerned major exports such as textiles and synthetic fibers, some writers recognized the importance of medium and small-scale enterprises such as ceramics and canning industries and such diverse manufactures as cameras, watches and clocks, celluloid articles, thermos flasks, matches, electric bulbs, penicillin, farm implements and enameled ironware. Establishment of special financial organs to deal only with medium and small industries and modernization of productive techniques and practices were advocated.

# RADIO

# Listener Groups

60. The Breadcasting Corporation of Japan reported that the largest monthly total of meetings to discuss informational broadcasts was held in July. There were 38 listener groups with a total attendance of 1,316. Greatest interest was shown in the National Radio Forum, Citizens! Hour, Students! Hour and the Farm Hour.

# Fukui Earthquake

61. The first report of the Fukui earthquake was made by the Broadcasting Corporation of Japan in the regular 1900 news broadcast 28 June. The following day the first on-the-spot report, a recorded speech by the Governor of Fukui Prefecture, was broadcast at 1953.

# New Fublication

62. The pamphlet, "Questions and Answers Broadcast on the Labor Hour," was reissued in July and 10,000 copies were printed for public sale at 3 65.

#### Programming

63. Special broadcasts from the summit of Mt. Fuji were broadcast 16 July. The programs described the mountain at various times of the day; a dual broadcast from the mountain and from downtown Tokyo contrasted temperature ranges.

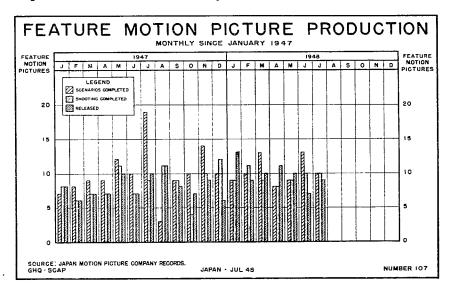
A popular serial drama, "Bell Hill," celebrated its first anniversary 5 July. A ceremony in Tokyo attended by approximately 2,600 persons, about half of whom were children, was broadcast.

Nine "Man\_on\_the\_Street" radio programs continued broadcast with emphasis on topics of human interest while the Mational Radio Forum discussed domestic and international political and economic problems.

# MOTION PICTURES

## Japanese Film Production

64. Nine feature motion pictures were released by Japanese companies from 22 June to 22 July.



Production of pictures at the Toho studios was suspended as a result of management and labor disputes over production and employment policies. Certain issues are in process of adjudication in the Japanese courts and before labor relations committees.

# Independent Motion Picture Companies

65. In recent months independent motion picture production has increased in both the Tokyo and Kyoto areas. Yamamoto Productions, Sakura Company, Seiki Motion Picture Company, Shin Engiza Productions and Art Motion Picture Company have been established in Tokyo; Shimizu Productions, Cinema Artists Associations, Nippon Jido Motion Picture Company and Toyo Company have begun production in the Kyoto area.

# Foreign Motion Pictures

66. Six recent American and two French motion pictures were released for commercial showing in Japan in July, and one Italian

and four French prewar pictures owned by Japanese were cleared for release.

#### Educational Films

67. Eleven educational or documentary motion pictures, including those on industry, Mt. Fuji, arms disposal, Tokyo, calligraphy and medicine, were produced and released in July by commercial concerns. Fourteen film strips were also produced in July.

#### Educational Film Exchange

68. Total Japanese attendance at exhibitions of Allied educational films for the period 24 June to 21 July was 6,660,951.

## THEATER

#### Contemporary American Drama

69. Translation into Japanese of Mark Reed's "Yes, My Darling Daughter" was completed in July and rehearsal is under way for a September production in Tokyo. John Ven Druten's "Voice of the Turtle" is being translated for a tentative December production. Japanese theater owners, producers and dramatic troupes were notified in July that Sidney Howard's "Yellow Jack," S. N. Behrman's "No Time for Comedy," and Robert Ardrey's "Thunder Rock" were authorized by the copyright holders for translation and performance.

#### Political Education Play

70. Twenty performances of the contemporary Japanese play "Mother and Daughter" was presented by the Itinerant Players Association for employees of textile mills in Hyogo and Okayama Prefectures. Sponsored by the Japanese League for Political Education and the All-Japan Textile Workers Union, the play presents information on the Constitution and the revised Civil Code.

# July Productions

71. In step with the Japanese Bon Festival in July, many theaters presented plays with supernatural themes. Due to the hot weather all theaters had poor attendance.

## MUSIC

# American Music

72. Recordings of Contemporary American music are now available to Japanese listeners at SCAP information libraries throughout Japan. This project is one of three begun during the month to develop appreciation of Occidental music in Japan. A rotating library of music records has also been made available for circulation to regional and local stations of the Broadcasting Corporation of Japan. The Ministry of Education 25 June notified prefectural governments of the availability of 5,000 sets of selected music appreciation records at cost price for use in elementary and lower secondary schools. Seventy-one albums have been sent to each of the 12 SCAP information libraries and similar sets will be sent to the other five libraries scheduled to open soon.

73. The first performance in Japan of Elliot Carter's "Holiday Overture" was given in Tokyo by the Nippon Phiharmonic Orchestra 4 July. An audience of approximately 900 attended a special recital at the Kunitachi Music School in Tokyo, 2 July. The recital

featured compositions by Aaron Copland and Quincy Porter, Edward MacDowell's "Tragica" and a group of contemporary American songs. A program of contemporary American music by Quincy Porter, Leonard Berstein and Roy Harris was broadcast over the national network 4 July.

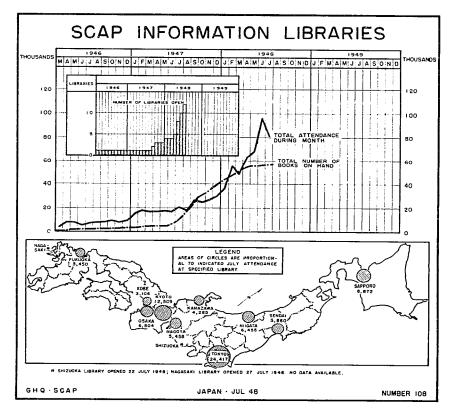
# EXHIBITS

74. Ninety-three SCAP poster exhibits were shown to the Japanese public. An exhibit on "United States Houses" was displayed 9-18 July at Kobe and 20-28 July at Takamatsu and an exhibit on modern interior design was shown at the Japan Industrial Arts Exposition in Tokyo from 22 June to 4 July. The Tokuyama Exposition in May and June displayed 14 SCAP poster exhibits, and an average daily attendance of 35,000 was reported.

Thirty-eight pictures from exhibits were released to Japanese periodicals for publication. Ten charts on democratic organizations were displayed before a series of women's leadership training conferences.

# LIBRARIES

75. The 11th and 12th SCAP information libraries of publications in English were opened at Shizuoka 22 July and at Nagasaki 27 July. Each library contains approximately 3,000 American books and 400 current periodicals.



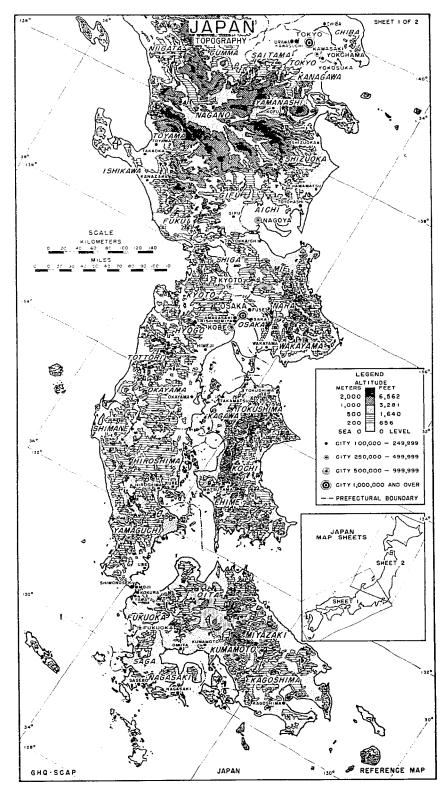
76. The Japan Library Association 3 July established a legislation committee of 18 members, two appointed from each of the seven regional districts of Japan and four from the Tokyo area.

An in-service training course was held 14-31 July in Tokyo for personnel of the Technical Processes and Acquisitions Section of the Mational Diet Library. Thirty-five persons received instruction in cataloguing, administration and in English and Japanese classification. Plens were completed for courses to be given to personnel of all sections of the library.

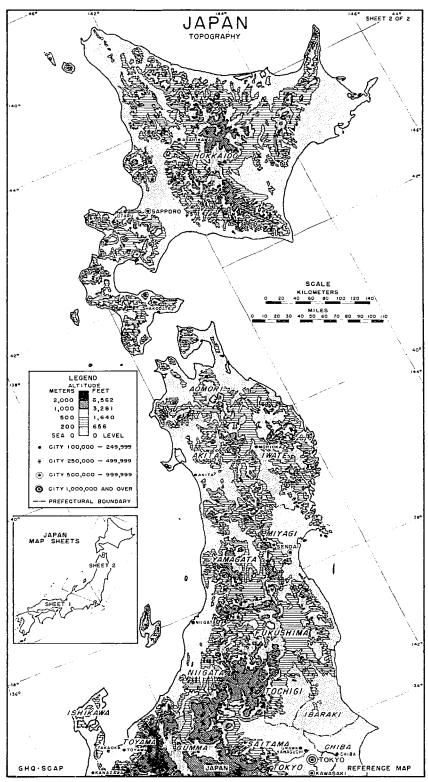
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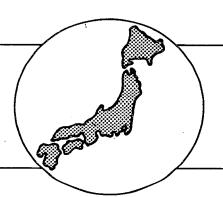
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# SUMMATION

of

NON-MILITARY ACTIVITIES

in

**JAPAN** 

Nº 35

AUGUST

1948

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GENERAL HEADQUARTERS SUPREME COMMANDER FOR THE ALLIED POWERS

# SUMMATION Nº 35 NON-MILITARY ACTIVITIES

**JAPAN** 

FOR THE MONTH OF AUGUST 1948

# GENERAL HEADQUARTERS SUPREME COMMANDER FOR THE ALLIED POWERS

Summation No. 35

August 1948

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# GENERAL HEADQUARTERS SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION

of

# NON\_MILITARY ACTIVITIES

in

JAPAN

Number 35

August 1948

# PART I

# GENERAL

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#### SECTION 1

# ORGANIZATION UNDER SCAP

1. There was no change in the non-military organization of General Headquarters, SCAP, in August.

## SECTION 2

#### POLITICAL ACTIVITIES

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# GOVERNMENT AND POLITICS

1. The Supreme Commander participated in ceremonies at Seoul inaugurating the new Republic of Kores. He delivered a congratulatory message to the Korean people.

# Constitutional Revision

2. Recommendations for certain constitutional amendments clarifying the scope of Diet power received attention. The heads of both branches of the Diet, the Prime Minister and the Attorney General suggested study of the problem but explained that their suggestions did not necessarily imply that amendments would be passed by the Diet.

# Public Service Law

3. Plans to revise the National Public Service Law continued to cause widespread discussion. All political parties except the Communist and small left-wing groups supported the plan, as did labor circles other than extremist unions. Democrats and Democratic Liberals hoped to link the revision with a general survey of laws affecting labor.

# Special Diet Session

4. The questions of summoning the Diet into special session or of dissolving the Diet in preparation for a general election caused difference of opinion within the Social Democratic Party. Democratic Liberals insisted upon a speedy reconvening of the Diet and called for resignation of the Ashida cabinet. Democrats favored postponement of the Diet session until October and denied the necessity either of resignation or of a new election.

## Prime Minister s Speech

5. Prime Minister Ashida on 27 August told foreign correspondents that Japan's food problem will be less serious next year then in the past, that he hopes for increased clothing rations, that the rate of inflation is slowing, that production of vital materials

is growing and that Japan is settling down to economic rehabilitation.

# Folitical Developments

- 6. The initiative in furthering a new centrist political alignment passed from the People's Cooperative Party to the Democrats. The centrist movement, however, has not reached a decision on whether Social Democrats should be included in the proposed group. Democratic Liberals derided the plan while Social Democrats were, in the main, indifferent.
- 7. The Democratic Party revised its organization 31 July by creating a special Labor Policy Committee and a committee to increase party influence. Chief Cabinet Secretary Gizo Tomabechi 2 August replaced Kozaemon Kimura as the party's secretary general.
- 8. The Social Democrats, the Communist Party and the six-man New Liberal Party each urged speedy completion of a peace treaty.

# Court Decisions

- 9. Suchiro Nishio, former deputy prime minister, was acquitted 27 August of a perjury charge and of violation of the Corrupt Practices Act in connection with his acknowledged receipt of ¥ 500,000 from a contractors' syndicate.
- 10. Ikutaro Nakesone, former Liberal Diet member, and four associates were sentenced to prison terms 31 August for their part in a ¥ 6,450,000 swindle involving transfer of Japanese army uniforms. Nakasone will serve a four-year sentence.

# Illegal Transactions Investigations

11. Hearings began 23 August before the Illegal Transactions Investigation Committee on alleged illegal sales of Japanese military goods and on charges of bribery in connection with Diet discussions on the state coal control legislation.

## The Purge

12. Nine additional ultranationalistic associations were dissolved.

# Economic Affairs

13. The Government on 6 August pledged strict adherence to the economic policies published in July by the Economic Stabilization Board.

Both Social Democrats and Democratic Liberals presented economic policy plans proposed by their Political Affairs Research Committees.

# FUBLIC SAFETY

- 14. There were 635 rail mishaps in July with 192 persons killed and 652 persons injured.
- 15. The Economic Stabilization Board in July recovered hoarded and concealed goods valued at \$ 5,952,239. Metals constituted 57 percent of the total.
- 16. Reported offenses in June numbered 211,331 while arrests totaled 122,545 persons.

- 4 -

- 17. All outside telephone lines of the National Rural Police were transferred to the Ministry of Communications 1 August in accordance with a cabinet order issued 11 June.
- 18. The total prison population was 95,557 on 31 July, an increase of 857 over the preceding month.
- 19. Fires in June numbered 1,239, with total fire losses amounting to ¥ 969,088,866.
- 20. Responsibilities for law enforcement in the offshore waters of Japan were transferred to the Maritime Safety Board from the National Rural Police in August.

# LEGAL AFFAIRS AND WAR CRIMES

- 21. A series of weekly press conferences designed to popularize the recently enacted legal and judicial reforms began 13 August.
- 22. Seven trials involving 15 war criminal suspects were completed between 21 July and 20 August. Two defendents were sentenced to death and 13 to terms ranging from 2 to 40 years at hard labor.
- 23. The International Military Tribunal for the Far East held no session in August.

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#### SECTION 3

## ECONOMIC ACTIVITIES

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## NATURAL RESOURCES

# Agriculture and Fisheries

- 1. Land sales under the agrarian reform program totaled 1,320,113 cho (1,309,209 hectares) as of 31 July. In July land sold amounted to 97,790 cho (96,982 hectares).
- 2. All remaining agricultural associations, agricultural practice associations and sericultural practice associations which had not already dissolved voluntarily were dissolved 14 August under the Agricultural Association Dissolution Act.
- $3_{\bullet}$  As of 15 July 19,130 agricultural cooperatives had been approved.
- 4. Marine landings decreased in June to 150,518 metric tons, due largely to seasonal drops in catches of sardines, mackerel and other important species.
- 5. Shortages of ice and cold storage facilities on shore and lack of mechanical refrigeration and quick-freeze units aboard fishing boats resulted in excessive spoilage and a consequent low level of production for export in the fishing industry.

# Forestry and Mining

- 6. Log production increased in July to 54,150,700 cubic feet, a rise of 786,200 cubic feet over June production.
- 7. Preliminary August coal production figures showed a decrease of about 200,000 metric tons of standard coal from the revised July output of 2,717,200 tons.

Coal deliveries and stockpiles decreased. Industry received 2,669,000 metric tons, 152,000 tons less than in June, while July stockpiles were 674,800 metric tons, 5,800 tons less than in June.

- 8. Despite strikes in the Imperial Oil Company, oil production in July decreased only 4.5 percent to 16,065 kiloliters from June.
- 9. In July the Imperial Oil Company brought in two new gas wells with a daily total production of 1.025 cubic meters. One oil-producing well with a daily output of 5.5 kiloliters began operation in July.

10. Output of 21 mineral commodities increased in June. Hercury registered the largest percentage because of production increases in Hokkaido.

# COMMERCE AND INDUSTRY

# Industrial Raw Materials

- 11. Coke production increased 5,036 metric tons over June to a total of 264,112 metric tons in July.
- 12. July production of pig iron and rolled steel products reached postwar peaks with the pig-iron output 10.9 percent over the revised June production. Rolled steel products gained four percent over June.
- 13. Production of 21 major chemicals increased in July with chief gains in the output of ammonium sulfate, calcium superphosphate, sulfuric acid and caustic soda.
- 14. Domestic salt production increased 55.8 percent in July to a total of 53,000 metric tons while salt imports gained 38.3 percent over the June output.
- 15. July pulp production dropped 4.4 percent under the June output while paper production hit a new postwar peak in a gain of 1.8 percent over June.

# Machinery, Equipment and Construction

- 16. Machine tool plants completed production of 831 tools in July, an increase of 168 tools over the June output.
- 17. The value of textile machinery produced in June increased to ¥ 824,526,000 for new production, parts and repairs, a gain of ¥ 104,987,000 over May values.
- 18. Standard-size truck production increased 10 percent in July to a total of 1,388 trucks. The output of three-wheel trucks, light carts and hand trucks also showed gains.
- 19. Mine of 17 selected categories of communications equipment showed production increases in July, while production of communications cable declined.
- 20. From 20 July to 20 August shippards completed 18 steel vessels with a combined tonnage of 12,896 gross tons.

# Manufactured Goods

- 21. Canned food production dropped 50.6 percent in June due to the closing of the spring canning season for fruit, crab and sardines. Chief production gains were in dairy products, bottled food, bread and riso.
- 22. Cigarette production gained 12.3 percent in June when manufacturers increased operations and drew on rough-cut tobacco stocks. The output of cigarette tobacco declined 2.3 percent.
- 23. The output of rubber goods from crude rubber increased 19.5 percent in June with a total consumption of 2,348 metric tons of crude rubber. The major increase was in the manufacture of rubber-soled socks.

- 24. Six of nine selected categories of handicraft items increased production in June with a large gain in toy production in anticipation of the Christmas trade.
- 25. The value of business machines produced in July increased \$ 1,492,175 over June to a total of \$ 28,821,775.

#### Textile Industries

- 26. Irregular receipts of raw cotton and a decline in yarn exports caused a slight decrease in cotton yarn output in July. Production of cotton fabrics by the large spinner-weavers increased as manufacturers supplied yarn for their own weaving activities but suspended sales of yarn in anticipation of higher prices.
- 27. Raw silk output recovered from a seasonal decline in June to a postwar production peak in July of 11,521 bales. Production of spun silk yarn and silk fabrics decreased in anticipation of price increases for yarn.
- 28. Increases were reported in July production of mixed woolen yarn and fabrics for domestic consumption and of pure worsted yarn and fabric for export.
- 29. Rope and cordage output rose 1,841,000 pounds. This increase was chiefly in fishing rope. A substantial rise was reported in jute yarn output.

# Transportation

- 30. Motor vehicles registered as of 31 July numbered 219,094. Of these 112,380 were standard-size trucks and buses, the most important commercial vehicles.
- 31. Passengers carried by motor vehicles in July numbered 68,475,087 and freight conveyed was estimated at 17,000,000 metric tons.
- 52. Intensified labor unrest among railroad workers occurred in August after a cabinet order was issued warning government workers that they no longer had the right of collective bargaining supported by threat of strikes or sabotage. The workers were guaranteed the right of petition.
- 33. Passengers carried by private and government railways in July totaled 519,915,168. Government railways carried 10,068,000 tons of freight or 94.4 percent of the scheduled July tonnage. The private and government railways operated 16,044,900 train kilometers and consumed 550,556 metric tons of coal or 96.4 percent of the amount received in July.
- 34. Steel and wooden vessels over 100 gross tons conveyed 1,902,829 freighted tons of cargo in July coastwise trade. The principal items carried were coal and lumber.
- 35. Cargo imported in July from Asiatic ports in Japanese-manned steel vessels totaled 159.157 freighted tons while the exports totaled 123,330 freighted tons.

# Public Utilities

36. Electric power generated in July, exclusive of private industrial generating plants not connected with the utility system, was 2,843,000,000 kilowatt hours, of which hydroelectric generation was 2,772,000,000 kilowatt hours and thermal generation was 71,000,000 kilowatt hours.

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The major utility system generated or purchased 2,765,000,000 kilowatt hours in July of which hydroelectric generation provided 2,694,000,000 kilowatt hours and thermal generation 71,000,000 kilowatt hours.

- 37. The July daily average of stream flow available at the natural-flow-type plants was 3,441,000 kilowatts or nine percent above the average of the same period during the last 10 years.
- 38. Electric power consumed in May totaled 2,465,000,000 kilowatt hours, of which commercial and industrial consumers used 2,020,000,000 kilowatt hours and residential consumers used 445,000,000 kilowatt hours.

The consumption of electric power supplied by the electric utility system in June amounted to 1,915,000,000 kilowatt hours.

- 39. The public utility gas industry produced or purchased 61,979,875 cubic meters of gas in  $July_{\bullet}$
- 40. The gas industry distributed a total 50,050,948 cubic meters of gas in July, or 80.8 percent of the amount available, and self-consumed 11,928,927 cubic meters of gas for underfiring of coke ovens.

#### Communications

- 41. The increase in the number of telephone subscribers in July was small because installation work for new applicants was suspended until they had purchased bonds in accordance with the Telephone Bond Law, effective 25 June.
- 42. Toll calls completed in the nine major cities in July decreased to 69.3 percent due to circuit troubles resulting from excessive rain and frequent electric storms.
- 43. Preliminary results of radioteletype circuit equipment tests indicate that Japanese terminal facilities are adequate.
- 44. The volume of domestic letter mail and parcel post in July decreased about 15 percent from June due primarily to postage service and rate increases effective 11 July.

# Labor

- 45. Except for the walkout of 1,000 rail workers in Hokkaido, no significant work stoppages due to strikes and lockouts occurred in August although negotiations still continued for wage adjustments in industry.
- 46. The Government expanded nationwide networks of various types of labor schools, enlarging standard curriculums on practical subjects with added features to attract more rank-and-file union members.
- 47. Inspectors checking for compliance with the Labor Standards Law made 15,454 investigations in June in establishments employing 1,068,791 workers. Restitutions of back wages totaling \$24,174,301 were made in 805 cases.
- 48. In June 139,069 employers were covered by workmen a compensation insurance. They paid ₹ 152,153,986 in premium payments. Approximately 32,800 new benefit cases were started in June and ₹ 141,867,715 was paid in benefit premiums.

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49. Labor unions 30 June numbered 33,940 with 6,636,710 members. Among them 1,483 were formed in June with 157,314 members while 237 unions with 53,237 members dissolved.

# Imports and Exports

- 50. Elimination of major Japanese Government controls over Japan's export trade was authorized by SCAP 15 August.
- 51. A trade arrangement providing for the balanced exchange between Japan and the sterling area of a minimum of \$ 242,000,000 worth of goods was drafted 30 June after a series of conferences in Tokyo. The agreement was referred to the sterling area governments for approval.
- 52. Contracts between Japanese buyers and American sellers for \$ 10,000,000 worth of raw cotton to be financed through the \$ 60,000,000 combination government and private cotton credit under the Occupied Japan Export-Import Revolving Fund were signed during August.
- 53. A trade conference to draft an over-all financial and trade plan between Japan and Siam began in Tokyo 20 August.
- 54. Private trade transactions approved in June included 106 import contracts valued at \$ 29,835,939 and 1,620 export contracts valued at \$ 22,982,285.
- 55. Japan received 61 percent of the estimated dollar value of her June government-to-government imports from the United States. Foodstuffs and nonmetallic minerals were the most important commodities imported. Asia received 48 percent of the estimated dollar value of Japan's government-to-government exports in June and the United States received 36 percent. The most important commodities exported were textile products, machinery and vehicles, metals and manufactures.
- 56. Japan's over-all trade balance for the first half of 1948 was unfavorable in the amount of \$ 271,123,447.

# Price and Distribution

- 57. Staple food rations were delivered in full during the summer scarcity period by releasing 231,732 metric tons of imported food and 108,825 metric tons of indigenous substitute rice.
- 58. A bumper crop of summer vegetables resulted in a 274-gram-per-capita distribution of vegetables in the six major cities. Fish supplies were adequate but spoilage caused the diversion of some fresh fish to the manufacture of fish bait and fertilizer.
- 59. The price stabilization program was virtually completed with the announcement of three additional groups of consumer and producer prices. Increases in textile prices and processing charges were based on the rise in wage rates and import prices of raw cotton and wool. Price revisions on food and related commodities were announced separately and a few items were decontrolled.
- 60. Shipments of incentive goods for the summer-grain program were progressing with cotton cloth lagging because manufacturers and wholesalers were withholding stocks until new official prices were announced.
- 61. The bulk of the 26,476,680 packages of U. S. Army surplus cigarettes released for distribution during the 1948 fiscal year as incentive goods will go to farmers and coal miners.

## FINANCE

#### Money and Banking

- 62. Bank of Japan notes in circulation 31 August totaled \$ 254,209,000,000.
- 63. The Cabinet 11 August approved an ESB plan whereby the Reconstruction Finance Bank will advance ¥ 26,390,000,000 to industry on a priority basis in the second quarter of the 1948-49 fiscal year. The Reconstruction Finance Bank 31 July had loans outstanding of ¥ 81,761,858,000.
- 64. The Securities Coordinating Liquidation Committee by 24 August had sold 25,471,645 shares of corporate securities for \$2,123,004,942. Proceeds from 25 July to 24 August from 5,167,783 shares were \$354,019,054.

# Liquidation

- $65_{\bullet}$  The Closed Institutions Liquidating Commission on 1 and 2 July closed 18 control organizations.
- 66. Cumulative proceeds from 621 closed institutions undergoing liquidation 25 July totaled \$ 30,974,244,000. Receipts from 26 June to 25 July were \$ 4,751,226,000.

# Public Finance

- 67. National government tax collections 31 July amounted to \$\frac{4}{3},917,000,000, 16.4 percent of the 1948-49 fiscal year budgetary goal of \$\frac{2}{5}267,704,000,000. Income-tax receipts accounted for 57.1 percent of national government tax collections in the first four months of the fiscal year.
- 68. The first prison sentences for tax evasion in the history of Japan were begun 28 July and 7 August.
  - 69. The national debt on 31 July was ¥ 379,303,000,000.

# PROPERTY CONTROL AND REPARATIONS

# Property Control

- 70. Looted property under Allied and Japanese Government custody 20 August was valued at ¥ 66,355,000 in terms of 1941 yea.
- 71. The Cabinet designated the Attorney-general s Office to investigate and administer properties of dissolved ultranationalistic organizations. By 20 August 193 such organizations had been closed and dissolved.
- 72. The Gustody Account for SCAP 20 August totaled \$ 286,599,347, an increase of \$ 126,649 since 21 July. Of the total account \$ 132,698,738 represented proceeds from German sources, mainly impounded cash and property sales, and \$ 93,448,528 was from Japanese sources, chiefly dissolved patriotic organizations.
- 73. The German External Property Commission Account 20 August aggregated \$ 305,789, a net increase of \$ 12,232 in the 30-day period.

# Antitrust and Cartels

74. No objection was offered in August to 981 applications

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for permission to improve facilities. These included permission to expend ¥ 8,090,168,898, chiefly to restore the mining and electric power industries.

Companies and major expenditures were:

- (1) 24 coal mining concerns, ¥ 4,100,085,026 to construct coal miners! houses.
- (2) Kanto Electric Power Company, ¥ 985,053,010 to improve substations and power facilities.
- (3) Japan Electric Generation and Transmission Company, \$\frac{480,000,000}{480,000}\$ to install equipment at its Tobata power plant.
- (4) Japan Marine Products Company, ¥ 166,512,000 to construct or repair three vessels.
- 75. Ten restricted or designated companies were authorized to increase their capitalization in August. The Dai Nippon Cotton Spinning Company was permitted to increase its capital from ¥ 147,179,000 to ¥ 330,000,000. The Asahi Chemical Industry was allowed to raise its capital from ¥ 54,400,000 to ¥ 200,000,000.
- 76. The Holding Company Liquidation Commission issued its first final order for structural reorganization 22 August. Proposed orders, involving no structural reorganization but directing companies to dispose of stock holdings, were issued 11 August to seven companies.
- 77. The Cabinet promulgated an order 19 August giving the Holding Company Liquidation Commission authority to forbid designated holding companies or excessive economic concentrations to use trade names or marks in any way connected with the design, pattern, letters or characters of the 11 major holding companies.
- 78. Between 16 July and 15 August 626 applications were filed with the Fair Trade Commission under the Antitrust Act. Of these, 569 requested approval of foreign trade agreements.

# Reparations

79. By 31 August 16,736 machine tools and secondary metal-working equipment weighing 50,823 metric tons had been shipped to the advance transfer claimants. Two thousand twenty tools weighing 7,350 metric tons were shipped in August.

# SCIENCE AND TECHNOLOGY

- 80. Two Japanese companies have undertaken a research program to improve the fermentation method of retting ramie fiber. Currently most ramie fiber is processed by boiling and scouring which requires the use of scarce coal and caustic soda.
- 81. The Hodogaya Chemical Manufacturing Company resumed production of auramine, a yellow dyestuff for cotton, in July.
- 82. The first meeting of the Industrial Technique Management Council of the newly established Agency of Industrial Science and Technology of the Ministry of Commerce and Industry was held 11 August.
- 83. Dr. Shizuc Kakutani, eminent Japanese mathematician, and Dr. Hideki Yukawa, well-known Japanese theoretical physicist, made

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preparations in August for travel to the United States where they are to be members of the Institute for Advanced Study, Princeton, New Jersey.

- 84. Forty Japanese Standards were promulgated in July and 21 Emergency Japanese Engineering Standards and four Japanese Engineer Standards were abrogated.
- 85. SCAP directed the Government 6 August to permit technical representatives of governments of the Far Eastern Commission to see or take copies of details of any Japanese owned or originated scientific processes of industrial or commercial value developed prior to 31 December 1945.

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## SECTION 4

#### SOCIAL ACTIVITIES

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# PUBLIC HEALTH AND WEIFARE

- 1. All sanitation associations (eisei kumiai) were dissolved by the Japanese Government 31 August as directed by SCAP. These organizations had been permitted previously on condition that they would not assume any functions properly belonging to governmental agencies and that membership would be strictly on a voluntary basis. These conditions were not being met.
- 2. A Japanese B encephalitis epidemic in central Honshi had afflicted 4,100 persons by 25 August, causing 219 deaths. Sanitary teams throughout the country were increased by 500 and mosquito control programs were intensified.
- 3. The Institute of Public Health in Tokyo graduated 185 students in August from training courses for sanitary engineers, public health veterinaries, public health pharmacists and public health statisticians.
- 4. Four more prefectural model health centers were opened in August, bringing the total established to seven.
- 5. The equine encephalomyelitis which spread throughout the country simultaneously with the Japanese B encephalitis afflicted 1.301 horses and caused the death of 522 by 27 August. Vaccines were distributed to each prefecture and environmental sanitation programs were intensified.
- 7. Medical and dental supplies and instruments distributed in July were valued at Y 1,596,704,026 of which 89 percent were medicines.
- 8. There were 84,180 narcotics handlers registered as of 30 June. Persons arrested for violations of narcotics regulations in June numbered 94. Twenty-four of them were registered dealers.
- 9. The Ministry of Welfare increased public assistance allowances in August. Under the new rate a family of six in the six large cities will receive a minimum allowance of \$ 4,795 while families of the same size in other cities will receive \$ 4,405. In the rural districts the minimum allowance for a family of six is \$ 4,010.

- 10. A Japanese Junior Red Cross leadership center was conducted 25-31 July at Tamano in Okayama Prefecture. Fifty-five children from 23 Red Cross chapters in prefectures of southern Japan attended.
- ll. A Rehabilitation Section (Kosei-ka) was established in the Social Affairs Bureau of the Ministry of Welfare to administer matters concerning foreign nationals in need of assistance, physically handicapped persons, schools for the blind and protection programs for street girls.
- 12. The Minister of Welfare approved a 40-percent increase in allowances for medical care under the Health and Seamen's Insurance Laws as recommended by the Social Insurance Medical Fee Calculating Committee.
- 13. The Ministry of Welfare reported 187,732 births, 73,604 deaths, 11,228 infant deaths, 10,400 stillbirths, 71,542 marriages and 6,067 divorces in June.
- 14. From 30 July to 2 September 44,425 Japanese were repatriated. Ninety-six percent of these returned from Soviet areas.

#### EDUCATION

- 15. Following the Supreme Commander's letter of 22 July concerning public service a cabinet ordinance was issued 31 July redefining the relationship between the Ministry of Education and the teachers' union, and the Ministry of Education issued a memorandum stating that teachers were considered public servants.
- 16. The Japan Education Association, composed of a majority of union members, voted 6 August to dissolve and to transmit its assets to the All-Japan Congress of Teachers' Union.
- 17. A cabinet order 19 August promulgated the Board of Education Law. In preparation for the 5 October election of members for the boards of education, prefectural committees and the Ministry of Education worked out administrative details and popularized the decentralization of educational administration.
- 18. A Curriculum Revision Committee submitted final recommendations 25 August for coordinating the general education curriculum with the specialized vocational curriculums.
- 19. The final date of application for schools desiring to reorganize under the new four-year university plan was extended to 31 August. As of 31 July 219 petitions had been received by the University Chartering Committee.
- 20. The University Section of the Federation of Private Schools 24 July authorized increases in tuition rates to cover increases in professors' salaries.
- 21. The Ministry of Education 25 August allocated funds for partial subsidy of correspondence courses. Forty-eight colleges and universities will offer extension courses and will receive subsidies for each course offered.
- 22. Jurisdiction over Tokyo Central Radio Communication Training Institute and over similar institutions in Osaka, Kumamoto and Sendai was transferred from the Ministry of Communications to the Ministry of Education.

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# RELIGION

- 23. A special assembly of the Nishi Honganji Branch of the Jodo Shin Sect of Buddhism met 25 August to consider reforming the ranking system, temple allotment budgeting system and other administrative matters.
- 24. Japanese representatives of Christian organizations left Japan to attend religious conferences in the United States and Europe.
- 25. The Council of Cooperation in Japan 23 July approved its 1948-49 budget totaling \$ 3,200,000, most of which will be spent for reconstruction of educational facilities.

The five-year expansion plan of the Churches of Christ in American includes grants totaling \$ 5,250,000 from eight cooperating American denominations.

# MEDIA OF EXPRESSION

# Information Programs

- 26. Miscellaneous activities, publications and exhibits on coal production, democratization of industry, city planning and power conservation supplemented regular information programs.
- 27. The seventh branch of the Civil Liberties Union was organized at Okayama.
- 28. Mrs. Kikue Yamakawa, chief of the Women's and Minors' Bureau, made speeches emphasizing needs for raising women's educational standards and for development of cooperative unions.

# Press and Publications

29. Revision of the National Public Service Law, dissolution of the Diet, removal of controls over export trade, reform of the banking system and the forthcoming election of the local school boards dominated metropolitan and prefectural news.

Magazine comments concerned women's problems and activities. export and domestic industries and experiences of repatriates from Soviet territory.

- 30. The Asahi newspaper opened a campaign to uphold freedom of the press and to eliminate "gangsters" from governmental positions. The campaign followed an assault on one of its reporters who had exposed illegal activities in Honjo-machi, Saitama Prefecture.
- 31. A supplementary paper ration was granted all daily newspapers from 1 August.

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## GENERAL HEADQUARTERS SUPREME COMMANDER FOR THE ALLIED POWERS

SUMMATION

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## NON-MILITARY ACTIVITIES

in

JAPAN

Number 35

August 1948

## PART II

## POLITICAL

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#### SECTION 1

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## SUPREME COMMANDER'S STATEMENT TO REPUBLIC OF KOREA

1. At inauguration ceremonies in Seoul for the Republic of Korea, 15 August, the Supreme Commander made the following address:

"I am profoundly moved to stand on the soil of Korea in this historic hour, to see liberty reborn, the cause of right and justice prevail. For forty years I have observed with admiration the efforts of your patriots to cast off the oppressive bonds of foreign power. Their unyielding firmness in refusing to compromise with destiny the freedom of the Korean people has exemplified before the world the immutable truism that the spirit of liberty once infused in the human heart never dies.

"Yet in this hour, as the forces of righteousness advance, the triumph is dulled by one of the great tragedies of contemporary history—an artificial barrier has divided your land. This barrier must and will be torn down. Nothing shall prevent the ultimate unity of your people as free men of a free nation. Koreans come from too proud a stock to sacrifice their sacred cause by yielding to any alien philosophies of disruption.

"As on this soil of the Asiatic mainland you face to the West where feer and threat and tragedy now fill men's minds, as peoples are locked in mortal combat and ideological pressures are exerted in search of weaknesses in freedom's armor, you must realize that events in the making here and beyond that Western horizon may well determine the issue of a world at peace or a world at war. For three years my country's guns have been silent as we have sought in concert with all other peoples to fashion from the moral resources of the modern world a norm of human relationship which effectively would preserve the peace. Our efforts have been retarded by an evil spirit of greed and avarice and lust for power but your national rebirth today is living proof that the concept of human freedom is far too deeply rooted in human society to ever perish.

"As you embark upon your destiny as a free and independent Republic, the measure of the wisdom of your chosen leaders will do much to provide the measure of your strength as a nation. If they secure the well-being of the individual and establish his position upon a plane of personal dignity with the opportunity of progress limited only by the nature and degree of his industry, you will evolve here a strong nation of happy and industrious citizens which will prove an impregnable bulwark against the assaults of all dissident elements. For the defense of the democratic way of life rests more than all else in the human spirit. He alone is fit to enjoy the blessings of personal liberty who is ready at all times resolutely to defend it.

"The people of my country have long entertained a close friendship for the people of yours. As early as the year 1882 in a treaty of amity and commerce between our two peoples, it was proclaimed that there should be 'perpetual peace and friendship' between the United States and Korea. The American people have never deviated from this pledge and you may rely upon the invincible continuance of that friendship.

"President Rhee, you and the distinguished group which has been chosen to assist you in the leadership of this infant Republic will face issues of the most complex nature known to political experience. The manner in which these issues are resolved will determine in large measure not only the unity and well-being of your own people but also the future stability of the continent of Asia. I have faith in you and your countrymen and pray that Almighty God may sustain you in your hallowed task."

## PRIME MINISTER'S MESSAGE ON ANNIVERSARY OF DEFEAT

2. In a message to the Japanese people on the third anniversary of acceptance of the Potsdam Declaration 15 August, Prime Minister Hitoshi Ashida declared that the Japanese people now see hope in the future of their country. The text of the address follows:

"The memorable August 15 when we accepted the Potsdam Declaration is with us for the fourth time. Defeated in a reckless war, three years ago today Japan cast off all its militaristic and undemocratic ways and resolved to make a new start as a peace-loving and cultural nation. On this memorable day, we, the Japanese, must once more look back on our past and pledge every effort for future reconstruction.

"The past three years have certainly been rough going. Fortunately, however, we have been able to confine to the minimum the cheos and unrest that we feared most as consequences of the abrupt end of war. Distress in living has been tided over before it actually developed into mass starvation. While our living is not by any means easy, it is steadily improving. Compared with Germany and other defeated nations we have cause to be thankful for a far better lot. This situation has been made possible by the combined efforts of all the Japanese people. At the same time, we must never forget the thorough and painsteking guidance and colossal material aid of the Allied Powers.

"Naturally we cannot at once entertain any easy optimism as to the future of our country. But it remains true, when all is said, that the national endeavors for her reconstruction have gradually borne fruit and a ray of light has begun to glimmer ahead. Even the alarming off-season food situation seems likely to be surmounted by means of imported food and other factors. A good crop is promised this autumn. The industrial production index is increasing and the velocity of inflation is slowing down. The

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enthusiasm of the Allied Powers to aid a self-supporting Japan has recently taken definite shape. I may say that we have now reached a stage where we may settle down in earnest to the task of rehabilitation.

"Greeting the third anniversary of Japan's rejuvenation, we, the people of Japan, must renew our resolve and spirit of developing our destiny and must uplift our national morals to realize substantial results as a cultural nation both in the realms of both spirit and matter. In order to gain the confidence and trust of the rest of the world as a peace-loving nation, I earnestly hope that we shall walk the progressive middle path and prepare for a near future when we shall be able to make contributions to the establishment of world peace."

## CONSTITUTIONAL REVISION PROPOSALS

3. Speaker Komakichi Matsuoka and President Tsuneo Matsudaira of the House of Councillors agreed 26 August to name a special joint committee of the Diet to study possible revision of the Constitution.

The agreement followed a suggestion by Prime Minister Ashida, made during the closing sessions of the Diet, that such revision might be desirable.

Attorney General Yoshio Suzuki, acting in his personal capacity, had already, 13 August, authorized the Legal Affairs Bureau of his office to investigate the matter jointly with the Constitution Research Society of Tokyo University and to submit their findings to the Diet.

Suzuki emphasized that neither this action nor formation of a Diet Committee \*necessarily means that the Constitution must be revised.\*

The Constitution provides that amendments "shall be initiated by the Diet through a concurring vote of two thirds or more of all the members of each House and shall thereupon be submitted to the people for ratification, which shall require the affirmative vote of a majority of all votes cast thereon, at a special referendum or at such election as the Diet shall specify." (Article 96)

Authority for re-examination of the Constitution is provided by the Far Eastern Commission's "Directive Regarding Provisions for the Review of a New Japanese Constitution" of 28 October 1946 which required that the Diet review the Constitution sometime during the second year following its becoming effective. The purpose of the directive was to permit reconsideration of the Constitution on the basis of actual operational experience.

- 4. The chief topics in which revision will be discussed include:
  - (1) Continuance of even such nongovernmental and nonpolitical ceremonial functions as are now left to the Emperor in Articles 1 and 7 of the Constitution.
  - (2) Provision that the Diet must convene within 30 days after a general election.
  - (3) Amendment of the provisions requiring a two-thirds vote in the House of Representatives to override a negative vote in the House of Councillors.

- (4) Clarification of the rules governing choice of a Prime Minister to cover cases in which the two houses of the Diet disagree.
- (5) Clarification of provisions governing possible abdication.
- (6) Changes in nomenclature to avoid the use of such "feudalistic" terms as Daijin (great man) for Minister of State.

## POLITICAL DEVELOPMENTS

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## NATIONAL PUBLIC SERVICE LAW DISCUSSION

## Labor Reactions to Cabinet Ordinance

5. Promulgation 31 July of the cabinet order prohibiting collective bargaining or strikes by government employees received the support of both government and opposition parties. Extremist labor groups and Communists attacked the order. Certain labor representatives submitted a petition to SCAP Headquarters on the morning of 31 July asserting that the Government was placing too severe an interpretation on the Supreme Commander's letter of 22 July to the Prime Minister. After issuance of the order the same labor groups predicted that the "labor front" would resist the cabinet order.

## The text of the order follows:

\*The Cabinet hereby promulgates a Cabinet Order concerning the temporary measures to be taken in consequence of the letter of the Supreme Commander for the Allied Powers to the Prime Minister, dated July 22, 1948, under the Imperial Ordinance No. 542 of 1945 concerning the orders to be issued in pursuance of the acceptance of the Potsdam Declaration.

"I. Those persons who hold positions as employees of the national government or local public entities, regardless of whether they are appointed or employed (hereinafter referred to as public employees) shall not have the right, to be exercised against the national government or local public entities, of collective bargaining as usually understood with its coercive character supported by the strike threat. Public employees or their organizations, however, may not be denied the freedom, within the restriction of the present Cabinet Ordinance, to negotiate with the appropriate agency of the national government or local public entity in the sense of being able freely to present individually or collectively, through their representatives, their complaints, opinions, desires and grievances and to support the same by adequate opportunity for discussion and the submission of evidence.

"All acts heretofore taken by the Government in personnel matters affecting public servants will be valid so long as they do not violate the spirit of the limitations imposed by this Cabinet Order, or were not taken in contravention of such limitations.

"All mediation proceedings now pending in which the national government or local public entities are parties will be suspended. The National Personnel Authority will hereafter be the agency charged with the protection of the interests of public servants.

"II. No public employees may resort to strike or engage in delaying or other dispute tactics which tend to impair the efficiency of operation of national government or local public entities.

"Those who act in violation of the provision of the preceding paragraph, regardless of their status of being public employees, may not assert their rights derived from such appointment or employment against the national government or local public entities.

"III. Those who act in violation of paragraph 1 of Article II shall be liable to penal servitude not exceeding one year or a fine not exceeding Y 5,000."

Two labor groups, the National Congress of Industrial Unions and the National Liaison Council of Government and Public Workers' Unions, were reported to be determined "to fight for their interests." The attitude of the General Federation of Japanese Trade Unions was not clear but the group was reported to hold Communists responsible for the "crisis in the labor front." In an interview with Minister of Labor Kanju Kato 1 August Chairman Kazuyoshi Dobashi of the Government Communications Workers' Union challenged the validity of the order on the ground that the Cabinet had encroached on the authority of the Diet.

Other labor statements charged that the order violated both the Constitution and existing labor laws, that the Ashida cabinet had distorted the meaning of the Supreme Commander's letter, that the proposed revision of the National Public Service Lew was "factistic" and that the Government had no authority to issue such an order without Diet approval.

## Left-wing Reaction

- 6. The Communist Party charged that the order "will deprive the working class of its right to organize and to bargain collectively, which the Constitution guarantees in Article 28." The statement concluded with a declaration that the party "must launch a nationwide movement to overthrow the fascist Ashida administration and to demand Diet dissolution."
- 7. An organization tentatively titled League for the Defense of Democracy was inaugurated 12 August at a meeting attended by 10 Diet members and by approximately 100 representatives of about 30 labor unions. The Diet members included five Communists, four Orthodox Social Democrats and one independent. The meeting urged a "democratic" drive to fight "the fascism of the Ashida cabinet."

#### Ashida Statements

8. Referring in a speech at Ichinoseki 4 August to a campaign by some labor groups against revision of the National Public Service Law, Prime Minister Ashida declared that the Government was observing a hands-off policy since no laws had been infringed. He promised that if there were violations of law the Government would "take action at once."

The Prime Minister also stated he favored revision of existing labor legislation only insofar as it applied to civil-service workers.

#### Cabinet Defense of Order

- 9. Chief Cabinet Secretary Gizo Tomabechi told union representatives 4 August that the Government may issue cabinet orders considered necessary to achieve Occupation objectives. Deputy Chief Cabinet Secretary Kiichi Arita supported Tomabechi's statement by quoting from the terms of surrender.
- 10. The Cabinet 11 August published a notice to public service employees interpreting the cabinet order. The interpretation, drafted after thorough deliberations by the Vice-ministers! Conference, included the following main points:
  - (1) Government employees may negotiate collectively: that is, offer recommendations or complaints to the Government in conformity with the present National Public Service Law.
  - (2) Government workers must not work exclusively for their unions while abandoning their duties to the Government. Government officials engaged in union activity must return to their jobs by the end of August. Workers employed by government enterprises such as the tobacco monopoly who engage in union activities must return to their jobs by the end of Sentember.
  - (3) Prevailing working hours will continue.
  - (4) Union activities will be somewhat curtailed. Government workers shall not without permission attend shop and union meetings. Administrative efficiency of the Government must not be impaired by union activities. Absence from work for such activities will be deemed leave without pay.
  - (5) Management conferences will be abolished but the possibility of unofficial conferences or of some other substitute will be studied.

The Cabinet 13 August issued a directive declaring that except in those cases specially stipulated in Cabinet Order No. 201, all rights hitherto given to employees through existing laws regarding health, safety, welfare, recreation and resignation will remain effective unless modified by revision of the National Public Service Law.

## Preparation of Legislation

- 11. Government officials began 4 August to prepare legislation to carry out the structural reforms suggested by the Supreme Commander's letter of 22 July.
- 12. At a special cabinet meeting 18 August, in the absence of Minister of State Masaru Nomizo, Minister of Labor Kato submitted a so-called "Nomizo Plan."

Its principal aims were to protect unions' constitutional rights to organize and bargain collectively within limits set by the Supreme Commander's letter; to coordinate budget deliberations on government workers' wages and Temporary National Personnel Authority activities under the direct supervision of the Prime Minister; to set up a Diet committee on public service matters; and to obtain supplementary budget appropriations to improve public service employees' wages.

- 13. At the same meeting the Social Democratic Party's Political Affairs Research Committee presented a seven-point revision program which included:
  - (1) Recognition of the right of operational civil-service workers to organize and to bargain collectively.
  - (2) Reaffirmation of rights already acquired.
  - (3) Clarification of the term "public service workers."
  - (4) Reorganization of government enterprises from the viewpoint of nationalizing key industries.
  - (5) Democratization of the Temporary National Personnel Authority.
  - (6) Emactment of a Public Service Workers Trade-union Law.
  - (7) Recognition of full-time union officials.

In presenting the plan Secretary General Inajiro Asanuma explained that Social Democrats contended that fixing a new \$ 5,200 salary scale for government employees was a prerequisite to deliberations on National Public Service Law revisions. Asanuma stated later that the presentation was not an official one because the party's Central Executive Committee had not yet approved it.

The Political Affairs Research Committee's program was formulated in a three-day Hakone conference. At the end of the meeting 10 August Chairman Mosaburo Suzuki emphasized the importance of distinguishing between clerical and operative workers in the proposed revision of the National Public Service Law. For clerical workers he stated that Social Democrats would strive to secure "the virtual right to confer and negotiate with authorities."

## Differences Within Cabinet

14. In the course of cabinet deliberations on revising the National Public Service Law differences of opinion developed in six cases:

- (1) The sphere of "special jobs." The original law excluded employees of government enterprises and "kodans," councilors, advisers and simple physical laborers from "special jobs."
- (2) The status of the Temporary National Personnel Authority. The question was raised as to the propriety of providing the commission with reserve funds as in the case of the Supreme Court and the National Diet.
- (3) Limits of authority in handling personnel matters.
- (4) The extent to which government employees could "confer" or "negotiate" with the Government.
- (5) Need for amending the Labor Standards Law since ordinary labor laws could not be applied to government employees.
- (6) Application of penalty clauses.

- 15. A five-man cabinet committee, organized to study these matters, agreed on two points of conflict at a meeting 19 August:
  - (1) Scope of "special" employees: "Types of special employees will be revised."
  - (2) Character of the National Personnel Authority: "The authority will be considered as a branch of the Prime Minister's Office. . . Important authority decisions must receive cabinet approval."
- - Article 65 of the Constitution stipulates that executive power rests with the Cabinet;
  - (2) Paragraph 4 of Article 73 stipulates that the Cabinet shall administer the civil service in accordance with standards established by law;
  - (3) Article 76 provides that no executive organ shall have final judicial power.
- 17. The cabinet subcommittee continued discussion of proposed changes 20 August. It decided:
  - (1) "The right of government workers to organize and to bargain collectively will be clarified by replacing the phrase 'consult with the authorities' with 'negotiate with the authorities.' (Government workers may not negotiate on wages, but may express their grievances and their desires concerning working conditions.)"
  - (2) "Provisions for the protection of government workers will be clearly stated in the regulations concerning the National Personnel Authority which will supplement the Labor Standards Law."
  - (3) "Punitive regulations will include two kinds of punishment, one inflicting imprisonment and a fine, the other imposing a fine alone."

As the relation of the National Personnel Authority to the Frime Minister's Office remained undefined, the subcommittee decided to hold further meetings before making final recommendations.

## PROBLEM OF DIET DISSOLUTION

## Government Party Leaders Meet

18. Leaders of the three government parties agreed 31 July to call an extraordinary session of the Diet for 20 days beginning in mid-September, but reached no decision on the question of dissolution of the Diet.

Leaders of the two principal government parties repeatedly expressed widely divergent ideas on the issue of Diet dissolution. While former Prime Minister Tetsu Kateyama, chairman of the Social Democratic Party, sought dissolution as soon as revisions of the National Public Service Lew could be made, Prime Minister Ashida, head of the Democratic Party, wanted dissolution postponed at least until the end of the year to arrange for introduction of foreign capital.

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19. By 17 August problems confronting the special session had grown to such proportions that Chief Cabinet Secretary Tomabechi expressed the opinion that postponement of the session until at least the end of September would be inevitable. Tomabechi also said it might be necessary to extend the session beyond 20 days.

## Social Democratic Disagreements

20. Social Democratic Party leaders had varying ideas about the problem. In Chairman Katayama's view a general election should be held in November. Social Democratic left-wingers such as Chairman Suzuki of the party's Political Affairs Research Committee, Minister of Labor Kato and Minister of State Nomizo agreed with Katayama that dissolution should follow immediately after revision of the National Public Service Law.

The Social Democratic right-wingers, including Minister of Commerce and Industry Chosaburo Mizutani and Minister of Agriculture and Forestry Kazuo Nagae, believed that to postpone dissolution would enhance the party's election prospects.

#### Ashida's Statements

21. Prime Minister Ashida and People's Cooperative Chairman Takeo Miki agreed 14 August that the Diet should be dissolved only as a last resort. The two leaders stated, however, that if political stability could be secured and a political vacuum prevented only by dissolving the Diet they would not hesitate to take the step.

In a statement at Toyama 21 August Prime Minister Ashida declared that dissolution should be postponed at least until the end of the year. Postponement, he said, was necessary "in order to translate into practice completely the principles of the Supreme Commander's letter concerning revision of the National Public Service Law as well as to arrange the domestic organization for the introduction of foreign capital."

## Opposition Views

22. Opposition groups continued to demand resignation of the Ashida cabinet and Diet dissolution. Their views were reflected in a statement issued 16 August by Democratic Liberal Secretary General Takeshi Yamazaki. This statement declared: "The Japanese people desire to better Japan's international position and, at the same time, to enforce a clear-cut policy to check the current inflation."

In this connection, the present unprincipled policies of the Ashida cabinet and the proposed organization of an ideologically groundless center league are bound to confuse the people. Bereft of popular support, the present government barely maintains its existence by avoiding Diet dissolution and by dishonest political merrygo-round tactics."

Democratic Liberal Party executives Jiro Hoshijima, Banboku Ono and Etsujiro Uehara and other party leaders also attacked the alleged "delaying tactics" of administration leaders. In a conference at Osaka 23 August they declared that their party would initiate a motion of nonconfidence in the Ashida cabinet.

## Special Session Call Delayed

23. The Cabinet had reportedly fixed the number of bills to be presented at approximately 75, of which 47 were deemed most pressing. Among them are the National Public Service Law revision bill

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and related bills, including the Emergency Adjustment Bill concerning the Ministries of Communications and Transportation and the Monopoly Bureau of the Ministry of Finance.

Political observers, noting "a delicate opposition" among the government parties on each of these bills, expected that long political negotiations would be required to adjust outstanding differences. This would delay Diet dissolution until late October or Movember.

#### Further Katayama Statement

24. At Hakodate 12 August Chairman Katayama bluntly declared that the Social Democratic Party would oppose any conservative regime under the leadership of the Democratic Liberal Party and would not cooperate with it under any circumstances.

Political observers interpreted this statement as an endorsement of the tripartite coalition. Both Ashida and Chairman Miki of the People's Cooperative Party had attacked the Democratic Liberals on the grounds that an extreme conservative regime would increase the influence of extreme leftiess. This interpretation received support from a statement 12 August by Miki that a new centrist front would be useless unless the Social Democratic Party participated. This opinion was at variance with that expressed by Democratic Party adviser Wataru Narahashi.

## PRIME MINISTER'S ADDRESS TO FOREIGN CORRESPONDENTS

25. Prime Minister Ashida on 27 August told foreign correspondents that Japan's food problem will be less serious in 1949 than in the past, that he hopes for increased clothing rations, that the rate of inflation is slowing, that production of vital materials is growing and that Japan is settling down to economic rehabilitation.

Significant portions of the speech follow:

"I wish to give a brief picture of our domestic situation today and our future prospects as I see them. Since assuming office, my efforts have been concentrated on the stabilization of the ecomomic life of our people. To be more explicit, the problem is how to enable our large population of 80,000,000 confined within the narrow limits of these islands to eke out a living.

\*Needless to say, the most important of our demestic problems is that of food. Fortunately, rationing of staple foods can be maintained during the most difficult period of shortage this summer, enabling us to pass through the off-season until the new crop is harvested without any delays or reductions, thanks to the generous aid of the United States. As to prospects for the rice harvest this fall, crops in the western half of Japan are not expected to be so good, but in the eastern half record bumper crops are almost certain. If Allied aid can be counted upon as in the past, then our food problem next year will not be as acute as hitherto.

\*Next to food, the problem of providing clothing for our people is one which requires immediate attention. We hope that the over-all economic situation will permit increased rations of clothing. The recent release of 91,000,000 yards of cotton textiles by the Allied Powers has helped to alleviate the critical shortage to some extent.

"I believe it can be said that the tempo of the inflation in our country has slowed down considerably. Whereas bank-note circulation in 1947 increased at the rate of about ¥ 10,000,000,000 monthly, there was an increase of only ¥ 10,000,000.000 for the first six months of the present year. Since February this year, the monthly index of production in vital industries is registering a continuous upward swing. Furthermore, the rate of increase in black-market prices is much less than last year. If material aid from the United States in accordance with the appropriation approved by Congress is forthcoming and put to effective use, the job of defeating the inflation in Japan will be more than half accomplished.

July 22 taught a very good lesson to workers in our public service, clearly defining their rights and obligations as servants of the people. Although local acts of sabotage and desertion of jobs in the government railways are currently going on, there are evidences that such movements will calm down soon. I am hopeful that this will be a starting point from which labor in Japan will set out on a normal course and get down to the urgent business of economic rehabilitation.

"The stabilization of our political situation is a most essential problem. In the last session of the Diet, the present Government held a majority of 30 to 40 seats, and it still retains that majority today, slim as it may be. So long as it continues to do so, I see no reason for the dissolution of the Diet and the holding of general elections at this time. But the question upon which public interest is focused is whether the left wing of the Social Democrats will continue to give full support to the Government. As far as I myself am concerned, I do not think there will be a split within the ranks of the Social Democratic Party.

"The opposition party in our country now is one that opposes only for the sake of opposing. But there is no other course open to any Government in Japan today than to have its policies conform to that of the Occupation. This means then, that the opposition merely opposes for the purpose of gaining control of the government. It has no concrete party platforms, with the exception, of course, of the Communist Party. Even if general elections are held, it would only be a race between three horses, so to speak, to decide which of the three—the Democratic Liberals, the Democrats or the Social Democrats—will succeed in crossing the finish line first, as was the case in the previous election. Nevertheless it would be difficult to stabilize the political situation since no single party can gain an absolute majority.

"At the present time, my party, the Democratic, ranks third. But judging from what I have experienced and witnessed on my recent speaking tours throughout the country, the masses are gradually beginning to understand the policies of the present Government. It is my opinion, therefore, that general elections, if held, would not necessarily be unfavorable to our party.

"Be that as it may, I believe that a middle-of-the-road policy, which the present Government advocates, is the only way out for Japan under the present circumstances. There must be no radical changes in policy with each change of government, since this would upset the basic task of economic recovery which must be carried out vigorously under a consistent policy if Japan is to be reborn as a nation truly devoted to the cause of world peace."

## POLITICAL PARTIES

	Paragraph
Middle Course Political League	
Democratic Party	34
Social Democratic Party	
People's Cooperative Party	41
Democratic Liberal Party	42
Minor Parties	43
MIDDLE COURSE POLITICAL	L LEAGUE

#### Centrist Group Proposals

- 26. Discussion continued on the possible formation of a Central Political League, proposed in July by Chairman Miki of the People's Cooperative Party. The initiative, however, passed during the month from the People's Cooperative to the Democratic Party.
- 27. Wataru Narehashi, adviser of the Democratic Party, said at Aomori 6 August that it was untrue that the "central leagus" was merely a scheme to keep the Ashida cabinet in office. His own plan, he stated, was to establish a center party that would link Demo-cratic Liberal "left-wingers," Democrats, Social Democratic rightists and People's Cooperatives in a new conservative merger.
- 28. Kijuro Shidehara, supreme adviser of the Democratic Liberal Party, sharply criticized Marahashi's plan 12 August. He characterized the central party idea as wishful thinking by the government parties. Shidehara declared, "To establish a single-party Cabinet with either the Democratic Party or the Democratic Liberal Party in full control as soon as possible would be a short-cut to national reconstruction."
- 29. Miki also disputed Narahashi's ideas 14 August, maintaining that it was absolutely imperative to include all Social Democrats in the projected league. On the following day Prime Minister Ashida and Miki, according to press reports, reached agreement on two points: (1) that the proposed league should consist of centrist groups only and (2) that too much emphasis should not be placed on the size of the league.

Narahashi stated 15 August that the league's chief purpose should be to select a strong cabinet to succeed the present administration.

- 30. Members of the Social Democratic Party meanwhile ignored the proposed centrist league movement.
- 31. Top executives of the Democratic Party decided 24 August that the proposed league be renamed the Middle Course Political League. The new name was suggested by Democratic Party Secretary League. General Tomabechi, who asserted that middle-of-the-road politics should be emphasized.

Prime Minister Ashida declared 28 August that the proposed league is a transitional grouping designed to facilitate the eventual formation of a center party. Ken Inukai, Democratic Farty

adviser, also endorsed the league 28 August as a reformist approach to middle-of-the-road policies.

32. Minister of Commerce and Industry Mizutani, right-wing Social Democrat, on 29 August criticized the "vegue policies" of the Democrat-sponsored league. He said the league "is no more than a rechristened version of the Central Political League" and added that "the existence of a middle-course political league with vague policies is ideologically impossible."

#### New Party Suggestions

33. Narehashi proposed 29 August a new "Stabilization Party" to replace the Middle Course Political League. He recommended that the new party seek three prime objectives: national rehabilitation, full reparations payment and complete independence. He hoped to establish his new party by March 1949.

#### DEMOCRATIC PARTY

## Party Administrative Changes

34. Possible early Diet dissolution caused the Democratic Farty to revise and strengthen its party organization. It announced 31 July the formation of a Special Labor Policy Committee headed by Heitaro Inagaki, Democratic member of the House of Councillors. The committee held public hearings with union representatives 4 and 5 August in connection with its study of the National Public Service Law labor laws, wage and unemployment measures, and reform of governmental administration.

Chief Cabinet Secretary Tomabechi replaced Kozaemon Kimura as Secretary General 2 August. Shigeru Hori, Shigeyoshi Fukuda and Shinichi Kadoya were appointed deputy secretaries general.

The Democratic Party announced 2 August the appointment of a committee to direct policies for increasing party strength and influence. The committee, headed by President Ashida, includes Minister of State Takeo Kurusu, Minister of Welfare Giichi Takeda, Ken Inukai and Wataru Marahashi.

## Labor Law Revisions

35. The Democratic Party on 3 August advocated revision of the Trade Union Law, the Labor Relations Law and the Labor Standards Law in addition to the proposed revision of the National Public Service Law.

## Interparty Collaboration

36. Prime Minister Ashida told the press 19 August that collaboration between the Democratic Party and the Democratic Liberal Party would be possible if and when the Diet were dissolved. Although Chairman Katayama had declared that the Social Democratic Party would not collaborate with the Democrats following Diet dissolution, Ashida expressed confidence that the parties could continue cooperation on the basis of general policy agreement. In another statement the following day, Ashida emphasized that he "did not desire dissolution of the Diet or resignation of the Cabinet."

37. The press reported that the Democratic Party's right-wing Taiyokai faction agreed 23 August to discontinue all attempts to win Democratic Liberal support for creation of a conservative coalition.

### SOCIAL DEMOCRATIC PARTY

### Feece Conference Fromosal

- 38. The Social Democratic Party on 16 August released the text of a draft resolution prepared for submission to the Diet urging that a peace conference be held at the earliest possible date. The resolution declared that undue delay in restoring independence to Japan would tend to encourage continued dependence on foreign aid, thereby rendering more difficult the task of national reconstruction. In calling for a peace conference the party voiced desires:
  - (1) That consideration be given to Japan's characteristics so as to help the nation establish a sound economic democracy.
  - (2) That the question of reparations be so handled as to guarantee a reasonable standard of living.
  - (3) That Japan's security be guaranteed by the collective security guarantees of the United Nations and not by a declaration of permanent neutrality or by a series of treaties.

## Accession and Secession

- 39. Yoshinobu Yamashita, Ryokufu-kai (Green Breeze Society) member of the House of Councillors, was accepted as a Social Democrat 13 August.
- 40. Junji Tamai, member of the House of Representatives and formerly chairman of the executive committee of the Niigata chapter of the Social Democratic Party, seceded from the party 20 August to join the Orthodox Democratic Party.

## PEOPLE'S COOPERATIVE PARTY

41. People's Cooperative Party representatives 16 August discussed revision of the National Public Service Law and agreed to refer the matter to a special party committee which should be responsible for drafting a revision of the law. A spokesman announced that the party favored a plan which would curb excesses on the part of labor unions while retaining for government employees all rights compatible with the spirit of the Supreme Commander's letter of 22 July.

## DEMOCRATIC LIBERAL PARTY

#### National Public Service Law

42. The Democratic Liberal Party 31 July urged the Cabinet to frame a bill embodying the recommendations contained in the Supreme Commander's letter of 22 July. The party declared that it would strongly oppose any attempt by the Government to delay convocation of a Special Diet session.

The party held public hearings 2 August on the current labor situation and proposals for future management of the government railways.

In a public statement to the Democratic Party 5 August the Democratic Liberals offered a temporary political truce by proposing joint efforts to revise the National Public Service Law.

The Democratic Liberal statement also specified that President Shigeru Yoshida and other leaders believed that drastic revision of existing labor legislation was also necessary in order to comply with projected revisions of the National Public Service Law.

#### MINOR PARTIES

## Social Renovation Party

43. The Social Renovation Party, formed in March 1948 by dissident Social Democrats and People's Cooperatives, announced on 18 August its opposition to the formation of a centrist party or a middle-of-the-road political league.

#### Orthodox Social Democrats

44. The Orthodox Social Democratic Party on 2 August criticized the cabinet policy on revision of the Mational Public Service Law and supported the demand of government employees unions for a new X 5,200 monthly wage scale. The former left-wingers of the Social Democratic Party accused the Government of misusing the letter of the Supreme Commander as a means of evading its responsibilities.

#### New Liberal Party

45. Members of the preparatory committee for the formation of a New Liberal Party announced that they favored an anti-Communist national cabinet and urged the holding of a peace conference. Committee members, including six members of the House of Representatives, also advocated: (1) realization of government based on the will of the people; (2) establishment of a free economy; and (3) merger of all political parties rejecting both the extreme left and the extreme right.

## Communist Party

46. The Communist Party newspaper Akahata published an editorial 15 August commemorating the surrender anniversary and charging that the Government was doing nothing to promote the peace conference. It was held that conclusion of a peace treaty would "serve to remove Japan"s economic difficulties."

The party has previously opposed the speedy holding of a peace conference. The shift in policy parallels the publication of an editorial in Pravda urging a speedy treaty and stating incorrectly that only the Soviet Union had pressed for a treaty.

## LOCAL GOVERNMENT

## Recall of Mayor in Saitama Prefecture

47. The recall of Kikuo Kato of the National Farmers' faction as mayor of Koyama Mura. Saitama Prefecture, was upheld by the Prefectural Election Supervision Committee 23 August.

A petition for the mayor's recall had been submitted by village residents to the Village Election Supervision Committee, charging Kato with arbitrary conduct of his administration. The recall petition was put to a vote 19 July and the recall was approved 746 to 745.

Kato appealed the decision on the ground that irregularities had been conducted in the balloting. The Prefectural Election Supervision Committee met 23 August to check the ballots and found 749 in favor of recall, 740 opposed and 89 invalid. The recall of the mayor was therefore upheld.

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#### New Governor of Gumma Prefecture

48. Yoshio Ino, independent, was elected governor of Gumma Prefecture in an election held 10 August. He received 247,440 votes to 107,669 for the runner-up, Miyoshi Kitamura, also an independent.

Governor Ino, 51, is a graduate of the law faculty of Tokyo University and a career civil-service official, having held posts in Chiba, Shizuoka and Aomori Prefectures. He succeeds Governor Shigeo Kitano, who resigned in June after being indicted in connection with the "Gumma Coffee Case."

## ILLEGAL TRANSACTIONS INVESTIGATIONS

#### Nishio Acquitted

49. Former Deputy Prime Minister Suehiro Nishio was acquitted 27 August in the Tokyo District Court of the charges of perjury and violation of the government ordinance requiring official registration of monetary donations made to political parties, for which the prosecution had demanded an 18 months' prison sentence.

Presiding over a 45-minute session 27 August, Judge Seiji Hasegawa read the decision upholding his contention that the \$\foatsigma 500,000 Nishio received while Secretary General of the Social Democratic Party was a monetary donation to himself only and not to the party as a whole. The judgment stated that the donors were well aware of the split within the party. At the end of August procurators who had brought the charges against Nishio had not decided whether to appeal the case.

#### Nakasone Found Guilty

50. Ikutaro Nakasone, former Liberal Party member of the House of Representatives, Manabu Shiozuki, former Foreign Office official, and three accomplices in the so-called "Army Uniform Case" received prison sentences in Tokyo District Court 31 August.

Nakasone and his four accomplices were the central figures in a ¥ 6,450,000 swindle involving the illegal transfer of army supplies and uniforms. The case, which began in Tokyo District Court 24 January, was first exposed as a result of original investigations by a Liberal Diet member, Koichi Seko.

Nakasone was sentenced to four years imprisonment for embezzlement and for violation of the election law and Shiozuki to two years imprisonment for assisting in the swindle. One accomplice received a sentence of two years in prison and the other two received one year each.

## Kono Case

51. The case of Ichiro Kono, former secretary general of the defunct Liberal Party, was pending in Tokyo District Court. The prosecution 17 August demanded a sentence of two years imprisonment for the defendant. Kono was charged with violation of the government ordinance prohibiting political activities on the part of purgees and with perjury in testimony before the Illegal Transactions Investigation Committee.

In the same case one-year sentences for Teijo Isozaki and Toranosuke Miura, both Democratic Liberal members of the House of Representatives, were demanded by the procurators on charges of perjury.

## Illegal Transactions Investigation Committee Statement

52. On 2 August Chairman Unjuro Muto of the Illegal Transactions Investigation Committee of the House of Representatives commented as follows on the work of his special committee:

"There is no doubt that our committee has wielded great influence over political circles. It was this committee which first revealed that postwar political circles had been involved in such illicit cases as hoarded goods and political donations cases with building contractors. . .

"Our committee can serve as a means of realizing a democratic revolution without resorting to violence. I think that the democratization of Japan will progress if the political circles are protected from improper political donations.

"Although we have been accused of dirty politics, our position has been justified because we have shown that mud exists. Now, following the difficulties of the Nishio case, our work has become easier.

"The case that developed out of the coal mine state control question will affect every party and may have considerable effect on what the next government will be. Although investigation of the Arms Disposal Committee may lead to the implication of prominent figures in political, financial and official circles, such coincidental developments are no concern of ours."

#### Arms Disposal Investigations

 $53.\,$  The Diet special committee also opened hearings in August on the "Arms Disposal Case" and the "Coal Control Bribery Case."

Hearings on the Arms Disposal Case opened 23 August. The case is understood to involve prominent industrialists accused of misappropriating large amounts of Japanese materials released to the Ministry of Home Affairs after the surrender. Finished products were to be scrapped and nonwar goods used for public relief purposes. Accusations have been made that much of this material was embezzled.

Former Frime Minister Kijuro Shidehara, now adviser to the Democratic Liberal Farty, testified 23 August as the first witness in this investigation. Shidehara stated that the SCAP memorandum of 24 September 1945 regarding disposal of finished, semiprocessed and raw materials had been issued before his assumption of the prime-ministership 9 October 1945 and that his cabinet had "in all probability followed the policy fixed under the preceding Higashi-kuni cabinet."

Shidehara could not remember that his cabinet had ever discussed arms disposal, but committee members Kyuichi Tokuda, Communist, and Shiro Nakano, Japan Farmers! Party, pointed out that the records showed that the Shidehara cabinet had conducted such discussions 19 October 1945.

Hachiro Yamaji, former chief of the Monferrous Metals Section of the Mining Bureau, Ministry of Commerce and Industry, testified 24 August that his section had selected the Furukawa Electric, the Sumitomo and the Kobe Steel Works as three members of an Arms Disposal Committee. Yamaji added that the Iron and Steel Section of the Ministry of Commerce and Industry had selected the Japan Steel and Iron Manufacturing Company and the Japan Steel Tube Manufacturing Company as the other members of this committee.

Shoji Suganami, former chief of the Central Affairs Bureau of the Ministry of Commerce and Industry, testified also on 24 August that the Arms Unit of his bureau had entrusted the five companies, as an Arms Disposal Committee, with the tesk of scrapping war arms and materials. The program had been submitted to the Home Ministry in his name.

Both witnesses, who had been officials in the Higashi-kuni cabinet, emphasized that no pressure had been exerted in appointing the five companies as the Arms Disposal Committee.

Iwao Yamazaki, former Home Minister in the Higashi-kuni cabinet, testified on the same day that former Prince Naruhiko Higashi-kuni, who headed the first postsurrender government, was not responsible for suspected illegal disposal of materials.

Meanwhile, the Supreme Procurator's Office, which had been working on the case independently of the Diet special committee, opened a nationwide investigation by setting up, in conjunction with the Attorney-general's Office, a network of "special search units" led by Procurator Yusaburo Obata.

#### Coal Mine Legislation Case

54. In its investigation into the alleged bribery of Diet members in connection with the passage of the Temporary State Control of Coal Mines Act, the Illegal Transactions Investigation Committee early in August ordered the managers of several hotels to furnish lists of all guests registered between 1 July and 30 November 1947 together with accounts of money paid and received by them.

These orders were issued to the Fuji Hotel in Ueno, the Ryumeikan in Kanda, the Nakagawa Ryokan in Akasaka, the Suzuki Ryokan in Takinogawa and the Kawamura Ryokan in Tsukiji, all in the Tokyo area, and the Hanaya Ryokan in Fukuoka.

The committee drew up a list of key witnesses to be subpoensed. The list includes all leading figures in coal mine associations.

## Additional Charges

55. Kenkichi Tanaka, Social Renovation Party member of the committee, charged that Chairman Takeo Miki of the People's Cooperative Party had violated the government ordinance concerning monetary donations to political parties. Miki is alleged to have failed to report in detail a total of \$ 700,000 received through the Hokkaido Agricultural Association for use in the general elections of April 1947. A donation of \$ 200,000 of this amount, given by Miki to the People's Cooperative Party, was properly reported.

56. Terusaburo Myorei, Democratic Liberal member of the committee, made additional charges 23 August against Minister of Finance Tokutaro Kitamura in connection with supposed illegal transactions at Sasebo. Myorei asserted that Kitamura had received donations totaling ¥ 300,000 for personal use during the general elections of April 1947. Kitamura denied the charges.

Myorei, who had already filed charges 5 July against Kitamura for perjury and violation of Imperial Ordinance No. 311 "concerning actions detrimental to the Allied Occupation," declared that Seitchi Kadoya, Democratic Farty member of the House of Councillors, had procured an additional donation of ¥ 300,000 for Kitamura. Because of this financial aid, according to Myorei's charges, Kitamura arranged for a loan of ¥ 9,000,000 from the Reconstruction Finance Bank

to the Hoshino-gumi of which Kadoya is president. Myorei further declared that at least eight witnesses would testify in the case.

57. An announcement 20 August stated that in an effort to speed up investigations on a number of cases pending before the committee, especially the coal mines case, the illegal disposal of arms, large-scale black-market operations and other cases, the number of investigators working with the committee had been enlarged. Fight additional attorneys belonging to the Tokyo Bar Association were commissioned as investigators and others were to be sought in judicial, procuratorial and government circles.

#### THE PURGE

## Organizations Dissolved

- 58. The Attorney-general's Office during August dissolved the following ultranationalistic organizations:
  - (1) The Japan Anti-Communist League, Otsuru Young Men's Section (Nippon Hankyo Renmei Otsuru Seinenbu). Ichiro Koga, who in July assaulted Kyuichi Tokuda, Secretary General of the Japan Communist Farty, was principal officer of this league. Since the league attempted terroristic measures it became subject to dissolution.
  - (2) The Korean National Defense Army (Chosen Minshu Giyudan). This organization with headquerters in Chiba Prefecture planned to create within Japan a Korean Army for eventual activity in Southern Korea. The army engaged in military drill, wore uniforms and conducted acts of terrorism against other Korean organizations which disagreed with its plans. Because the army employed quasi-military training it violated SCAP regulations.
  - (3) The Japan Long-nosed Goblin Party (Nimon Tengu To), made up of a group of racketeers who threatened and intimidated stallkeepers in the Shimbashi-Ginza area of Tokyo in order to gain political power and to receive funds, was dissolved for using terrorism.

Other organizations ordered dissolved in August were:
(1) Great Japan Comrades Association (Dai Nippon Doshi Kai), (2)
Students' Sincerity Institute (Gakuto Shisei Kai), (3) Asia Rising
Young Men's Movement Headquarters (Koa Seinen Undo Hombu), (4) Formosa South Association (Taiwan Nampo Kyokai), (5) East Asia Reconstruction League (Toa Kensetsu Kyokai), and (6) Yamato Patriotic
Movement Headquarters (Yamato Hokoku Undo Hombu).

These six organizations were affiliates of the Great Japan Rising East Asia League (Dai Nippon Koa Domei), a pseudo holding company during the war for approximately 61 ultranationalistic and other organizations. The Dai Nippon Koa Domei and 45 other affiliates had already been dissolved under the terms of early Occupation directives.

#### Further Public Office Purges

59. The number of persons examined for qualification for public office, since 10 May the responsibility of the Prime Minister's Office, rose to 977,735 by the end of August. Of these 201,933 were purged.

The Prime Minister's Office announced that a list of all purgees had been virtually completed and that it would soon be published.

#### Purge Violations

- 60. Kyoichi Ishikawa, mayor of Yokohama, was indicted 29 July for omitting from his public office qualification questionnaire all mention of his sponsorship of an anti-British rally in 1937 and for a false entry which stated that he had declined to be an officer of the Political Association of Great Japan although he actually did assume the post of vice-chief of the Yokohama chapter.
- 61. Seiichi Okamoto, former president of the Kasumigaseki Publishing Co., Ltd., also was indicted 29 July for continuing to conduct company business after he had been purged for militaristic and ultranationalistic activities.
- 62. Purgees Katsuichi Yamamoto and Sawaji Tanaka were indicted 7 August, the former for public criticism of economic policies and the latter for continued participation in political activities.
- 63. Tomojiro Okubo, former mayor of Tokyo, was indicted 25 August for continuing political activities after his purge in May 1947.

## Ex-consul Arrested

64. Setsuya Beppu, consul general in Dublin at the end of the war, was arrested upon his return to Japan 17 August for violation of the terms of the SCAP memorandum of 25 October 1945 directing surrender of all Japanese diplomatic and consular property and archives.

## ECONOMIC PLANS AND POLICIES

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## GOVERNMENT SUPPORTS ESB POLICY

65. The Government pledged itself 6 August to adhere to the 10-point economic policy formulated in July by the Economic Stabilization Board. Through strict enforcement of this program the Government hoped to encourage the introduction of foreign capital and to stabilize national economy.

After receiving reports from the various ministries the ESB will draft concrete plans for economic stability.

Some of the points included in the program are already in force. Of the 10 points of the over-all policy, the following are stressed: (1) increased production; (2) an orderly flow of commodities; (3) effective delivery of foodstuffs; (4) redistribution of the tax burden; (5) reduction of deficits in the special accounts; and (6) stabilization of the national economy through formulation of a single foreign exchange rate.

## FINANCIAL REORGANIZATION PLAN

The Government 17 August outlined a plan, to be considered by the Diet at its special session, to reorganize financial institutions. The proposal would abolish all wartime influence, reorganize the Bank of Japan on the pattern of the Federal Reserve Bank system in the United States, provide for insurance on deposits and limit bank loans. A commission separate from the Ministry of Finance would administer the plan.

## WAGE REVISION

# Temporary National Personnel Authority Action

67. Chairman Kiyoshi Asai of the Temporary National Personnel Authority declared his intention 31 July of "scientifically drafting a new wage scale based on the belief that the I 3,790 basic wage

He asked public servants to refrain from discussing reform measures until the authority had completed its research and study. He promised that a Fair Employment Section would be set up to give government workers an opportunity to present facts and opinions concerning their employment or to file petitions for relief.

Chief Cabinet Secretary Tomabechi on 4 August requested Chairman Asai to complete the authority's deliberations on wages by

## Disagreement Over Authority's Powers

69. Some divergence of views regarding the authority's powers arose among members of the Cabinet and members of the Temporary Netional Personnel Authority. Minister of Finance Tokutaro Kitamura questioned the authority s powers regarding the wage standard. At a Cabinet session 5 August, Kitamura insisted the Ministry of Finance is responsible for the formulation of the budget. This responsibility, according to Kitamura, would be greatly complicated if the Temporary National Personnel Authority made wage decisions. The Minister of Finance also protested against transferring his ministry s

## Political Statements on Issue

70. Chief Cabinet Secretary Tomabechi and ESB Director General Kurusu suggested 12 August that measures be adopted to:

- Hold off direct control over wages while the National Public Service Law was under revision.
- Stabilize real wages by increasing staple food rations in October rather than in November as previously proposed.
- (3) Enlist popular support in adopting a wage-stabilizing

At a conference 15 August Minister of Finance Kitamura declared that the Government desired to raise real wages while keeping the nominal wage base pegged at ¥ 3,791 a month. He explained that this would be possible under such favorable conditions as increased rice rations in November, the release of 91,000,000 yards of cotton cloth and the distribution of 4,000,000 used suits to be im-

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Minister of Agriculture and Forestry Nagae suggested 16 August that the Government should raise the daily per capita rice ration to 2.7 go (0.49 liter) from November. He also announced a possible 2.5-fold increase in the price of new rice, but said the wheat purchase price would be held at 1.8 times that of last year.

Higher living costs were predicted by Deputy Chief Nobuo Noda of the Price Board who stated 16 August that consumers' prices would rise one or two percent when the sales tax becomes effective 1 September.

## Revenue Sources and Legislation Drafting

71. Chief Cabinet Secretary Tomabechi, ESB Director General Kurusu and Minister of Finance Kitamura announced 19 August that potential revenue to cover increased wages and other emergency expenditures totaled less than ¥ 1,000,000,000. The Ministry of Finance was delegated to find additional funds without imposing a greater burden on the public which, in the opinion of these cabinet ministers, "is already suffering from high taxes."

72. Chief Cabinet Secretary Tomabechi announced at a conference 26 August that a wage stabilization bill would be presented to the special Diet session. After deciding upon a "fair wage level" the authority will undertake to find revenue sources, Tomabechi declared, adding that he foresaw considerable difficulty on this score. The wage bill must be approved by the Cabinet and is subject to review by the Diet.

## Payroll Deductions

73. The Cabinet decided 20 August to reduce payrolls in Special Accounts by Y 1,000,000,000 to parallel General Account payroll reductions by eliminating 90 percent of the number of vacancies as of 1 April plus 20 percent of newly added positions after that date.

## ANTI\_INFLATION PROGRAM

74. The Social Democratic Party announced 11 August that its Political Affairs Research Committee had drafted an anti-inflation program to be submitted at the coming Diet session. The plan proposes to increase production in order to afford better living conditions for workers. It urges the establishment of a wage standards committee to provide automatic wage increases in accordance with increases in production. The program also suggests petitioning the Allied Powers for measures to facilitate economic recovery. It held that the problem of inflation cannot be solved without undertaking drastic monetary reforms.

Measures advocated include adoption of a gold-yen standard; adjustment of loss; reorganization of industrial and business enterprises in order to lower costs of production; imposition of heavy taxes on black-market profits and on hoarded and concealed goods; and the financing of unemployment relief programs.

## RECONSTRUCTION PLAN

75. On 18 August the Democratic Liberal Party announced a program for economic reconstruction providing for:

- (1) Balancing of the budget.
- (2) Relaxation of government controls on loans.

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- (3) Revision of the Reconstruction Finance Bank system to provide adequate loans to farmers, fishermen and small enterprises.
- (4) Revision of the official price list.
- (5) Introduction of foreign capital, both private and governmental, to increase production and to accelerate adoption of an exchange rate.
- (6) Balancing of the prices of agricultural products and manufactured goods.
- (7) Removel of some restrictions applying to farmers who have fulfilled their staple food delivery quotas to permit them to sell their remaining stocks on the free market.
- (8) Reduction of economic controls.
- (9) Formulation of measures to prevent unemployment resulting from the execution of the preceding measures.
- (10) Promotion of public works, social relief programs and the institution of the new education system.

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## SECTION 2

#### PUBLIC SAFETY

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### ACCIDENTS

#### Rail Accidents

1. Rail accidents in July numbered 635, an increase of 13 over the preceding month. Persons killed in July totaled 192 and the injured numbered 652, compared with 206 persons killed and 437 injured in June. Approximately 35 percent of the casualties were caused by collisions and derailments, 31 percent were persons struck by trains and 34 percent were due to falling or jumping from trains or to other reasons. See the chart on the next page

## RAIL ACCIDENTS AND CASUALTIES

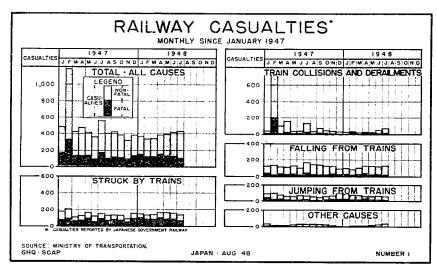
	Jur	ie	July		
	Government Railways	Private Railways	Government Railways	Private Railways	
Accidents	403	219	403	232	
Killed	1.35	71	110	82	
Injured	285	153	319	333	
Causes of casualties					
Falling from trains	116	36	133	43	
Jumping from trains	66	40	61	23	
Struck by trains	158	73	136	123	
Collisions and de-					
railments	51	71	77	218	
Others	- 89	3	33	9	

SOURCE: Ministry of Transportation.

## LAW AND ORDER

## Demonstration

2. On 2 August Osaka city officials, acting in conjunction with the assembly, amended an ordinance limiting the right of mass meeting and of parading. The ordinance, passed 12 July to preserve public safety because unauthorized demonstrations had been planned for 13 and 15 July, was judged to conflict unduly with civil liberties.



#### Hoarded Goods

3. The Economic Stabilization Board in July recovered and placed in legal distribution chemiels hoarded and concealed goods valued at \$ 5,952,239, a decline of \$ 82,226,893 from June and \$ 24,768,361 from May.

## HOARDED AND CONCEALED GOODS (yen)

	<u>June</u>	July
Foodstuffs	3,694,061	573,319
Textiles	57,248,625	761,673
Metals	26,476,488	3,381,865
Crude rubber and rubber		
products	230,195	0
Paper	0	201,058
Chemicals	184,172	164,631
Coal	334,000	52,500
Oils and fats	0	817,193
Miscellaneous goods	11,591	0
Total	88,179,132	5,952,239

SOURCE: Economic Stabilization Board.

4. Police in Tochigi Prefecture uncovered approximately \$\foatin 100,000,000 worth of concealed goods in Koyama town 11-12 August. On the first day 19,550 yards of habutae silk were imcounded from a warehouse belonging to the Kokka Sewing Company and later 9,700 yards of habutae silk, 14,555 pounds of silk yarn, 3,308 pounds of silk ribbons, 330,000 pairs of canvas shoes and 1,350 pairs of trousers were recovered in the same district.

## Black-marketing and Fraud Cases

5. Toyohisa Morita, Democratic Liberal Party member of the House of Councillors from Shizuoka Prefecture and chairman of the Agricultural Association and of several foodstuff, industrial and sericultural companies in the prefecture, was arrested 7 August by

the Shizuoka Public Procurator's Office for alleged connection in the Shizuoka Agricultural Association case involving black-marketing of rice.

- 6. Akira Yokoyama, director of the Marunouchi branch of the Yasuda Bank, was indicted 17 August by the Tokyo District Public Procurator's Office on charges of accepting a bribe of \$30,000 from Takashi Fujii. managing director of the Showa Electric Industry Company. Noboru Yokota, manager of the Ginza branch of the Sanwa Bank, and Shunji Higuchi, submanager of the bank, were arrested on the same charge 11 and 23 August.
- 7. Takeo Tanaka, former Minister of Transportation in the Shidehara cabinet, was sentenced to two years at hard labor and fined ¥ 700,000 by the Tokyo District Court 26 August. He was convicted of operating a black-market restaurant in his home in violation of government control regulations on food and restaurants and was also found guilty of possessing quantities of goods belonging to the Occupation Forces. Kunifusa Aoki, his manager, was also sentenced to one year at hard labor. These two men were indicted on 29 December 1947.
- 8. Taro Iwasa, a former major-general and one of the leading participants of the Osaka Arsenal Case, was sentenced to eight years' imprisonment and fined ¥ 5.000 on 28 August. Nineteen others involved in the same case were sentenced to prison and fined.

#### Crime

9. Total offenses reported in June were 211,331 and arrests numbered 122,545, compared with 219,541 offenses and 122,782 arrests in May. Sixty-four percent of the reported offenses and 39 percent of the arrests involved offenses against the Criminal Code. Larceny constituted 78 percent of the reported offenses and accounted for 52 percent of the arrests for violations of the Criminal Code.

Of the total arrested in June 117.251 persons were Japanese. 5.231 were Koreans. 23 were Chinese, 14 were Formosans and 26 were of other nationalities.

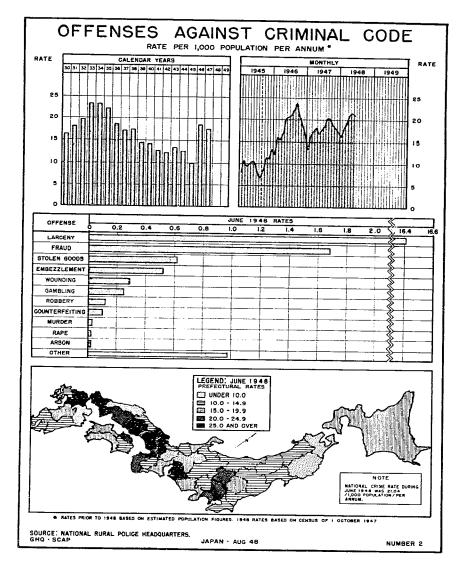
10. The highest prefecturel criminal offense rate was 43.33 per 1,000 population per annum, reported in Hyogo Prefecture; Tokyo had 41.34, Fukucka had 38.36, Osaka reported 36.28 per 1,000 population per annum and the others ranged from 7.96 to 29.51 per 1,000 population per annum. See the chart on the next page.

#### POLICE

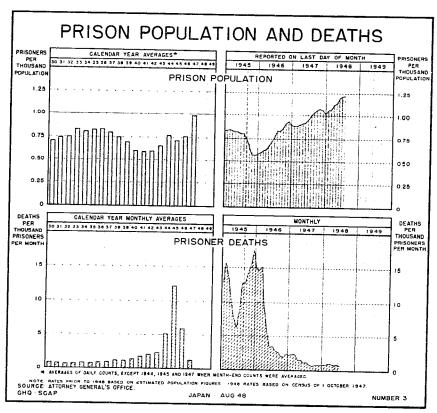
- 11. The Tokyo Municipal Police Department evacuated strikers from the Toho Motion Picture Company's Kinuta Studio 18 August. Police action was ordered by the Tokyo District Court after the strikers had failed to comply with a court order to evacuate the studio.
- 12. The transfer from the National Rural Police to the Ministry of Communications of all outside police telephone lines was completed 1 August.

## PRISONS

13. The Attorney-general's Office completed transfer of 2,750 prisoners from various Honshu prisons to Hokkaido agricultural development projects in August. The prisoners are to be returned to their former institutions before winter.



- 14. The National Wardens' Association of Japan held its annual meeting in Tokyo 4-6 August. After the conference the wardens inspected the internal management demonstration project at Fuchu Prison in Tokyo Prefecture.
- 15. Twenty-nine guards from various Kanto district prisons completed a 60-day refresher training course at the Central Guard Training School in Tokyo 14 August.
- 16. The prison population 31 July was 95,557, of whom 77,207 persons, including 3,849 juveniles, were sentenced and 18,350 were awaiting trial. In June the total prison population was 94,700.
- 17. Prison deaths in July numbered 70, a decline of 11 from June.



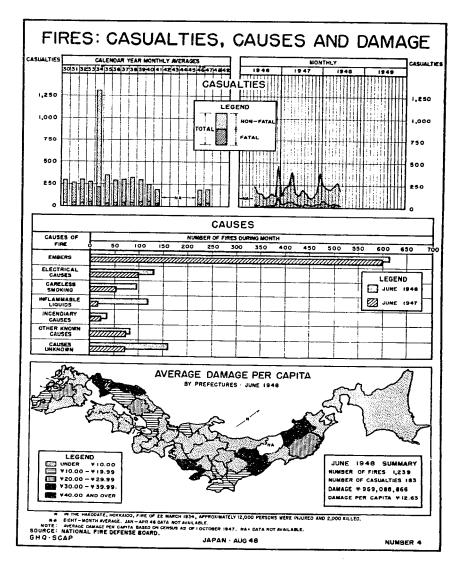
## FIRES

- 18. The Tokyo Municipal Fire Department in August prepared two new emergency rescue trucks for use in earthquakes, fires and other disasters. The trucks are equipped with axes, saws, forcible entry tools, a 10-ton hoist and other implements necessary for emergency rescue operations.
- 19. June fires declined 37 percent below the May reports, while fire losses fell to 43 percent of the May figures.
- 20. Shimane Prefecture reported the highest June prefectural fire-loss rate of \$\mathbf{Y}\$ 70 per 1,000 population per annum. Seven prefectures reported rates ranging from \$\mathbf{Y}\$ 20.70 to \$\mathbf{Y}\$ 56.79 per 1,000 population per annum while the rates of the other prefectures varied from \$\mathbf{Y}\$ 0.57 to \$\mathbf{Y}\$ 16.72 per 1,000 population per annum.

FIRES

<u></u>		May	June			
N	umber of		Number of			
_	Fires	Losses (yen)	<u>Fires</u>	Losses (yen)		
Embers	1,189	1,363,343,533	614	348,657,105		
Careless smoking	127	305,998,103	96	49,108,044		
Electric sparks	136	171,097,199	131	124,661,113		
Incendiary	44	23,426,450	35	10,085,240		
Inflammable liquids		12,856,519	119	77,263,526		
Miscellaneous	189	186,741,256	<b>8</b> 3	44,913,787		
Unknown	218	248,096,642	<u> 161</u>	314,400,051		
Total	1,971	2,311,559,702	1,239	969,088,866		

SOURCE: National Fire Defense Board.



## MARITIME SAFETY

21. Responsibilities for law enforcement in the offshore waters of Japan were transferred in August from the National Rural Folice to the Maritime Safety Board. The responsibility for ordinary policing in dock areas was retained by municipal police departments.

#### SECTION 3

#### LEGAL AFFAIRS AND WAR CRIMES

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## SUPREME COURT

1. The Supreme Court accepted jurisdiction in 15 civil and 198 criminal cases in July. It disposed of 14 civil and 143 criminal cases. Chief Justice Tadahiko Mibuchi ennounced 3 August that the court had completed 920 cases during the past year.

## LEGAL AFFAIRS

## Judges Conference

2. To unify procedure and to clarify interpretation of new laws the 13 Supreme Court judges and 57 judges in charge of criminal cases in the eight High Courts and the 49 District Courts of Japan conferred 28-29 July on the Habeas Corpus Act, Code of Criminal Procedure, Inquest Law, Juvenile Law and other related criminal laws.

## Procurators' Conference

3. The Prosecution Bureau of the Attorney-general s Office held a conference of all deputy chief procurators 12-13 August to study the new Code of Criminal Procedure.

## Popularization of the Legal and Judicial Reforms

4. A series of 15 weekly press conferences designed to popularize recent legal and judicial reform legislation began 13 August.

## DOMESTIC RELATIONS COURT

5. The Domestic Relations Court received 27.956 cases from 1 January to 1 April. Forty-one percent of the complaints were filed by women, 40 percent by men and 19 percent were joint complaints.

## INVESTIGATION OF SUSPECTED WAR CRIMINALS

6. Three new atrocity investigations were begun and 168 completed from 24 July to 24 August, reducing cases on hand to 459.

#### ATROCITY INVESTIGATIONS

	Cases on Hand 24 Jul	Cases Received 24 Jul - 24 Aug	Cases Completed 24 Jul - 24 Aug	Cases on Hand 24 Aug a/
POW camp conditions	3	o	. 1	2
POW atrocities	55	0	20	<b>3</b> 5
Flyers	202	3	36	169
POW ships	7	0	7	0
Kempei-tai (Military				
Police)	16	0	4	12
Miscellaneous	341	<u>o</u>	100	<u>241</u>
Total	624	3	168	459

a Includes cases still under investigation which may involve an undetermined number of defendants.

## APPREHENSION OF SUSPECTED WAR CRIMINALS

7. Between 25 July and 24 August the Japanese Government was directed to apprehend and deliver to Sugamo Prison 70 persons suspected of participation in war crimes. Of these, nine were former army and navy officers, 20 were former enlisted men and 41 were civilians. Sixty-one war crimes suspects were taken into custody. The total number of persons interned at Sugamo 24 August was 1,172.

The Government was notified of the release from custody of 22 previously suspected war criminals between 25 July and 24 August Their impounded property was returned.

## PROSECUTION OF WAR CRIMINALS

8. By 20 August 718 war crime suspects had been tried of whom 664 were found guilty and 54 were acquitted. Of the guilty 105 were given death sentences. Twenty-three death sentences have been executed, one prisoner is awaiting execution, 76 sentences are awaiting approval by Occupation Forces authorities and five have been commuted. The remaining 559 convicted war criminals were sentenced to terms ranging from six months to life at hard labor.

From 21 July to 20 August seven trials of war criminals were completed. All 15 defendants, of whom 10 were former army and navy officers, four were former enlisted men and one was a civilian, were found guilty. Two were sentenced to death, two to 40 years' imprisonment, one to 35 years imprisonment and the others to terms ranging from two to 20 years.

## TRIAL OF WAR ATROCITY CASES

Name	Capacity	Rank	<u>Date</u>	Results of Trials
TONOMURA Oku <b>ji</b>	Intelligence Officer	Lt :	6 Jul 48- 26 Jul 48	9 years

<u>Name</u>	Capacity	Rank	Da		Date		Results of Trials	
HATANO Kozo	Kempei-tai	Cpl		Jul Jul			3 years	
MUTSURO Fujio	Intelligence Officer	Lt Col					35 years	
TAKEUCHI Jiro	Intelligence Section	Sgt Maj					3 years	
TANIGUCHI Tetsuo	Gunnery Officer	Ensign		Jul Jul			Death	
SATO Isamu	CO Naval Air Unit	Lt Comdr					Death	
KIDA Satohiko	Combat Observer	Capt					40 years	
YOSHIDA Masayoshi	CO Gun Batteries	Lt (jg)					40 years	
CHIUMA Sazae	Excutioner	Ensign		Jul Jul			10 years	
MATSUURA Saburo	Mess Supervisor	Civ		Jul Aug			3 years	
FUKUMURA Yuetsu	Interpreter	Pfc					2 years	
KITASHIMA Riichi	Area CO POW camp	Lt Col	-	Jul Aug			5 years	
NISHITANI Manichi	Army Cook	Pfc		Aug			5 years	
SATO Isamu	CO Naval Air Unit	Lt Comdr		Aug		- <b>-</b>	20 years	
OSHIMA Munchiko	Company Commander	Lt					7 years	

9. The two men sentenced to death and the two sentenced to 40 years at hard labor were responsible for the decapitation of an American naval flyer shot down over Kikai Island. Isamu Sato, a former lieutenant commander who ordered the execution, and Tetsuo Taniguchi, a former ensign who acted as executioner, were sentenced to death. Satohiko Kida, a former navy captain who as ranking officer approved the execution plan, and Masayoshi Yoshida, a former junior grade lieutenant who was Taniguchi's commanding officer, received terms of 40 years at hard labor.

Twenty-two persons were found guilty of cannibalism and vivisection 27 August.

Isamu Sato, former lieutenant commander, was sentenced 26 July to death for responsibility for the death of an American airman. At a later trial 13 August he was sentenced to 20 years at hard labor for participation in the killing of an American airman.

### INTERNATIONAL PROSECUTION OF WAR CRIMINALS

10. The International Military Tribunal for the Far East, which adjourned 16 April to prepare its judgment, held no session in August.

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## GENERAL HEADQUARTERS SUPREME COMMANDER FOR THE ALLIED POWERS

### SUMMATION

of

### NON-MILITARY ACTIVITIES

in

### JAPAN

Number 35

August 1948

### PART III

### ECONOMIC

## $\underline{\mathtt{T}} \; \underline{\mathtt{A}} \; \underline{\mathtt{B}} \; \underline{\mathtt{L}} \; \underline{\mathtt{E}} \quad \underline{\mathtt{O}} \; \underline{\mathtt{F}} \quad \underline{\mathtt{C}} \; \underline{\mathtt{O}} \; \underline{\mathtt{N}} \; \underline{\mathtt{T}} \; \underline{\mathtt{E}} \; \underline{\mathtt{N}} \; \underline{\mathtt{T}} \; \underline{\mathtt{S}}$

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### SECTION 1

### AGRICULTURE AND FISHERIES

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### AGRARIAN REFORM

### Land Sales

1. The Government sold 97,790 cho (96,982 hectares) of land in July, 491,701 cho (487,640 hectares) less than in June. Cumulative sales under the land reform program where 1,320,113 cho (1,309,209 hectares) as of 31 July.

### AGRICULTURAL CCOPERATIVES

### Organization

- 2. As of 15 July prefectural governors had approved 5,888 non-stock and 13,242 capital stock cooperatives. Two hundred thirty federations of agricultural cooperatives were approved as of 14 August. In addition preliminary organizational meetings had been held by 25,701 agricultural cooperative associations and 24,595 had held constituent general meetings as of 15 July.
- 3. As of 30 June 17,557 approved agricultural cooperatives had elected 222,833 directors and auditors. Of these 31,930 directors and auditors were elected by 2,893 cooperatives in June. Of the total number of directors and auditors 182,418 held agricultural association offices for the first time; the others were former association officials.

### Dissolution

4. All agricultural associations, agricultural practice associations and sericultural practice associations which had not dissolved voluntarily were dissolved 14 August pursuant to Article 1 of the Agricultural Association Dissolution Law. Economic functions of the 10,747 agricultural associations (nogyo-kai) are to be taken over by the new agricultural cooperatives.

### Information Programs

5. Twenty-four radio programs on liquidation procedures for the old agricultural associations and on the organization of new agricultural cooperative associations were broadcast during the month. The schedule included nine programs of two minutes each, six of three minutes, six of five minutes, two of 10 minutes and one of 15 minutes.

Approximately 150,000 posters urging farmers to participate actively in their agricultural cooperative associations were distributed 5 August.

### <u>Administration</u>

- 6. Prefectural governors were instructed by the Ministry 4 August that Article II of the Agricultural Association Dissolution Law, which requires government approval for the disposal of any properties of the agricultural associations not within the normal course of business, will continue to apply after the dissolution of such associations.
- 7. The Government implemented the agricultural cooperative program by issuing three cabinet orders in Angust. One, issued 3 August, authorized immediate leasing of agricultural association properties to agricultural cooperatives pending final transfer. It required agricultural associations to give public and individual notice to any creditors who might object to such transfer, and set standards for appraising and disposing of such properties.

The Cabinet 13 August designated the Central Cooperative Bank for Agriculture and Forestry as liquidator for the agricultural associations. A third cabinet order issued the same day established procedures for transferring properties of Horse Owners Associations to agricultural associations.

8. A total of  $\frac{\pi}{4}$ ,009,458.80 was expended for administration of the agricultural cooperative program in July.

### SOIL SURVEY

- 9. In the first reconnaissance soil survey of Japan in which modern methods of classification and mapping have been used, a survey of the rich Kanto Plain was completed in August. The plain, about 12,400 square miles in area (3,211,603 hectares), comprises Chiba, Gumma, Ibaraki, Saitama, Tochigi and Tokyo Prefectures, and in 1946 had a population of 15,209,223. About 32 percent of the employed persons were engaged in manufacturing; an equal number were employed in agriculture; 18 percent were engaged in commerce; and the rest in mining, fishing, professional work, transportation and communications.
- 10. Most of the Kanto Plain farms are small, more than one half of them one hectare or smaller in area. Thirty percent of the region is in cultivated fields, almost 50 percent in forest area and the remaining in urban areas, highways and other non-agricultural uses.
- 11. The most important food crops in the Kanto Plain are rice, wheat, barley and white and sweet potatoes. Additional food crops are other cereals, beans, peas and green vegetables. Tea, tobacco and mulberry bushes are the leading nonfood crops.

### INDUSTRIAL CROPS

### Mulberry

12. Total acreage planted in mulberry bushes was 178,043.5 cho (176,572.9 hectares) as of 1 April compared with 175,243.9 cho (173,796.4 hectares) as of 1 December 1947.

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### Tobacco

13. Apprehensions of illegal cultivators of tobacco registered a sharp increase in July when 7,135 violators were caught, compared with 7,490 violators reported throughout 1947. Severe rationing of tobacco prompted many households to grow their own supply. Surveillance is being tightened and a fine amounting to 20 times the blackmarket price of tobacco was established for violators.

### LIVESTOCK AND DAIRY PRODUCTS

### Distribution of Goats

14. Of the third and fourth shipments of 464 goats which arrived 17 July and 2 August and were donated by the Brethren Service Committee, the Ministry of Agriculture and Forestry received 73 and the others were allotted to the Ministries of Welfare and Education.

### Livestock Slaughter

15. Carcass weight of livestock slaughtered in June increased by 111.3 metric tons over May to 3,410.3 metric tons. See the first chart on the following page.

### LIVESTOCK SLAUGHTER Carcass Weight (metric tons)

	May	June
Cattle	1,892	1,950
Swine	892	940
Horses	509	517
Sheep and goats	6	3.3

SCURCE: Ministry of Agriculture and Forestry, Livestock Buregu.

### Milk Production

16. June milk production was reported to be 15,557,000 liters, an increase of 3,438,000 liters over May. See the second chart on the following page.

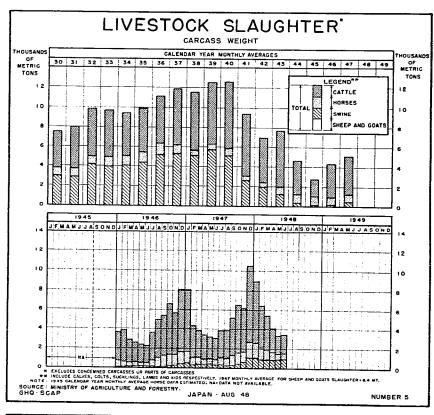
### **FISHERIES**

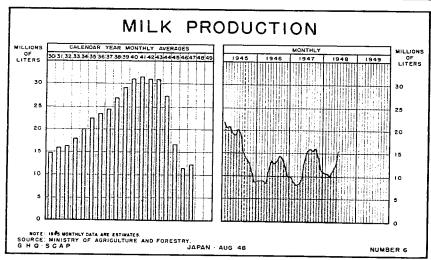
### Marine Production

17. Smaller catches of sardines, mackerel and other important species resulted in a decrease of June landings to 150,518 metric tons compared with 200,630 metric tons in May. The fish catch dropped to 130,492 metric tons, a decrease of 55,847 metric tons, but landings of other marine products increased 40 percent to 20,026 metric tons.

Hokkaido's marine catch dropped to 36,162 metric tons and Kyushu's to 30,758. The Kinki region reported a low catch of 4,761 metric tons. Note chart, page 61.

18. Shortages of ice and cold storage facilities on shore and lack of mechanical refrigeration and quick-freeze units aboard fishing boats caused much spoilage. About 2.2 tons or 6.16 percent of

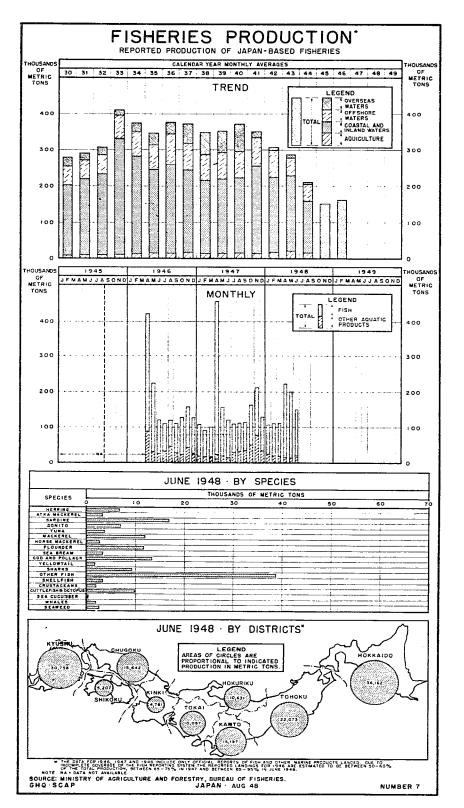




the 36.05 short tons of frozen tuna shipped to the United States were rejected by U. S. inspectors as tainted. Of the 3,000 metric tons of albacore (white meat tuna) caught this season, only 1,000 tons were suitable for export.

### Equipment and Supplies

19. Purchase rights for materials owned by the Central Fisheries Federation, a control organization dissolved in November 1947,



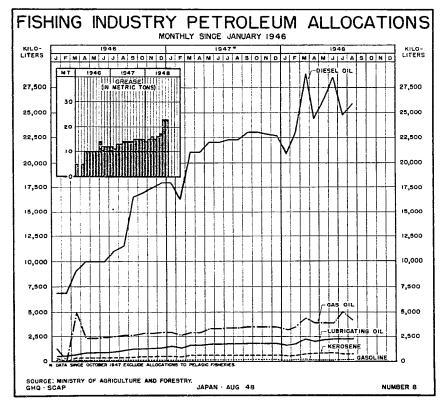
were awarded to the Mippon Suisan Company, Ltd., and the Hodoshima Fishing Association of Oita Prefecture, the only bidders. The materials consisted mainly of rubber manufactured products, paint and lead with an estimated value of ¥ 3,000,000.

- 20. The Tokyo Fisheries Company reported successful results of an experiment with the Shirayuki Maru, a new 100-ton, 250-horse-power, California-type purse seiner, the first of this type to be used by the Japanese fishing industry. On the first day of operation, 3 August, 70 tons of bonito were caught in two hauls.
- 21. August allocations of petroleum products to the fishing industry increased in all items except gas oil, which decreased, and grease, which remained the same as in July.

# ALLOCATION OF PETROLEUM PRODUCTS August (kiloliters)

Diesel oil	25,930
Gas oil	4,150
Lubricating oil	2,280
Kerosene	717
Gasoline	132
Grease (metric tons)	23

SCURCE: Ministry of Commerce and Industry.



### Whaling

22. Seventy-five sperm, 32 fin and six sei whales, producing 2,310.5 metric tons of products, were taken in the coastal waters of Japan from 4 July to 7 August.

# INTERCOASTAL WHALING PRODUCTION 4 July - 7 August (metric tons)

Whale oil	41.5
Sperm oil	103.4
Meat	1,133.8
Blubber for food	555.2
Blubber for leather	28.2
Bone meal	74.9
Other	373.5
Total	2,310.5

SOURCE: Ministry of Agriculture and Forestry, Fisheries Agency.

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### SECTION 2

### FORESTRY AND MINING

### $\underline{\mathtt{C}} \ \underline{\mathtt{O}} \ \underline{\mathtt{N}} \ \underline{\mathtt{T}} \ \underline{\mathtt{E}} \ \underline{\mathtt{N}} \ \underline{\mathtt{T}} \ \underline{\mathtt{S}}$

																									1	Paragraph	
Forestry	•	•	•	•			•	•-	•	•			•	•	•	-	•						•	-		1	
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### FORESTRY

### Log Production

1. Total log production in July increased 1.5 percent or 786,200 cubic feet over the June total of 53,364,500 cubic feet. Because of normal seasonal fluctuations, July stockpiles fell 9.5 percent below the June stockpile of 221,524,200 cubic feet. See the charts on the following two pages.

# LOG AND LUMBER PRODUCTION AND STOCKPILES July (cubic feet)

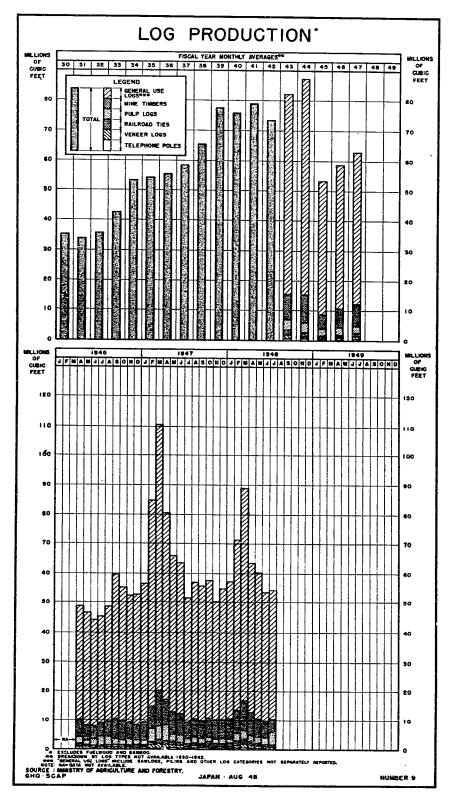
	Production	Stockp11es
Logs for general use	43,690,800	143,858,400
Mine timbers	4,480,100	24,984,200
Railroad ties	866,700	4,962,600
Telephone poles	268,300	1,030,900
Pulp logs	4,274,800	20,877,500
Veneer logs	<b>541,50</b> 0	4,418,200
Piling	28,500	295,800
Total	54,150,700	200,427,600
Saw logs	38,306,600	136,735,800
Lumber (board feet)	320,700,000	188,028,000
Plywood (square feet)	17,215,000	26,765,000
Bamboo		
Moso (pieces)	36,000	28,000
Other (bundles) a/	219,000	215,000

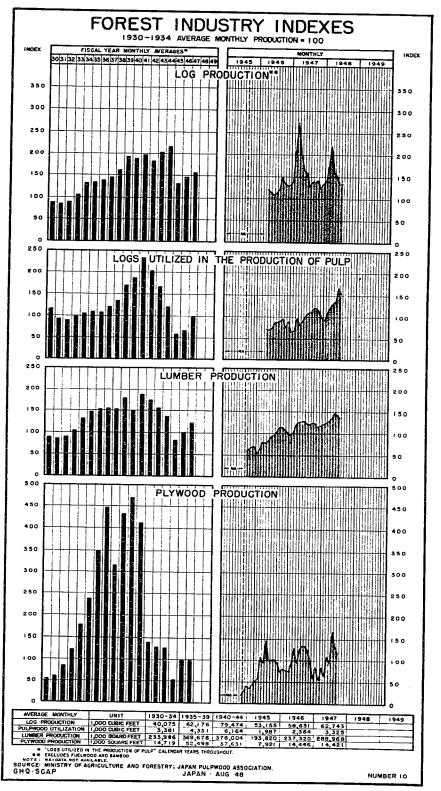
<u>a</u>/ One bundle is 20-25 inches in circumference,  $4\frac{1}{Z}$  feet from severed end.

SOURCE: Ministry of Agriculture and Forestry, Bureau of Forestry.

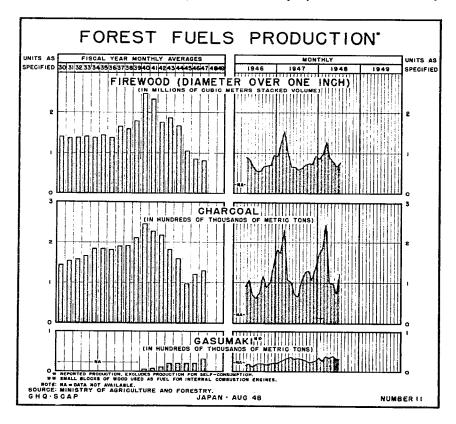
### Firewood, Charcoal and Gasumaki

2. Due to normal seasonal concentration on winter supplies of charcoal and firewood, increases were made in both products in July. Charcoal production increased to 122,311 metric tons from June's 73,905 tons and firewood rose to 769,932 cubic meters over the preceding month's 667,067 cubic meters. Gasumaki continued to decrease due to producing units' concentrating more on home-type fuel and July output fell to 30,337 metric tons from June output of 32,581 tons. July deliveries of charcoal rose to 110,974 metric tons, 35,778 tons more than in June, while firewood also rose by 34,151





cubic meters over the preceding month's 439,532 meters. Gasumeki deliveries decreased to 29,907 metric tons, 6,507 tons below June.

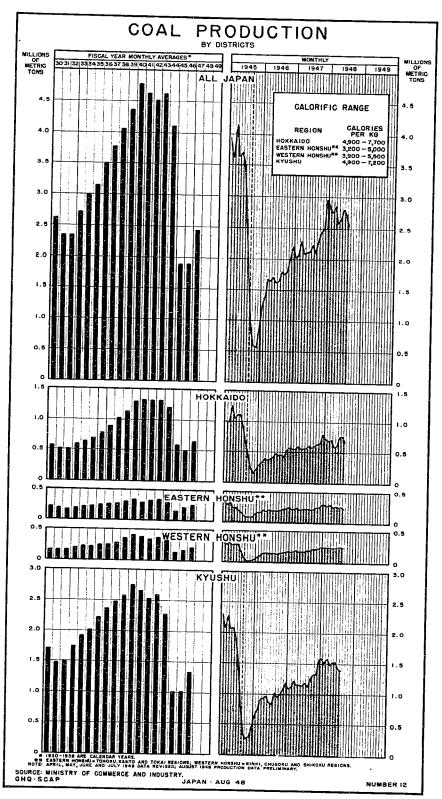


### MINING

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Mining Industry	•	•	•	•		•	•	•		•	•	•						9
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### Production

3. August production of coal fell to 2 540,000 metric tons, a decrease of approximately 200,000 tons from the preceding month's production, according to preliminary figures. The final production figure for July was 2,731,300 metric tons of which 2,717,200 tons were standard coal and 14,100 tons were substandard. The Coal Board reduced its production quota for the month to 2,613,000 metric tons of standard coal in anticipation of the drop experienced each year in August because of the extreme heat and the celebration of the three-day O-bon Festival.

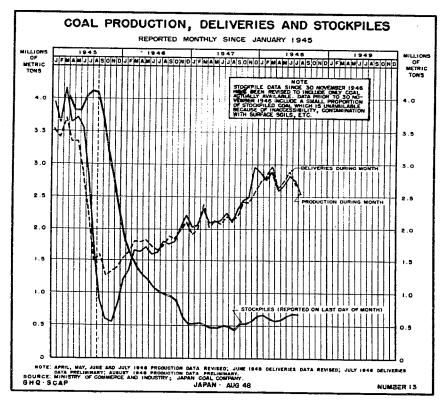


COAL PRODUCTION a/ (metric tons)

	Hokkaido	Eastern Konshu	Western Honshu	Kyushu	<u>Total</u>
1-10 August	223,800	78,300	78,100	427,300	807,500
11-20 August	179,600	.62,500	70,600	384,800	697,500
21-31 August	276,700	92,700	92,300	554,400	1,016,100

a/ Preliminary.

SOURCE: Ministry of Commerce and Industry, Coal Board.

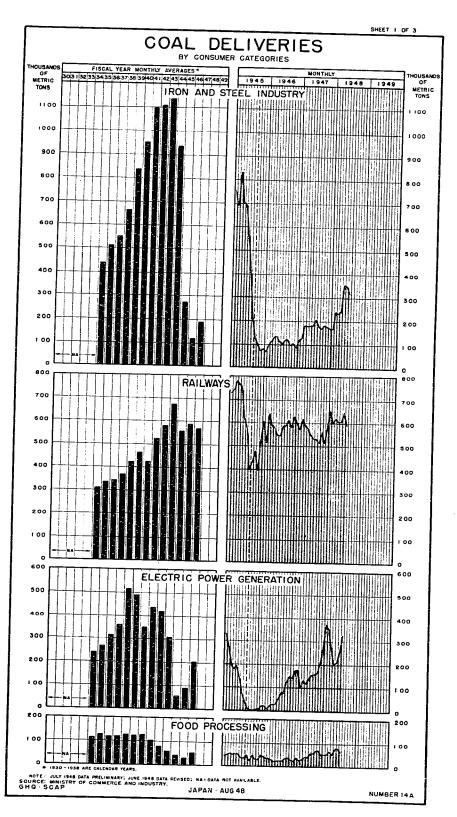


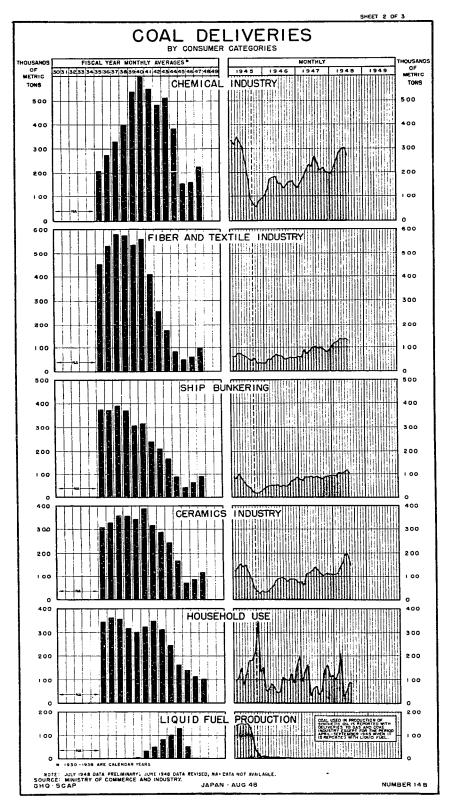
### <u>Deliveries</u>

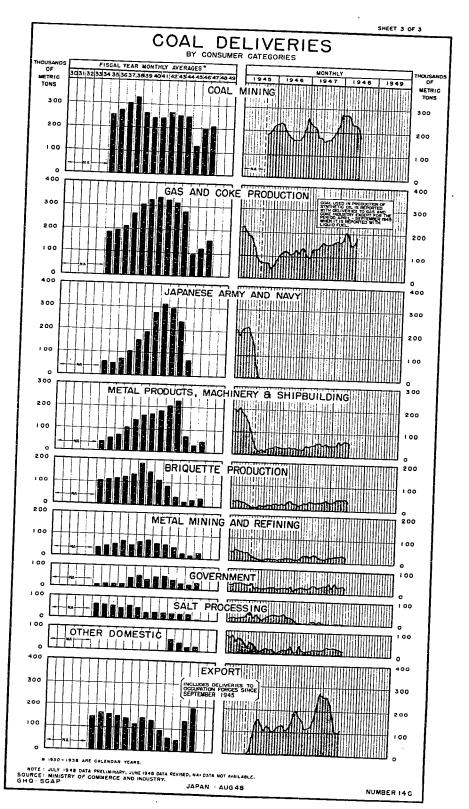
4. Total deliveries of coal to consumers decreased in July to 2,669,000 metric tons from June's deliveries of 2,821,000 tons. Of the July total 97,000 metric tons were imported and 2,572,000 tons were domestic.

### Stockpiles

5. Stockpiles of coal available 31 July decreased by 5,800 tons from the 30 June figure of 680,600 tons.







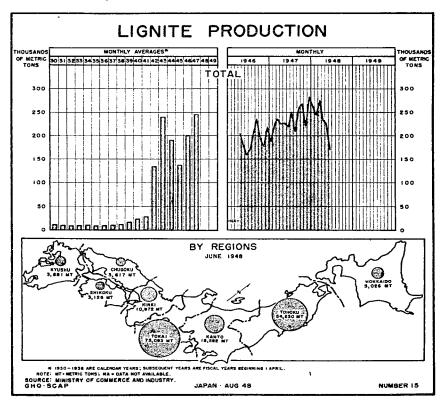
## COAL STOCKPILES (3) July metric tons)

	<u>Hokkaido</u>	Eastern <u>Honshu</u>	Western <u>Honshi</u>	Kyushu	Total
Available for current shipment	64,000	30,000	14,100	74,000	182,100
In transit	146.300	32,700	42,900	270,800	492,700
Total	210,300	62,700	57,000	344,800	674,800

SOURCE: Ministry of Commerce and Industry, Coal Board.

### Lignite

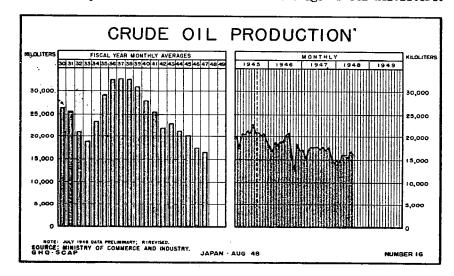
6. Preliminary figures for July lignite production dropped to 151,492 metric tons from the revised June figure of 170,337 tons. Stockpiles in July decreased to 384,879 metric tons compared with the preceding month s revised stockpiles of 443,654. Deliveries of lignite also registered decreases. Preliminary reports indicated deliveries of 105,230 metric tons, a drop of 129,737 tons from the June revised report of 234,967 tons.



### OIL

7. In spite of a strike in late July by Imperial Oil Company labor unions, total output of petroleum declined only 4.6 percent.

Preliminary figures for July crude oil production totaled 16,065 kiloliters compared with 16,832 kiloliters in June. The Imperial Oil Company's production of 15,571 kiloliters represented 96.9 percent of this total. The daily average of 518 kiloliters decreased by 43 kiloliters from the June average of 561 kiloliters.



### Drilling Operations

8. The Imperial Oil Company brought in two new gas wells, having a total daily production of 1,025 cubic meters. Both wells are in Niigata Prefecture. A new oil well producing 5.5 kiloliters daily was brought in in Akita Prefecture.

## DRILLING OPERATIONS July

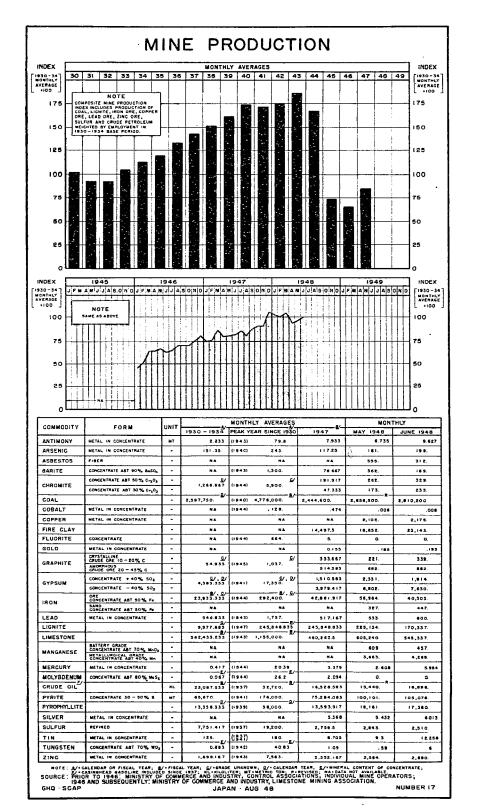
	Exploitation	Exploratio
Completed		
Oil	0	1
Gas	2	0
Abandoned	0	1
Suspended	0	2
Commenced	0	1
Continuing	6	5
Total strings active		
at end of month	6	6

SOURCE: Imperial Oil Company.

### MINING INDUSTRY

9. Output of 21 minerals increased in June. Mercury showed the largest upward trend with an increase to 5,984 kilograms, 3,376 kilograms above the May output. This substantial increase was due to production rises from the Itomuka and Oketo mines in Hokkaido. Antimony, chromite, graphite, tin and pyrite output registered increases while decreases were noted in asbestos, barite, iron ore, limestone, pyrophyllite, sulfur, lignite and oil. See the chart on the next page.

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### SECTION 3

### INDUSTRIAL RAW MATERIALS

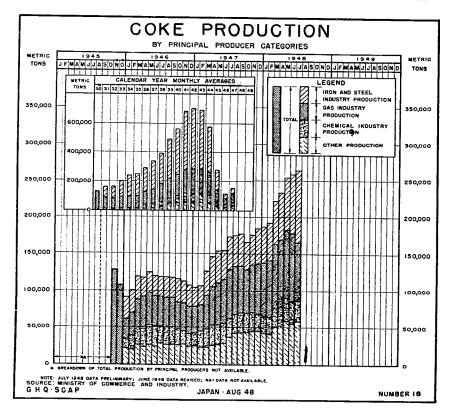
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### COKE

### Production

1. July coke production totaled 264,112 metric tons, an increase of 5,036 metric tons over the revised June output. The major coke-producing industries were iron and steel with a total



output of 98,790 metric tons in July; gas, 79,552 metric tons; and chemicals, 27,373 metric tons. Minor industries produced 58,397 metric tons.

### Consumption by Producers

2. Consumption by coke-producing industries in July totaled 108,510 metric tons, 107,764 metric tons of which they produced themselves. The amount of self-produced coke consumed was 13,673 metric tons over the June figure.

### Deliveries

3. Coke producers made 143,800 metric tons of coke available in July for delivery to mejor users. A total of 118,383 metric tons reached consumers in July, a decline of 37,252 metric tons under the revised June deliveries of 155,635 metric tons. The remaining 25,417 metric tons were in transit. See the chart opposite.

## COKE DELIVERIES a/ (metric tons)

	June b	July c/
Iron and steel	22,401	16,393
Chemical fertilizer	52.824	44.721
Chemicals	7.416	9.368
Electrical machinery	4,763	2,078
Other machinery (industrial, light)	29,605	16.213
Metal mining and refining	5,385	5,612
Metal manufacturing	4,441	2,945
Rolling-stock manufacture	13,073	10.467
Shipbuilding (port and harbor)	2,068	2,924
Ceramics	4,338	3,251
Household	3,533	1,583
Others	<u>5.788</u>	2,828
Total	155,635	118.383

Excludes self-deliveries to producers.

SOURCE: Ministry of Commerce and Industry, Coal Board.

### Stockpiles

4. Coke stockpiles on 1 July totaled 44,941 metric tons, an increase of 5,717 metric tons over the revised stockpiles of 39,224 metric tons on 1 June.

### METAL INDUSTRIES

5. July output of pig iron and rolled steel products reached new postwar peaks due to the increased availability of raw materials and to improved efficiency in labor and plant management. According to preliminary reports over-all pig-iron production gained 10.9 percent over the revised June output while rolled steel products increased four percent. See the first chart on page 80.

b Revised.

c/ Preliminary.