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Recommendations: The Japanese should be allowed to work out the Emperor's future position—within the limits imposed by the new constitution—without interference from occupation authorities. High palace officials, who almost alone among Japanese have no illusions about the imperial system, shall then be held accountable for the results.

## POLITICS

In the spring of 1947 General MacArthur publicly stated that democracy was sufficiently firmly rooted in Japan for the period of intensive allied tutelage to end. What the General presumably meant was not that Japan had suddenly turned democratic in the sense that the State of New Jersey is democratic, but that favorable conditions had been established for the development of a responsible and representative type of government.

In this development Japan has been both helped and hindered by the occupation. The new constitution, although written by occupation officials, has been generally accepted by the Japanese, although it is little understood by the masses. The three general elections have given the Japanese valuable experience in the mechanics of government, although, like the constitution, their purpose has often not been understood by the public, and interest in them has steadily decreased. Political parties have been ridden with corruption, but this was inevitable under post-war Japanese conditions and has affected confidence in the new political system far less than most foreigners imagine. Japanese thought has been constructively directed to the problems of civil liberties and legal procedure.

These hopeful developments are compromised by the extent to which all political decisions must pass through S.C.A.P. and the consequent involvement of S.C.A.P. officials in Japanese politics, sometimes of the most disreputable kind. It is because of this that Premier Yoshida has derived considerable political strength from his refusal to lean on S.C.A.P. advice in every particular. Censorship of the press has also often caused

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the Japanese to doubt the sincerity of S.C.A.F.'s professions of faith in liberalism.

As in so many other fields, S.C.A.F. has also attempted to impose on the Japanese the details of the American political system without taking into consideration either conditions in Japan or the very considerable political sophistication of the Japanese when working in their own way. Rightly or wrongly, Japan will develop democracy along Japanese, not American, lines.

The "purge" has unfortunately removed from the scene many of those best fitted by character and the experience of opposition to the militarists to aid Japan to develop along those lines. The chief effect of the purge was originally economic in that it removed many of the most experienced and pro-American businessmen and has thereby hampered Japanese recovery. Its principal effect now has become political, because it has embittered some of the ablest men in Japan and is forcing them underground. The record proves that business, particularly big business, plus some Army and Navy officers and diplomats constituted the only effective opposition to the militarists. But these often were the very individuals and classes singled out by the purge. For three years, they hoped for a change in policy, but recent information indicates plans at least have been mooted for forming an opposition to the occupation that would include these once well-intentioned, but now embittered men, plus unrepentant nationalists and extremists of the Left. The seriousness of such a development cannot be overstated. If it went so far as to include a link with the Communists, American strategy would be obliged to consider whether Japan would be a tenable military base

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in case of emergency.

All Japanese political considerations are affected by the rise of the Communist Party. It was originally fostered under Washington and occupation directives and has since then had the indirect but active backing of Moscow. Its 50,000 to 100,000 members form a well-knit, well-financed organization that still dominates the most important industrial unions. At the same time, the Communists appear to have shifted their major appeal to school teachers, farmers and particularly to youths. This may indicate a longer range policy than was implied by the previous emphasis on control of unions. Its probable aim would now seem not so much to harass the occupation by strikes and labor trouble as to build up a mass following that could exert a decisive influence sometime in the future if the current Japanese disillusionment with the occupation continues. The Communists have derived considerable strength from events in China. There are also many significant indications that the Japanese as a whole realize that because of what is happening in China and because of the cold war in general, they are regaining some bargaining power in their relations with the United States.

Recommendations: The Japanese should be allowed to develop their own political institutions with the aid of high level advice and control from the allied powers. The Government Section of S.C.A.F. should be abolished. Among other occupation sections, as well as among the Japanese, it has acquired an unenviable reputation for being arbitrary, wrong-headed, and misinformed. The plan to establish a purge appeals board, apparently with General MacArthur's approval, should be expedited. The Japanese should be

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permitted to deal with the Communists in their own way, since they profess confidence that they can handle the situation, providing it is not allowed to deteriorate much further.

Sir George Sanson, the greatest living authority on Japan, had this to recommend concerning the political problem as a whole: "We should do well not to fall into the error of preaching, prescribing, and dictating, but only to make it clear to Japan in general terms what kind of behaviour will secure our encouragement and help. There should be no difficulty in setting up a small control commission which would keep an eye upon political and economic trends in Japan and warn the Japanese Government if these showed signs of taking an undesirable course. An elaborate system of specific controls, with all the paraphernalia of departments and sections, and a great staff of experts, observers, inspectors, and advisers would defeat its own ends by evoking resentment and passive resistance. It would encourage nationalistic sentiment and might well lead to underground movements. It is best to give the Japanese as much untrammelled responsibility as possible in the conduct of their own affairs and to judge them by results. Any systematic controls must sooner or later come to an end, and their continuance will merely postpone in artificial conditions the day when the Japanese must stand on their own feet. "Remote control" is best, and that depends not upon machinery but upon the fixity of purpose of the Powers concerned.

"In the long run the development of political institutions in Japan will depend not upon what the Japanese are told or advised to do by others

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but upon their estimate of what is best suited to their own conditions and temperament. They will be influenced by example rather than precept, by the successful working of democracy in other countries and not by the mere professions of its exponents."

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昭和二十四年七月十二日  
調査局第二課  
調二資料第一四一号

アメリカ対日政策論評

本稿は最近のアメリカ諸雑誌に掲載された対日政策に関する  
論評中それぞれ立場を異にする三つの論文を参考のため要訳し  
たものである。

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日本は何國の同盟國でもない  
（アトランティック・マンズリー誌四月号所載オーエンテ  
テイモアリの論文）

アメリカの日本に對する政策は日本が動く通りに、アジアもまた  
動かすことが出来るという仮定に基いてゐる。アメリカの政策の基  
本的仮定は日本をアジアの工場とし、さらにソ連に對する防壁とす  
るの道具としてイギリス、ドイツ、ネバル王國のすべてを兼備  
してゐるといふ説に基いてゐる。イギリスと同様に日本を不沈空母  
として使ひ、ドイツと同様に日本は隣接國に比べて工業的發展が進  
歩してゐるから日本を中心として大陸の工業的發展を調整し、支配  
し、そしてソ連に對する大陸の立場を変えさそうとし、さらにネバ  
ル王國のソ連に對する獨立してはいるが、インドとイギリスに  
對して頑強なブルカ傭兵を供給する如く、生れつき訓練された一  
本人は、傳統的に反ロシア人部隊を供給させることが出来ると思  
待してゐるのである。住民地外人部隊を供給させることが出来ると思  
この仮定の第一前提は日本は單なる工場だけでなくアジアを支配  
する工場に對して政治的に信用のおける防壁に於けることが出来る  
は日本はソ連に對して政治的に信用のおける防壁に於けることが出来る  
といふ第一と同様な幻想である。第三前提は三つの内で最も想像

の甚だしいものであつて、日本といふのはたつた一つしかなく、  
それは基礎の確固とした國內的に分割することの出来ないものと思  
つてゐることである。この幻想は日本人が降伏を受入れたあ  
の驚くべき素直さから生れてゐる。この幻想は一九四五年の八月の  
降伏から一九四六年に及ぶマツクアーサー元帥の日本統治の第一期  
に大いに助長された。この期間にアメリカのニュー・デールが日本で  
マンの当時就任直後で共和党との妥協を圖らんとしてワシントンで  
多くのニュー・デールを追い出したが、一方、マレー司令官は占領直後  
で人手不足であつたので、ここにニュー・デールのワシントンから  
東京への移住が行われた。そしてマツクアーサー元帥は總司令部に  
全面的にニュー・デールを置き散らした。最高幹部中にはニュー・デ  
イラに非常な大勢いたが、官俸政治で一番重要な役割を演ずる中幹  
部級にアメリカ共和党の支配する第八十議會が召集されてから不吉な  
変化が現われ初めた。共和党の圧力によつて、マレー司令官内のユ  
ーテイオラ一の追放が日本で行われた。利巧で抜目のない旧式の日  
本政治家はこれを見逃がさずにつかんだ。彼等は日本をアメリカの  
納税者の負担から取除くことは日本をアメリカの同盟、工場、防壁  
にすれば莫に容易だと平然な顔をしていつた。

日本に關する現況と幻想に非常な相違の起つた原因はマツクア  
 サリを取巻く涉外關係の官僚のたためである。彼等位頭のぶい連中  
 はない。マ元帥は立派な行政家、政治家の將軍ではあるが、唯一つ  
 の欠点は追隨者を身邊に近寄せずにおくことの出来ないことである。  
 其をいうと日本に對する現在の現況の最近の歴史では日本とい  
 うなく、超現代的だから崩れるのである。最近の敗北せしめた日本が  
 ものは、其は一つではなかつた。先づわれわれが敗北せしめた日本が  
 あつた。一九四五年八月の對日戰勝日からの一九四六年秋の第八十議  
 会に至るまでの二ヶ月の對日戰勝日からの一九四六年秋の第八十議  
 九四七年から四八年にかけさらにもアメリカの政策があつた。また一  
 して現況の日本は内部組織が不安定であり、われわれの目の前で爆發の  
 この現況の日本は内部組織が不安定であり、われわれの目の前で爆發の  
 恐れがある。日本は原子爆弾でびつくりはしたが、降伏した原因は原子爆弾で  
 はなく天皇の命令であつた。やうに傳えられて降伏したのである。天皇に  
 對する忠誠心からではなく、戰災の恐怖から降伏したのである。天皇を救つた  
 のは天皇の威嚴というものは紙の上の象徴として維持すべきであるとい  
 うのはマ元帥の手腕と天皇を國家の象徴として維持すべきであるとい  
 うアメリカの意図によるものであつた。司令部の指令の範囲内でデモクラシー  
 デイル時代は巧みに導いた。そして司令部の指令の範囲内でデモクラシー

を与えることを明にした。政治犯人を解放し、共産黨員すら出獄せ  
 しめられ、労働組合を認め、言論、出版、放送、集會の自由等敗戦  
 國として驚く位自由が許された。  
 モー・デイルは日本のデモクラシーに關する憲法を制定した。ハ  
 スト系新聞が大々的に報道した日本の戰争放棄と軍隊維持廢止はマ  
 元帥の提案といわれてゐる。この憲法は公式には日本當局公布の時  
 法であると言はれたことは勿論だ。色々非難があつたが當時はよい時  
 代であつた。眞のデモクラシーは他人から貰うことの出来るもので  
 はない。それは自ら反デモクラシーの教育を手えたのは誠に賢明なやり  
 マ元帥が日本人にデモクラシーの教育を手えたのは誠に賢明なやり  
 方であつた。  
 次いで共和克の支配する第八十議會が開かれ、アメリカでは物  
 練制が終了し、日本では個人投資が許されるやうになり、占領政策  
 も保守的となつた。日本でもタフト、ハートレー法に類するものが勝  
 組會を取締つた。組合が負けたりなストライキは許され、組合の勝  
 ちそりなストライキは行政令で禁止された。財閥解体は徹上りとな  
 ちそりなストライキは行政令で禁止された。財閥解体は徹上りとな  
 つた。このよりの政策は日本で眠つていた帝國主義的意識を呼び覚  
 ました。帝國主義といふものは、社会改良のパンフレット等を配布して  
 ある。美辭麗句の意法や、社会改良のパンフレット等を配布して、  
 帝國主義を改善しやうとする連中は事象を直視すべきである。それから得る物

次第である。真珠湾事件以前数十年の間多額の日本は帝國主義から多くの利益を得た。大官連中は台湾、朝鮮から巨利を占めたのみならず、後十万人の日本人は仕事を得、優等入籍感を得た。そして日本人は隣邦人よりもよい生活をする権利があり、その費用は隣邦人が当然払うべきだといふ感情が大きくなつた。その理由は日本人は新しいデモクラシーを終戦後のニュー・デイル時代において日本人は新しいデモクラシーを慎重に考へるようになった。その理由は優越感と特權を放棄しなかりはならなかつたからである。アメリカの第八十議會時代にアメリカは日本をアジアの工場にし、ソ連に対する防壁とすることを強調したので、この君の病気が再び復活して日本人はもう一度社会の高級な地位を保証されるものと思つた。

現在アメリカの政策はヨーロッパにおいてアメリカが作らんとし、現存のドイツの片割れに等しい日本をアジアで作ることを目的として、そのそれは征服國といふ色彩が段々少くなつて、段々はつきりした同盟國になるといふのである。アジアの工場として日本をアメリカと密接に結びつけ、アメリカの経済力が邪魔されることなく、日本を経由してアジアに流れ込むようにするといふのである。同盟國として単にソ連を目標とするのみでなく、われわれが失望したアメリカの前の同盟國であり、日本の前の敵國である中國に優先するものである。

さすもの将来に対するアメリカの政策を慎重に検討する必要がある。

ここで、つぎきりさせておかねばならぬことは、アジアにおけるアメリカの永久の同盟として日本を束縛しておくものは何物もないという点である。日本がアメリカの経済的援助でアジアの他の諸國より経済に優れ、また若し日本がその希望によつてソ連に対する強力なアメリカの同盟國となれば、これは同時に日本はアメリカを裏切つてソ連や他のアジア諸國と取引出来るだけ強力になることである。日本人の中には日本は米ソ両強國の支配外にあるアジアにその地位を占むることによつて初めて自由に成れると考えるものがある。従つてわれわれは、一時的なまた幻想的な日本の根柢に横たわる眞の日本を研究せねばならぬ。アメリカの対日政策の問題は、日本をどうするかという範圍を超えて、日本に關するアメリカの政策が日本に如何なる影響を与えるかを考えねばならぬ。アメリカのドイッと違つて日本は、ルソ連に對する防壁とされるには結局アメリカの負担の方が多い。鉄、石油、ボーキサイト及び棉花の如く工業用重要原料を大規模に生産する能力がない。日本には工業用塩、レヨン製、造用木材が充分ない。右に加えて日本は食糧生産が二〇%も不足し、肥料を輸入に待たねばならぬ。石炭、絹である。しかし何んといつても日本で最も重大な資源は人の

力である。これはアジアで最も進歩したあらゆる種類の技術家と經營者並びに熱練工を含んでゐる。以上的人的資源と不足するところを武力で補うことによつて、日本は一時アジアの工場となり、朝鮮、台湾、滿洲、中國の大部分、インド支那、シヤム、マレー、ビルマ、蘭印を支配し、原料を入手した。統制によつて原料入手のみならず、爲替率を勝手に決めて、殆んど苦力賃銀で原料を入手し、これを加工製造して一部を日本の軍事産業の維持、一部を原料國への輸出に當て、残りの一部をもつて世界通商に乗出し、ドルとポンドを稼いだ。アメリカは日本をこのやうな工場に引戻すことは出来ぬ。日本を工場にするという問題はアメリカの援助で行うか、左もなければ支配出来ない。アメリカの対日直接援助費は一九四六年の九千六百万ドルから四七年には二億九千二百万ドル、四八年には四億二千三百万ドルに増加した。この外に、日貸付や借用供与額は一九四七年には一億一千六百万ドル、四八年には六千一百万ドルであつた。純軍事費を占領費を加えるとアメリカの日本に對する支出總額は、本領土に對して現在日本は食糧と棉花の輸入の大部分をアメリカに仰いでゐる。一九四七年金額にして日本の輸入の五三%は穀類、一三%は棉花、一二%は肥料となつてゐる。一九四八年日本は東洋諸國に對する輸入に對して八割一の好成績を上げた。しかし、對米輸出は輸入の二



十五分の一に過ぎなかつた。これは日本が益々アメリカに借金を負うこととなる証左である。中国は間もなく日本に對して経済的申出をすることが出来るようになるであろう。滿洲の生産過剩の食糧は未だ嘗つて中国の市場に送られたことはなく日本に送られていた。中国は内乱のため一九四九年の收穫時までには一般的食糧不足を来すであらうが、しかしその後は日本に食糧を供給して困難は来さない。これはアメリカよりの食糧より遙に安西で提供されるであろう。これはアメリカよりの食糧に中国の北方及び東北は傳統的に日本に對し鉄、コークス、塩を供給していた。中国は日本に對し最初鉄を、次いで中国の工業が発達すると各種の鉄や鋼鉄の製品または半製品を輸出することが出来る。かくして日本は機械を造り、アジアの工業化に貢献するようになり得る。しかし日本は原料補給源を支配してはいないから、軍國的また侵略的になることは防止できるし、鉄道を日本に向けることを差控えることにより中国は日本の戦時産業復興を防止することが出来る。この種の運動は今や現美の政治になつて來ている。これは米ソが経済的、政治的並びに軍事的優越を争つている事象に影響を及ぼすことが出来る。さらにこれは日本の内政に新しいグループをつくるであらう。労働組合運動と左翼は單に政治的同情のみならず、健全な経済的利益という議論に基いてアジアとの友愛的再結合を強要する

るであらう。マ元帥は軍事占領と行政監督のみでは労働組合を打ち懲らし失脚さすには益々不十分であることを知るであらう。アメリカは日本全般に對してその權威を示して來たが、このような状態に於いては遂に分割された日本の右翼の党派的援助をするという不面目な地位に陥落するのであらう。これは日本の右翼はすでにこのことを覺りその対策を準備している。彼等は日本はソ連に對するアメリカの前衛となることを拒絶するかも知れないといふことは表面には表わさない。そして時の進むとともにアメリカはソ連に對し日本を守る義務があることを強調するであろう。日本には保守政治、左翼並びに左右兩翼の植民地民族主義者が固執する重大な政治運動があることを見逃してはならない。その運動が発達すると日本でも最も有力な保守黨員の幾人かを加えて、日本が反ソ的よりもさらに強く反米的立場に突然何等の警告なしに出現する可能性がある。一旦占領が終了した際日本とアジア植民地の人々はアメリカの支持するヨロツクバに對して強力な抵抗圏を形成するであろう。この運動が實際に行われる時ソ連及び中国より干渉されることなく行われ、また事案ソ、中兩國の援助を受けるかも知れない。

西政諸國の支配することの出来ないアジアは將來数十年の間に幾多の出来事があつて部分的には小ぜり合が行われても大なる紛争となることがなく、世界政治の中に新しい地位を占めて落付くであらう。

この間に廻して日本は最後の瞬間まで反ソ的方向を取りアメリカから逃れかつソ連の支配に陥入らない機会を捕えるであろう。そしてソ連の政策は將未幾十年の間米の支配から逃がれるアジアの如何なる部分でも、若しソ連の支配に置くことができず、またはソ連の支配する連邦にすることが出ないならば、欧米諸國もソ連もともに支配の出来なるといふことが出ない。これが最も賢明であるとの信念によつて指導されるであろう。

かかる事態が発生し得るといふことだけで、日本におけるアメリカの利害とアジアの一部分としての日本に対するアメリカの政策に影響を及ぼす。日本を動かすことによつてアジアもまた動かすことが出来るという可能性は現存問題として段々減少してゐる。むしろ日本は他の諸國と提携するに比して段々減り日本國內の政治的状況の連携及び競争は極めて強くなつてゐる。

ニ 復興日本はアメリカの同盟國 (五月七日コリヤム誌論説)

コリヤム誌の意見では中東に於ける共産党の成功は日本に對するアメリカの政策の見解及び感情をいやす必要が常にある。これは早い程よいと思ふ。アメリカ人は必ずしも常に日本人を敵視し、これを押え付けておかねばならぬものと考えたのではない。むしろ日本を必要とする。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。

衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。

野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。野村提督は中國との戦争殊に合衆國との戦争を希望した意見である。

このことはアメリカ人にとつて困難な問題を与え、われわれは  
 実はこの事には口を出さず、他國民の善良な本能を借用する者な  
 のである。  
 セオドア・ルーズヴェルトが第一次世界大戦前に書いた書翰を讀む  
 と、或いは何等か解決の暗示を得ることが出来るかも知れない。  
 当時の大統領ウィリアム・ハワード・タフトは前任大統領に対し合衆  
 國の極東政策はどうしたらよいかといふことにつき彼の意見を述べ  
 てくれと依頼した。セオドア・ルーズヴェルトが彼の手紙を書いた  
 一九一〇年十二月二十二日にはタフトとルーズヴェルトの關係は未  
 だ良好であつた。ルーズヴェルトは次のように述べている。  
 「われわれの重大關心事は日本人をわが國に移民させないよう  
 し、同時に日本の好意を持続することである。一方日本の重大關心  
 事は滿洲と朝鮮にある。従つて理由の如何を問はず、われわれは日  
 本人に対し反抗的であると思つて理由の如何を問はず、われわれは日  
 本人に對しアメリカの利益となる。却つて余分の責任を引受けることを  
 ことごとくに無力量なことに鑑み、われわ  
 れに「中國との同盟は中國が軍事的に全く無力なことに鑑み、われわ  
 意味するものである。」。却つて余分の責任を引受けることを  
 若し「中國の門戸開放は立派な政策であつた。そして將來においても  
 とである。しかしロシア及び日本の支配下の滿洲の今迄の歴史が証

明しているように門戸開放政策は實際には或る一つの強國がそれを  
 無視することとを決定し、その企圖を棄てるよりは寧ろ戦争の危険を  
 冒そうとするときこれは完全に消えるものである。。  
 「日本とロシアとの表面的關係が或る時期において如何に友好的  
 になつても兩國はその外交政策を長い眼で測定する傾向がある。一  
 以上の批評は僅かの變更を加え、昨日書かれたもの如く現  
 狀に當てはまる。中國は今でもなお軍事的に無力である。ソ連は日  
 本に代つて滿洲に地盤を置いた。現在朝鮮を支配しようとしてい  
 るのは日本ではなくソ連である。現在若し極東政策を測定する安全な  
 何等かの見透しがあるとすれば、長い眼でこれを見ることが一番安  
 全である。  
 マツクアーサー元帥が日本を完全に征服し、また現在までのとこ  
 ろわれわれは日本が自ら防禦することを許さず、またこれに備へな  
 給が出来るに充分な位置を許さず、またこれを購はなかつたので  
 われわれは今なお日本の飢饉を防ぐため一日百万ドルを与えねばな  
 らない。われわれはどのくらい長くこれを購はなかつたか。  
 若しわれわれが中止すればソ連が接收するかも知れない。ソ連は  
 日本人に食糧を供給しないであらう。しかしソ連は日本を接收し、  
 日本人を組織してアメリカの利益と、さらに進んではアメリカの安  
 全と自由を脅かすことが出来る。  
 しからばその対策はどうすればよいか。

先づ第一に世界に對し全く種やかに温厚なやり方で、合衆國は日本が自らを防禦することを許されるに至るまで、日本を攻撃から護ることを知らずことを恐る。また出来るだけ速かに占領規則を變更するより主張し、日本が経済的に自立できるよりにするのが賢明ではないだろうか。合衆國の或種の人々を含めた多くの人は日本を世界の通商に參加させないようにならねばならぬ。これらの人々は日本のがいない。われわれは日本の経済的對外依存を無限に延期すること即時実現することを出さない。他國の承認を何人とかして得なくてはならない。協定を再びやり直さなくてはならぬ。憎悪を忘れななくてはならない。しかしわれわれは一体何を求めているか知らぬ。極東の平和と好意を維持することすら出来ない。憎悪を忘れな自尊心あり、責任ある日本以上に立派な保証があるであろうか。

三 日本撤退の時期

世界平和の予定表ではドイツの次は日本である。パリイの四カ國の締結と占領終結である。對日講和會議の那威に於ける賠償、國境問題、或いは政治機構に對する根本的衝突問題はない。日本人はすでに民主主義的憲法と代議政府の下に暮らしている。總選挙は三度行われた。日本人はツダム協定の定める試練を執行した。以上の理由によりこれ以上占領を続ける明白な正当理由は存在しない。それどころではなく、解放者として迎えられ、柔養として待遇されたアメリカは間もなく余り長層するのて日本人間て歓迎されたいものとなる危険が多分にあり力の中で軍隊は解散せられ、旧官衙は追放された。現在幾つていられるの財源だけである。しかし財源が勢力を挽回する地位にある限り日本はデモクラシーはぐらつき、かつアジアは混乱と恐怖の裡に暮らすであらう。最も大切なことは如何なる条件の下に合衆國が日本から撤退するかというものである。如何なる条件の下に合衆國が日本から撤退するかというものである。如何なる条件の下に合衆國が日本から撤退するかというものである。如何なる条件の下に合衆國が日本から撤退するかというものである。

四カ年前マツクアサイは財源、軍隊及び官衙の独裁が残した敗戦國を引継いだ。日本の神道は圧制を是認した。日本の憲法は自由主義的改革や危険思想を禁止した。政府は個人に對し何等の保護手段

階級の一部はなかつた。秘密結社はテロ行為を敢てした。日本の支配  
 この制度を秩序よくかつ根本的に破壊することは自分の目的であ  
 る。このため、断乎たる措置をとる必要がある。そのすれば時期  
 を失せぬ内に類した不名な過去の管理終了後においても幾多の相  
 たる社会を醸み出すが故に進駐軍の管理終了後においても幾多の相  
 反する人生哲學の侵入に對し無敵の防禦となるであらう。一  
 命が実行された。皇道は阻止され十分な人権保護と婦人に対する完  
 全な男女同權を保証する憲法が採択された。農夫に對してインフレ  
 前の値段で土地が分配された。そして七百萬の日本労働者は自由な労働組合  
 に加入した。その上、改革は日本人によつて實現された。彼等は天皇が國會に使  
 命すること、贊成投票をした。日本人は國會議員を選挙した。もし  
 て内閣の存任行為が明らかに出された時、有罪者を起訴し処罰した。その  
 のは日本人であつた。しかし若しマツタアサヒがアメリカの合法  
 的かつ道徳的圧力全部をもつてこの改革を支持しなかつたら以上の  
 措置は決して実行されなかつたであらう。

その後三年を経過した今日においてはアメリカは最早や日本の改  
 革を援助してはいない。そしてアメリカは日本における民主主義の影  
 像に汚点のつくことを許してはいない。一九四六年の選挙後アメリカ國內でマツクアサ  
 策に對する反感が現われ始めた。その急先鋒はアメリカンカウンス  
 ル。フオア。ジャパンであつて、ニュース。ウィーク誌がこれを援助し、  
 國務省内の旧知日派がこれを指導し、日本に投資を有し、かつ財閥  
 に知人をもつアメリカの諸会社が後援した。その計画には賠償中止、  
 復興を名目とする改革の延期並びにマツクアサヒが追放した財閥  
 一、日本の追放解除を含んでいた。その財閥戦犯をユース。ウィーク誌は  
 進め、日本で最も活躍が出来、能率があり、経歴深く、教養あり、國際  
 的なグループだ。と賞讃している。さらにはユース。ウィーク誌は一步を  
 進めて同誌が「共産主義同情者」或はそれ以上の悪質者」と非難す  
 る。この意見はワシントンで購んで迎えられた。ゼームス。フオレストル、  
 ウィリアム。ドレイパー、ロバート。ロヴェット及びアサヒ。アンデンバーグ  
 等によつてアメリカの外交政策が構てられていた不幸な時代にか  
 てマツクアサヒが平時には進歩的、戦時には中立を標榜する「無  
 敵の防壁」にしようとする目標は打ち捨てられた。その代りにソ連  
 との將來回避できないう紛争に備へて日本を反動的前進基金にしよう  
 とする政策が構てられた。

日本人は早速この政策の変更を感じた。これは日本國內の右翼への転換に拍車をかけた。マツクアーサーは中道を行く日本政府が出来、民主党が政権を握り、社会党が左翼反対党として活動することを希望していた。最初中立派が政権をとつた。しかしそれは占領早期の苦しい困難に備み、かつ一九四八年の不正事件で面目を失つた。その中に民主連盟のみならず社会党の前書記長も関係していた。その結果一九四八年の選挙には労働者は共産党に、農民は右翼に投票した。

現在には右翼の領袖ですべての改革に反対する吉田茂が日本の總理である。彼の目的は労働法の改正、労働組合に対する圧迫、物価統制と營業税の廃止、集中排除計画の中止と被追放者の追放解除である。ここで問題となるのはアメリカは日本の民主主義的改革のため引續いて圧力を加えるか否かということである。

一九四八年の選挙は民主主義を危くするような恒久的分極作用を示さなかつた。しかし若し吉田の計画が実現すると分極作用が生ずる。共産党の勢力はすでに労働組合の中で段々強くなつてゐる。若し労働組合を圧迫するとその勢力は極めて急速に力を増すであろう。若しすでに財閥の主義者は有力な地位に獲得してゐる。若し反トラスト法が改訂され、被追放者が復権すると、戦前の悪循環が再発し、財閥は秘密裡に政府から補助金を得、内密の贈賄によつて政界を支配するようになるであろう。

これらの事態は日本にとつて最も大切な時期に發生する。平和条

約の後自治日本は列國の間に経済的並びに政治的に受け入れられなくはならないのである。

日本の侵略のため苦しんだ諸國はアメリカが單獨で日本の賠償中止をしたので離反してゐる。彼等は日本に最惠國待遇を与えることに反対し、また日本に原料と市場を与えぬよう閉め出しを喰わしめてゐる。その理田は將來侵略國となり得る可能性のある國が工業的に支配するのを恐れてゐるといふのである。若しもその恐怖が日本國內の事態の進展によつて確證されるとその閉め出しは一層強化されるであろう。

それにも拘らず八千百万の人口を擁しカリフォルニアの五分の一の広さの耕作面積に閉ぢ込められてゐる國として、日本は生きている。これは工業生産品を輸出せねばならぬ。若し日本で民主主義が動搖し、日本は如何ともし難い経済的圧力のために中國及びソ連の共産主義世界に参加するであろう。極端な左右両翼が日本で廻くつに合度二週間前、日本共産党書記長野坂參三は東京工業俱樂部で共産家と銀行家の共鳴者の一派に對し、共産主義者と財閥は共同してアジアにおける白人の帝國主義支配を終えんするため「民族的意識に富む資本家」連盟を創ることを受入れられぬ。アジアでは民主主義は

進歩的勢力として存続するか、さもなければ消えてなくなる。引續いて改革をすることが日本における民主主義に対する唯一の機会であり、平和の先決条件である。われわれの唯一の希望は日本を助けて、未だ時間の余裕のある間に「この防壁を眞に無敵のものとする」とである。

GHOSA NI FA  
Reference Series No. 95

(Source: Fortune  
June, 1949)

GENERAL MACARTHUR  
REPLIES

( This is the first full public account of his stewardship that General MacArthur has given since he became Supreme Commander for the Allied Powers in Japan. It was written in reply to FORTUNE's recent economic report on SCAP (see GHOSA NI KA Reference Series No. 73), which blamed SCAP's own bureaucratic controls for what we found to be a shocking stagnation throughout Japanese industry. That report is amended in some particulars by this one; for FORTUNE's position, see the Editors' Comment at the end of this reply. Even though we must still differ, it is a privilege to print General MacArthur's eloquent and authoritative account. )

THE ONLY EFFECTIVE ANTIDOTE to the American public's traditional neglect of our national interests in the Far East is informed public opinion. Thus I have welcomed the attention of press and periodicals ever since the Occupation of Japan began. All matters not affected by security have been fully disclosed and writers have had every facility to acquaint themselves with the facts. The reports of these observers have been preponderantly favorable but these has, of course, been criticism ranging from mild disapproval to violent attack.

On examination, the criticism has usually proved to be based on either misinformation as to the facts, or subjective appraisal of the administration of the Occupation as too conservative or too liberal. Much of it has come from Allied interests abroad, fearful of Japanese economic competition; from frustrated men who vainly sought to exploit postwar Japan through a "carpetbagging" invasion; from apologists for the prewar feudalistic Japan who vainly sought to restore the old order; and from a few disgruntled former Occupation employees. Much of the remaining criticism has come from Communists, following the party purpose to destroy public confidence in the Occupation and to create in Japan conditions of disorder leading ultimately to violence and failure.

That the criticism has come from both extremes merely shows that the Occupation has not been far off its intended course of leading the Japanese along the broad middle road of political democracy.

FORTUNE's last previous article on Japan, prepared by one of its former editors, Herryman Maurer, after an extended on-the-ground survey and published in March, 1947, is still remembered here as a

comprehensive

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comprehensive, informed, and balanced exposition of conditions in Japan eighteen months after the surrender, entirely in keeping with FORTUNE's reputation for authenticity of information and authority of opinion. Therein FORTUNE gave due emphasis to Japan's economic dislocations incident to the violent destruction of war and the deprivation of Empire areas, prewar sources of food and other needed resources, and aptly termed the result "an economy of survival." It is still by all standards an "economy of survival" and, for reasons which are obvious, will continue to be so even after the present Occupation has become but a chapter in Oriental history.

It was surprising, therefore, that FORTUNE's article of April, 1949, abruptly shifted from this realism and factuality to a number of glaring inaccuracies of fact and aberrations of opinion which any reasonably careful check against readily available and reliable sources, as, for example, the Time and Life correspondents now present in Japan, would have dispelled. I do not, of course, question the right of FORTUNE's editors to publish any matters of fact or opinion which they deem fit, but in view of the gravity of the issues which have been raised in the forum of public opinion, I venture to draw attention to a view of Japan which evidently was not considered by the editors of FORTUNE when they prepared and published the article of April, 1949.

First, it is a mistake to attempt to assay the results of the Occupation of Japan solely or even largely in terms of economic recovery. A fair evaluation can be made only with reference to the objectives of the Occupation as set forth in the policy declarations of the U.S. and its co-participants. Briefly, these were to prevent Japan from again becoming a menace to the peace and security of the world and to bring about the early peace and security of the world and to bring about the early establishment of a peaceful and responsible government which would respect the rights of other states. Because the Allies believed that a democratic government is more likely to follow the ways of peace than an autocratic government, the Japanese Government was expected to conform as closely as possible to principles of self-government, supported by the freely expressed will of the people.

Until the issuance last December of the U.S. interim policy directive on the economic rehabilitation of Japan, referred to in the recent FORTUNE article, the Occupation was expressly charged under its basic 1945 directive from Washington: "You will not assume any responsibility for the economic rehabilitation or the strengthening of the Japanese economy." Washington did not alter this basic

economic

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economic directive until last December. Thus for over three years, controlling policy prescribed this limitation and the Japanese economy received no financial support from the U.S. other than that necessary to provide the food required to prevent "widespread disease and unrest." It was stipulated that the Japanese would be expected to carry out programs which would enable them out of their own resources to avoid acute economic distress, assure fair distribution of available supplies, and meet Occupation force and reparations requirements. Two points thus stand out clearly: (1) economic recovery to any stated level of activity was not an explicit Occupation objective or responsibility; and (2) whatever recovery was to be permitted or encouraged would have to be based on the available indigenous Japanese resources.

The meaning of this last term deserves to be examined in some detail. For many years Japan's greatest asset -- and liability -- has been her large, fast-growing population, which now numbers over 81 million or more than half that of the U.S., crammed into an area about that of California. Since only about one-sixth of the land area of Japan is arable and the rest mountainous, the population in the arable plains is about 2,840 persons per square mile. Thus, with the most intensive cultivation, Japan is still unable to produce food to meet the minimum requirements for her survival.

Dr. Warren S. Thompson, population expert and Director of the Scripps Foundation at Miami University, Ohio, has estimated that if Japan depended entirely on indigenous natural resources, only 50 million persons could exist on a reasonable standard of life. Other competent observers have estimated from that figure down to 40 million. Only the high degree of prewar industrialization supported a larger population, but the growth of protective barriers and the trend toward autarchy in various parts of the world during the early 1930's raised increasing obstacles to the flow of Japanese goods abroad and the securing of raw materials to feed the Japanese industrial machine at home. This, indeed, more than anything else, led Japan's leaders to take the gamble of war. World conquest may have been the dream of some of the warlords but securing a hold on the sources of raw materials for Japan's industries was the impelling national motive.

The importance of this is recognized in Allied post-surrender policy. One of its objectives is that Japan be permitted access to essential raw materials. Japan's basic concept in the Pacific War was to seize the bases of raw-material supply (the Philippines, Malaya, and the Netherlands East Indies) and there take a defensive posture on the theory that the other Powers would consider it too costly to retake these areas. She failed to foresee the new concept of war which was used against her, involving the bypassing of strongly

defended

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defended points and, by the use of the combined services, the cutting of essential lines of communication, whereby these defensive positions were rendered strategically useless and ultimately retaken.

POSTWAR JAPAN faced a much more serious economic situation than prewar Japan. During fifty years of empire building she had constructed a political, industrial, and financial Empire network: Japan proper, Formosa, Korea, Manchuria, and North China. A vast portion of her inshore economic wealth was poured into the building of her off-shore possessions where raw materials essential to sustain an industrial economy were in supply and whence surplus food could be imported to make up the food deficit in the home-lands. During the war a primary American objective was the destruction of Japan's war-making potential, and this required destruction or paralysis of production and transportation facilities. Our achievement of this objective is now history.

As one of the conditions of the surrender, Japan's geographic area was limited to the central hub of the former imperial system. With its satellite areas taken away, Japan lost control of both raw-material and industrial producing capacity and forfeited vast capital accumulations. In the home islands industrial facilities had been devastated. What escaped Allied bombs was in poor condition due to warimposed exhaustion and lack of repair. Over 80 per cent of the country's shipping had been lost. Productivity of the land had been declining for several years because of insufficient fertilizer and depletion of manpower during the war. This general condition of economic impoverishment was greatly aggravated by the repatriation to the home islands of over six million Japanese, military and civilian. Thus when we entered Japan we found a condition of complete prostration -- political, social, and economic.

No stated time limit had been fixed for the Occupation. There was no definite indication as to whether it might be two years or twenty before the participating Powers would agree that the terms of the Potsdam Declaration had been met and that the Occupation should end. Nor was there any commitment as to how long the American taxpayer, who was to bear the burden of the expense, would continue to give his sanction thereto. Japan thereafter became in effect a large concentration camp, as it still is, with the forces of Occupation becoming the jailers of 81 million persons, with no one permitted to enter or leave without specific Allied authority.

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IN THESE CIRCUMSTANCES I proceeded as rapidly as possible to accomplish the given mission. I decided at an early date to permit the Japanese authorities to carry responsibility and to exercise initiative in administering Japan's internal affairs. Physical disarmament and demilitarization were begun at once and soon complete. In the political field the first important moves were to order the abolition of restrictions on the basic freedoms, enfranchisement of the women, and otherwise broadening of the base of universal adult suffrage, restoration of political prisoners to liberty and return of their civil rights, arrest of war criminals, dissolution of militaristic, ultranationalistic, and secret societies, removal and exclusion of militarists and ultranationalists from public office and from the fields of education, public information, and predominant economic enterprises.

Japan was then encouraged to enact a new and democratic Constitution, plus implementing legislation for a representative democratic government characterized by a powerful legislature, an executive of limited powers responsible to the legislature, and an independent judiciary with the power of review. Important self-government powers were vested in the local communities, and all important local governmental posts were made elective. A land-reform program of vast proportions was initiated whereby tenant farmers, who for many years had lived in a condition of practical serfdom, were enabled to buy from the landlords the land they lived and worked on. Programs for the protection and improvement of the public health and welfare were early instituted by the Japanese with the assistance of the Occupation and have borne fruit in alleviation of distress, greatly reduced disease, and lower death rates, especially among children.

The organization of industrial workers into labor unions of their own choice was encouraged and their right to bargain collectively was guaranteed. In the economic field measures were taken to dissolve the great combines which had monopolized the commercial, financial, and industrial facilities of the nation and a number of plants were earmarked for possible reparations removal. Otherwise the Japanese were permitted to maximize production in order to restore their economy. If, at the end of two years, the Occupation had been terminated, I could with a completely clear conscience have reviewed my policy directive and reported, "Mission accomplished."

On March 18, 1947, in answer to questions at a Tokyo Correspondents' Club luncheon I recommended an early peace treaty, withdrawal of the Occupation forces, and the termination of the post of Supreme Commander for the Allied Powers coincident therewith.

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In the same interview I pointed out that within her postwar boundaries Japan was utterly unable to produce the food requirements of her people and hence must be allowed to trade with the world to meet their needs for minimum living conditions, and that until a peace treaty was consummated Japan would remain in more or less degree in the strait jacket of an economic blockade. The Allied failure to reach agreement on such questions as reparations and the permissible level of international relations and the growing threat of the Communist advance in Asia postponed the peace conference and initiated a new phase of Occupation.

In this new phase revival of the Japanese economy ultimately became of primary importance, and with the Interim Economic Stabilization Directive issued by the U.S. Government last December in accordance with the terms of reference of the Far Eastern Commission, rehabilitation of the Japanese economy became an explicit Occupation objective. The previously existing limitation upon my authority to assume responsibility for the rehabilitation of the Japanese economy was superseded and the power and prestige of the U.S. became committed to the issue. It should be noted that whatever improvement has taken place in the Japanese economy from the beginning of the Occupation to the end of 1948 had come about without benefit of direct American financial aid for industrial rehabilitation purposes.

TO SOLVE Japan's economic problem requires increased industrial production both for the home markets and for export. So our efforts have aimed at increasing imported raw materials and production of key indigenous raw materials such as coal. Coal output has expanded from 20,376,000 metric tons in 1946 to 33,720,000 metric tons in 1948, and on this expansion has hinged the revival of production of fertilizer, industrial chemicals, and a variety of exportable products. This increase in coal production is the more notable since it has been achieved after replacing the former conscript Korean and Chinese labor forces with unionized Japanese labor, and providing decent housing and living conditions not previously available. Industrial production has risen steadily since the Occupation began.

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To provide access for both raw materials and outside markets, I authorized resumption of commercial communications and, with U.S. backing in the Far Eastern Commission, have made unrelenting efforts -- only partially successful -- to relax the blockade which the Occupation imposes upon the Japanese economy, to permit foreign businessmen to enter Japan and Japanese businessmen to travel abroad.

The effort to assist economic recovery has not gone unopposed. The revival of Japanese activity has aroused opposition from one or more private or governmental sources abroad sensing competition or other danger. The natural war-born antipathy to the Japanese still exists in many lands. Time alone will heal the wounds and restore Japan to friendly intercourse with her neighbors.

With the foregoing over-all picture of Japan under the Occupation as a background, it may be profitable to examine the "broad strokes" picture drawn in FORTUNE's series of statements numbered (1) to (8), as well as its other critical observations:

1: That "inflation has been rampant."

In view of the physical and financial cost of the war, the damage to Japan's productive capacity, the lack of raw materials for rehabilitation purposes and the government's social obligation to minimize widespread suffering, inflation was, of course, unavoidable. It has not, however, approached the runaway stage which the word "rampant" would imply. Compared with other war-devastated countries, postwar price readjustments in Japan have been much less severe and achieved without loss of public confidence in the national currency. The transition to stability will require a long period of austere living and hard work. In implementing the Economic Stabilization Directive of December, 1948, the Japanese Government is bending every effort to bring into real balance the budget for the fiscal year 1949-50. This, together with a tightening of controls on the issuance of banking credit already initiated, will strike at the monetary causes of inflation.

2: That

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2: That "industry is stagnant," and that industrial recovery since the war is the lowest in the world.

Industrial activity in Japan has improved steadily since the Occupation began, and the rate of improvement compares favorably with that in other war-damaged countries. According to the statistical bulletin of the United Nations for March, 1949, comparative percentages of increase of industrial production in 1948 over 1946 were:

Germany	133%
JAPAN	100%
Poland	88%
Netherlands	66%
France	28%
Czechoslovakia	20%
United Kingdom	20%

On a per capita basis the total financial aid received by Japan from the U.S. since the Occupation began has been but one-fourth of that extended to Germany, not counting the cost of airlift operations. The German economy, furthermore, reflects the benefit of direct U.S. aid for economic rehabilitation. The Japanese does not.

FOR STATISTICAL PURPOSES the five-year period 1930-34, inclusive, is considered representative of the Japanese peacetime economy before the war and is used by the Far Eastern Commission as a level of reference for measuring postwar peacetime economic goals. It is infinitely more realistic than the 1938 basis of comparison used in the FORTUNE article, for in that year and 1939 Japanese industrial production, with the full benefit of her Empire, reached the peak in gearing the economy for war. In terms of the 1930-34 reference level, over-all industrial activity, including mining and manufacturing, had reached 64.4 per cent of normal by December, 1948, as compared with 41 per cent in December, 1947, and 32.5 per cent in December, 1946.

3: That

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## 3: That "tax delinquency is the norm."

Since the latter part of 1947 when the Occupation took a direct interest in tax collection, this has greatly improved. Far from tax delinquency being "the norm," collections at the end of March, 1949, had reached 100 per cent of the assessment based on the budgetary estimates for the 1948-49 fiscal year, a record to which exception may not objectively be taken. Tax delinquency may have been a norm in prewar Japan. But under the Occupation the record shows marked improvement. Fully as important as the monetary gain are the gains being made toward the development in individual Japanese of civic responsibility for the financial support of government.

## 4: That "foreign trade, the lifeblood of the islands' economy, is 10 per cent of 1938" and

## 8: That "Japan depends on the U.S. for better than three-fourths of its imports."

That the bulk of imports in the postwar period should come from the U.S. is only natural; such imports are largely food and raw materials no longer available from Japan's prewar sources of supply, and the U.S. has assumed the predominant Occupation responsibility.

PREWAR COMPETITION offered in world markets by cheap Japanese goods based on underpaid labor was a source of continuing resentment and complaint in other countries. With the trade-unionism developed under the Occupation, Japanese labor for the first time in history has been freed from exploitation. For the first time in history a proper balance is being effected between labor and capital in the Japanese economy, and Japanese exporters must find their markets on a more truly competitive basis.

6 In spite of the existing drawbacks, exports from Japan rose from \$103 million in 1946 to \$173 million in 1947 and \$266 million in 1948. Exports in the fiscal period ending June 30 are expected to exceed \$425 million.

5: That

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## 5: That "uncertainty, the climate that kills incentive, still prevails."

Uncertainty is inherent in the existing situation. Japan is a defeated country under the Occupation and, as recognized by FORTUNE, the victor nations have not yet agreed on her permissible level of industrial activity or reparations assessment. Once the FEC has determined these, much of this uncertainty will, of course, be lifted.

FORTUNE's contention that the purge program contributes to this uncertainty by leaving "thousands of businessmen ineligible to work or to have holdings" is without basis in fact. No one is denied the right to work in Japan, nor does the purge affect anyone's property holdings.

## 6: That "the cost of Occupation has been piling up."

Both the statistics used to support this statement and the reference to \$2 billion in the title of the FORTUNE article are misleading in their implications that these sums had been spent in or for the benefit of the Japanese economy. They evidently include the pay and logistical support of the troops stationed in Japan, disbursed from normal military appropriations. These represent expenses which would be incurred no matter where these troops were stationed, and are of no benefit to the Japanese economy. For relief and non-military administration in Japan, the Congress has made the following appropriations: for the fiscal year ending June 30, 1946, none; 1947, \$311 million; 1948, \$354 million; 1949, \$396 million. In fiscal 1946 some \$225 million in food and other relief supplies was made available out of military appropriations. For economic rehabilitation the first apportionment to Japan was \$107 million in fiscal 1949, but up to the end of 1948 none of the supplies purchasable with these funds had yet arrived in Japan.

## 7: That "the natural lethargy and inefficiency of bureaucracy fail the economy in its small normal crises of supply and demand whereas a free economy naturally meets these crises."

The seeming purpose of this statement is to stress the evils of economic control, and in support the article states that "... the Oriental Economist, a publication even politer than the London Economist, but just as influential . . . has quietly

demonstrated

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demonstrated that probably only three controls are actually needed in all Japan: control over rice, over coal, and over the expenditure of foreign exchange. If all other controls were wiped out tomorrow, and a certain confusion period excused, the Japanese economy would certainly improve remarkably . . ."

IT IS CORRECT to call the Oriental Economist "influential," but this has no bearing on the soundness of its views. This is the same Oriental Economist which was designated by the Japanese Government as bearing responsibility for formulating and propagating policies which led to the Pacific War, urging business into an allout alliance with the military for the development and exploitation of the Greater East Asia Sphere, calling for the rigidity of totalitarianism as the ideal political and economic system in peace as well as in war, beating the drums for war against the U.S. fully fifteen months before Pearl Harbor, and promising its readers that in a Pacific clash the U.S. Navy would promptly be defeated by the naval might of Japan. It was the former president and editor of this same periodical who, as Finance Minister in the first Yoshida Cabinet in 1946, publicly insisted that the Japanese economy required expansion rather than a contraction of currency and whose reckless policies aggravated the inflationary situation in Japan.

Contrary to the erroneous statement in FORTUNE that I have "expressed the hope that when the U.S. leaves Japan its political center of gravity will be 'a little left of center,'" I have consistently and repeatedly publicly declared that our political aim here lies along the middle road of democracy. I am unalterably opposed to the imposition or retention of needless controls upon Japanese life and activity. Indeed, our primary economic purpose has been to lay strong foundations for the development in Japan of a capitalistic system based upon free private competitive enterprise, and to such end we have removed controls numbering in the thousands which long had existed prior to the Occupation. The U.S. Interim Directive on the rehabilitation of the Japanese economy issued in December, however, makes mandatory certain essential controls until its objectives have been achieved.

So long as critical raw materials remain scarce, it would be fatal to economic recovery to remove allocation procedures and nonessential channels. Removal of rationing controls on essential consumer goods in scarce supply would profit none but

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the speculators and bring increased hardships on millions of people. Laissez-faire proposals have their place, but not in an economy of poverty, with limited access to the outside world. No responsible administration could pursue such a reckless course.

That "the Zaibatsu alone, of all major groups in Japan . . . were . . . against war with the U.S. But the U.S. Army and the young bureaucrats, ignorant of this history, got rid of two thousand of the top managers and began to work down into the lower echelons."

This statement is thoroughly refuted by the known facts, yet continues to crop up from one or another source, usually with a private ax to grind. There is a tendency to use the goal of economic recovery as a cover for special-interest pleading, sometimes indidiously persuasive to the uninformed. The responsibility of the Zaibatsu in the formulation of policy leading to the Pacific War is a matter of undisputed historical record. Some Zaibatsu elements may have privately or even publicly opposed such policy in its initial phases, but the record clearly shows that once the military entered upon its decision of conquest long before Pearl Harbor, they with complete solidarity associated themselves with the effort.

Those designated as purgees had full access to regular appellate procedures. If finally purged, they were not excluded from all economic activity but only from certain listed companies affected with a public interest where it would be prejudicial to the future peaceful development of Japan to permit a management tainted with war responsibility. Persons affected by the Zaibatsu Family Law are subject to even less restriction than persons purged as militarists or ultranationalists. Actual members of the Zaibatsu families are excluded only from managerial positions in Zaibatsu enterprises, leaving them entirely free to engage in any other activity. High policy-making officials of Zaibatsu companies not members of Zaibatsu families, but close enough to be considered their agents, are excluded only from companies belonging to the particular Zaibatsu combine with which they were identified. They are entirely free to apply their initiative and talents any where else, and in most cases are doing so.

That

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That "ironically enough, the war time bureaucracy had not only not been purged but had been permitted to expand . . . it now numbers over three million persons . . ."

The government bureaucracy was the very first group to be screened under the purge program, this phase having been completed by the middle of 1946.

The figure of three million persons quoted above is another example of the kind of exaggeration and misrepresentation to which the situation in both public and private employment in Japan is sometimes subject, for the administrative personnel of the Japanese Government, including postal services and national rural police, number only 839,500. The Japanese Government for many years has owned and operated the telephone and telegraph systems, the bulk of the railroad mileage, the tobacco monopoly, and other enterprises which in the U.S. have been privately owned and operated. Employed in these activities are 714,578 operational persons.

The employment situation in Japan is not, however, a matter of mere statistics. Much more is involved. Overstaffing undoubtedly exists, but this is not, as inferred, chargeable to the Occupation or its controlling policy. The Japanese often employ more labor to perform a job than would seem normal in the U.S. But this practice, antedating the Occupation by many years, reflects a lack of labor-saving devices, different work habits, and a residue of Japan's paternalistic employer-employee relationship.

In postwar Japan, where the oversupply of labor was aggravated by the arrival of millions of repatriates from abroad, dividing the work was the alternative to mass unemployment and a large-scale government dole. The orthodox economist might favor the latter solution as a painful but quick remedy for an unsound industrial situation. But those in charge of the Japanese Government and industry during the critical post-surrender period had to reckon with the social and political implications of mass unemployment and unrest. The Japanese solution was the way of absorbing the shock of transition. It may have been the means of preserving the capitalist structure in Japan. Certainly it has been the means of avoiding the unrest inevitable to mass unemployment.

WITH

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WITH the Nine-Point Stabilization Program, under which the Occupation is taking more direct responsibility for control of the Japanese economy than has been true heretofore, the Japanese are moving toward the practice of strict governmental economy and a rationalization of industry so that it may be enabled to stand on its own feet in the competitive world. Since this cannot be accomplished in one step, it has been necessary to continue provision of substantial sums in the most recent budget for subsidies to permit industry to make the transition.

That "SCAP finally was driven to see what businessmen had seen from the start: recovery comes first."

This statement is a plain distortion of the actualities and violates the principle of "first things first." In the very nature of the Occupation's task the reform of the pre-war feudalistic structure of Japan merited and received primary attention. Without the great political and social reform measures which the FORTUNE article briefly credits, truly free competitive enterprise in Japan could not exist any more than could it without reform of Japan's traditional commercial, industrial, and financial organization. Co-related with the pre-Occupation political and social concepts of Japan, economic activity had a tremendous concentration of power in the hands of a few family interests, which operated in close association with the government as partners and recipients of special privileges. Through their monopoly powers and aided by control associations which exercised governmental powers of allocation and price fixing, these groups held the power of economic life and death over millions of Japanese. Dissolution of this system was just as necessary to the development of a peaceful and democratic Japan as the measures taken in the political field, for none of the reforms would have been secure, nor could political democracy exist in such an atmosphere of economic serfdom. To paraphrase one of FORTUNE's statements, even in Japan man cannot live by rice alone. He must have freedom.

That "corruption is now commonplace, outraging ancient traditions of honor, shocking the rooted public belief in the incorruptibility of officialdom -- under SCAP, Japanese morality has unquestionably changed for the worse, as the

countless

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countless unnecessary controls have forced the Japanese, historically a law-abiding people, into disregard of laws."

The assertion that SCAP-sponsored controls have led the Japanese into unprecedented political corruption and general disregard of the laws is completely unrealistic. It finds support neither in history nor in the record of postwar Japan. There has been political corruption but such is no more novel to the Orient than to the Occident -- the novelty is that in postwar Japan political corruption has run afoul of a new popular concept of political morality, has been exposed to the light of public opinion and suffered the penalties prescribed by law. Even more vital in the Japanese advance is the living meaning thus given to the constitutional phrase, "equality before the law." Heretofore no such equality had been recognized in actual Japanese justice. It is true, as FORTUNE points out, that since the war there has been an increase in the number of economic crimes, but the incidence is by no means disproportionate to the war-wrought impoverishment of the people and is small compared to the violence recorded in other war-ravaged areas of the world. Controls upon the equitable distribution and use of those commodities essential to livelihood and in critically short supply did not encourage the disregard of law, as FORTUNE suggests, but preserved the people from widespread violence and death -- and contributed greatly to the record of stability and calm universally credited to postwar Japan.

TO FILL THE SPIRITUAL VACUUM left by the devastation of war and defeat and the discrediting of popular reliance upon myths, beliefs, and legends from Japan's past, the Occupation has brought to the understanding of the Japanese people new and totally different concepts of right and wrong in human behavior and a knowledge of the mode of life based upon the transcendent and immutable Christian principles and ethics. Occupationnaires, military or civilian, by their daily life have the opportunity to exemplify before the Japanese people that code of conduct learned in the American home, and are magnificently availing themselves of that opportunity. The institutions and laws and even many customs are being re-designed best to serve the requirements of popular sovereignty and individual dignity. Christian missionaries are

ministering

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ministering to the spiritual welfare of the people in double the prewar numbers and more are constantly arriving. As a result of these moral influences the Japanese are coming to live by the tenets of the Christian faith and there is daily evidence of a profound and beneficial influence upon the moral viewpoint and ethical standards of the race. This is the greatest challenge and opportunity Christianity has had throughout the Christian era.

Objective criticism of the Occupation is always helpful and welcome, but too often critics, from whatever motive, tend to condemn without offering alternative solutions. Japan's recovery problems are peculiar to Japan and monumental, and intensify as the pressure of her population expands without corresponding expansion of her indigenous resources. True, there remain still ahead many imponderables in the area of international politics, economic competition, and social prejudice, but I am profoundly confident that if we hold to a steady course our objectives will be fully consummated. In this, I rely implicitly upon the integrity, the ability, and the devotion to public service of that fine group of American men and women who compose my technical staff. No group has ever done more to merit the confidence, the admiration, and the gratitude of the American people.

No one who objectively reviews the record of postwar Japan in the light of both domestic and foreign circumstances influencing the course of events can help but note encouraging progress. The rate of such progress may not satisfy those who would attempt to apply to Japan standards and remedies peculiarly applicable to conditions elsewhere, but a comprehensive understanding of the Japanese problem arouses wonder that such progress has been as great and rapid as it has.

E N D

## EDITORS' COMMENT

FORTUNE's April article was not intended to retract the more "comprehensive" and "balanced" estimate by Herryman Maufer in March, 1947. The April article was called "an economic report" and concentrated on this single one of SCAP's manifold

responsibilities.

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responsibilities, particularly as it has been discharged since 1947. We do not feel that our criticism was motivated by politics of left or right, or by sympathy with frustrated "carpetbaggers" (unless "carpetbagger" is a SCAP synonym for any American who tries to do business in Japan). There seem to be still two basic differences between FORTUNE's viewpoint and General MacArthur's: (1) on the degree of SCAP's responsibility for Japan's economic recovery, (2) on the role and needs of private enterprise therein.

As General MacArthur succinctly points out, economic recovery through foreign trade has all along been the only alternative to starvation, let alone to "disease and unrest." Thus some recovery was always a SCAP responsibility regardless of the directive, and "indigenous Japanese resources" surely must have included the talent of Japanese businessmen and workers for foreign trade. We feel that this responsibility should have been given a higher priority earlier (instead of "ultimately"); that the blockade was largely imposed by and unnecessarily prolonged by SCAP; and that earlier attention to recovery would have made secure (rather than interfered with) the political reforms that "received primary attention."

WHETHER FORTUNE's dismal picture of Japan's economic stagnation was overdrawn depends on one's concept of how much better it might have been. The inflation of 1946-48, "rampant" or not, saw wholesale prices rise 1,200 per cent. In measuring the rate of industrial recovery ("the lowest in the world") we chose our base year (1938) with some care; the 1930-34 base that SCAP prefers was selected by the FEC as a fair measure of consumption, not production, and to satisfy it for the present population from present resources would require a production level of about 1938's. It is true Japan was geared for war in 1938 but so were Germany and Italy. The U.N. bulletin mentioned uses 1937 as 100, and on that basis Japan is at the bottom of the list.

Our figure of three million for the government bureaucracy was wrong, since it includes local government officials, which it should not have. But isn't a million and a half bad enough? How much bureaucracy does the Japanese economy really need? What are "needless" controls? Here lies our second basic difference with SCAP, one that is just as hard

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to argue statistically as was the old feud between U.S. businessmen and the New Deal. It also has just as little to do with the unheroism of the Zaibatsu or of publications like the Oriental Economist.

Said one U.S. businessman in Tokyo last month: "They (SCAP) clutter up any piece of business, even the getting of a simple routine permission, with the damndest bureaucracy you ever saw -- and I dealt with the New Deal when its regulations were at their worst. To get one simple permission took me from December 17 to April 8 . . . But the foreign businessmen here can at least get into SCAP and yell. The Japanese businessmen are even more helpless and paralyzed -- and don't even dare go near SCAP." Such reports, of which FORTUNE knows many examples, are too frequent and too uniform to be ignored. While appreciating that Japan faces enormous natural difficulties, businessmen who have been there are convinced that industrial production and foreign trade would vastly increase if SCAP would give business its head. If Japan is "a large concentration camp," it is only partly war's and nature's concentration camp, partly SCAP's.

General MacArthur endorses "free competitive private enterprise" as a social goal. Do SCAPmen understand that it is also an "alternative solution" and a weapon, the sharpest and quickest weapon against poverty, even the "natural" poverty of Japan? We hope that they are beginning to. We welcome the recent efforts of the Dodge mission to solve the monetary inflation (which has favored "speculators" far more than would a relaxation of supply allocations) and we also welcome the recent news that the yen has been given a fixed exchange value, a step that FORTUNE called basic to revival. Now that the December directive has made irrelevant our first disagreement with SCAP, we look forward to the gradual extinction of the second and we wish General MacArthur complete success in his vast and more-than-economic mission.

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