

C-O-N-F-I-D-E-N-T-I-A-L
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KAYA, Okinori

JAPAN

MINISTER OF JUSTICE

Okinori Kaya, newly appointed Minister of Justice, has been an influential figure on the Japanese political scene for many years. Before his current appointment, Kaya had served since July 1962 as Chairman of the Liberal-Democratic Party (LDP) Policy Board. A chief policy maker and leading economic and financial expert in the LDP, Kaya has been described as an "elder statesman" ranking just below former Prime Ministers Shigeru Yoshida and Nobusuke Kishi. Despite ten years of imprisonment after World War II as a result of his service in the wartime Tojo cabinet, Kaya is described as pro-American; he is an advocate of Japanese rearmament and was active in the campaign for revision of the US-Japan Security Treaty. A member of the House of Representatives from Tokyo's third district since May 1958, Kaya has also served the LDP as Chairman of its Social Security Research Council (1960-1961) and of its Foreign Affairs Research Council (1959-1960). During 1959 he also served as an adviser to the Economic Development Promotion Committee. Formerly a member of the Kishi faction, Kaya aligned himself with neither of the groups formed after Kishi dissolved his faction in November 1962. He is now considered to hold no formal factional affiliation, but he has in general cooperated with Prime Minister Ikeda.

Kaya was born on 30 January 1889, the third son of the chief priest of a large Shinto shrine in Yamaguchi prefecture. His original family name was Fujii, but he was adopted by a samurai family of Hiroshima prefecture named Kaya. Kaya was graduated from Tokyo Imperial University in political science in 1917. After passing the civil service examination, he was assigned to New York from 1918 to 1920 as a clerk attached to the Ministry of Finance. He remained with the Finance Ministry after his return to Japan in 1920 and by 1934 had become head of the ministry's Bureau of Accounts. He was made head of the Financial Bureau in 1936 and in February 1937 was appointed Vice Minister of Finance. The following June he was named Finance Minister in the first Konoe cabinet, serving until his resignation in May 1938. Later that year Kaya was made a member of the House of Peers. In August 1939 he was appointed President of the North China Development Company, a government-subsidized organization engaged in industrial promotion in northern China, where he remained until his appointment as Finance Minister in the Tojo cabinet in October 1941. Kaya served as Finance Minister through most of World War II, resigning in February 1944 but remaining as an adviser to the Finance Ministry until the end of the war. In August 1945 he was made Chairman of a newly formed Postwar Currency Problems Committee, but in September of that year he voluntarily surrendered himself when identified by occupation authorities as a war criminal.

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NAZI WAR CRIMES DISCLOSURE ACT C-O-N-F-I-D-E-N-T-I-A-L
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(1) Privacy
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KAYA, Okinori (continued)

Despite defense allegations that Kaya had not been an active supporter of the militarists while serving in the cabinet, he was found guilty by the International War Crimes Tribunal and sentenced to life imprisonment. After serving ten years in Sugamo prison, however, he was paroled in September 1955. Almost immediately after his release, Kaya began to emerge as a prominent and influential figure on the financial and political scene and to be mentioned as a potential leader at the national level. In October 1956 he led a trade mission to South-east Asia sponsored by the Asian Society for Economic Cooperation. The mission, according to a Japanese Foreign Ministry official who accompanied it, had actually been proposed by high government officials so that Kaya could establish contacts with government leaders in the Southeast Asian area in order to prepare himself for a more prominent role in political and economic affairs.

Kaya and Nobusuke Kishi, who had been cabinet colleagues at the beginning of the war and had been imprisoned together at Sugamo for more than three years, had developed a close association and friendship. Kaya reportedly was one of Kishi's chief supporters in the latter's campaign for the prime ministership; and with Kishi's assumption of this post in early 1957, Kaya's influence in the government began to increase. In March 1957 he was named a member of Kishi's Economic Diplomacy Council, an advisory group to the Prime Minister on important external economic problems, and reportedly served as Kishi's "personal adviser." Along with his political success, Kaya at this time was enjoying considerable financial success with various unspecified business activities and was reportedly receiving support from such wealthy and influential businessmen as Aiichiro Fujiyama and Taro Yamashita. He was said to retain the respect and loyalty of many of the Finance Ministry bureaucrats with whom he had worked as Minister of Finance and to be valued by Kishi for his ability to influence that ministry according to Kishi's plans.

Although Hayato Ikeda, Minister of Finance under Kishi, was said to be a Kaya supporter, some reports indicated that Kishi was using Kaya's influence in the ministry to bypass Ikeda and thus assure himself of direct control over financial affairs. Reports during mid-1957 speculated that Kishi intended to make Kaya Finance Minister, although Kaya himself continued to deny any aspirations for the post. His influence in the government, although considerable, was still somewhat hampered at this time by the parole restrictions which prohibited him from assuming public office; however, in April 1958 Kaya, along with all remaining "Class A" war criminals, was restored to full civil rights. In May 1958 he was elected to the House of Representatives, a prerequisite for real political influence; and the speculations with regard to his political ambitions began to increase in volume, with some sources mentioning him as a future prime minister.

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KAYA, Okinori (continued)

As a Diet member, Kaya continued his support of Kishi, despite rumors that he was beginning to reinforce his associations with Hayato Ikeda as a hedge against the future or that he and Aiichiro Fujiyama were cooperating to form a new faction within the LDP. He has been credited with a large share of the work which resulted in the ratification of the US-Japan Security Treaty revision, the issue which played a large part in Kishi's resignation as Prime Minister. What part Kaya played in Ikeda's election to the LDP presidency and subsequent elevation to the prime ministership is not known; but Kaya had previously mentioned that although he felt that continuation of the Kishi government was important for the future of Japan, Ikeda would be his choice in the event that Kishi had to be replaced. Since Ikeda's assumption of the prime ministership, Kaya has generally given his support to the Prime Minister, claiming that none of Ikeda's rivals can do a better job of managing the Japanese economy and that a defeat of Ikeda on the grounds of a failure in economic policy would risk discrediting the entire conservative party with a resultant takeover by the Socialists.

When Ikeda appointed Kaya Chairman of the LDP Policy Board, observers saw the appointment as a maneuver by Kishi and Yoshida to provide a respected "middleman" or umpire who would be acceptable to Ikeda and at the same time advance the policies of the Kishi-Yoshida group in their support of Eisaku Sato as Ikeda's successor. A Japanese newspaper suggested that Yoshida viewed Kaya as the only party member capable of counteracting Ichiro Kono after Sato had withdrawn from the cabinet. Kaya is reportedly considered by LDP leaders as an elder to whom they owe respect for his years of government service, although some doubts were raised as to his ability to cope with the complications of postwar party policies. An unnamed party spokesman, according to a Japanese newspaper report, commented that while Kaya was an irreplaceable bulwark when he shared their viewpoint, his obstinacy made him very difficult to deal with when he had a different opinion. Recently, however, his autocratic attitude has reportedly mellowed somewhat and he is said to be more willing to listen to advice from other members of the Policy Board.

Kaya has taken pains to emphasize to US officials his belief in the necessity of US-Japanese cooperation and to associate himself with the pro-US element within the LDP. He is a strong supporter of rearmament and feels that Japanese national defense can best be accomplished through security treaties with the United States. Kaya has been described by Japanese newspapers as a member of the "Republic of Korea lobby" within the LDP and as a member of the group which subscribes to the importance of the Chinese Nationalist government in Taiwan as opposed to the Chinese Communists. He is particularly insistent on continuing the normalization talks between Japan and South Korea,

KAYA, Okinori (continued)

warning of the military threat to Japan of a potentially hostile government in South Korea. In 1961 other newspaper articles included Kaya as a member of the Soshinkai, an ultra-conservative group within the LDP which proposed to organize a popular movement to expose the menace of international Communism and which reportedly was a source of embarrassment to many other LDP members. He is interested in Japanese economic development in Southeast Asia and has been a consultant to the Asian Society for Economic Cooperation since 1956.

Kaya's recent foreign travels have included a ten-day tour of Europe at the invitation of Japan Air Lines on the occasion of the inaugural of its southern route to Europe in October 1962; a short trip to Taiwan in March 1961 as a member of a seven-man Diet mission which visited industrial and military installations; a semi-official visit to the United States in February 1959, at which time he conferred with high-level officials on US-Japanese defense cooperation; and the tour of Southeast Asia sponsored by the Asian Society for Economic Cooperation in October 1956. Before World War II, in addition to his tour of duty in the United States during 1918 and 1919, Kaya spent some time in Europe serving as an aide at the Naval Disarmament Conferences held in Geneva in 1927 and in London in 1930; and he reportedly did some traveling in China while associated with the North China Development Company from 1939 to 1941.

Kaya has been described as possessing a shrewd, logical mind, a good sense of humor, and considerable vitality for his age. Although friendly, he has a stiff and old-fashioned manner and reportedly is somewhat domineering, with a keen sense of his own importance. He apparently does not subscribe to the "low posture" of the current government, although he has said that in such bitterly contested cases as security legislation and Japan-Korea relations, a "high posture" will not solve the problems either.

Kaya's wife, Haruko, was born in 1892; they have one daughter, Kazuko, born in 1921 and married to Masao Kaya (who has assumed his wife's family name), currently a Director of the Japan Development Bank and the Bank of Japan. Okinori Kaya has a limited knowledge of English.

30 July 1963