

CONTACT REPORT

Handwritten: 100-44121-1391
Excellent report
WRS
JRK

No. _____

LIAISON UNIT F-2/POCAPON

DATE AND TIME OF CONTACT: 1 Nov 1955, 1430 hours

EXACT LOCATION: In living room of POCAPON's Official residence in Shibuya

ALL PERSONS INVOLVED: POCAPON AND [] []

PURPOSE: Telephone invitation from POCAPON to come and have a chat

COMMITMENTS MADE: To write ~~ME~~ a draft of a letter of appreciation to Mr. Thomas E. Dewey for his kindness in meeting POCAPON.

MONETARY TRANSACTIONS: None

MATERIALS PASSED: None

REPORTS RECEIVED: See Report below

CHRONOLOGICAL NARRATIVE ACCOUNT

1. In response to a telephone invitation to spend part of the afternoon chatting with POCAPON I called on him at the official residence in Shibuya at approximately 1430 hours, 1 Nov 55. POCAPON was in the upstairs study and invited me to come in there rather than sit in the large formal living room. After a brief exchange of amenities POCAPON thanked me for interpreting for him at his recent meeting with Mr. DEWEY and said he hoped that he had not spoiled my plans for the weekend. I assured him that such was not the case. POCAPON said that he was very happy that he had been able to meet with Mr. Dewey and even though nothing specific had been discussed he indicated that it was gratifying that such an important man was willing to spare time to meet with POCAPON on an unofficial visit. He added that in view of the fact that he hoped to go to the States sometime soon he did not want to let loose ends hang, and, with this in mind he asked if I would again do him the favor of drafting a letter of appreciation to Mr. DEWEY for him. I promised that I would do whatever I could and asked him to outline specifically what he desired to convey. POCAPON said that he merely wanted to express his appreciation for the time allowed by Mr. DEWEY in the midst of his busy schedule to see him, and, thank him for his frank opinions and views of the general situation as Mr. DEWEY saw them on this trip. He added that he would like to have the letter drafted by the afternoon of 2 Nov 55 since he did not want to allow too much time to elapse; also, he intended to have a friend Mr. IDEMITSU, Sazo, President of the IDEMITSU OIL CO. hand carry the letter to give it an added personal touch.

2. POCAPON said that after the meeting with Mr. DEWEY he had met with YOSHIDA at his residence in Oiso to find out if YOSHIDA had actually

NAZI WAR CRIMES DISCLOSURE ACT

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told Mr. DEWEY that he opposed the current merger talks as Mr. DEWEY had indicated to POCAPON. Mr. YOSHIDA, according to POCAPON, did not indicate that he was opposed to the merger talks. As POCAPON had earlier reported to us MR. YOSHIDA's views are that he had opposed the merger talks at first because it was his belief and life ambition that the integrity and entity of the Liberal Party be kept intact and if the Democrats wanted to merge with the Liberal Party it was all right with him. He had opposed the idea of dissolving both parties to form a new conservative party, however, in view of the tide of public opinion and the adamant stand of the Democrats, he now felt that there was no other solution than to merge both parties as much as he personally hated the idea of losing the Liberal Party Name. Mr. YOSHIDA mentioned again to POCAPON at this meeting that he would support POCAPON in the battle for Prime Ministership and had instructed all of the so-called YOSHIDA faction that they should back POCAPON as long as the battle was to be fought on the grounds of dissolving both Parties and holding open elections for the new Prime Minister. The reason for this is that there are enough POCAPON supporters in the Democratic party to assure victory for POCAPON if this tactic is employed. If the Liberals give in to the OASA-MATSUMURA line of a negotiation for the Prime Ministership with HATOYAMA remaining on as the first leader of the merged parties, there is no assurance that he will give up his post even though promises can be made.

3. With politics now the subject of discussion I queried POCAPON if he was aware of any recent meetings between MIKI and OASA. (Mental reference on my part being made to the [] - [] contact report of 21 Oct 55) POCAPON said that as far as he knew the two individuals had met sometime on or about 24 October 1955. He jokingly said that they were the black dogs behind the scenes directing HATOYAMA's actions so they probably were thinking up news means of holding up the merger. I asked why KONO was not at the meeting and POCAPON said that as far as KONO was concerned his main job was to get money for the Democratic party to carry on its fight with the Liberal party and he was doing a pretty good job of it. He said that the Police had very voluminous files on KONO's underhanded methods in this respect and although they could start a case and do away with him without any trouble there was the possibility that so many big Democrats would be involved in the scandal that they have not taken any positive action. POCAPON said that KONO had been working huge deals on sugar and Azuki (red beans) with MATAMAZ KI, Tanosaki a broker in this field. POCAPON hastily added that this was only one of the more flagrant cases where KONO has been breaking the law to get funds for the Democrats and that there were many other cases known to both the Police and to MIKI and OASA. Since in recent maneuvers KONO appears to be angling for power, MIKI and OASA are getting worried that KONO will one day push them out of the picture, so, it is quite conceivable that they are holding these cases merely to keep KONO in check.

4. (With a mental reference to [] query regarding the GAIKO DOSHI KAI) I asked POCAPON if he could enlighten me on the organization. POCAPON said that the Gaiko Doshi Kai was a loosely knit group of Diet members generally considered to revolve around YOSHIDA, Hitoshi. The members were mostly Liberal and Democrats (and incidentally serves as a unofficial liaison channel between the two parties) who saw eye to eye on various foreign policy issues. POCAPON said that the group was primarily

in opposition to the methods and extent of negotiations conducted by HATOYAMA with respect to the Jap. Sov. peace talks. He added that this was not a firmly established organization as such but a good one to be associated with.

5. (With reference to questions contained in BIR Cable 27035) I changed the subject back to the merger and asked FOGAPON how things were coming along. FOGAPON said that it was hard to explain to people outside of Japanese politics just how difficult the situation was and how still more difficult it was made out to be primarily for the purpose of throwing off the opposition. Even taking all of these elements into consideration FOGAPON said that the merger talks still had the possibility of going on the rocks not because the liberals and the Democrats can't get together but because there was a mentally sick man at the head of the present Government who was placing his personal position before that of the nation. He added that the ~~present~~ current Prime Minister was controlled by too many politicians as well as by too many women and therefore he vacillated. In spite of all this FOGAPON said that the talks are now in the final stage and whether the goal would be reached or not is matter for conjecture even at this point, however, he said that he was not standing still. He said that he has had his people quietly subverting elements in the Democratic Party so that when the showdown period is reached he will have a number of supporters in the Democratic lineup who are for the time being acting as though they are violently opposed to FOGAPON.

I asked FOGAPON if a negotiated merger was the only thing possible after all these weeks of talks would he accept HATOYAMA as the first Prime Minister or would he himself accept a prime ministership of limited tenure. FOGAPON said smiling that he could see what the reason for that ~~question~~ question was. He said that OBUKE was probably trying to determine whether FOGAPON was going to be the same type of Prime Minister as Hatoyama i.e. willing to give in in order to assure personal position, or willing to negotiate with both sides of the fence to assure tenure. FOGAPON said that he was not the kind of person who placed his own status above that of the country and that I could be assured that if such a "deal" were proposed to him he would not accept it. He said also that the ultimate objective he has is to see that Japan had a STRONG conservative government of fairly stable nature that can do things immediately to counter the already too strong Socialist threat in Japan. He added, after what happened after the last election he could not trust HATOYAMA with any promises however simple they may be because HATOYAMA has no mind of his own. FOGAPON said that if unity cannot be reached except by such backstage negotiating then Japan was not ready to be united and he did not want to work any stop gap measures because these would only lead to further disunity.

I asked FOGAPON if he had any ideas as to who might have a chance for for the Prime Ministership besides himself should the merger talks end in success. FOGAPON said that if the merger is concluded and all of the elements now supporting it continue to do so there was no doubt that he would be on top, however, if FOGAPON should fail then in his opinion both Kishi and IKEDA have a good chance. KICHIMANDA has lost the appeal that he had when he first turned politician, NAKAMURA Kichisaburo is too old, ASHIDA does not command enough respect or Kobun, and others are not even in contending position. The reason FOGAPON feels that he is on top is that YOSHIDA has made public his support of FOGAPON and all of the YOSHIDA faction has accepted this decision. The Democrats want HATOYAMA to remain as the New Party President until April

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of next year so that they can claim authorship of the budget, however, this is specifically what the liberal party does not want. The main reason for objecting is the fact that H HATUYAMA may go off one day and visit MOSCOW to try and conclude a peace treaty by himself.

To my query whether POCAPON could afford to wait and allow HATUYAMA to remain in power in order to avoid another general election POCAPON said that as far as the Liberal Party is concerned there was no hurry to get the merger concluded, however, the Democrats have been forced into the corner on the issue by the merging of the Socialist Party (Left and Right wing) so that unless they have full support of the Liberals there will be no way of riding out the next session of the Diet either ordinary or extraordinary. The days are numbered in this respect and unless the Democrats see the light they will find themselves running a government which they cannot control. As far as the Liberal Party is concerned they will not change their policy of demanding the dissolution of both parties and holding open elections for the new president. Once the critical stage is reached POCAPON said that persons like GASA and MIKI who are the strongest anti merger elements of the Democrats may start moves to try and force a dissolution. POCAPON's estimate of the situation at this point is that things will look awfully dark for a while and the dissolution may look imminent but during this time he will be able to further subvert other members of the Democrats either by buying out their votes or by promises of political positions in the new government that the dissolution itself will probably not come about. The Liberal Party in preparation for this contingency has started a fund raising program and they are confident that they have more on hand than the Democrats.

I next asked that in the event all of POCAPON's calculations concerning a general election comes about what the major issues would be insofar as both parties are concerned. POCAPON said that there was only one major issue and that was the Jap./Sov. Negotiations. As far as the Philippine reparation issue was concerned POCAPON said that all of the people in HATUYAMA's government were not sick like him and therefore they are negotiating in favor of the Liberal Party, so, the problem may not even exist by the time such an election should take place.

As for the limits to which the Liberal Party will go along with the Democrats in the present Jap/Sov Negotiations POCAPON said that Democratic line was to press for the return of the Shikotan and Habomai Islands and release of the Japanese prisoners upon signing of the Peace treaty. POCAPON said that the Liberal Party's limits were the immediate return of the SHIKOTAN and HABOMAI Islands as well as the return of the KURILES and if there was no solution that this be placed before the International Court for decision before even beginning to talk about Peace. As for the Prisoner issue POCAPON would have this settled first before going to the conference table to talk about peace treaties. In other words, HATUYAMA has already exceeded the boundaries to which the Liberal Party will support him. POCAPON added that during MALIK's stay in New York Ambassador KASE called on him twice to inquire about the Peace Talks and MALIK has been sufficiently impressed by Japan's apparent anxiety to get the treaty concluded that he has so notified MOSCOW. POCAPON also feels that the next Soviet move will be to get someone, probably the Prime Minister, to come to Moscow and continue talks there rather than in London. POCAPON indicated that he was aware of

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statements made by HATYU at HAYASHI over the past weekend which gave the indication that he was tired of these long drawn out negotiations and that he personally was willing to let the HAKODAI and SHIRI OTAW Island issue be referred to after the signing of the Peace Treaty.

I asked what HOGAKON's position would be with reference to a possible non confidence motion submitted by the Socialists. HOGAKON said that as far as the Liberal Party was concerned, if there was need for a non confidence motion and the Liberals felt justified in supporting such a move that they would not wait for the Socialists to make the motion but would make it themselves. This would relieve them of having the stigma of going along with a Socialist move and at the same time would embarrass the Socialists to have to go along with a motion put forth by the Liberals.

With respect to the buildup of military forces in Japan, HOGAKON said that this was a definite necessity and would not be a difficult matter to accomplish. He said that Japanese public opinion is easy to sway one way or another and if they had a few brass bands parading up and down the country, exhibition shows of strength, and the like the Japanese who are ~~now~~ now clamoring for peace will soon quiet down. HOGAKON said that decisive actions had telling effect on the Japanese public and that is where the ODYCKE effort was failing because they proceeded with too much caution and therefore too much delay in the timing. The only difficulty that HOGAKON foresaw was that in any big policy decision such as perhaps the use of atomic weapons etc. these had to be considered in the light of the NE IKEDA-ROBERTSON talks. There was also the question of the revision of the constitution. In view of the merging of the Socialists it was questionable whether any controversial items of the constitution could be changed. HOGAKON's time schedule on this is to gradually accomplish the minor housekeeping details and garner strength and then at the next election knock out the strong socialist bid for power and start in on a full scale revision of the constitution to permit such a build of forces as needed for the defense of Japan.

As for the illegalizing of the communist party in Japan, in view of the present constitution HOGAKON feels that this question cannot be answered at the present time, furthermore, in his opinion the police in Japan are not adequately equipped or armed to tackle the problem. In this respect also a gradual buildup of strength, material and technical knowledge of the police are necessary so that when the time comes that a move such as illegalizing the party can be undertaken the police will be able to cope with the underground communist party.

6. For the time being HOGAKON hopes to concentrate on propogandizing Japan to the point where she is aware of the dangers of the Communist Chinese and Soviet Peace Offensives. He lamented however, that he could not do much in this respect as long as he is in the opposition.

7. Several visitors had been waiting for over an hour in the downstairs waiting room so I excused myself and left at approximately 1600 hours.

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