



CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS

REPORT FOR PERIOD 1 JULY 1962 TO 30 JUNE 1963

VOL XI

(RCS CSCAMG - 5)

HIGH COMMISSIONER OF THE RYUKYU ISLANDS

FOREWORD

The period of 1 July 1962 through 30 June 1963, covered in this report, saw the Ryukyu Islands continue their political, economic, and social development.

The Gross National Product reached a new high at \$299.2 million, increasing over that of Fiscal Year 1962 by 17.2 percent. National income rose 14.2 percent over that of the previous fiscal year, reaching \$265.2 million. Income per employed worker rose by 18.1 percent. All other indices of economic development during this period show continued growth at a rate not equaled elsewhere in Asia. A reappraisal of land values resulted in an increase of 15.93 percent in annual land rentals paid by the United States Government. Ryukyuan commodity exports reached an all-time high of \$70.4 million, registering a 61.8 percent gain over Fiscal Year 1962.

A contract in January 1963 for construction of an 88,000-kilowatt power plant in Kin-Son was awarded. Pending completion of this plant, the Ryukyu Electric Power Corporation, an instrumentality of the United States civil administration, purchased diesel-powered generators at a cost of \$2.5 million adding 24,000 kilowatts of power to the system. These generators will provide added power for periods of peak loads, thus making it unnecessary to resort to black-outs or brown-outs.

In the area of legal and political affairs, the significant event was the introduction of the jury system into United States civil administration courts, giving the right to indictment by grand jury for offenses punishable by death or imprisonment for more than one year, and to trial by petit jury for any offenses other than petty offenses.

Expansion of the educational plant continued, with construction of 183 elementary and secondary school classrooms, and civil engineering and mechanical-electrical engineering buildings at the University of the Ryukyus. Funds for this construction were appropriated by the United States Congress. Funds also were committed for construction of a new hospital in central Okinawa, and for expansion and improvement of other hospitals and public health centers.

At the end of Fiscal Year 1963, the Ryukyuan people had reached a level of material prosperity unprecedented in the history of the Ryukyu Islands. Social and political advancement, although not precisely measurable, appeared to keep pace with economic growth.

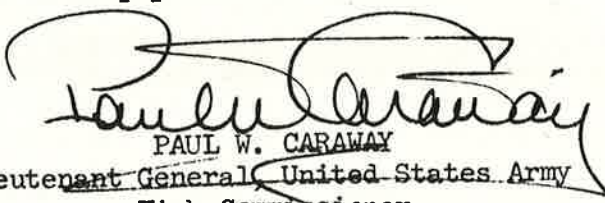

PAUL W. CARAWAY
Lieutenant General, United States Army
High Commissioner

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Foreword | i |
| Table of Contents | iii |
| HIGHLIGHTS | 1 |
| PART I - GOVERNMENTAL, POLITICAL, AND LEGAL | |
| CHAPTER 1 - GOVERNMENT IN THE RYUKYU ISLANDS | 11 |
| The Government of the Ryukyu Islands Legislature | 11 |
| Twentieth Special Session | 11 |
| Twenty-First Extraordinary Session | 11 |
| Twenty-Second Extraordinary Session | 14 |
| Twenty-Third Regular Session | 14 |
| The Executive Branch of the Government of the Ryukyu Islands | 16 |
| Reappointment of Chief Executive | 16 |
| Changes in the Executive Branch | 18 |
| CHAPTER 2 - POLITICAL PARTIES AND DEVELOPMENTS | 21 |
| 1962 Election of Legislators | 21 |
| Analysis of Election Results | 22 |
| Election Day | 22 |
| Legislators | 24 |
| Central Election Board | 24 |
| Pre-Campaign Activities | 25 |
| Okinawa Liberal Democratic Party | 25 |
| Opposition Parties | 28 |
| Party Conventions | 30 |
| Shi-Cho-Son Elections | 30 |
| Campaign Activities | 31 |
| Campaign Issues | 33 |
| CHAPTER 3 - LEGAL AND JUDICIAL AFFAIRS | 39 |
| High Commissioner Legislation | 39 |
| Important Legal Cases and Decisions | 44 |
| John Yokota Case | 44 |
| Ikeda Case | 45 |
| Service Games Prosecution | 45 |
| Civil Administration Courts | 46 |
| Probation Office | 46 |
| The GRI Procurator | 46 |

CHAPTER 3 - LEGAL AND JUDICIAL AFFAIRS (Continued)

| | <u>Page</u> |
|--|-------------|
| The GRI Judiciary | 47 |
| Miscellaneous Legal and Judicial Activities | 47 |
| Problem of Ryukyuan Real Property Law | 47 |
| Revision of Rules and Court Procedures | 48 |
| Traffic Court | 48 |
| Land Administration | 48 |
| Land Program | 48 |
| Land Acquisition | 49 |
| Licensing | 49 |
| Training Areas | 50 |
| Land Advisory Committee | 50 |
| Claims | 50 |
| Pre-Peace Treaty Claims | 50 |
| Fishery Claims | 52 |
| CHAPTER 4 - PUBLIC SAFETY | 53 |
| GRI Police and Law Enforcement | 53 |
| Organization and Personnel | 53 |
| Training | 53 |
| Criminal Identification and Laboratory | 53 |
| Crime Statistics | 54 |
| Counterfeit Currency | 54 |
| Police Communications System | 55 |
| Expansion of Police Facilities | 56 |
| Penal and Correctional Institutions | 56 |
| Penal Institutions | 56 |
| Correctional Institutions | 57 |
| Ryukyu Reformatory | 57 |
| Juvenile Detention and Classification Home | 57 |
| Parole Board | 57 |
| Improvement of Penal and Correctional Institutions ... | 57 |
| Safety | 58 |
| Traffic Safety | 58 |
| Fire Protection Service | 59 |
| Fire Statistics | 59 |
| Training | 59 |
| Construction of Fire Stations | 61 |
| Disposal of Explosives | 61 |
| Typhoons | 61 |
| Immigration | 61 |
| Miscellaneous | 63 |
| Plane Crash | 63 |
| Abandoned Chinese Fishing Vessels | 63 |
| Riots at Ryukyu Reformatory | 64 |
| Sanwa Sogo Bank Case | 64 |
| Gang War | 64 |
| Unlicensed Taxicabs | 64 |

PART II - ECONOMIC AND FINANCIAL DEVELOPMENT

| | <u>Page</u> |
|--|-------------|
| CHAPTER 5 - ANALYSIS OF ECONOMIC CONDITIONS IN THE RYUKYU ISLANDS | 65 |
| General | 65 |
| Gross National Product | 65 |
| Foreign Receipts and Expenditures | 66 |
| Capital Formation (Investment) | 67 |
| National Income | 67 |
| Disposable Personal Income and Personal Saving | 68 |
| Prices | 68 |
| Population and Labor Force | 68 |
| Financial Situation | 69 |
| CHAPTER 6 - EXTERNAL FINANCIAL ASSISTANCE TO THE RYUKYU ISLANDS | 71 |
| United States Assistance to the Ryukyus | 71 |
| Appropriated Aid | 71 |
| Administration Ryukyu Islands, Army (ARIA) | 71 |
| Military Construction, Army | 72 |
| Military Security Appropriation | 72 |
| General Fund, Office of the High Commissioner | 72 |
| Administrative Expenses, Office of the High Commissioner | 72 |
| Assistance by the Government of Japan | 73 |
| Economic Assistance | 73 |
| Technical and Special Assistance | 74 |
| General Technical Assistance | 74 |
| Microwave Supplies and Equipment | 74 |
| Contributions of the Nampo Doho Engo Kai (NDEK) | 74 |
| Pensions, Solatia, and Other Payments | 75 |
| High Commissioner's Fund for Special Assistance to Municipalities | 75 |
| Ryukyu Development Loan Corporation | 78 |
| Miscellaneous Assistance | 81 |
| Resettlement Program | 81 |
| Onogoshi, Miyako | 81 |
| Awase Reclamation | 81 |
| Taiho | 81 |
| Takabishi-Funaura, Iriomote Island | 82 |
| Yaeyama Malaria Control | 82 |
| Disaster Relief and Rehabilitation | 82 |
| Overseas Emigration | 83 |
| CHAPTER 7 - GOVERNMENT FINANCES | 85 |
| Government of the Ryukyu Islands Budget | 85 |

| CHAPTER 7 - GOVERNMENT FINANCES (Continued) | Page |
|--|------|
| Internal Revenue | 86 |
| Summary of GRI Revenue - FY 1953 through FY 1963 | 86 |
| Summary of Tax Collections - FY 1963 | 88 |
| CHAPTER 8 - AGRICULTURE, LIVESTOCK, FISHERY, AND FORESTRY DEVELOPMENT | 91 |
| Agriculture | 91 |
| General | 91 |
| Crop Production | 91 |
| Sugar Cane | 91 |
| Pineapple | 93 |
| Sweet Potato | 95 |
| Rice | 95 |
| Tea | 95 |
| Tobacco | 95 |
| Research | 96 |
| Sweet Potato Tengus Virus | 96 |
| Plant Breeding | 96 |
| Varietal Crop Importation | 98 |
| Plant Propagation | 98 |
| Improvement of Facilities | 98 |
| Extension Service | 98 |
| Model Farm | 99 |
| Livestock | 100 |
| General | 100 |
| Importation of Cattle, Hog, and Poultry | 100 |
| New Construction | 102 |
| Livestock and Poultry Population | 102 |
| Animal Breeding Program | 102 |
| Meat Production | 103 |
| Livestock Imports and Exports | 103 |
| Animal Disease Control | 103 |
| Fisheries | 105 |
| General | 105 |
| Licensing | 105 |
| Whaling | 105 |
| Red Coral Fishery | 106 |
| Fish Nest Construction | 106 |
| Fisheries Extension | 106 |
| Fishing and Processing Research | 106 |
| Fisheries Loans | 107 |
| Subsidies | 107 |
| Fishing Port Improvements | 107 |
| Fishing Vessel Insurance | 108 |
| Cold Storage and Ice Plant Facilities | 108 |
| Exports and Imports | 108 |

| | <u>Page</u> |
|--|-------------|
| CHAPTER 8 - AGRICULTURE, LIVESTOCK, FISHERY, AND FORESTRY DEVELOPMENT (Continued) | |
| Forestry | 109 |
| Forest Resources | 109 |
| Reforestation Program | 109 |
| Nursery Operation | 109 |
| Forest Research | 111 |
| Technical Assistance and Training Program | 111 |
| CHAPTER 9 - COMMERCE AND INDUSTRY | 113 |
| Foreign Trade | 113 |
| Exports | 113 |
| Imports | 114 |
| Free Trade Zone | 116 |
| Foreign Investment | 117 |
| Manufacturing | 118 |
| General | 118 |
| Construction and Expansion | 119 |
| Ryukyu Productivity Center | 121 |
| Tourism | 122 |
| Hotels | 124 |
| CHAPTER 10 - PUBLIC UTILITIES | 125 |
| Electric Power Development | 125 |
| Ryukyu Electric Power Corporation | 126 |
| Water Supply Development | 128 |
| Ryukyu Domestic Water Corporation | 130 |
| POL Activity | 132 |
| CHAPTER 11 - TRANSPORTATION AND COMMUNICATIONS | 133 |
| Transportation | 133 |
| Air Transportation | 133 |
| International | 133 |
| Interisland | 133 |
| Improvement of Facilities | 133 |
| Marine Transportation | 134 |
| Foreign Trade | 134 |
| Interisland Traffic | 134 |
| Tomari and Naha Commercial Ports | 134 |
| Port Improvements | 135 |
| Navigational Aids | 135 |
| Vessel Construction | 135 |
| Land Transportation | 137 |
| Motor Vehicles | 137 |
| Buses | 137 |

| | |
|--|-------------|
| CHAPTER 11 - TRANSPORTATION AND COMMUNICATIONS (Continued) | <u>Page</u> |
| Taxicabs | 137 |
| Trucks | 138 |
| Communications | 138 |
| Telephone Communications | 138 |
| Radio and Television | 138 |
| Interisland Wireless Communications | 139 |
| International Communications | 139 |
| Japan-Ryukyus Microwave System | 139 |
| Postal Service | 142 |
| Weather Service | 142 |
| CHAPTER 12 - PUBLIC WORKS | 143 |
| Public Works Projects | 143 |
| Ishigaki Port | 143 |
| Shioya Bridge | 143 |
| Hedo-Ada Road | 143 |
| Hirara Port | 143 |
| Highway No. 1 | 143 |
| Unten, Yakena, Baten Ports | 145 |
| Gabu River | 145 |
| Highway No. 5 | 146 |
| Ie Port | 146 |
| Aguni Port | 146 |
| CHAPTER 13 - BANKING AND PRIVATE FINANCE | 147 |
| Banking and Credit | 147 |
| Bank of the Ryukyus | 148 |
| PART III - SOCIAL DEVELOPMENT | |
| CHAPTER 14 - GROWTH IN EDUCATION | 151 |
| General | 151 |
| Appropriations for Education | 151 |
| Teachers' Salary Supplement | 151 |
| School Construction | 151 |
| Free Textbooks for Elementary School Children | 152 |
| Legislation | 152 |
| School Enrollments | 152 |
| Higher Education | 152 |
| University of the Ryukyus | 153 |
| Staff | 153 |
| Students | 153 |
| Scholarship Assistance | 153 |
| Curriculum | 153 |

CHAPTER 14 - GROWTH IN EDUCATION (Continued)

| | <u>Page</u> |
|--|-------------|
| Finances | 156 |
| Future Plans | 156 |
| Michigan State University Consultation | 156 |
| Vocational Education | 157 |
| General | 157 |
| Senior High Schools | 157 |
| Junior High School Shops | 157 |
| New Schools | 157 |
| Vocational Teacher Training | 159 |
| English-Language Program | 159 |
| Educational Exchange Program | 160 |
| ARIA Scholarship Program | 160 |
| National Leader Program | 162 |
| Farm Youth Program | 163 |
| Third Country Training Program | 164 |
| Training of Physicians and Medical Technicians | 164 |
| Training of Police and Prison Officials | 165 |
| East-West Center, University of Hawaii | 165 |

CHAPTER 15 - PUBLIC HEALTH AND WELFARE

| | |
|---|-----|
| Public Health | 167 |
| Medical Facilities | 167 |
| Medical Personnel | 168 |
| Training | 168 |
| Medical Supply and Equipment | 169 |
| Preventive Medicine | 169 |
| Polio | 169 |
| Cholera | 170 |
| Tuberculosis | 171 |
| Japanese "B" Encephalitis | 171 |
| Trachoma | 173 |
| Venereal Diseases | 174 |
| Typhoid | 174 |
| Filariasis | 174 |
| Malaria | 174 |
| Mental Health | 175 |
| Environmental Sanitation | 175 |
| Public Welfare | 178 |
| Welfare Institutions | 178 |
| Public Assistance | 178 |
| Child Welfare Services | 179 |
| Welfare Loan Funds | 180 |
| Physically Disabled | 180 |
| Ryukyu Islands Voluntary Agencies Committee | 180 |
| Fund Drives | 182 |

| | <u>Page</u> |
|--|-------------|
| CHAPTER 16 - LABOR | 183 |
| General | 183 |
| Legislation | 184 |
| Labor Force | 184 |
| CHAPTER 17 - PUBLIC AFFAIRS | 185 |
| Information Media of the Ryukyu Islands | 185 |
| Newspapers | 185 |
| Audio-Visual Media | 186 |
| Radio Stations | 186 |
| Television Stations | 186 |
| Books, Magazines, and Pamphlets | 189 |
| Public Affairs Program of the Civil Administration | 190 |
| News Division | 190 |
| Audio-Visual Program | 192 |
| Publications Program | 193 |
| Cultural Affairs Program | 196 |
| Administrative and General Programs | 197 |
| Special Events and People-to-People Programs | 197 |
| Exhibits | 201 |
| Youth Activities | 201 |
| Adult Activities | 202 |
| Library Activities | 202 |
| APPENDIX I - ORGANIZATIONAL CHARTS | 205 |
| APPENDIX II - DOCUMENTS AND SPEECHES | 209 |
| APPENDIX III - VISITORS TO THE RYUKYU ISLANDS | 281 |
| APPENDIX IV - OFFICE OF THE HIGH COMMISSIONER KEY PERSONNEL CHANGES | 287 |
| APPENDIX V - STATISTICS AND DATA SUPPORTING TEXT MATERIAL | 291 |

HIGHLIGHTS

HIGHLIGHTS OF THE CIVIL ADMINISTRATION

Government and Legislature

Under the provisions of Executive Order 11010 of 19 March 1962, which amended Executive Order 10713 of 5 June 1957, the Government of the Ryukyu Islands (GRI) Legislature met on 8 December 1962 for the purpose of nominating the chief executive of the Ryukyu Islands. OTA Seisaku was nominated by the Legislature; and, on 31 January 1963, High Commissioner Paul W. Caraway officially reappointed him as Chief Executive and SENAGA Hiroshi as Deputy Chief Executive of the Government of the Ryukyu Islands.

The Twenty-Third Regular Legislative Session, one of the longest continuous sessions since the formation of the Government of the Ryukyu Islands, convened on 1 February 1963 and sat until 26 August 1963. A total of 115 bills were introduced for legislative action, of which 110 were passed, 1 was voted down, 2 were held over for study, and 2 were tabled without action. Among the bills, the municipal public service law, the education public service law, and the school district public service law were unpopular with persons directly affected because of controls they would have imposed upon individual and organized activities. These were not reported out during the session.

Most of the legislative session was taken up by the study and debate on the FY 1964 General Account Budget. Following lengthy discussions, the annual budget of \$51,980,723, which was more than \$1 million over that proposed by the Executive Branch and more than \$9 million over the previous year's budget, was passed by the Legislature.

There was considerable controversy about the income tax reduction proposed by the political opposition, the pay increase bill for government employees, and the sweeping changes in the penal provisions of laws passed during the session.

1962 Election

The Sixth General Legislatorial Election held on 11 November 1962 gave the Okinawa Liberal Democratic Party (OLDP) a majority in the Legislature, although there was a decline in the number of OLDP seats from 22 to 17 and a corresponding loss in popular support. The Okinawa Socialist Masses Party (OSMP) received 29 percent of the popular vote,

seating seven members. Although this was a gain of two additional seats, one of which was uncontested, it represented a loss of popular support. The Okinawa People's Party and the Okinawa Prefectural Federated Branches of the Japan Socialist Party (formerly known as the Okinawa Socialist Party) each seated one representative. The remaining three seats were won by Independents.

Jury System

The jury system of trial was instituted in the Ryukyu Islands in FY 1963, under the provisions of United States Civil Administration Proclamation No. 18 and Change No. 19 to Civil Administration Ordinance No. 144, which provided that any person charged in a Civil Administration court, whether Ryukyuan or non-Ryukyuan, has a right to indictment by a grand jury in the case of any offense punishable by death or imprisonment for more than one year; and to trial by petit jury for any offense other than petty offenses. The first grand jury convened on 30 March 1963 and returned its first indictment on 3 April 1963. The first trial by petit jury commenced on 30 April 1963.

Civil Administration Courts

The United States Civil Administration tried 104 persons in its Superior Court and 88 persons in its Sessions Court during FY 1963. There was no significant change in these totals from those of previous years.

Government of the Ryukyu Islands Procurator

A total of 40,491 new cases were received by the GRI Public Procurators' Offices during FY 1963, of which 32,348 involved traffic offenses, and 8,143 involved offenses other than violations of traffic laws. Of these, 920 were pending as of 30 June 1963.

Government of the Ryukyu Islands Judiciary

Judges of the Courts of the Government of the Ryukyu Islands made progress during FY 1963 toward bringing their calendars up to date. The Circuit Court civil calendar remained, as in the past, the principal problem area. All family and juvenile court cases were current.

Land Administration

At the end of FY 1963 disbursements to landowners, since the beginning of payments under the revised land program in 1959, totaled \$38,984,538.91, leaving a balance of \$278,861.90 to be paid. In pursuance of an understanding reached during the joint American-Ryukyuan Land Conferences in 1958, a reappraisal of land values was undertaken by an 18-member committee appointed by the Chief Executive

in July 1962 and confirmed by the Legislature. The committee's studies, approved by the High Commissioner, provided an increase of 15.93 percent over the annual rentals established in 1958.

Pre-Peace Treaty Claims

On 16 October 1962 the High Commissioner transmitted to Washington the report of the Pre-Treaty Claims Review Committee. It recommended \$21,874,524 as total damages sustained by Ryukyuans during the applicable period. These claims would be ex gratia; i.e., the United States would be under no legal obligation to pay.

Crime

During FY 1963 a total of 18,765 offenses were reported to the Government of the Ryukyu Islands Police. This was an increase of 24 percent over FY 1962.

Police Services

The ability of the GRI Police to cope with crime was enhanced during the year by extensive training programs, by construction of additional facilities, and by acquisition of needed equipment.

Fire Protection

In FY 1963 there were 580 fires, compared with 356 in the previous year. These fires resulted in 11 deaths, 22 injuries, and property losses in the amount of \$399,600.

Immigration

There were 100,011 entries into the Ryukyu Islands and 98,199 exits during FY 1963. These represented increases of 20,941 and 12,965, respectively, over FY 1962.

Traffic Safety

The number of GRI-registered motor vehicles in the Ryukyus increased to 26,007 in FY 1963, as compared with 19,782 in FY 1962. Approximately 20,000 official vehicles operated by United States military units and private vehicles operated by United States forces personnel and about 10,000 motorized bicycles are not included in the figures above.

The increase of motor vehicles in the Ryukyus has been accompanied by greater efforts in the field of safety. The Okinawa Traffic Safety Association expanded its school safety programs and published several safety pamphlets aimed at increasing highway safety among adults.

Gross National Product

The Gross National Product reached a new high at \$299.2 million, rising above the FY 1962 level by 17.2 percent. One-third of the Gross National Product was accounted for by public and private capital formation (investment), which increased 16.5 percent above FY 1962, or from \$84.7 million to \$98.7 million.

National Income

National income during the period increased to \$265.2 million, a substantial gain of \$33 million or 14.2 percent over FY 1962. There was an 18.1 percent gain during FY 1963 in compensation of employees; 16.2 percent in proprietors' income; 29.7 percent in corporate profits; and 19.2 percent in interest income.

Consumption

Consumption expenditures showed a 12.7 percent increase over the preceding year, from \$173.8 million to \$195.8 million. The consumer price index rose by 2 percent. This means that personal consumption in real terms was 10.5 percent higher than in FY 1962. It is also significant that, during this year, 23.2 percent of the people's disposable income went into personal savings.

Primary Industries

Income from primary industries, agriculture, forestry, and fisheries, registered the substantial increase of 10 percent over FY 1962. However, the trend toward commerce and industry as the prevailing pattern of employment in the Ryukyus continued, as more people moved from the farms to the cities and towns, leaving only 40 percent of the working population engaged in the primary industries as of the close of FY 1963.

Finance

The active money supply at the end of FY 1963 totaled \$49 million and consisted of \$39.7 million in private demand deposits and \$9.3 million of currency in circulation outside the banks.

Compared with the same period a year ago, total bank deposits in FY 1963 increased by 13 percent to \$134.3 million. The largest percentage increase was noted for private demand deposits, which were up 16.3 percent. Private time and installment deposits, representing the major part of visible savings, rose 10.4 percent to \$63.8 million.

Outstanding loans to manufacturing at the end of FY 1963 rose 39.3 percent to \$29.4 million, compared to FY 1962. Loans to commerce, at \$58.8 million, primarily short-term loans to importers,

accounted for more than one-third of the total loans and increased 15.9 percent. Loans for housing rose 16.4 percent to \$18.5 million.

Manufacturing

Manufacturing production continued to expand in FY 1963, with this sector of the national income rising to \$23.2 million, or 8.8 percent of the total national income of \$265.2 million, as compared with \$20 million or 8.6 percent of the total national income of \$232.2 million in FY 1962.

Foreign Trade

Ryukyuan commodity exports reached an all-time high in FY 1963, with a total value of \$70.4 million, or a 61.8 percent gain over the \$43.5 million of FY 62. These figures do not include shipments from the Free Trade Zone (\$2.5 million); receipts from foreign fishing operations by Ryukyuan vessels; or the several million dollars derived from sale of Ryukyuan products to military forces, tourists, and other non-Ryukyuan. The largest export item was sugar products valued at \$47,896,000, 68.2 percent of the total exports.

Commodity imports rose 17.4 percent from \$161 million in FY 1962 to \$189 million in FY 1963. The largest dollar increase was in foods, imports of which rose from \$28 million to \$36 million. One-third of this increase was due to heavy buying of rice. Imports of pork products rose because of the depletion of the local hog population.

Sugar Cane

During FY 1963 Ryukyuan agriculture continued its trend toward a one-crop economy. The 1962-1963 harvest of 1,433,720 metric tons of cane exceeded the 1961-1962 production by 33 percent. Total land devoted to this crop was 27,160.8 hectares, or approximately 62 percent of the cultivated land in the Ryukyu Islands.

Pineapple

Pineapple production registered a decline in areas devoted to this crop during the 1962-1963 crop season, with 1,540 hectares harvested as compared with 1,705 hectares in the previous season. Decreases were noted particularly in northern Okinawa, where some farmers converted to sugar cane due to anticipated liberalization of the pineapple trade. As of 30 June 1963, there were 24 pineapple canneries, with 80 lines, which processed 29,989 metric tons of fresh fruit during the crop year ending 31 March 1963. Only four plants were processing juice for export, that market having dwindled rapidly due to erratic and improper quality control. Subsequently, the market showed some improvement as some processors established and enforced quality controls.

Livestock and Poultry

Some developments of consequence occurred in the livestock and poultry industries. High grade, purebred breeding stock were imported from the United States under a \$144,000 grant from the High Commissioner's General Fund to defray cost of transportation. Under this program, the Ryukyu Islands imported Hy-Line day-old Leghorn pullets; Jersey and Angus heifers; Jersey, Holstein, Hereford, and Angus bulls; goats; and Landrace and Chester White hogs. This superior breeding stock, if properly used, should provide the basis of a revitalized livestock industry.

There was a marked decline in hog production during the year due to heavy slaughter and lack of feed. The shortage of feed was caused by the drought and by conversion of sweet potato plots to sugar cane production.

Sweet Potatoes

Acreage devoted to this staple crop was reduced to 14,089 during Calendar Year 1962 from 22,800 during the previous year. Practically all of the decline was caused by diversion of acreage to sugar cane.

Fisheries

Developments in fishing included the return of all but three of the tuna vessels chartered from outside companies as of 30 June 1963, with all charters to be terminated as of October 1963. The deep-sea tuna fishing fleet was expanded from 1,800 tons of Ryukyuan-owned and 1,500 tons of chartered vessels to 4,500 tons owned and operated by Ryukyans.

The financial structure of the fishing industry was strengthened somewhat during FY 1963 by the consolidation of 14 companies into 8 and by a broader loan policy. Loans from the Central Bank for Agriculture, Forestry and Fisheries increased from \$216,500 in FY 1962 to \$320,600 in FY 1963. In addition, the Ryukyu Development Loan Corporation issued loans in the amount of \$307,900 for tuna vessel construction.

Electric Power

The Ryukyuan economy consumed 199 million kilowatt hours (KWH) of electric power during FY 1963. This was an increase of 41 million KWH or 26 percent over the 158 million KWH consumed in FY 1962. The increase was due to rapidly growing industries and the rising standard of living of the Ryukyuan people.

A contract was awarded in January 1963 for construction of an 88,000 kilowatt (KW) power plant in Kin-Son. The contract calls for

the first 22,000 KW unit to be in operation by August 1964 and the remaining three units by January 1965. The approved budget estimate for construction of this plant is \$14,720,000.

Reinforcement of the existing generating capacity of the Island Power System was provided by the purchase by the Ryukyu Electric Power Corporation of nine diesel-powered generators at a cost of \$2.5 million. These generators all on line add 24,000 KW to the system.

Water Supply

FY 1963 saw the expansion of Naha City's Tomari water treatment plant from a capacity of 2,600,000 gallons per day to 5,200,000. The old raw water line from Machinato was replaced by a new 20-inch line which expanded its capacity to 6 million gallons per day, and the pumping facilities at Machinato were increased to the same amount.

The Ryukyu Domestic Water Corporation, during FY 1963, completed construction of a reservoir with a 600-million-gallon capacity at Zukeyama on the headwaters of the Bishi River, enlarged the Tybase plant to a capacity of 15 million gallons per day, developed further the Kadena well field, and extended water distribution lines, at a total cost of \$2,256,000. These projects provided Okinawa's integrated water system with an additional capacity of 8 million gallons per day of treated water in seasons of normal rainfall.

New metered water rates went into effect on 1 April 1963, followed in May by installation of meters for most flat-rate customers.

Banking

The most important achievement in the field of banking was the promulgation on 1 September 1962 of Change No. 1 to High Commissioner Ordinance No. 37 on "Banks, Banking and Credits," creating the Financial Inspection Bureau as an agency of the Government of the Ryukyu Islands.

Top management reorganizations were effected in three banks. Banking malpractices and irregularities brought to light have been corrected. Favorable reductions were accomplished in statutory bad debts and loan concentrations of all banks.

The first unrestricted banking license was issued to the Okinawa Commercial Branch Office of the American Express Company (AMEXCO) permitting Ryukyuan borrowers to apply directly to AMEXCO for financing arrangements, without first processing through a Ryukyuan bank. At least \$4 million in additional operating capital has been gained by this action.

Bank of the Ryukyus

During FY 1963 the capital stock of the Bank of the Ryukyus was increased from \$300,000 to \$900,000. This increase was effected by declaration of \$300,000 in stock dividends and \$300,000 in sale of new stock subscriptions.

By the end of FY 1963, the resources of this bank had reached a new high, increasing by \$12.8 million to approximately \$100.2 million.

Ryukyu Development Loan Corporation

The number of loans approved by the Ryukyu Development Loan Corporation increased 19.5 percent to 2,386, as compared to 1,997 approved during the preceding year. Total dollar amount of loans decreased slightly from \$10,844,510 in FY 1962 to \$10,798,010 in FY 1963. Total collections of loan principal and interest amounted to \$5,373,258.

The Ryukyu Development Loan Corporation was authorized for the first time to include multiple-unit, apartment-type housing as a category eligible for financing under Charter provisions for low-and medium-cost permanent family housing.

Another noteworthy development was the signing of an Agricultural Commodities Agreement with the Ryukyu Islands by the United States Secretary of Agriculture, under U. S. Public Law 480. This agreement provides for the sale of \$21,097,000 worth of U. S. agricultural commodities during U. S. fiscal years 1963-1965. Proceeds from the sale of commodities supplied under the agreement will provide funds for loans to individual farmers and other economic development projects, particularly those associated with livestock and poultry production.

Foreign Investment

As of 30 June 1963 some 256 foreign investors had been licensed to invest \$15.1 million in various businesses in the Ryukyu Islands. Licensed investors totaled 105 from the United States, 70 from Japan, and 81 from other areas.

The largest proposed investment received during the year was from the American Pipe and Construction Company for the manufacture of plain and reinforced pipe.

Communications

A new telephone exchange in the Yogi area of Naha was completed early in 1963 and became operational in May. Approximately 3,000 telephone subscriber lines have been transferred from the Naha Telephone Exchange. The new exchange has an ultimate capacity of 16,000

lines.

Construction of the microwave telecommunication system, linking Japan and Okinawa, was completed at a total construction cost of \$1,085,000 shared by the Ryukyu Telephone and Telegraph Public Corporation, the Government of Japan, and the Nippon Telephone and Telegraph Public Corporation. This system will provide 19 voice channels and 16 telegraph channels in each direction and a one-way television channel from Japan.

Air parcel post was initiated in February 1963 to 35 additional countries.

Transportation

Five airline companies were engaged in international air transportation to and from Naha, with 33 flights scheduled weekly. About 15 percent of the total Ryukyuan travelers and approximately 68 percent of the non-Ryukyuan travelers utilized air transportation.

The Ryukyuan-owned commercial fleet continued its expansion. The Himeyuri Maru, built at a cost of \$1.5 million with a capacity of 1,100 tons of cargo and 515 passengers, was scheduled to join the Ryukyu Kaiun Kaisha (RKK) fleet in July 1963 for the Naha-Kagoshima run.

School Enrollments

The elementary school population dropped for the second consecutive year, indicating that the children born during the peak birth rate years of the early 1950's are beginning to move into the junior and senior high schools.

Enrollment at the beginning of the 1963-1964 school year was 159,817 in the elementary schools; 78,329 in the junior high schools; 25,986 in the senior high schools; and 4,046 in the three universities and the one junior college.

Exchange-of-Persons Program

Increasing numbers of Ryukyuans are being sent to the United States and other countries for academic and vocational training. The largest increase during FY 1963 was in the Third Country Training Program, under which 131 Ryukyuans went to Taiwan for special training. ARIA scholarships for study in mainland United States were increased from 25 to 35.

School Construction

Contracts were completed for construction of 183 classrooms for the public school system at a cost of \$600,000 in United States funds

provided during FY 1963. A civil engineering building and a mechanical-electrical engineering building were added to the plant of the University of the Ryukyus at a cost of \$300,000 in U. S. funds. An additional \$225,000 was provided to equip these buildings. Work was begun on a new English Language Center which, with equipment, will cost \$98,000.

Construction of Medical Facilities

United States funds in the amount of \$897,000 were obligated during FY 1963 for construction and improvement of medical facilities. These provided: a new 150-bed general hospital to serve central and northern Okinawa; nursing school and dormitory in Naha, which will provide classroom and living accommodations for 175 nurses; renovation and modification of the second floor of the Naha General Hospital to provide 150 additional beds; and the rehabilitation and modification of the 68-bed hospital at the Airaku-en Leprosarium. In addition, medical supplies and equipment valued at more than \$190,000 were transferred without charge to the Government of the Ryukyu Islands.

Disease Control

The incidence of tuberculosis continued to decline during Calendar Year 1962; even so, 2,493 cases were reported. Japanese B encephalitis remained a threat with 99 cases, 21 of which were fatal in CY 1962, and 60 cases and 15 deaths in the first six months of 1963. Anti-cholera immunizations were administered to over a third of the population, and emphasis on sanitation and hygiene prevented the introduction of cholera into the Ryukyu Islands. Polio immunizations were administered to 106,298 children, from six months to six years of age.

Public Welfare

RIVAC food from the U. S. Abundant Food Program was distributed to 284,900 children in school lunch programs and 191,770 recipients of welfare relief.

Labor

The total labor force during FY 1963 averaged 403,000, or approximately 44 percent of the total population. The big change in the work force over the past five years has been the movement of workers from the primary industries--farming, forestry, and fishing--to commerce and industry. The ratio of workers engaged in the primary industries shifted from approximately 50 percent at the end of FY 1958 to 39.25 percent at the end of FY 1963.

PART I
GOVERNMENTAL, POLITICAL, AND LEGAL

CHAPTER 1

GOVERNMENT IN THE RYUKYU ISLANDS

THE GOVERNMENT OF THE RYUKYU ISLANDS LEGISLATURE

The Ryukyuan Legislature met in one special and two extraordinary sessions between 1 December 1962 and 7 January 1963. The regular session, the Twenty-Third, was convened on 1 February 1963.

Twentieth Special Session

The Twentieth Special Session met on 1 December 1962 for the single purpose of discussing and determining legislative organization following the general election of 11 November 1962 for the 29 seats in the Legislature. The one-day session elected NAGAMINE Akio as speaker and YAMAKAWA Yasukuni as deputy speaker. Membership on the six standing committees was also decided, and committee chairmen were selected. (See detailed listing on page 293 , Appendix V.)

Twenty-First Extraordinary Session

The Twenty-First Extraordinary Session was called by Chief Executive OTA Seisaku and met for six days from 8 December 1962. The lone item on the agenda of this session was the nomination of a chief executive as prescribed in the Presidential Executive Order 11010 of 19 March 1962, which amended Executive Order 10713 of 5 June 1957. Section 8.(b)(1) of the amended Executive Order provides for the nomination of the chief executive by the legislative body.

The first day of the extraordinary session was marred by a demonstration incited by labor unions, opposition political leaders, and other agitators. While some 300 union members and agitators thronged inside the legislature building, other demonstrators snake-danced around the premises to prevent the convening of the session. The demonstration was co-sponsored by the Reformist Joint Struggle Council for Democratic Organizations, the Council for the Return of Okinawa Prefecture to the Fatherland, and the Anti-A and H Bomb Council, and was united under the slogan of "The Prefectural Rally for Rejection of the Nomination of the Chief Executive and Demand for Public Election (of the chief executive)."

With parliamentary practices denied the Legislature by the actions of the extremist political elements, the Speaker made several attempts to reason with them. When all efforts at persuasion failed and the legislative guards were found insufficient in number to handle the



High Commissioner Paul W. Caraway addresses the Twenty-Third Regular Legislative Session,
1 February 1963

situation, the speaker requested police assistance in clearing the building of demonstrators. This was done in a matter of minutes. The police had been mobilized at the first signs of disturbance; but, until they were called by the Speaker, who by law is responsible for the normal maintenance of order on the premises of the Legislature, they could only observe the mounting agitation in and around the premises of the legislature building.

Finally, with the convocation of the first-day session, OTA Seisaku was nominated for the post of chief executive with the 18 votes of members of the Okinawa Liberal Democratic Party (OLDP). The 10 members of the opposition parties, who were present, opposed the nomination process and, as the vote was called, walked off the floor, abandoning their right to vote.

Indications were that the nomination of OTA as chief executive was not easily reached by the OLDLP legislators. The party had made known in advance that it desired a chief executive who would be more responsive to the legislators, rather than one who confided in a few close associates, thereby creating an administration in which a few men held a disproportionately large voice. The press media claimed, as did some legislators, that, prior to the nomination on 5 December 1962, four major agreements had been wrested from Chief Executive OTA. These were:

1. Effect greater coordination between the party president and the Executive and Legislative branches of government, and bring about a political situation that would provide maximum respect for the opinion of the Legislature, since it represents the public will;
2. Assume a position of respect for the public will when confronting the U. S. civil administration and exert efforts to deepen the understanding of the civil administration;
3. Create politics which are for all the people, obtain the views of various sectors of society to the maximum extent possible, and reflect these in politics; and
4. Consider a personnel change in the Executive Branch.

The remaining days of the Twenty-First Extraordinary Session were devoted to other legislative actions--a resolution asking exemption of sugar products from the trade liberalization list planned by the Japanese Government, approval of appointments to the Personnel Commission by the chief executive during the time the legislature was not in session, approval of the appointment of members to the Transportation Deliberation Council, and approval of the appointment of members to the Cultural Property Protection Committee.

The resolution for public election of the chief executive was passed by a majority vote of the OLDP members, whose draft was found unpalatable by the opposition.

Twenty-Second Extraordinary Session

This session was convened on 3 January 1963 and sat until 7 January. It was convoked by the chief executive at the demand of opposition legislators who wanted to go on record against the nomination of a chief executive at the preceding extraordinary session called by the chief executive. Under legal provisions, one-fourth or more of the legislators can demand that the chief executive call a session of the legislature.

The protest against the nomination was frustrated by a solid front put up by members of the OLDP, who insisted that a resolution covering this item had been passed and that only problems requiring expeditious legislative action should and would be discussed. Consequently, little was accomplished by this session which approved a single resolution entitled, "U. S. Military Plane Crash in Kadena-Son."

Twenty-Third Regular Session*

The Twenty-Third Regular Legislative Session, one of the longest continuous sessions since the formation of the Government of the Ryukyu Islands, convened on 1 February and sat until 26 August 1963, a total of 207 days.

On the first day of the regular session, High Commissioner Paul W. Caraway delivered his annual message and outlined a Program for Progress for 1963 (see page 211 , Appendix II).

Statistically, 131 bills were recommended by the Executive Branch during the session, of which 105 were actually introduced from the floor. Of the Executive bills reaching the floor, 104 were passed; and one, an omnibus bill which would have increased maximum penalties in the existing criminal code, was tabled. Of the 10 additional bills introduced independently by members of the Legislature, six were passed, one rejected, two were held over for study and further deliberation, and one was tabled without action. The rejected bill to reduce income taxes was sponsored by opposition legislators and, if adopted, would have resulted in some \$4 million in reduced revenue. One of the two bills held for further study included a bill sponsored

* To give full coverage to the activities of this session, the reporting period of this section extends through 26 August 1963.

by Okinawa Socialist Masses Party (OSMP) Chairman ASATO Tsumichiyo, which would have established legal qualifications for membership in the bar. These qualifications are now covered by Civil Administration Proclamation Number 12. The other was a bill updating the Japanese Commercial Code introduced by OLDP member NAKAMURA Teruaki. The bill tabled without action, which would have established an old age annuity program, was sponsored by the OSMP and the Okinawa Prefectural Federated Branches of the Japan Socialist Party (OPFBJSP).

In summary, a total of 115 bills were introduced for legislative action, of which 110 were passed, 1 was voted down, 2 were held over for study, and 2 were tabled without action.

Among the bills drafted by the Executive Branch, the municipal public service law, the education public service law, and the school district public service law were unpopular with persons directly affected because of controls they would have imposed upon individual and organized activities. These were not reported onto the floor during the session.

Most of the Twenty-Third Regular Session was taken up by the study and debate on the FY 1964 General Account Budget. On 4 May 1963, Chief Executive OTA went before the legislators to deliver a combined policy and budgetary message, the "Chief Executive's Administration Policies for Fiscal Year 1964" (see page 223, Appendix II).

Following lengthy discussions which forced an extension of the session, the annual budget of \$51,980,723, which was slightly more than \$1 million over that proposed by the Executive Branch and more than \$9 million over the previous year's budget, was passed by the Legislature.

Primary items of controversy considered by the Legislature during this session and items which resulted in a variety of political agitation, both within and outside the Legislature, included:

1. The income tax reduction proposed by the political opposition;
2. The increased pay bill for government employees which resulted in a 4.6 percent increase, rather than the 8.8 percent negotiated between the government workers and the Executive Branch;
3. The sweeping change in the penal provisions of the laws passed during the session.

Because of the increased trend toward political polarization, the regular session passed 56 bills, over half of the total, by split votes. Historically, the Legislature has passed bills by unanimous consent of

all members present, with the general exception that the representative from the Okinawa People's Party (OPP) has voted in opposition.

From available records, it is noted that 34 bills were adopted on the basis of OLDP solidarity with all other members opposed; one was passed with the OLDP members and Independent legislator CHINEN Choko voting in harmony; and 21 found the OLDP legislators, the OSMP legislators, and Independent CHINEN voting together against the OPP, OPFBJSJP, and Independent legislator KUDAKA Shoken. The remaining 54 bills were passed by unanimous vote.

The regular session also passed nine resolutions. These were: Resolution Requesting Preferential Tariff Measures for Okinawan Products Imported into the United States; Resolution Requesting Early Realization of Compensation for Damages to the Fishing Industry Attributed to Bombing Practices by the U. S. Armed Forces; Resolution Requesting Compensation for Loss of Repatriates' Private Property Abroad; Resolution Requesting Early Realization of Pre-Treaty Claims; Resolution of Condolence to the Bereaved Resulting from the Midori Maru Disaster; Resolution of Appreciation to Those Who Assisted in the Rescue of the Midori Maru Passengers; Resolution Requesting Transfer of Entry-Exit Controls to the Government in Connection with Travel to Japan; Resolution Requesting Reversion to the Fatherland; and Resolution Requesting Reversion of Administrative Authority.

A variety of other resolutions were proposed and debated during the session without any action. Among these were a resolution calling for the ouster of the chief executive and another criticizing the High Commissioner and the United States "for plotting permanent subjugation of Okinawa." These were sponsored by the far-left OPP member and his adherents, the OPFBJSJP member, and Independent KUDAKA.

THE EXECUTIVE BRANCH OF THE GOVERNMENT OF THE RYUKYU ISLANDS

The reappointment of OTA Seisaku as Chief Executive and SENAGA Hiroshi as Deputy Chief Executive and the establishment of a Financial Inspection Bureau under HOKAMA Kanwa were the important personnel actions during the period covered by this report.

Reappointment of Chief Executive

The two appointments filling the top executive positions in the Ryukyuan Government were made on 31 January 1963 by High Commissioner Caraway when he reappointed OTA Seisaku as Chief Executive and SENAGA Hiroshi as Deputy Chief Executive.

Following the action of the Twenty-First Extraordinary Session of the Legislature in nominating OTA as chief executive, the High



High Commissioner appoints OTA Seisaku as Chief Executive of the Government of the Ryukyu Islands, 31 January 1963

Commissioner received a formal report to that effect and, on 13 December 1962, released the following statement:

"Under the provisions of United States Presidential Executive Order No. 10713 of June 5, 1957, as amended by President KENNEDY on March 19, 1962, I am reappointing Mr. Seisaku OTA to the Office of Chief Executive for another term.

"On December 12, 1962, I received from the Speaker of the Legislature of the Ryukyu Islands, Mr. Akio NAGAMINE, a letter stating that the Legislature had on December 8, 1962, renominated Mr. OTA, present Chief Executive, for reappointment to this post. I have consulted with Mr. OTA as to his own desires in this matter. He has assured me of his willingness to again undertake the duties of this office.

"An appointment ceremony will be scheduled for the near future."

On 23 January 1963, the High Commissioner announced that SENAGA Hiroshi would be reappointed as deputy chief executive. It was disclosed that this action was based upon the recommendation of the chief

executive.

At a small but dignified formal ceremony on the afternoon of 31 January 1963, certificates of appointment were officially presented to the appointees. At the conclusion of the presentation ceremony, the High Commissioner thanked both recipients for agreeing to continue in their arduous duties and voiced confidence in their ability to put forth their best efforts to overcome all problems successfully. In response, Mr. OTA stated that he "felt great emotion as the first Chief Executive under the new appointment procedure based on the nomination of the Legislature, in accordance with the provisions of President KENNEDY's Executive Order of 19 March 1962."

Changes in the Executive Branch

The most significant personnel changes were those at the department director level where five new appointments were made. Another change was that of the Chief of the Yaeyama District Office. These changes and their effective dates were:

| <u>Position</u> | <u>Former</u> | <u>Present</u> | <u>Date</u> |
|--|------------------|------------------|-------------|
| Director, Economics Department | YOSEYAMA Shigeru | KUBAGAWA Takashi | 28 Jan 63 |
| Director, Construction & Transportation Department | SHINZATO Zenpuku | SHIMURA Kei | 28 Jan 63 |
| Director, Welfare Department | KINJO Masuaki | AGARIE Seichu | 28 Jan 63 |
| Chief, Financial Inspection Bureau | - | HOKAMA Kanwa | 28 Jan 63 |
| Director, Police Department | YOGI Yukio | KOCHI Chokei | 27 Apr 63 |
| Chief, Yaeyama District Office | AZUMA Kiyoshi | ODO Saburo | 8 Jun 63 |

A number of organizational changes in the Executive Branch were also effected by the Amendment to the Act Providing for the Executive Organization of the Government of the Ryukyu Islands (Act No. 73), effective 1 August 1962. This Act provided for:

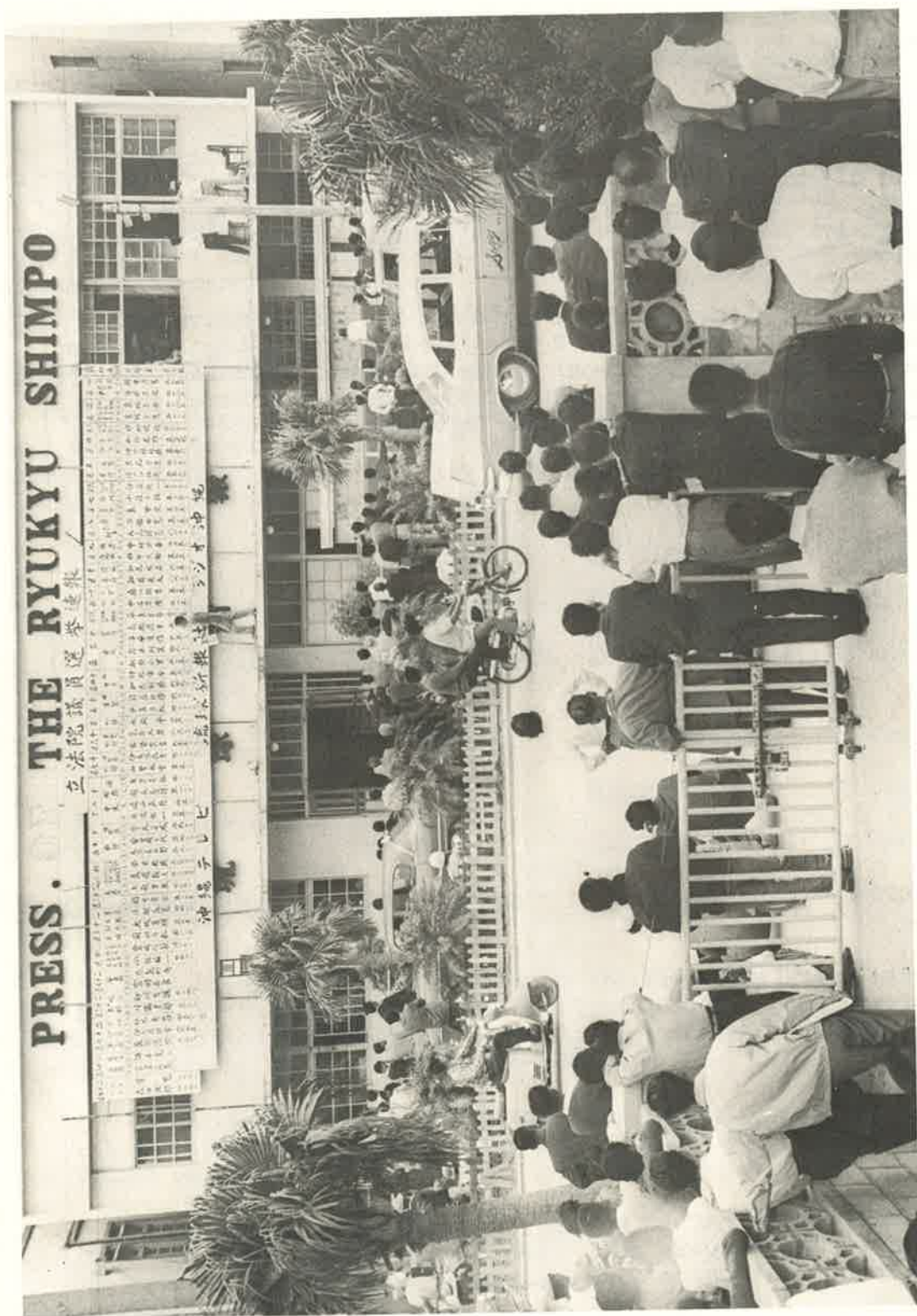
Establishment of the Provisional Land Investigation Bureau in the Legal Affairs Department, effective 1 August 1962. The old Land Office was abolished.

Establishment of an Economic Planning Section in the Planning Department, effective 1 August 1962. This new section absorbed the functions of the old Economic Research Section and the Planning and Adjustment Section.

Upgrading of the Philatelic Subsection, Postal Services Section of the Postal Services Agency, to full section status, effective 1 August 1962.

Establishment of a Financial Inspection Bureau in response to High Commissioner Ordinance Number 37, effective 1 September 1962. The chief of the new bureau was given the rank and salary of a department director. The bureau is supported administratively by the Administrative Services Department, but reports directly to the Chief Executive.

The ceiling on the number of personnel for the Executive Branch was increased from 9,465 to 9,952 by an Amendment to the Act Providing for the Fixed Number of Personnel in the Executive Organs (Act No. 74), effective 1 August 1962. The most notable increases occurred in the Welfare, Labor, Education, and Police Departments.



Public interest in election returns for legislators

CHAPTER 2

POLITICAL PARTIES AND DEVELOPMENTS

1962 Election of Legislators

The Sixth General Election on 11 November 1962 gave the Okinawa Liberal Democratic Party (OLDP) a majority in the Legislature, although there was a decline in the number of OLDP seats from 22 to 17 and a corresponding loss in comparative popular support. The results also indicated some successful inroads by right-wing independents, the Okinawa Socialist Masses Party (OSMP), and the left-wing coalition into areas which had been held by the OLDP.

The OLDP garnered 42 percent of the popular vote in 24 contested districts (in five districts, the lone candidate was seated without a vote) for 59 percent of the legislative seats, compared with the 48 percent of the popular vote garnered in 1960 from 28 contested districts in which the party won 76 percent of the seats.

In some quarters, this decrease in support for the OLDP was attributed to the alienation of a good portion of the farm segment by the government's policy of holding down the sugar cane price; a lower level of United States aid than had been expected by the public; and the strong effort by right-wing independent conservatives, which caused the OLDP to direct its campaign efforts against both the right and the left. In general terms, the defeat of OLDP candidates in nine of 26 districts can be traced to fluctuation in candidate endorsement, failure to name candidates sufficiently early, and the lack of personal popularity of the candidate selected.

An additional factor was that, while the OLDP campaigned actively throughout the islands, there was a noticeable decrease from the momentum achieved during the 1960 campaign, when the young party had a new and fresh look without a record open to critical debate.

Meanwhile, the sometimes united coalition under the Reformist Joint Struggle Council for Democratic Organizations (RJSCDO), although generally made to appear as organizing and mustering a combination of efforts and adjusting the number of candidates, failed to weed out excess candidates in four of the electoral districts. This resulted in vote-splitting contests among candidates of the OSMP, the Okinawa People's Party (OPP), and the Okinawa Prefectural Federated Branches of the Japan Socialist Party (OPFBJSP) (formerly known as the Okinawa Socialist Party, OSP). However, there were fewer confrontations among these parties in 1962 than in 1960, the result being an improved showing.

The OSMP received 29 percent of the popular vote, seating seven members. Although this was a gain of two additional seats, one of which was uncontested, it represented a loss of popular support from the 31 percent of the total votes in 1960. Part of the drop off was ascribed to the party's fielding only 16 candidates in 1962, against the 26 endorsed in 1960. From the standpoint of popularity of the individual OSMP candidates, it can be said that they received a greater percentage of the total vote when compared with the previous general election.

The OPP retained its single seat in the Legislature, with 12 percent of the popular vote for its seven candidates, again reflecting an increase in candidate support over the 11 percent for 13 candidates in 1960.

Selective candidate endorsement by the OPFBJSP, which ran four candidates in 1960 to capture 3 percent of the popular vote, netted 2.4 percent of the entire vote for its lone candidate in 1962.

Analysis of Election Results

While voting pattern comparisons can be made on the basis of party labels carried to the polls by the individual candidates, it would be erroneous to believe that party affiliation constitutes the single criterion for success or failure in an election. More often than not the popularity of the individual, his family relationships within the community, the non-political organizations and neighborhood associations to which he belongs, and the traditional values and systems inherent in the local body politics are as significant, if not more significant, as the political banner under which a candidate chooses to run. Consequently, no analysis of voting patterns in the Ryukyus based solely on affiliation with political organizations can be considered wholly reliable.

Election Day

Fair skies and favorable weather on 11 November 1962 brought an 83 percent turnout of eligible voters. The vote count, on the following day, disclosed that the majority of seats in the Legislature had been retained by the OLDLP, winning 17 of the 29 seats. The OSMP won seven seats and the OPP and the OPFBJSP, one seat each. The remaining three posts went to independent candidates, one of whom joined the OLDLP on the day the votes were counted. Another of the independents supports the OPP and the other, the OSMP. A tabulation of the election results follows:

The OLDLP made a clean sweep of northern Okinawa, taking Districts 1 through 6; picked up one seat in central Okinawa (District 11);

gathered three seats in the Naha area (Districts 17, 18, and 21); and held the offshore islands (District 20) and Districts 22 and 24 in southern Okinawa. The party also captured all three Miyako Gunto Districts (25, 26, and 27) and one of the two (District 29) in Yaeyama Gunto.

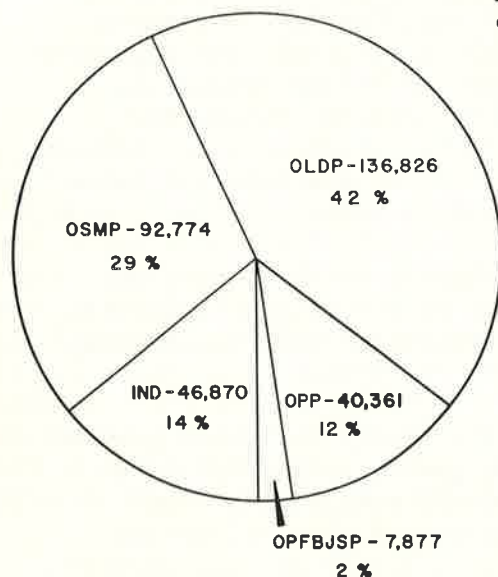
The OSMP garnered three seats in the central Okinawa area (Districts 7, 10, and 12); two in Naha (Districts 15 and 19); one in southern Okinawa (District 23); and one in Yaeyama (District 28). Four of this party's top officials were returned: the chairman, the secretary general, the treasurer, and the party's labor chieftain.

Only one candidate openly affiliated with the OPP, the secretary general, was elected and returned from District 16 in Naha. The OPFBJSP (OSP) succeeded in seating its first legislator when the party's secretary general came in first in a four-man contest in District 13.

The three independent candidates were elected from Districts 8, 9, and 14.

POPULAR VOTE AND SEATS WON IN THE 1962 LEGISLATIVE ELECTIONS

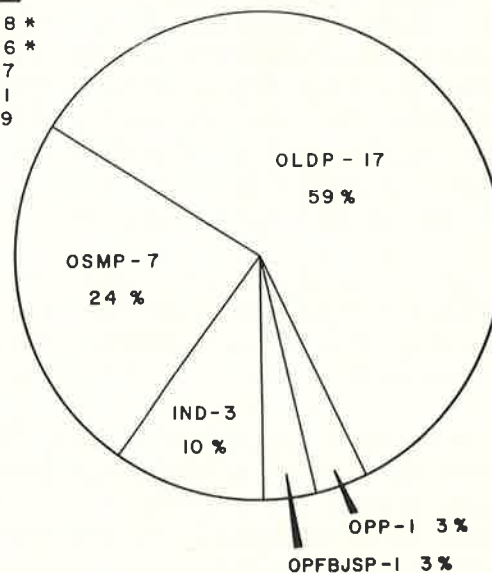
TOTAL VOTE 328,672



CANDIDATES

OLDP - 28 *
OSMP - 16 *
OPP - 7
OSP - 1
IND. - 9

TOTAL SEATS 29



---INVALID VOTES: 20,361 CAST FOR THREE INELIGIBLE OPP CANDIDATES.
1,942 CAST FOR ONE INELIGIBLE OLDP CANDIDATE.
MISC. INVALID VOTES: 3,964

* 4 OLDP AND 1 OSMP CANDIDATES SEATED WITHOUT OPPOSITION.

As a result of past convictions for felonies, four candidates (three from OPP and one from OLDOP) were declared ineligible by the election board prior to the tabulation of the votes. The votes cast for these individuals were invalidated. In any case, unofficial tabulations showed each running second to the elected candidate in his respective district.

Legislators

The new legislators, as a whole, have had a broad range of experience. Thirteen members, at one time or another, had been associated with the educational profession, and eight of these had remained with this field for a considerable portion of their careers. Five of the legislators have a legal background, seven have a business or economic bent, three are primarily political party officials, three are knowledgeable in agricultural matters, one is a former welfare official, and one is a scrivener.

The average age of the legislators is 51; three are 61 years old, sixteen are between 53 and 59, six are between 44 and 49, and four are between 32 and 39 years of age. (For final election results by districts, see page 294, Appendix V.)

Central Election Board

On 14 September 1962, the Central Election Board met to announce its program for the legislative elections scheduled for 11 November 1962. Under provisions of Act Number 1 of 1956 (An Act Concerning the Election of Members of the Legislature), as amended, the five-man Central Election Board of the Government of the Ryukyu Islands is responsible for the over-all supervision of election procedures. Acting in the public interest, the board is the watchdog over campaign tactics, determining those which are permissible, discouraging those which are unauthorized, and encouraging voter turnout.

The program for the elections, as announced by the board, was comprehensive and well-developed, stressing fair election practices, scheduling intensive training courses for municipal election boards, and emphasizing the citizen's duty to go to the polls.

To assure a clean election, the board actively solicited public support and issued a statement through the press, radio, and television, urging the prevention of "practices of embezzlement and illegal entertainment" and the free expression of the will of the voters in the election.

The most prominent group response to the appeal came from the Central Fair Election Promotion Council (CFEPC), which consisted of

representatives of civic organizations, news media, and educational institutions. The prime objective of the council was to "constantly endeavor to improve the political sense of the voter whenever possible so that a fair election may be held by the free expression of the will of the voters."

Gathered under the CFEPC were all 60 of the municipal election administrative committees (each associated in a regional grouping of northern, central, and southern Okinawa, and the Miyako and Yaeyama federations), the Okinawa Women's Federation (OWF), the Okinawa Times and the Ryukyu Shimpo (daily newspapers), the Ryukyu Broadcasting Corporation, Radio Okinawa, Okinawa Television Company, the University of the Ryukyus, and Okinawa College.

Under the sponsorship of the affiliated organizations in the council and the aggressive leadership of the Central Election Board, 12,000 posters of two different types were printed and distributed throughout the Ryukyus. Both posters informed the public of the date of the election; one carried the slogan of "No Non-Voter from the Villages," and the other was captioned: "Fair Election--Look Carefully, Listen Carefully, Vote Carefully." Another pre-campaign promotional activity was the distribution of 300,000 handbills depicting a white rose, circled by the statement that the election would be "clean, bright, and just as white as the White Rose."

Pre-Campaign Activities

With the closing of the Nineteenth Regular Session of the Legislature on 30 June 1962, Ryukyuan political circles immediately shifted attention from the legislative forum to unofficial electioneering. New impetus was provided the activities surrounding the pre-campaign period by the realization that the legislators to be elected in 1962, under the provisions of Executive Order 11010 of 19 March 1962, amending Executive Order 10713 of 5 June 1957, would be seated for a three-year term rather than the previously authorized two-year term. Those who desired to be considered candidates for the Legislature were quickly faced with the task of seeking personal backing and aggrandizement as well as making internal political party adjustments favorable to themselves. Only by this means could official organized party support be assured. Most parties and would-be candidates soon found that the necessary adjustments were difficult. In most cases, the factors that determined a party candidate in one electoral district did not apply in the selection of candidates for other districts.

Okinawa Liberal Democratic Party (OLDP)

In the camp of the OLDLP, popularly known as the Government Party, local as well as Ryukyu-wide factional differences made early

candidate selection a near impossibility. Some internal frictions were based on localized issues, others were founded on personality conflicts, and still others became a problem of allegiances, particularly with regard to who should lead the party. With the constant threat that those not chosen to carry the party banner would, in fact, abandon party interests to compete as independent candidates, whittling away at party following, it was clear that inept selection of candidates could split the party so seriously that recovery prior to the election would not be possible.

The other parties also faced this problem. In the non-Government parties, the most seriously divisive element centered on the question of which of the opposition elements would be able to provide post-election leadership in the event of victory. Under the stress of selecting candidates and developing a platform, the political "ins" were confronted by organizational disharmony, while the political "outs" were faced with the uncertain bonds of mutual supporting relationships. As a result, much of the pre-campaign period was characterized by political quibbling.

The OLDP was the first political organization to initiate plans openly for the election. In a meeting on 4 July 1962, the party legislators formed an election committee. The committee met two days later to begin the difficult process of selecting and adjusting party candidates for the various electoral districts. Shortly thereafter, OLDP legislators returned to their respective home districts to begin reporting their activities in the Legislature to their constituents. An integral part of the report to the folks at home was the Government's Five-Year Livelihood Improvement Plan. Placing heavy reliance on anticipated sharp increases in outside assistance, particularly from the United States, this plan set forth Ryukyuan economic and welfare hopes for the future. The voluminous document, based to some extent on an anticipated \$25 million annual aid figure, received emphasis at almost all OLDP rallies, as well as at small group meetings held for party supporters. The intensive publicity given to expected new aid levels turned out to have been a mistake when reports reached the Ryukyus on 14 September that the Senate Armed Services Committee had not approved the \$25 million ceiling. The confirming official report five days later, that the requested and expected appropriations for FY 1963 were not approved, virtually removed the impetus from the OLDP campaign. The Party's heavy dependence on economic aid programs for achieving political goals, and the subsequent loss of this seemingly firm foothold resulted in the dispatch of telegrams to the President, members of Congress, and the Secretaries of State and Defense, as well as to Japan's Foreign Minister, requesting support for an increase in the level of assistance.

Meanwhile, the Chief Executive and OLDP President, OTA Seisaku, visited Japan in late July. The well-publicized expressions of esteem

voiced in Japanese governmental and political circles bolstered the OLDLP's campaign efforts. Soon after Mr. OTA's return, young leaders from the Japan Liberal Democratic Party (JLDP) visited Okinawa and conducted training and liaison activities which highlighted the arguments and campaign techniques used by the JLDP. Soon thereafter the Chief Executive delivered to each official party candidate an inspirational message from the President of JLDP, Japan's Prime Minister IKEDA Hayato, which read:

"On the occasion of the legislative election in the Ryukyus, our party supports the Okinawa Liberal Democratic Party, our allied party, and looks forward to a convincing victory of all official candidates and prays for this from a distance."

Despite the setback over the less-than-anticipated economic assistance, the party platform strongly supported the 19 March 1962 statement of policy for the Ryukyu Islands by President KENNEDY, and emphasized positive achievements gained for the people through the combined efforts of the United States, Japan, and the Ryukyus. Candidates from the party were selected to run in basic support of the platform in 26 of the 29 electoral districts.

At the Fourth Extraordinary Convention of the OLDLP held on 5 October 1962, the party's campaign declaration (see page 235 , Appendix II) stated in part:

"... our party has administered the affairs of the Ryukyus as a progressive national party and has promoted the prosperity of our land by facing up to realities both at home and abroad.

"Our efforts have resulted in the establishment of a glorious political structure for a new age, comprising the United States, Japan, and the Ryukyus. The basic policy for restoration to the Fatherland and for the improvement of the people's livelihood has been strongly enforced following the issuance of a joint statement by President KENNEDY and Prime Minister IKEDA and the subsequent announcement of the new policy for Okinawa by President KENNEDY. This was the result of our party's sound program and policy.

"We firmly believe that the OLDLP is the only party which can maintain and advance this cooperative structure, restore our original racial traits, and improve the people's livelihood.

"...Our party shall be victorious in the coming general election with the overwhelming support of all the people behind the leadership of our party president and the support of the absolute majority ..."

At this convention, a variety of slogans, policy statements, and party objectives were welded together into an election campaign platform titled the party "Policy." This document, divided into seven main sections, generally promised something for everyone. By picking and choosing from the "Policy" and using elements from an additional seven-point convention resolution, the OLDP candidates found little difficulty in developing their own personalized appeals to the voters, tailored to suit conditions in their own electoral districts. The only differences among the statements of candidates were in emphasis on selected elements of the party platform.

Opposition Parties

Mid-July 1962 found various organizations, normally in the camp of the political opposition to the OLDP, initiating attempts to form a coalition or united-front effort for the November elections. The Wednesday Society (SUIYOKAI) was organized for this purpose. Most of the opposition groups found a mutuality of interest in their affiliation with the Council for the Return of Okinawa Prefecture to the Fatherland. Their approach was a series of formal and well-publicized meetings, at which the slogan was: "Unite to overthrow the 'OTA Government.'" The anti-OTA move, conducted under the sometimes obvious guidance of extreme left-wing politicians, was launched by spokesmen from the Okinawa Teachers' Association; the Okinawa Prefectural Federation of All-Japan Autonomous Bodies Employees' Organization (JICHIRO); member unions of the Federation of All-Okinawa Labor Unions (ZENOKIROREN) such as the All-Okinawa Council of Government and Public Workers' Unions, which changed its name on 24 October 1962 to the Okinawa Government Employees' Labor Union (KANKORO); the All-Okinawa Postal and Communications Workers' Labor Union (ZENTEIRO); the All-Okinawa Transportation Labor Union (OKIKORO); and three of the registered political parties, the OSMP, the OPP, and the OPFBJSP. The OSMP gave the appearance of having certain misgivings about its new association. The OPFBJSP and the OPP were the positive advocates of the united movement.

To give definitive form to a "joint struggle" program under an outline platform acceptable to virtually all elements, the participants, with the exception of the OSMP, readily assented to the concept of a single united-front program. Under these conditions, a "unified" program containing "one hundred items and a number of slogans" was submitted to the OSMP for its acceptance.

Subsequently, the OSMP Central Executive Committee met to establish the party's policy for the forthcoming legislative elections. The committee apparently arrived at a decision to align the party to some extent with the "reformist struggle" elements while avoiding full and complete entanglement. In its decision, the party leadership

evidently had to consider its organizational liabilities and its own rather uncertain position should it attempt a lone stand and thus subject itself to buffeting from both the right and left during the campaign. In an apparent effort to avoid being overshadowed and having the leadership of the proposed coalition fall into the hands of the far left, the OSMP entered into a protracted series of meetings, at which some serious bargaining was carried out with respect to platform planks and selection of candidates. The party countered the so-called "unified" program with a simple three-slogan proposal to which it could agree: "Let us fight to gain early reversion to the Fatherland; let us fight to overthrow the appointed chief executive system and gain popular election; and let us abolish the colonial form of government and expand the right of self-government."

The gap within the joint struggle group was further evident from the OSMP attitude that it would work in unity with other elements of the left based solely upon a limited number of specific principles. A number of bargaining sessions later and after numerous rewritings, the three political parties primarily concerned were still in disagreement, despite their having spent the months of July and early August in concentrated, well-publicized discussions. This did not stop the OPP and the OPFBJS, with some outside backing, from arriving at and publishing four detailed platform planks, of which only the titles were said to be partially acceptable to the OSMP. (See page 241, Appendix II.)

OSMP was disadvantaged by being the last of the minority parties to present its policies. The party's efforts in the past to work in unison with other political groups had resulted in its policies following those of the farther left parties and had given the OSMP the appearance of being an advocate of programs and platforms to which it had never agreed. Finding itself unable to bargain for its own terms, expecting the left to again seek the exercise of ultimate leadership, and recalling the rebukes and accusations of 1960 for "association with a communist party," the OSMP announced its withdrawal from the united-front action. Leaving the door open for some adjustment of candidates with other minority groups on a district basis, the official announcement of the OSMP's decision was made on 27 August 1962. In rather clear terms it spelled out the party's rationale on a joint election campaign and explained why it could not give full support to a coalition effort. (See page 243, Appendix II, for announcement in full.)

Refusing to be deprived of its intention to materialize a united effort to destroy the "OTA Regime," the ZENOKIROREN resolved to organize the Reformist Joint Struggle Council of Democratic Organizations, which held an organizational rally on 21 September, to independently render composite support to any of the three so-called

reformist parties. Under these circumstances, most of the SUIYOKAI membership was absorbed within the newly-framed council to support candidates fielded by the reformist parties.

The council announced it would support the "four-point platform and endeavor toward expansion and solidification of the unified front for the reversion to the Fatherland to insure fulfillment of the needs of the laborers and farmers." The council immediately entered upon a campaign to solicit active participation from the Okinawa Teachers' Association, the Federation of All-Okinawa Military Labor Union (ZEN-OKINAWA GUN RODO KUMIAI), independent labor unions, and other civic organizations comprised of youth, student, and women members. The results of this solicitation were meager.

Party Conventions

In the midst of public expressions of concern regarding the allegedly low amount of United States aid, the four most prominent political parties held their conventions.

The OPP held its gathering on 22 and 23 September 1962, under the title: "The Thirteenth Regular Convention." It adopted a Convention Platform and an Action Platform. (See page 245 , Appendix II.)

The OLDLP held its Fourth Extraordinary Convention on 5 October 1962.

The OSMP met, on 13 October, at its Fifteenth Extraordinary Party Convention, adopted a Party Declaration, a Party Resolution, and a statement of policy. (See page 259 , Appendix II.)

The OPFBJSP also met on 13 October, adopted its policy (see page 271 , Appendix II), changed its name from the Okinawa Socialist Party to the Okinawa Prefectural Federated Branches of the Japan Socialist Party. The policy of the OPFBJSP was not materially different from that of the OSP.

Shi-Cho-Son Elections

Complicating the legislative election picture was the variety of Shi-Cho-Son (municipal) elections held during the mid-stages of the unofficial campaign period for legislators. Of the 17 municipal mayoralty elections scheduled for 2 September 1962, five candidates succeeded to office without contest, while most of the remainder ran on non-partisan tickets. A week later, on 9 September, 46 municipalities were scheduled to elect assemblymen to office. Ten municipalities, with 149 seats at stake, seated their assemblies without contest, the number of candidates being equal to or less than the number of seats which were

open. The remaining 31 Shi-Cho-Son found themselves in a hotly contested battle for assembly seats; but, as in the race for the municipal mayoralty positions, most assembly candidates ran without a political party label.

Campaign Activities

The official campaign period opened on 20 October 1962, and in the week following a total of 61 candidates registered. The OLDP had 28 registered candidates, or at least one for each district with the exception of Electoral Districts 12, 14, and 16. The government party was unable to resolve internal party differences in the 23rd and 27th Districts, where two party candidates were registered in each. The OSMP registered a total of 16 candidates, distributed among the 2nd, 5th, 7th, 10th, 12th, 13th, 15th, 16th, 19th, and 23rd through the 29th Districts. A total of seven candidates officially entered under the banner of the OPP in the 11th, 14th, 15th, 16th, 18th, 19th, and 22nd Districts. The single candidate from the OPFBJSP registered for the 13th District. Nine independent candidates entered the campaign, many under a conservative political banner, but with the objective of overturning the incumbent chief executive in favor of the president of the Ryukyu Oil Company, INAMINE Ichiro. Independents ran in the 1st, 4th, 8th, 9th, 13th, 14th, and 17th Districts, and two registered in the 18th District. A comparative listing of candidate affiliations for the past four elections is shown in the following table:

| <u>Candidate Affiliations</u> | <u>1956</u> | <u>1958</u> | <u>1960</u> | <u>1962</u> |
|--|-------------|---------------|-------------|-------------|
| Okinawa Liberal Democratic Party (Ryukyu Democratic Party) | 28 | 15 | 29 | 28 |
| Okinawa Socialist Masses Party | 14 | 14 | 26 | 16 |
| Okinawa People's Party | 5 | 19* (LCPD) | 16 | 7 |
| Okinawa Prefectural Federated Branches of the Japan Socialist Party | - | - | 4 | 1 |
| Ryukyu Nationalist Party | - | - | 2 | - |
| Independents | <u>12</u> | <u>21</u> | <u>3</u> | <u>9</u> |
| TOTAL | 59 | 69 | 80 | 61 |

*Liaison Council for the Protection of Democracy, also known by the Japanese abbreviation of MINREN.



A young mother casts her ballot



Emptying ballot boxes preparatory to counting votes

From the 1962 candidate listing, it is clear that only the OLDP had any serious intention of seeking a legislative majority. No other party appeared to have been prepared to assume the responsibility of running the government, with the possible exception of the OSMP which, in running only 16 candidates, could afford to lose but a single district if it had designs on achieving majority control. Had the election results placed the OLDP in a minority role, the hopes of the other political elements would have centered on a possible combination of anti-OLDP forces under some form of coalition, unworkable though this might have been.

All candidates and all political parties, to some degree, sought support from their counterparts in Japan. Battlelines were quickly drawn between the bulk of the independents and the OLDP candidates for support from the ruling party of Japan, with claims and counter-claims being made as to which element could exert the greatest influence. The Japanese labor movement sent its backing in the form of posters and loud-speakers for use against the OLDP. Paid advertisements appeared in the local press, ranging from those of the Japan Communist Party to Japanese university professors of various political hues. Regional support groups throughout Japan, mostly consisting of former Ryukyuan residents, publicized their backing for the candidates of their choice.

Campaign Issues

As the intensity of the campaign heightened, each major issue was fully argued. Drawn from the platforms and argumentation of each political party, the following represents, in part, the positions taken on some of the more prominent issues by the various political elements:

a. New United States Policy for the Ryukyus

OLDP. The new policy recognizes that Okinawa is a part of Japan and that the administration has responsibility for improving the welfare of the people toward the level of that of Japan, through joint U. S.-Japan efforts. The basic course has been established, and full realization is only a matter of time. This year is a considerable improvement over the past; and, from the next fiscal year, even better things can be expected. Progress will be pursued strongly by the OLDP through cooperation with the government party of Japan and the United States.

OSMP. The U. S. policy is based on the premise that continued possession of Okinawa is a military necessity, and in reality it is no different from the past. Increased aid and non-expanded autonomy are the prices for continued possession, and the policy avoids the principal point of requesting reversion. The party expects Okinawa to

be liberated from the unfair administration of another country through self-reflection on the part of the United States in line with world trends.

OPP. The new U. S. policy has been decided by an imperialistic United States which seeks to control the world through its base of aggression in Asia and hopes to hold Okinawa forever. The new policy indicates that the strength of the prefectural people in their struggle for reversion has forced the United States to take this step. This new policy is the result of the over-all plight being experienced by the United States; and, therefore, the prefectural people should not beg for increased assistance, but should protest the warlike policy, oppose all types of exploitation, and exert efforts to obtain compensation for damages suffered as a result of American imperialism.

OPFBJSJP. The American policy is an attempt to suppress the dissatisfaction of the prefectural people by only a small increase in aid and expansion of autonomy in name only, while attempting to avoid the request for reversion in order to continue the present status. It clearly demonstrates the intention of the imperialistic United States to continue its possession of military bases on Okinawa. As a result of the tremendous overseas military appropriations and the subsequent drain of the United States dollar reserve, nothing much can be expected with regard to increased United States aid for Okinawa as long as only the Government of the Ryukyu Islands and one political party request assistance.

b. Money and Banking

OLDP. Bring about an increase in local capital through economic improvement and promotion of industry. Secure greater aid from the United States and Japan. With these funds, develop and expand a central bank, the development loan corporation, the people's bank, the emigration corporation, and special government financial institutions. Improve bank management and establish a liberal credit system. Expand public investment to improve the basic industries and the livelihood of the people.

OSMP. Have both Japan and the United States share a larger part of the burden from the standpoint that each will carry out its respective responsibilities. Primary attention should be given to productive industries through long-term, low-interest loans.

OPP. The Japanese Government should assume the entire responsibility for national government-type expenditures, financial assistance for war damage rehabilitation and land development through the enactment of a special measures law for the rehabilitation of

Okinawa. Full compensation should be paid for all damages suffered by the prefectural citizens as a result of the militaristic colonial administration of the United States Government. The development loan corporation should be transferred to the local community, and the selective loan system based on monopoly capital should be abolished in favor of loans to laborers, farmers, fishermen, small and medium enterprises, and those whose needs are greatest. The dollar administration by the United States should be abolished, and the currency changed from dollars to Japanese yen.

OPFBJSP. Point out to the Japanese Government that, instead of providing compensation, it should render financial assistance. At the same time, request the United States to repay all that it has exploited from Okinawa for the past 17 years. Transfer the various corporations to the local community, transfer national and prefectural land to local administration, and abolish the discriminatory tax system which favors foreigners. Improve loan conditions to agriculture, forestry and fishery, small and medium enterprises by increasing capital of a central bank and the people's bank.

c. Livelihood

OLDP. Reduce public utility rates, such as power rates, and bring about proper prices for utilities in the local economy. Exert efforts to amend the tax system to bring it closer in line with that of Japan. Exert efforts to protect land, forest, and water resources. Establish a constant reserve for disaster countermeasures to be used at appropriate times. Provide a medical insurance program, a retirement system for government workers, and improve welfare facilities.

OSMP. Reduce public utility rates, and complete the readjustment of the confused status in the marketing of rice. Amend the income tax and automobile tax laws to reduce income taxes and equalize vehicle taxes by raising the tax level on United States vehicles. Establish a new scale for corporation taxes and correct the commodity tax system. Abolish transportation taxes and revise municipal taxation to ease the burden on farmers and fishermen. Enact appropriate measures to prevent disasters and allocate funds to cope with disasters.

OPP. Reduce the monopoly prices and rates established for electricity, water, and transportation. Protest the increase in commodity prices. Protest unfair taxation and seek an increase in the basic deduction which will enable a minimum standard of living for all people. Increase taxation on high income earners, on luxury items, and apply the same tax schedule to foreigners.

OPFBJSP. The prefectural people of Okinawa are the world's lowest income earners, yet they are faced with the highest commodity prices. Reduce public utility rates and establish a price control law to eliminate unfair high prices. Increase income taxes on high income earners and increase tax rates for luxury items.

d. Nomination of the Chief Executive

OLDP. The nomination system for the chief executive is a step forward when compared with the past system and is an advance toward public election. It can be said to be an indirect public election. Depending on the way it is implemented, a responsible government similar to that of Japan can be established. The party is determined to carry out the responsibilities of administration in the new United States-Japan-Ryukyus era and pursue prosperity for the Ryukyus and the improvement of the welfare of the people.

OSMP. The nomination system is not based on the direct will of the people and is contrary to democratic principles. Nomination by the Legislature will not be binding on the appointing official, but rather it will be based on an individual who can be approved by the High Commissioner. It is completely different from the nomination system used by the Diet in Japan. Even if the party succeeds in the election, it opposes the nomination system.

OPP. With the announcement of the new policy, President KENNEDY also amended the Executive Order changing the direct appointment by the High Commissioner to a system of appointment by the High Commissioner after nomination by the Legislature. It is merely an attempt to veil the fact that the Government of the Ryukyu Islands is a puppet. It makes the Legislature a tool of United States administration and attempts to evade the request of the prefectural people for the public election of a "chiji" (prefectural governor). It is not an expansion of autonomy but a fabricated nomination system.

OPFBJSP. Democratic political behavior and responsibility to the prefectural people cannot be expected from a chief executive appointed by the High Commissioner. Even though it is called a nomination system, the High Commissioner makes the appointment, and the appointed chief executive will only support policies which are of priority to the military and will not be able to carry out measures which are to the benefit of the people.

e. Reversion to Japan

OLDP. With President KENNEDY's new policy, the basic path for reversion of Okinawa to Japan has been established. However,

the existing situation in the Far East has made it difficult to be optimistic about early reversion. The course of reversion can be worked out only through discussion between the United States and Japan. The party will cooperate to effect an easing of international tensions and promote the fulfillment of various conditions for reversion. Meanwhile, the party will pursue actual unification with Japan and will exert efforts to minimize difficulties which will arise at the time of reversion.

OSMP. Continued possession of Okinawa by the United States cannot be permitted on the basis that it is unfair to divide a racial group while the world situation rejects the armament race and calls for racial independence. Reversion should be a national program of first priority, and Okinawan representation should be established in the national Diet.

OPP. Even in Japan there has been an increase in the camp which opposes the imperialistic United States and Japanese monopoly capital. If the democratic reversion forces on Okinawa would firmly cement their ties with the camp in Japan and oppose the reactionary forces in both Japan and the United States and separate the comprador reactionary forces so that they stand by themselves, the road to reversion will be fixed. Strong efforts are needed to unite the democratic front to attain reversion so that it will be made up of intellectuals, women, youths, students, and medium enterprises with labor and farmers' unions as the central core to attain liberation of Okinawa.

OPFBJSP. The majority of world opinion is for a reduction in armaments and peaceful co-existence and the abolishment of colonial rule so that the reversion of Okinawa can be won. While fighting for the economic requests of laborers and farmers or while conducting various struggles to protect democratic rights and to avoid exploitation through discriminatory wages, the mass movement for reversion can be organized. Unification and solidarity of the prefectural people shall be carried out with the Reversion Council as the nucleus; and, at the same time, a national movement for the return of Okinawa can be developed.

f. Expansion of Autonomy

OLDP. Expansion of autonomy is a necessary condition for the improvement of welfare and the conduct of local politics; and, as indicated in the Executive Order and the President's message, the United States shall make efforts for the expansion of autonomy. The party, in line with this spirit, shall make the maximum use of the right of autonomy granted under the Executive Order. In order to do this, the party shall work and cooperate with the objectives of the United States based on understanding and trust.

OSMP. Attain the right to a voice in the national Diet of Japan. Enforce the public election of the chief executive. Eliminate the tendency of local municipal bodies to attach themselves to the central government, and bring about autonomy of district organizations.

OPP. There can be no autonomy under the present Government of the Ryukyu Islands. There can be no autonomy if the absolute administration of the United States over Okinawa, headed by the High Commissioner, is left as it is. The right of autonomy is a basic point in democracy, and the Government of the Ryukyu Islands system should be amended to the public election of a "chiji," and the veto power of the High Commissioner should be abolished. At present, it is not a struggle to attain expansion of autonomy, but it is rather a struggle to attain autonomy itself.

OPFBJSP. The separation of the three powers carried out under the imperialistic power of the United States, which has military might as its support, is only a pretense of a democratic system. Proclamations and ordinances have priority over local legislation, and the appointment system of the chief executive is still in force. Under these circumstances, only a faint hope for autonomy is given; and, in reality, colonial policies are being carried out. The veto power of the High Commissioner must be eliminated, all proclamations and ordinances must be abolished, and public election of the chief executive must be attained.

CHAPTER 3

LEGAL AND JUDICIAL AFFAIRS

HIGH COMMISSIONER LEGISLATION

Two of the most important pieces of High Commissioner legislation in Fiscal Year 1963 were United States Civil Administration Proclamation No. 18 and Change No. 19 to Civil Administration Ordinance No. 144, which provided for indictment by grand jury and trial by jury in the Civil Administration criminal courts. Any person, Ryukyuan or non-Ryukyuan, charged in a Civil Administration criminal court, has a right to indictment by grand jury in the case of any offense punishable by death or imprisonment for more than one year, and trial by petit jury for any offense other than petty offenses.

The legislation stipulated that neither United States nationality nor knowledge of the English language is required as a qualification for such jury service and that both Ryukyuan and non-Ryukyuan are eligible for jury service. The basic qualifications for jury service are literacy, attainment of the age of twenty-one years, and residence for a period of three months within the Ryukyu Islands immediately prior to summons for jury service. Officers or employees of the Civil Administration, whether members of the Armed Forces of the United States or civilians, are ineligible to serve as jurors.

A list of approximately 700 jurors was available for the jury wheel. This list was compiled from a total of approximately 1,500 potential jurors. Jurors were selected after receipt of questionnaires sent to many categories of potentially qualified persons. Included were Ryukyuan, commercial entrants of all nationalities, dependents of Armed Forces personnel, and United States civil service employees and their dependents. The jury system has been well accepted by the community.

The first grand jury convened on Saturday, 30 March 1963, and returned its first indictment on 3 April 1963. The first trial by petit jury commenced on 30 April 1963. Two grand juries were in operation at the close of FY 1963.

High Commissioner legislation promulgated during FY 1963 included two proclamations, four ordinances, nine changes to ordinances, rescission of two ordinances, partial rescission of another ordinance, and amendments to two directives. These were:

1. High Commissioner Ordinance No. 45, effective 30 June 1962, rescinded Civil Administration Ordinance No. 113, as amended, dated



Drawing names for the first jury panel

26 May 1953, entitled "Establishment of Ryukyu Warehouse Corporation." Since the Ryukyu Warehouse Corporation had been liquidated, Civil Administration Ordinance No. 113, as amended, was no longer necessary.

2. United States Civil Administration Proclamation No. 17 was promulgated effective 30 July 1962. This Proclamation established a Grievance Committee of not less than three nor more than five attorneys-at-law, duly admitted to practice before the highest court of any state of the United States or any court of the United States, to hear complaints, grievances, or charges concerning professional or personal misconduct on the part of any attorney who possesses a limited license to practice law before the courts of the Civil Administration. The Grievance Committee was required to report to the High Commissioner its findings and recommendations, including any recommendations for suspension or revocation of the attorney's license to practice. Any attorney brought before the Grievance Committee is given an opportunity to submit to the High Commissioner any written brief or comments on the findings within ten days after he is notified that the findings and recommendations have been forwarded to the High Commissioner. In the event the High Commissioner approves recommendations for suspension

or revocation of an attorney's license, the Civil Administrator and Chief Executive, Government of the Ryukyu Islands, are required to complete the administrative actions necessary to accomplish the revocation or suspension.

3. Change No. 1 to High Commissioner Ordinance No. 37, effective 1 September 1962, transferred the bank supervisory authority from the Department of Internal Affairs, Government of the Ryukyu Islands, and attached it to the Department of Administrative Services, Government of the Ryukyu Islands, for purposes of logistical support and supply, budgeting, and personnel administration only. This Change provided for the appointment by the Chief Executive, Government of the Ryukyu Islands, of a qualified head of the bank supervisory authority, who was given the title of "Banking Administrator." The head of the bank supervisory authority was made responsible directly to the Chief Executive and was empowered to select a chief examiner, examiners, and assistant examiners subject to the appointive action of the Chief Executive and, in turn, subject to the approval of the Civil Administrator. This Change further provided that the bank supervisory authority shall take all action necessary and available under the provisions of High Commissioner Ordinance No. 37 and applicable laws to require the early correction of unsatisfactory conditions in banking, to enforce compliance with the provisions of High Commissioner Ordinance No. 37 and applicable laws, and to eliminate unsafe or unsound conditions and practices. The Change also provided that a person who has been convicted of the offense of misappropriating funds or has admitted the commission of that offense, whether or not convicted thereof, and any person who has been convicted of a felony, shall be ineligible for employment by any bank. The Change provided for immediate discharge of any bank employee ineligible for the causes mentioned. The Change also imposed greater responsibility upon bank boards of directors for important lines of credit, review of actions of bank committees, and reports of examinations and audits.

4. High Commissioner Ordinance No. 46, effective 1 September 1962, amended Act No. 39, "An Act Concerning Electric Utility," enacted by the Legislature of the Government of the Ryukyu Islands on 8 August 1952. This ordinance provided that the notice posted by an electric utility that it had been authorized by the Chief Executive to issue Supply Regulations to supply electricity to the general public, or to make any change in such Supply Regulations, shall specify the effective date of such Supply Regulations or any change. The ordinance also provided that the effective date may be prospective or retroactive as stated in the authorization or order of the Chief Executive.

5. Change No. 1 to Military Government Ordinance No. 28, effective 20 December 1962, rescinded Military Government Ordinance No. 28,

dated 28 October 1950 and effective 1 November 1950, subject: "The Law Concerning Fire Defense Service," addressed to Governors of the Gunto Governments of the Ryukyu Islands. As a result of the passage and approval of Act No. 27, 1962, Government of the Ryukyu Islands, entitled "Fire Defense Service Organization Law," Military Government Ordinance No. 28 was no longer necessary.

6. Change No. 18 to Civil Administration Ordinance No. 144, effective 6 November 1962, prohibited the importation into the Ryukyu Islands of all goods of Cuban, Chinese (except Formosa) or North Korean origin and all goods imported from or through Cuba, China (except Formosa) or North Korea, except as specifically authorized by the High Commissioner of the Ryukyu Islands. In addition, the Change provided that, except as specifically authorized by the High Commissioner of the Ryukyu Islands, no one can import or engage in foreign exchange transactions, transfer of credit or payment between, by, through, or to any banking institution, incidental to the importation of merchandise from outside the Ryukyu Islands made or derived in whole or in part of any article which is the growth, produce, or manufacture of Cuba, China (except Formosa) or North Korea. Those violating this Change, upon conviction, are subject to a fine of \$10,000 or imprisonment for not more than five years, or both.

7. Change No. 2 to High Commissioner Ordinance No. 12, effective 27 December 1962, increased the capital stock of the Bank of the Ryukyus from \$300,000, divided into 300,000 shares, each share having a par value of \$1, to \$900,000, divided into 900,000 shares, each share having a par value of \$1.

8. Change No. 14 to Civil Administration Ordinance No. 116, effective 1 January 1963, increased the minimum wage of Ryukyuan employees of United States Government agencies, United States Forces Ryukyu Islands personnel, and contractors of the United States Government from 14¢ per hour to 16¢ per hour.

9. Change No. 6 to Civil Administration Ordinance No. 148, effective 1 January 1963, rescinded Article VI of Civil Administration Ordinance No. 148, dated 14 September 1955, entitled "Regulation of Ryukyuan Vessels." This Article had authorized the Government of the Ryukyu Islands to establish boards of investigation for the enforcement of navigational and safety standards on the high seas and the territorial waters of the Ryukyu Islands, and enumerated the powers of such boards. With the enactment by the Government of the Ryukyu Islands of Act No. 62, 1962, entitled "Marine Accident Inquiry Board," Article VI of Civil Administration Ordinance No. 148 was no longer necessary.

10. Change No. 1 to High Commissioner Ordinance No. 17, effective 1 March 1963, amended Act No. 43, entitled "An Act Concerning Commodity

Taxes," passed by the Legislature of the Government of the Ryukyu Islands on 29 August 1952. The Change added round steel bars, with a diameter of 25 millimeters or less and not produced in the Ryukyu Islands, to the group of commodities on which the commodity tax is 20 percent.

11. Change No. 19 to Civil Administration Ordinance No. 144, effective 11 March 1963, provided for indictment by a grand jury and trial by petit jury, and created a number of new offenses not previously contained in the Code of Penal Law and Procedure or other legislation previously enacted by the High Commissioner. Included among these newly created offenses were bribery or offering a bribe to a grand juror in a Civil Administration court, or to any judge, petit juror or other person authorized to hear or determine any question, matter, course, proceeding or controversy in a Civil Administration court; acceptance or solicitation of a bribe by a grand juror or petit juror; attempts to corrupt or threats to influence, intimidate, or impede witness in a Civil Administration court, or any judge, grand juror, or petit juror, or officers in or of any such court in the discharge of his duty; obstruction of justice; bribery or attempts to bribe United States officials and employees; acceptance or solicitation of bribes by United States officials and employees; and frauds and false claims against the United States.

12. United States Civil Administration Proclamation No. 18, effective 11 March 1963, amended Section 2 of United States Civil Administration Proclamation No. 8, dated 21 July 1958, entitled "United States Civil Administration Criminal Courts." The Change provided that all jury trials shall be tried in the Superior Court; that offenses punishable by death or imprisonment for life previously triable by three judges, still can be tried by three judges if the defendant waives a jury trial; that all other offenses tried by a Superior Court shall be tried before one judge; that the Sessions Court shall have jurisdiction to try all petty offenses, and other offenses within the jurisdictional limitations of the Sessions Court provided the defendant has waived his right to a jury trial, except offenses punishable by death or imprisonment for life; that all offenses tried by a Sessions Court shall be tried by one judge; and that the amount of the fine that could be imposed by a Sessions Court shall be increased from \$250 to \$1,000.

13. Change No. 4 to Civil Administration Directive No. 1, 1959, effective 29 March 1963, provided for jury fees.

14. High Commissioner Ordinance No. 47, effective 1 May 1963, legalized lotteries, bingo games, and other forms of games of chance in connection with the fund-raising carnival conducted by the Okinawa Recreation and Welfare Association at Fort Buckner from 3 July 1963 to 7 July 1963, inclusive.

15. Change No. 1 to Civil Administration Directive No. 1, 1961, effective 1 June 1963, was designed to clarify the conditions under which permission for a Ryukyuan vessel to voyage outside of the geographical limits of the Ryukyu Islands would be favorably considered. Prior to this Change, the original language of the directive permitted the interpretation that the vessel would not be granted such permission if a licensed officer then serving aboard the vessel had been charged with or found guilty of a clearance violation. Conversely, under such literal interpretation of the directive, if a licensed officer of a vessel had ever been charged with or found guilty of a clearance violation, this officer could never again be employed in a licensed capacity aboard a Ryukyuan vessel traveling outside the Ryukyu Islands. The amendment to the directive was enacted to make clear that it was not intended that the directive deprive a licensed officer, found guilty of a clearance violation and who served his penalty, from permanently sailing in a licensed capacity aboard a Ryukyuan fishing vessel. The amendment made it clear that it was intended to insure that no charges, court action, disciplinary action or investigation were in process or pending against the vessel or any licensed officer aboard at the time a voyage permit was signed.

16. Change No. 2 to High Commissioner Ordinance No. 17, effective 5 June 1963, amended Act No. 43, entitled "An Act Concerning Commodity Taxes," passed by the Legislature of the Government of the Ryukyu Islands on 29 August 1952, as amended by High Commissioner Ordinance No. 17, dated 27 October 1958, as amended. The Change provided that, notwithstanding anything in GRI Act No. 43, 1952, as amended, the tax provided therein shall not apply to any of the commodities covered therein which are produced in the Ryukyu Islands.

17. High Commissioner Ordinance No. 48, effective 26 June 1963, made fiscal revisions in the FY 1963 General Account Budget and the revision of the FY 1963 General Account Budget of the Government of the Ryukyu Islands by amending GRI Act No. 58 of 1962, entitled "FY 1963 General Account Budget," and GRI Act No. 3 of 1963, entitled "Revision of General Account Budget for the Fiscal Year 1963," enacted by the Legislature of the Government of the Ryukyu Islands on 30 June 1962 and 7 March 1963, respectively.

IMPORTANT LEGAL CASES AND DECISIONS

John Yokota Case

An information was filed in the U. S. Civil Administration of the Ryukyu Islands (USCAR) Superior Court on 24 August 1962, containing 11 counts, in which YOKOTA was charged, as an official of the American Realty Company and the American Housing Industry Company, with various offenses of mortgaging to banks certain houses he previously had sold

and of selling houses which he previously had mortgaged to banks to purchasers from whom he concealed and to whom he failed to disclose the existence of the prior mortgages. A supplemental information, containing 10 counts, alleged offenses similar in nature to those alleged in the earlier information, and also alleged offenses in which YOKOTA was accused of registering in the competent registry office ownership of houses he previously had sold and no longer owned. The offenses alleged in the various counts were alleged to be either violations of Article 157, Article 246, or Article 252 of the Penal Code of Japan. At the close of the defendant's case and upon motion of the defendant, one count and a portion of another count were dismissed. On 11 October 1962, YOKOTA was convicted of the remaining 20 counts. On 30 November 1962, he was sentenced to three years on the first count, commencing as of 14 July 1962. The sentence was suspended, the defendant being placed on probation on this portion of the sentence, and sentenced to 30 days' confinement on each of the other 19 counts, running concurrently, commencing also as of 14 July 1962.

Ikeda Case

Bennett Ken IKEDA, a U. S. national, was the first person against whom an indictment was returned by the grand jury for the Ryukyu Islands and was the first person tried by petit jury for a criminal offense. The indictment against him, returned into the Superior Court on 4 April 1963, contained 11 counts accusing him of fraud in real estate transactions. His trial for the offenses alleged in the 11 counts of the indictment, and upon one count of engaging in the business of buying, selling, and renting houses without a foreign investment license in violation of Article 2.3.4.1, CA Ordinance No. 144, alleged in an information filed in October 1962, commenced 30 April 1963. He was convicted on 13 May 1963 of all the counts charged in the indictment and of the count of the information referred for trial against him. On 27 May 1963, he was sentenced upon the counts of the indictment as follows: Count 1, two years' imprisonment suspended and placed on probation; Counts 2 through 11, 30 days' imprisonment, suspended to run concurrently with sentence under Count 1. In addition, a fine of \$1,000 was imposed.

Service Games Prosecution

The appeals of the former Okinawa manager of Service Games and of two other employees of Service Games, Inc., from fines imposed upon them to the United States Civil Administration Appellate Court, were decided on 24 April 1963. The convictions of the former manager and one of the former employees were affirmed. However, the Appellate Court held that the evidence was insufficient to sustain the conviction of the remaining employee for attempted bribery and reversed his conviction.

CIVIL ADMINISTRATION COURTS

USCAR Courts tried 104 persons in the Superior Court and 88 persons in the Sessions Court during this reporting period. In addition, 17 persons were nolle prossed upon the request of the prosecution. These totals were roughly the same as those of the past few years. Fines and other funds collected during the fiscal year totaled \$12,392, which was less than the preceding year when substantial funds were collected as a result of the Service Games' fine of \$300,000. Five Appellate Court opinions were handed down. Principal criminal offenses were larceny, illegal possession of explosives, and assault.

Several civil cases were heard in USCAR Courts. One tort case, in which the United States has an interest, was filed. Trial was pending, awaiting institution of civil juries. One bankruptcy case was filed, and several civil cases (avoidance) were filed in support of the bankruptcy proceedings. The bankruptcy proceedings, including supporting cases, were nearing completion at the end of the reporting period.

PROBATION OFFICE

The probation function continued to be a busy and constructive one. Eighty-four pre-sentence investigations were conducted; 53 new probationers were received; 650 probationary consultations were held; and 100 probationers were discharged after successful completion of their probationary periods. Since the institution of the probation program in 1958, only five probationers have violated the conditions of their probation, which is far less than the U. S. national average. During this time, the Probation Office has effected a number of rehabilitation programs, including location of employment opportunities, arrangement for education and training of probationers, and adjustment of home and other environmental conditions.

THE GRI PROCURATOR

During FY 1963, 40,491 new cases were received by the GRI Public Procurators' Offices, of which 32,348 were cases involving traffic offenses. The following table shows the number and disposition of cases handled by the Public Procurators' Offices of the Circuit and Magistrate Courts:

| | <u>Public Procurators' Offices</u> | | |
|---------------------------------------|------------------------------------|-------------------------|--------------|
| | <u>Circuit Court</u> | <u>Magistrate Court</u> | <u>Total</u> |
| Cases pending 1 July 1962 | 260 | 860 | 1,120 |
| New cases involving traffic offenses | 3,416 | 28,932 | 32,348 |
| New cases other than traffic offenses | 2,781 | 5,362 | 8,143 |
| Cases prosecuted | 428 | 28,218 | 28,646 |
| Cases not prosecuted | 546 | 5,868 | 6,414 |
| Cases suspended or transferred | 5,292 | 339 | 5,631 |
| Cases pending 30 June 1963 | 191 | 729 | 920 |

THE GRI JUDICIARY

Considerable progress was made in the following problem areas of the GRI Judiciary Branch:

a. Backlog of untried cases. GRI judges attempted to bring the calendars to a completely current position. Much remains to be done, but the progress was most encouraging.

The oldest Magistrate Court civil case was filed in 1962, and only 72 civil cases were pending in the Magistrate Courts. The oldest Magistrate criminal case was filed in 1963, and 96 criminal cases were pending in Magistrate Courts on 1 July 1963.

The Circuit Court civil calendar remained, as in the past, the principal problem area. The oldest case was filed in 1954, one case remained from 1955, and two cases remained from 1956. A total of 468 civil cases were pending. Old cases are receiving priority attention, and it is expected that most will be completed during the next period. The oldest criminal case was filed in 1961, and a total of 114 criminal cases remained on the calendar.

All Family and Juvenile Court cases were current.

b. Excessive pre-trial confinement of defendants. Average pre-trial period of confinement has dropped to 20 days in the Magistrate Court and 60 days in the Circuit Court.

c. Educational level of judges. A program for the training of judges instituted by the Office of the High Commissioner, in cooperation with the GRI Judiciary, is well under way. Since 1961, two trainees have been dispatched each year for a two-year training period at the Judicial Research and Training Institute in Tokyo, which is conducted by the Supreme Court of Japan. The first two graduates returned to Okinawa during this reporting period, and two more will return each spring hereafter. Eventually this program will provide a completely educated and trained bench. In addition, a program is maintained for training incumbents through a series of lectures and seminars in Okinawa and Japan.

d. Temporary transfer of judges. This problem was solved by enactment of legislation and new court rules.

MISCELLANEOUS LEGAL AND JUDICIAL ACTIVITIES

Problem of Ryukyuan Real Property Law

Due to the limited government housing available in Okinawa, United States Forces personnel, both military and civilian, faced the

necessity of acquiring off-base housing. Those interested in purchasing a house were confronted with strange local laws and procedures. The High Commissioner directed that an explanation be prepared of Ryukyuan real estate law for presentation to the military services. Following review and approval of this explanation by the military services, a non-technical pamphlet was prepared for issuance to military personnel and to non-military, non-Ryukyuan persons who were contemplating the purchase of a house or other real property. This pamphlet also contained suggestions on procedures to be followed in order for the purchaser or seller to be legally protected.

Revision of Rules and Court Procedures

Rules of criminal procedure and civil procedure were revised, and appellate rules were in the process of revision. All revisions of rules and court procedures will be completed within FY 1964. An ordinance and rules relating to the admission of attorneys to practice before USCAR courts as well as the disciplining of attorneys were in the process of drafting.

Traffic Court

Several round-table discussions and seminars were held between judicial representatives of the Office of the High Commissioner and Government of the Ryukyu Islands personnel relative to traffic problems. An important proposal was made for the institution of a Traffic Court, and complete plans were drawn up. However, funds were not made available, and another request will be submitted for this project during the next fiscal year.

LAND ADMINISTRATION

Land Program

In accordance with agreements reached during the joint American-Ryukyuan Land Conference in 1958, the Government of the Ryukyu Islands executes basic leases with owners of land held by the United States as of 1 July 1958 and also of land acquired subsequent to that date. These leases are then subleased to the United States by means of a master lease. When leases cannot be negotiated, condemnation is required under "Declarations of Taking." The GRI Military Used Land Office disburses land rental payments in accordance with a service contract between the U. S. and the GRI. Disbursements to the landowners during the period ending 30 June 1963 and covering FYs 1959 through 1963 totaled \$38,984,538.91, with a balance to be paid of \$278,861.09. (For details, see table 1, page 296 , Appendix V.)

During the joint American-Ryukyuan Land Conferences in 1958, it was agreed that the 1958 land values would remain in effect until 1963,

at which time a new appraisal would be made. Subsequent reappraisal was then to be made every five years thereafter. The Government of the Ryukyu Islands Land Rental Stabilization Act (Act No. 1 of 1959) provided, in part, for the appointment of an 18-member Ryukyuan committee by the Chief Executive, with approval of the Legislature, to review the rates and submit its recommendations to the High Commissioner for approval. A committee was established during July 1962. U. S. representatives participated in the committee meetings only as observers but were available to furnish appraisal data and technical assistance, upon request of the chairman, to help expedite establishment of the rates.

Basically, the methods used in determining these rates were identical to those used in establishing the 1958 rates, as set forth in the Land Rental Stabilization Act. For arable and related lands, the production method was applied, utilizing production data and material compiled by the GRI Economics Department and Statistical Section during the last four years, supplemented by findings in the field. Statistics indicated that the production of wet farm lands remained at almost the same level as in 1958. At the same time, limited increases in dry farm production were recognized, particularly those areas where sugar cane is the principal crop. For building lots and related lands, the "point system" was adopted by the committee. Other factors which tended to influence real estate values, such as cost of living index, population growth, and the over-all economic conditions of each municipality concerned, were also reviewed and considered.

Committee recommendations submitted through the Chief Executive to the High Commissioner were reviewed and, with minor variations, approved effective 1 July 1963. The revised rates resulted in an over-all increase of approximately 15.93 percent over the 1958 annual rental (A/R) rates (see table 2, page 296 , Appendix V).

Land Acquisition

During the period, the U. S. acquired an additional 194.01 acres of land, 142.16 acres of which were for the Coast Guard Loran "C" Station.

A recapitulation of U. S. leasehold interest as of 15 June 1963 (see table 3, page 297 , Appendix V) shows that a total of 75,818.82 acres were being used by the U. S. (Marines 42,176.70 acres; Air Force 17,113.20; Army 12,840.53; all others 3,688.39).

Licensing

Land within military installations continued to be licensed to Ryukyuan farmers for farming and gathering of forest products. Total acreage,

which included 2,182.96 acres in Army, 3,792.57 in Air Force, and 3,115.87 in Marine areas, reached 9,603.40 at the close of FY 1963.

Training Areas

Permits authorizing the use of 4,367.76 acres of private and municipal lands for conducting blank-firing training exercises were obtained from the mayors of municipalities concerned. Compensation for the use of these lands is payable as of the end of each fiscal year in accordance with the agreement reached at the American-Ryukyuan Land Conference. For computation purposes, all lands within the training areas are considered as Forest Land #1, and compensation is computed and paid in proportion to the number of days actually used. This ranges from 10 percent to 60 percent of the annual rental of Forest Land #1.

Total rent paid to the municipalities for FY 1963 for use of these training areas amounted to \$21,984.25, of which Onna-Son received the largest amount with \$12,595.49, followed by Ishikawa City with \$4,629.73, and Kin-Son with \$3,305.25.

Land Advisory Committee

The Joint American and Ryukyuan Land Advisory Committee acts as an advisory body to the High Commissioner. The Committee consists of four American and four Ryukyuan members, with an American as chairman. The committee meets ordinarily in Naha but frequently holds meetings at the site of the land dispute. All interested parties are invited to appear personally before the committee and present any complaints or facts they may possess concerning the controversy in question.

During FY 1963, the committee met 22 times. Among the disputes heard, and eventually amicably settled, were the following:

- a. Kumejima dispute over the establishment of a naval practice bombing range.
- b. Ie Shima relocation of residents to an area outside of sensitive U. S. leased areas.
- c. Acquisition of fee title for the Kin Power Plant.

CLAIMS

Pre-Peace Treaty Claims

On 16 October 1962, the High Commissioner announced that he was transmitting the report of the Pre-Treaty Claims Review Committee to Washington. In forwarding the Committee's report, the High Commissioner



High Commissioner Paul W. Caraway signs a letter transmitting the joint U. S.-Ryukyuan Pre-Peace Treaty Claims Committee's report to Washington

stated that the United States was taking another step in what was a long process. The first step was the decision of the United States to review and evaluate the claims, even though the United States was not under any legal obligation to do so. The Committee was established following the High Commissioner's announcement on 6 April 1961 that he was prepared to undertake a review of all pre-treaty claims. After nearly a full year of assembling and analyzing all pertinent data, the Committee submitted its report to the High Commissioner on 23 March 1962. It recommended approval of \$21,874,524 as total damages sustained by the Ryukyuans. In forwarding the report to Washington, the High Commissioner stated that final determination of ex gratia claims, such as those in the report of the Committee, must be made by the Congress and the President of the United States.

Another program which began in November 1961 for the payment of additional rentals for lands used by the United States, and for improvements taken or destroyed, during the period 1 July 1950 to 28 April 1952, was brought to a 97 percent completion during FY 1963. Payments processed through the U. S. Land Tribunal totaled \$3,795,317.32. Under the program worked out by the U. S. Army Engineer District, Okinawa, and approved by the High Commissioner, a total of \$3,913,355.28 will be paid.

Fishery Claims

In May 1963, all claims for damages allegedly caused to Ryukyuan offshore fisheries were referred to the U. S. Land Tribunal. Total compensation claimed exceeds \$8 million for a 10-year period beginning October 1951.

CHAPTER 4

PUBLIC SAFETY

GRI POLICE AND LAW ENFORCEMENT

Organization and Personnel

The Government of the Ryukyu Islands (GRI) Police Department is comprised of 13 district stations and a main headquarters in Naha. The force is headed by a Superintendent General appointed by the Chief Executive. Each headquarters section and each of the 13 district stations is headed by a superintendent.

The authorized strength of the Ryukyu Police Department as of 30 June 1963 remained at 1,519, the same as in FY 1962. Of this total, 81 were civilian technicians and 18 were policewomen.

Training

The police training program plays an important role in promoting effective criminal investigation, traffic enforcement, and police administrative operations. Through this program, new police techniques and the use of new equipment are constantly being introduced to the GRI police.

Training in the GRI police academy includes eight months of strenuous basic instruction for the newly-appointed policemen and periodic follow-up in-service and specialized training. In FY 1963, 91 policemen graduated from the academy, bringing the number of graduates to 2,066 since this institution was established in 1947. In addition, 560 officers received special training, and 10 selected police sergeants were sent to the Tokyo Metropolitan and Osaka Prefectural Police Departments for a one-year, on-the-job training course. Six other selected officers were sent to the National Police College in Tokyo for periods of 6 to 12 months for advanced instruction in police administration, functions, and operations.

Criminal Identification and Laboratory

The central repository for fingerprint identification data in the Ryukyus is the Identification Section of the GRI Police Headquarters. As of June 1963, the Identification Section's files contained 279,559 fingerprint cards and 33,704 criminal photographs. This would indicate that there are identification data on approximately one-third of the Ryukyuan population.

During FY 1963, this section received 29,117 sets of fingerprint cards for processing. Of this number, 20,986 were processed for the U. S. Forces.

The police criminal laboratory, headed by a full-time physician with five assistant chemists, conducts continuing research to improve laboratory and scientific crime detection techniques. During the reporting period, 35 autopsies were conducted, and 60 bodies and 1,056 items of evidence were examined.

Crime Statistics

Criminal offenses reported to the police during FY 1963 totaled 18,765. These included 16,833 Criminal Code violations, 1,742 Administrative Law violations, and 190 Civil Administration Ordinance/Proclamation violations. This was an increase of 3,635 cases, or 24 percent, over the previous fiscal year.

Of the 16,833 Criminal Code violations, 11,636 were offenses involving larceny and burglary. Violations of the Fuzoku Business Law (Law Concerning Businesses Which Affect Public Morals) constituted 79 percent of Administrative Law offenses, while trespassing in U. S. installation areas and possession of firearms and explosives accounted for 67 percent of Civil Administration Ordinance violations.

Burglaries and larcenies occurring at "off-post" private rentals occupied by members of U. S. Forces and their families continued to be a major problem facing the GRI police. There were more than 5,300 private rental units located in approximately 40 different areas in Okinawa. During the period from 1 July 1962 through 30 June 1963, police investigated 505 cases of larceny, housebreaking, and theft, 5 cases of robbery, and 98 other offenses against properties or persons of U. S. Forces.

The GRI police crime statistics also revealed that 1,092 offenses were allegedly committed by U. S. Forces personnel against the Ryukyans. Offenses involving property damage, fraud, and larceny accounted for approximately two-thirds of this total.

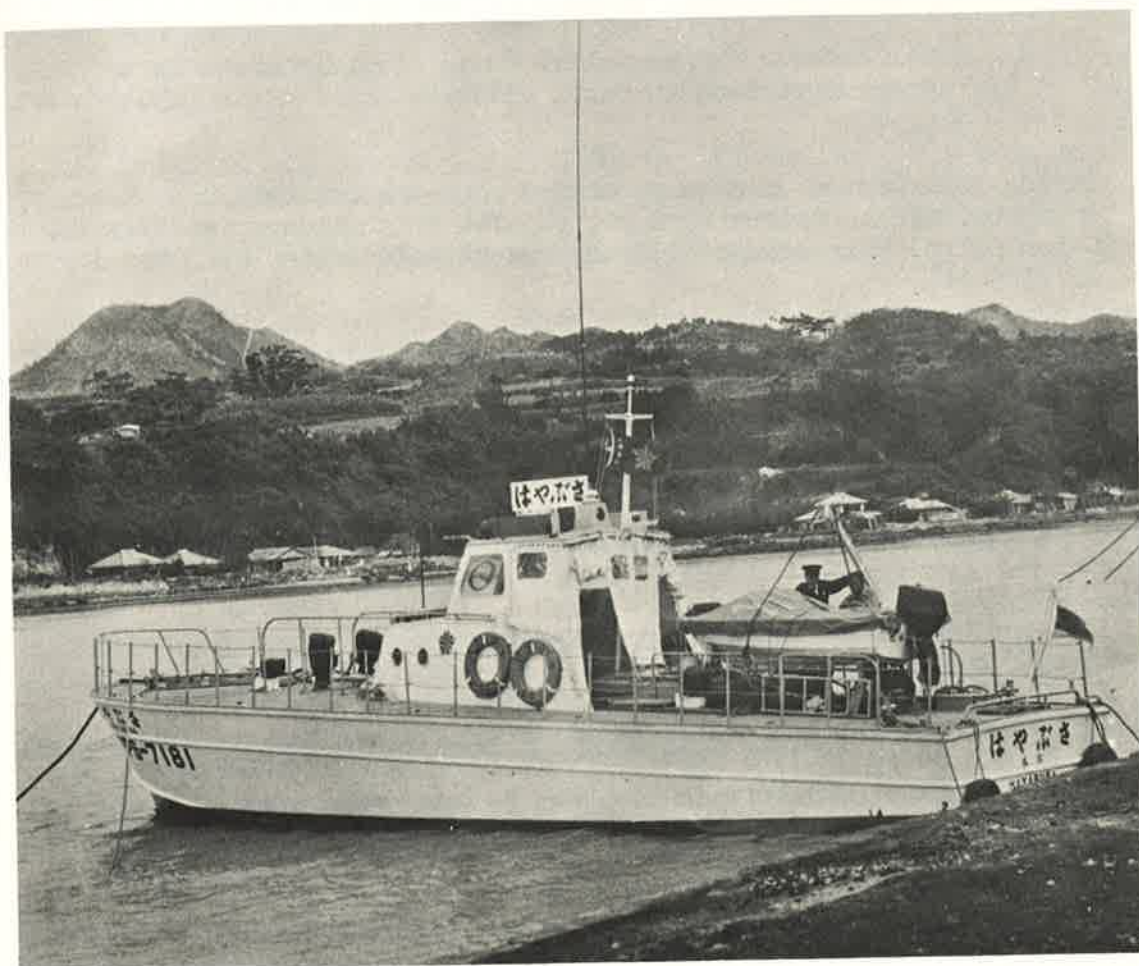
Counterfeit Currency

Since the introduction of dollar currency in the Ryukyu Islands in September 1958, counterfeit notes have occasionally been passed by tourists from abroad. During FY 1963, GRI police seized 23 pieces of counterfeit currency consisting of twenty-one \$20 notes and two \$50 notes.

Police Communications System

Close, speedy coordination of all police operations in the Ryukyu Islands is made possible through the police-operated telephone and radio communications system, which links together all the district police stations, substations, police vehicles, patrol vessels, and fishing vessels in Ryukyuan waters. Air-sea rescue operations are initiated in a matter of minutes through the use of this communications system.

There were 68 emergency medical air evacuations from offshore areas during this reporting period. These were coordinated with the U. S. Air Force Air Defense Control Center through the Public Safety Department, U. S. Civil Administration of the Ryukyu Islands (USCAR).



The "Hayabusa," the new 30-ton patrol boat

Expansion of Police Facilities

The following construction projects were either completed or begun in FY 1963:

a. Naha Police Station. A two-story, concrete administration office building with a total floor space of 7,261 square feet. Total cost - \$38,440.

b. Nakijin-Son. One assistant inspector substation of 782 square feet. Cost \$3,767.

c. Torihori-Cho and Onishi-Ku. Two police substations of 284 square feet each at Torihori-Cho, Shuri, and at Onishi-Ku, Nago. Total cost - \$3,437.

d. Rural Areas. Twelve police boxes (family-type substations) of 427 square feet each in rural villages and isolated islands. Total cost - \$29,580.

During this period, police purchased three patrol cars, one truck, and two motorcycles. Orders were placed with shipbuilders in Japan for one 30-ton patrol boat and one 130-ton rescue-patrol boat at a total cost of \$309,044.

PENAL AND CORRECTIONAL INSTITUTIONS

Penal Institutions

There are three penal institutions in the Ryukyu Islands; namely, Okinawa, Miyako, and Yaeyama Prisons. A staff of 332 persons (315 uniformed personnel and 17 civilian technicians) is employed by these prisons.

The average inmate population at Okinawa Prison, largest of the three penal institutions, was 556 during FY 1963, a decrease from the 617 average of the previous fiscal year. Miyako and Yaeyama Prisons averaged 14 and 22 inmates, respectively. Of the 548 inmates in Okinawa Prison as of 30 June 1963, 12 were serving life sentences, while the majority (328) were in for one- to ten-year terms.

An active vocational training program is being conducted in the prisons under competent instructors, and revenue from articles produced by the inmates amounted to \$30,158.30. Over two-thirds of this revenue was derived from the sale of cabinets and cement blocks.

Correctional Institutions

Ryukyu Reformatory

The inmate population increased from 103 to 140 during this reporting period. This total included 22 girls, which was a hundred percent increase over the previous reporting period. To cope with this yearly increase, expansion of its detention, educational, and recreational facilities has been started, and approximately one-third of the projects have been completed.

Juvenile Detention and Classification Home

The Juvenile Detention and Classification Home was established pursuant to the Juvenile and Reformatory Laws. The inmates were temporarily accommodated in the overcrowded Ryukyu Reformatory until completion of the major portion of the juvenile home facilities on 31 January 1963.

During the period 1 July 1962 to 30 June 1963, 439 boys and 77 girls were admitted to the Juvenile Home from the circuit courts, while 500 were released. The daily population at this institution fluctuated from a low of 17 to a high of 46 inmates.

Disposition by family courts of the 500 inmates released from this institution showed that the majority were released on probation or to the investigator's custody, 10 percent were sent to training schools, and 17 percent were committed to the Ryukyu Reformatory.

Parole Board

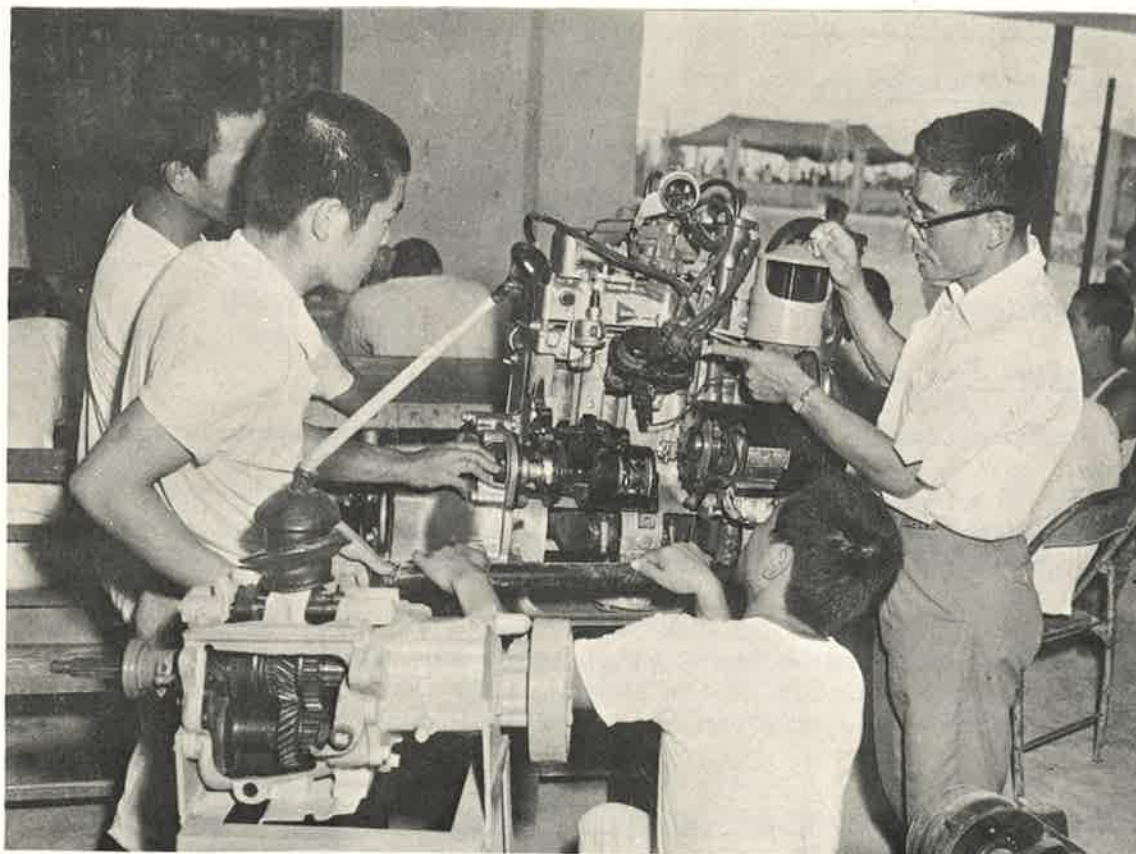
The GRI Parole Board granted paroles to 39 prison inmates and released 31 reformatory inmates during FY 1963. Two paroles were revoked. As of 30 June 1963, a total of 244 parolees and probationers, including 157 juveniles, were under the guidance and supervision of six parole officers and 138 volunteer rehabilitation workers.

Improvement of Penal and Correctional Institutions

The following construction projects were either completed or begun during FY 1963:

a. Okinawa Prison. Construction of an education and classification office, 854 square feet. An oil-burner stove, steam cooker, and water softening system were also purchased and installed. Total cost - \$3,560.

b. Miyako Prison. Repair of perimeter wall at a cost of \$4,500.



Vocational training classroom at the Ryukyu Reformatory

c. Ryukyu Reformatory. Construction of vocational training classroom, medical office, two dormitory buildings, fencing, kitchen, and bathhouse. Total cost - \$51,500.

d. Juvenile Detention and Classification Home. Addition to administration office, and construction of dormitory, lavatory, consultation room, kitchen, dining room, storage room, and perimeter wall. Total cost - \$18,050.

SAFETY

Traffic Safety

The yearly increase in the number of registered motor vehicles in the Ryukyus has created one of the major police problems. As of 30 June 1963, there were 26,007 GRI-registered motor vehicles, an increase of 6,225 over FY 1962, and an estimated 10,000 unregistered motorcycles. Added to this were approximately 20,000 U. S. Forces vehicles, official and privately-owned, resulting in over 56,000 motor vehicles operating over a limited road network of 2,000 miles.

The following accident statistics reflect the extent of the traffic problem:

| <u>Accidents</u> | <u>FY 1962</u> | <u>FY 1963</u> |
|--------------------|----------------|----------------|
| Accidents reported | 3,487 | 3,635 |
| Traffic fatalities | 86 | 75 |
| Traffic injuries | 1,412 | 1,377 |
| Property damages | \$197,923 | \$209,598 |

Of the 75 fatalities, 43 involved pedestrians crossing the highways or children playing in narrow streets.

A vigorous enforcement program was instituted by the GRI police, resulting in the issuance of approximately 50,000 citations and written warnings. In addition, administrative actions by the Chief of Police resulted in 14 license revocations and 4,073 suspensions. These suspensions were for periods of 1 to 25 weeks.

Traffic consciousness was stressed by the GRI police, in coordination with the Okinawa Traffic Safety Association, through a series of traffic safety campaigns, pamphlets and radio and TV spot broadcasts.

Fire Protection Service

Fire Statistics

The number of fires increased to 580 in FY 1963 in comparison with 356 in the previous fiscal year. These resulted in 11 deaths, 22 injuries, and property losses amounting to \$399,600. Major causes were children playing with matches and careless smoking.

Training

Although the local fire departments are under the direct control of the mayors of the local municipalities, the GRI police supervises, inspects, and trains the local firemen. A week-long training class for 60 firemen, representing all municipal governments within the Ryukyu Islands, was held commencing 20 November 1962. Courses were conducted by qualified police instructors and included current fire laws and regulations, inspection procedures, fire prevention, and use of fire-fighting equipment.



Ginowan Fire Station - One of the five fire stations constructed with U. S. assistance and local municipal funds

Construction of Fire Stations

The Office of the High Commissioner continued to render financial and material assistance to the local municipalities to improve their fire-fighting capacity. Five fire stations were constructed at a total cost of \$65,580, with \$40,340 appropriated in U. S. aid funds. These were located at Ginowan, Nago, Ishigaki, Hirara, and Ogimi. In addition, surplus military equipment, including fire hoses, asbestos gloves, helmets, a tanker truck, a foam tank trailer, and a station wagon, was turned over to local municipal governments.

Disposal of Explosives

During this reporting period, 8 deaths and 19 injuries resulted from either careless handling or illegal use of explosives. The police conducted an intensive drive to collect the explosives remaining from World War II and those accidentally left behind in military training areas. A total of 3,212 old artillery and mortar shells, 20,900 rounds of small arms ammunition, 789 hand grenades, 13 bombs, and 1,893 pieces of miscellaneous explosives were collected by the police and turned over to the 5th Explosive Ordnance Detachment for disposal.

Typhoons

Six typhoons (Joan, Nora, Opal, Emmy, Karen, and Sally) affected the Ryukyu Islands. These storms caused no deaths, but resulted in 7 injuries, 84 houses either destroyed or damaged, and 1 fishing vessel sunk. Most of this damage occurred in the islands of Miyako and Yaeyama.

IMMIGRATION

The GRI Immigration Bureau was established to control and process entry into and exit from the Ryukyu Islands of all personnel other than the members of the U. S. Forces and their dependents, pursuant to CA Ordinance No. 125, dated 11 February 1954, as amended. Operational control over the Immigration Bureau is retained by the High Commissioner and administered by the Public Safety Department, USCAR.

During this period, total entries (including Ryukyuans) reached 100,011, and total exits (including Ryukyuans) reached 98,199. These represented increases of 20,941 and 12,965, respectively, over FY 1962.

A total of 52,093 Ryukyuans were documented for travel abroad, of whom 49,233 were destined for Japan; 1,359 to the United States; 783 to Formosa; 223 to Hong Kong; 66 to the Philippines; 46 to Brazil; 75 to Argentina; and 308 to 23 other countries. Aliens other than U. S. Forces personnel entering the Ryukyu Islands totaled 50,037, of

whom 36,381 were Japanese; 10,628 Americans; 1,503 Chinese; 573 Filipinos; 289 British; and 663 from 40 other countries.

Entries and Exits

| | <u>FY 1962</u> | <u>FY 1963</u> | <u>Increase</u> |
|--------------------------------------|----------------|----------------|-----------------|
| <u>Entries</u> | <u>79,070</u> | <u>100,011</u> | <u>20,941</u> |
| Ryukyuan | 37,385 | 49,974 | 12,589 |
| Other Nationals | 41,685 | 50,037 | 8,352 |
| <u>Exits</u> | <u>85,234</u> | <u>98,199</u> | <u>12,965</u> |
| Ryukyuan | 45,041 | 49,729 | 4,688 |
| Other Nationals | 40,193 | 48,470 | 8,277 |
| <u>Documentation for Travel</u> | <u>46,924</u> | <u>52,093</u> | <u>5,169</u> |
| Japan travel documents issued | 29,588 | 30,765 | 1,177 |
| Japan travel documents revalidated | 14,611 | 18,468 | 3,857 |
| Certificates of identity issued | 2,371 | 2,446 | 75 |
| Certificates of identity revalidated | 354 | 414 | 60 |



Ryukyuan applying for travel documents at the GRI Immigration Office

The Ryukyus Travel Unit (RTU) in Tokyo, Japan, assists the travel of non-U. S. citizens from Japan to the Ryukyus and maintains liaison for the Office of the High Commissioner. During FY 1963, RTU processed a total of 38,795 applications for travel to the Ryukyu Islands as follows:

| | <u>Applications Received</u> | | | <u>Permits</u> | <u>Permits</u> |
|--------|------------------------------|-----------------|---------------|----------------|----------------|
| | <u>Total</u> | <u>Japanese</u> | <u>Others</u> | <u>Issued</u> | <u>Denied</u> |
| TOTAL | 38,795 | 38,068 | 727 | 37,610 | 92 |
| Jul 62 | 2,379 | 2,328 | 51 | 3,153 | 3 |
| Aug 62 | 1,655 | 1,597 | 58 | 1,656 | 19 |
| Sep 62 | 3,325 | 3,262 | 63 | 2,674 | 3 |
| Oct 62 | 3,936 | 3,891 | 45 | 4,073 | 9 |
| Nov 62 | 2,776 | 2,714 | 62 | 2,568 | 0 |
| Dec 62 | 3,624 | 3,589 | 35 | 2,780 | 20 |
| Jan 63 | 4,441 | 4,394 | 47 | 4,171 | 1 |
| Feb 63 | 5,245 | 5,190 | 55 | 4,909 | 1 |
| Mar 63 | 3,407 | 3,360 | 47 | 4,088 | 3 |
| Apr 63 | 2,437 | 2,352 | 85 | 3,140 | 8 |
| May 63 | 2,659 | 2,532 | 127 | 2,107 | 21 |
| Jun 63 | 2,911 | 2,859 | 52 | 2,291 | 4 |

Aliens residing in the Ryukyus as of 30 June 1963 totaled 22,198, showing a slight increase as compared to the previous year. Of this total, 10,437 were Amami Oshimans, 6,893 Japanese, 1,825 Filipinos, 1,521 Americans, 1,047 Chinese, 84 British, 76 Koreans, 70 Indians, and 245 others.

MISCELLANEOUS

Plane Crash

At 1345 hours, 20 December 1962, a KB-50, attempting to land at Kadena Airstrip, crashed into Yara Village, Kadena-Son, destroying three homes. Six U. S. Air Force personnel and two Ryukyuans were killed, while one airman and six Ryukyuans were injured. Speedy action was initiated by the GRI and military police and local firemen to control the crowd and to prevent the spread of fire.

Abandoned Chinese Fishing Vessels

An abandoned 66-foot, 40-ton, Chinese fishing vessel drifted to the shores of Iriomote, Yaeyama Islands, on 21 January 1963. The inscription on the vessel and seamen's identification papers, plus other evidence found on the vessel, indicated that this vessel was of Communist Chinese registry. Following the discovery of this vessel

and up until 4 February 1963, an additional 26 abandoned fishing boats, all having similar Chinese markings, were found within the Ryukyuan waters.

Riots at Ryukyu Reformatory

Three riots broke out in the Ryukyu Reformatory in April 1963. On 8 April, 68 boys, who were overcrowded in a dormitory built for only 40 boys, shattered windows and attempted to burn bedding, clothing, and textbooks. There was no escape at this time. However, during a morning recess period on 12 April, 41 boys managed to overpower the guards and escape. The third riot occurred a week later and was participated in by all the inmates. They attempted to destroy building fixtures, clothing, and notebooks. The GRI and military police, as well as local firemen, were called in to restore order.

Sanwa Sogo Bank Case

On 30 June 1963, the GRI police completed a long extensive investigation into the improper banking practices of the officials of the Sanwa Sogo Bank. After numerous witnesses were interviewed and account books examined, it was revealed that the total loss by the bank through improper loans, embezzlements and fraudulent misuse of company funds by officials of the bank amounted to over \$463,000. This led to the arrest of the president and other officials of the bank, who were charged with violations of criminal and commercial laws and High Commissioner Ordinance No. 37 (Banks, Banking and Credit).

Gang War

The vicious and continuous struggle between the organized hoodlums in Naha and Koza came to public attention on 13 November 1962, when a number of hired gunmen from Japan attempted to assassinate MATAYOSHI Seiki, the leader of the Naha group. On 14 December 1962, in an effort to ward off an all-out gang war, the police, armed with search warrants, rounded up 87 hoodlums belonging to either the Naha or Koza gang and impounded two carbines, shotgun, sword, hand grenade, clubs, cans of TNT, and more than 100 rounds of shotgun and small arms ammunition. The gangsters were brought before the USCAR Court and charged with illegal possession of firearms and weapons.

Unlicensed Taxicabs

The GRI police continued to crack down on unlicensed taxis. During the month of June 1963, the police conducted a concentrated drive which resulted in 130 arrests, bringing the total arrests during this reporting period to 450. All cases have been referred to the GRI Procurator's Office for appropriate action.

PART II
ECONOMIC AND FINANCIAL DEVELOPMENT

CHAPTER 5

ANALYSIS OF ECONOMIC CONDITIONS IN THE RYUKYU ISLANDS

GENERAL

Economic indicators, in general, reflected rapid economic growth during FY 1963 despite such retarding factors as the exceptionally cold weather during the winter of 1962-1963, followed by the most serious drought in 70 years, and the prolonged bus strikes in the latter half of FY 1963.

According to preliminary information, the Gross National Product (market value of current output of goods and services) increased by \$44 million, or 17.2 percent, over FY 1962, the largest annual gain since FY 1955 (the earliest year for which comparable statistics are available). National income registered a substantial gain of \$33 million, or 14.2 percent over FY 1962. Gross domestic capital formation increased 16.5 percent, and personal consumption expenditures were up 12.7 percent.

These increases were attributed largely to the very favorable weather conditions preceding the drought (which began in January 1963), sharply increased exports of sugar products supported by substantially higher prices, and the general expansion in secondary and tertiary industries. Land rental payments by the United States Forces were \$1.5 million lower than in FY 1962. However, this drop was more than compensated by three positive factors; namely, the 19 percent increase in rates of pay for Ryukyuan employees of the United States Forces engaged in appropriated fund activities and some non-appropriated fund activities (effective November 1962); a raise in pay for employees of the Government of the Ryukyu Islands (GRI); and increased economic assistance from the United States and Japan.

GROSS NATIONAL PRODUCT (GNP)

The Gross National Product rose to \$299.2 million during FY 1963, which was a 17.2 percent increase over the \$255.3 million of FY 1962. Of the major components of the GNP, government purchases of current goods and services registered the largest percentage gain. It increased 17.2 percent over the preceding year to a total of \$34 million, reflecting higher governmental revenues and increase in foreign assistance.

The largest dollar gain was the \$22 million increase in personal consumption expenditures which showed a 12.7 percent increase over the preceding year (from \$173.8 million to \$195.8 million). As the

consumers' price index rose by 2 percent during the year, personal consumption in real term was 10.5 percent larger than in FY 1962.

Public and private capital formation (or investment) increased 16.5 percent above FY 1962 from \$84.7 million to \$98.7 million in FY 1963, accounting for more than one-third of the GNP.

Export of goods and services (including purchases by the United States Forces and personnel) amounted to \$183.4 million, and imports, \$212.7 million. The net export of goods and services in FY 1963 thus resulted in a deficit of \$29.3 million.

FOREIGN RECEIPTS AND EXPENDITURES

The Ryukyuan economy has a definite problem in its international balance of payments. During four of the past five years, receipts in current transactions have not met expenditures for foreign goods and services. In the light of historical experience, it is to be expected that underdeveloped economies, such as the Ryukyus, will be characterized by an excess of expenditures over receipts. As the industrial base broadens, these deficits are expected to decrease. A prime target of the long-range program for the development of the Ryukyu Islands is to devise means whereby the large United States expenditures can be channeled into Ryukyuan enterprises which can either expand exports or replace some of the imports.

During FY 1961, as a result of the U. S. land payments and favorable conditions for expanding exports, the deficit in current transactions was temporarily eliminated, and a surplus of \$2.4 million resulted. In FY 1962, net receipts in current transactions (excluding capital transfers) showed a deficit of \$11.1 million. This was primarily the result of decreased U. S. land rental payments which included payments during FY 1961 for rents as much as ten years in advance. In FY 1963, net receipts showed a deficit of \$8.1 million.

During FY 1963, commodity exports recorded \$70.4 million, an increase of 61.8 percent over FY 1962 (\$43.5 million). This was primarily because of the large increase in exports of sugar products (up 82 percent above FY 1962). Total expenditures by the United States Forces and personnel were 4.7 percent higher than in FY 1962 despite the 15.5 percent reduction in land rental payments. Considerable gain was noted in the compensation of Ryukyuans employed by the U. S. Forces, which was increased by 15.1 percent (\$23.2 million in FY 1962 and \$26.7 million in FY 1963), owing to the increase in rates of pay and the first payment of a year-end bonus to the Ryukyuan employees. Receipts from services and general remittances totaled \$22 million and Japanese pensions and donations, \$8.2 million. Including aid-in-kind, United States assistance to the Ryukyu Islands

was estimated at approximately \$10.2 million and assistance from the Government of Japan, \$2.8 million. On the payment account, general commodity imports amounted to \$189.0 million, a 17.4 percent increase. Special imports, including petroleum and aid-in-kind, showed a 5.9 percent increase. Services and general remittances were up 4 percent.

CAPITAL FORMATION (INVESTMENT)

Gross domestic capital formation totaled \$98.7 million in FY 1963, a 16.5 percent increase over the preceding year, which contributed a major share to the expansion of business activity. Gross private fixed capital formation accounted for \$76.0 million, or 77.0 percent of the total capital formation. Of the private fixed capital formation, producers' construction and equipment amounted to \$60.3 million, an increase of 34 percent over the preceding year, while residential construction decreased 3.1 percent to \$15.7 million. Government investment totaled \$14.5 million, an increase of 19.8 percent. Inventory increase accounted for \$8.2 million, or 8.3 percent of total investment.

NATIONAL INCOME

National income in FY 1963 totaled \$265.2 million, a 14.2 percent increase over FY 1962. A significant gain was the 18.1 percent increase in compensation of employees. Proprietors' income increased 16.2 percent, and corporate profits rose by 29.7 percent. Rental income of persons, however, declined 10.3 percent, primarily because of the decline of \$1.5 million in military land rental payments. Interest income of persons increased 19.2 percent from the previous year.

Income derived from agriculture and forestry was up 9.9 percent over FY 1962. This increase was made possible by a continued high level of agricultural production of the most important crops; sugar cane, rice, and pineapple, which were harvested before they were affected by the drought. The drought is expected to have a serious effect upon crops to be harvested during FY 1964. Despite a general increase in acreage planted to the major crop, sugar cane, during the summer of 1962 (which will be harvested from December 1963 through March 1964), income from agriculture is expected to decrease in FY 1964. Income from fishing industries amounted to \$2.7 million, or a 12.5 percent increase over FY 1962.

Income derived from manufacturing increased 16.0 percent to \$23.2 million in FY 1963, compared to \$20.0 million in FY 1962. The major contribution to this increase was the expansion of sugar manufacturing, which enabled exports of sugar products to increase from \$26.3 million in FY 1962 to \$47.9 million in FY 1963. Income from the construction industry increased 18.8 percent over FY 1962, reflecting substantially expanded investment in building and producers' durable equipment.

Income from services industries increased 14.6 percent, from \$156.0 million in FY 1962 to \$178.8 million in FY 1963. Within these groups, the largest rate of increase was in employment by government (up 22.7 percent) and by the U. S. Forces (up 15.1 percent). The 13.4 percent gain reported for transportation, communication, and utilities was of greater significance when it is considered that income in this industry had increased by 30.1 percent during the preceding fiscal year. Income from commerce, finance and real estate, and services increased 13.5 percent and 11.1 percent, respectively.

DISPOSABLE PERSONAL INCOME AND PERSONAL SAVING

Disposable personal income increased 11.5 percent, from \$228.7 million in FY 1962 to \$255.1 million in FY 1963. About three-fourths of the disposable income was utilized for the \$195.8 million of personal consumption expenditures and thus went directly into purchases of a major part of the annual GNP. The other one-fourth was savings, and the \$59.3 million of savings supplied three-fifths of the investment funds for capital formation during the year.

PRICES

Consumers' price index in Naha during FY 1963 averaged 103.2 (CY 1961 equals 100). This was 2.0 percent higher than FY 1962. Increases over the preceding year were noted for non-staple food (up 3.0 percent) and miscellaneous items (up 3.9 percent). Clothing, and fuel and light declined 2.0 percent and 5.5 percent, respectively. The prices of staple foods and housing remained unchanged.

POPULATION AND LABOR FORCE

The population increased from an average of 895,000 persons in FY 1962 to 908,000 persons in FY 1963, or an increase of 1.5 percent. The total labor force during FY 1963 averaged 403,000, which represented approximately 44 percent of the total population and showed a slight increase (about 1,000 persons) over FY 1962. Within the labor force, approximately 400,000 were classified as employed, and 3,000 completely unemployed.

Of the total employed workers during FY 1963, about 40 percent (157,000 persons) were employed in agriculture and forestry as compared with 43 percent in FY 1962. This represented a decrease of 9,000 workers, or 5.4 percent from the preceding year.

There was an average of 30,000 workers (7.7 percent of total) employed in manufacturing industries, an increase of 7.1 percent above FY 1962. Number of workers in construction accounted for approximately 5.9 percent (23,000) of the total and showed an increase of 15 percent over FY 1962. The average number of workers in

service industries during FY 1963 was estimated at 177,000 persons.

The data showed a continuing shift of workers from agriculture into manufacturing, construction, and other industries. This substantial shift of workers from lower-paying employment in agriculture into higher-paying jobs in manufacturing, construction, and service industries contributed significantly to the increase in total national income.

FINANCIAL SITUATION

The active money supply at the end of FY 1963 totaled 49.0 million and consisted of \$39.7 million in private demand deposits and \$9.3 million of currency in circulation outside banks.

Compared with the same period a year earlier, total deposits increased by 13 percent to \$134.3 million. The largest percent increase was noted for private demand deposits (up 16.4 percent). Private time and installment deposits, representing the major part of visible savings, rose 10.4 percent to \$63.8 million.

Outstanding loans of financial institutions totaled \$146.5 million at the end of FY 1963, recording an increase of 19.4 percent during the year.

Compared with the same period a year earlier, loans to industries (\$29.4 million) accounted for about one-fifth of the total loans and an increase of 39.3 percent; and loans to commerce (\$58.8 million), which were primarily for short-term purposes, accounted for more than one-third of the total loans and an increase of 16 percent. Loans for housing (\$18.5 million) accounted for more than one-tenth of the total and showed a 16.4 percent increase during the year. (For detailed statistics on Ryukyu Islands Selected Economic Indicators, see table 4, page 298, Appendix V.)



An aerial view of Shioya Bridge constructed with U. S. funds

CHAPTER 6

EXTERNAL FINANCIAL ASSISTANCE TO THE RYUKYU ISLANDS

UNITED STATES ASSISTANCE TO THE RYUKYUS

In FY 1963, United States financial assistance to the Ryukyu Islands amounted to \$17,060,252. This total did not include the surplus food donations under Title III of Public Law 480 (approximately \$2,845,440 in local market value in FY 1963) and the long-term credit for surplus commodities under Title IV of Public Law 480 (\$872,000 in FY 1963). Of this total, \$6,960,420 was made available from U. S. appropriated funds and \$10,099,832 from the High Commissioner General Fund. A total of \$22,066,000 was programmed for FY 1964. (Details on the sources of these funds and their applications are given in tables 5 and 6, pages 300 and 301, Appendix V.)

Appropriated Aid

1. Administration Ryukyu Islands, Army (ARIA)

Funds appropriated in FY 1963 and requested in FY 1964 were as follows:

| | <u>FY 1963</u> <u>Appropriated</u> | <u>FY 1964</u> <u>Requested</u> |
|---------------------------------------|---------------------------------------|------------------------------------|
| TOTAL | \$6,946,450 | \$12,000,000 |
| Public safety services | 600,000 | 775,000 |
| Public health and sanitation services | 345,000 | 375,000 |
| Education facilities | 1,336,850 | 1,455,000 |
| Public health and medical program | 1,215,272 | 880,000 |
| Public safety facilities | 50,000 | 50,000 |
| Social welfare facilities | 25,000 | 80,000 |
| Public works and economic development | 1,630,394 | 2,085,000 |
| Cultural facilities | - | 150,000 |
| Assistance for Ryukyuan teachers | 1,000,000 | 1,000,000 |
| Contribution to Central Bank for | | |
| Agriculture, Forestry and Fisheries | 365,000 | 1,500,000 |
| Transportation of commodities | 3,500 | 5,000 |
| Technical education and training | 262,413 | 470,000 |
| Technical cooperation | 113,021 | 175,000 |
| Construction of water system | - | 2,000,000 |
| Disaster relief | - | 1,000,000 |

2. Military Construction, Army

No-year funds appropriated in FY 1963 for the resettlement of people displaced by military requirements for land totaled \$13,970. This program was terminated in FY 1963.

3. Military Security Appropriation

Funds from this appropriation were programmed for FY 1964 to assist Ryukyuan emigrants to Bolivia by making available low-interest loans for the purchase of farm equipment.

(A recapitulation of appropriated funds obligated annually from FY 1947 through FY 1963 and projected for FY 1964 by the Office of the High Commissioner and its predecessor agency, the Military Government, is shown in table 7, pages 302 and 303 , Appendix V.)

General Fund, Office of the High Commissioner

Income received by the General Fund, Office of the High Commissioner, amounted to \$9.5 million for FY 1963. This income was derived from profits and liquidation of business operations, owned or controlled by the Office of the High Commissioner, and included interest, rent, and dividends; sales of fixed assets and investments; and fines, fees, and forfeitures paid to the civil administration courts.

The major properties and businesses owned by the Office of the High Commissioner in the reporting period were the Ryukyu Development Loan Corporation, Ryukyu Electric Power Corporation, and the Ryukyu Domestic Water Corporation. The Office of the High Commissioner also had investments in the Bank of the Ryukyus, petroleum facilities, and the Okinawa Housing Corporation. (The Okinawa Housing Corporation was sold to Pacific Architects and Engineers, Incorporated, on 3 June 1963.) These business investments were initially established with funds appropriated for relief and rehabilitation under the "Government and Relief in Occupied Areas" (GARIOA) and with proceeds from the sale of imported goods financed by the same appropriation. The properties and income of the General Fund, Office of the High Commissioner, are held in trust for the benefit of the Ryukyuan people.

The business operations, Office of the High Commissioner, and their net worth, which totaled \$60 million as of 30 June 1963, are listed in table 8, page 304 , Appendix V.

Administrative Expenses, Office of the High Commissioner

Administrative funds appropriated for FY 1963 and requested for FY 1964 were as follows:

| | FY 1963 <u>Appropriated</u> | FY 1964 <u>Requested</u> |
|-----------------------------------|--------------------------------|-----------------------------|
| TOTAL | \$2,001,685 | \$2,366,000 |
| Pay of civilian employees | 1,669,336 | 1,930,000 |
| Travel of civilians | 82,335 | 150,000 |
| Information material and services | 100,626 | 125,000 |
| Incidental operating expenses | 149,388 | 161,000 |

These funds provided for administrative and information expenses of the Office of the High Commissioner and part of the civilian staff expenses of the Civil Affairs Directorate, Deputy Chief of Staff for Military Operations, Department of the Army.

Personnel strength of the Office of the High Commissioner as of 30 June 1963 was 32 military, 140 Department of the Army civilians, and 266 Ryukyuan.

ASSISTANCE BY THE GOVERNMENT OF JAPAN

Financial assistance by the Government of Japan (GOJ) to the Ryukyuan people consists of: economic assistance; technical and special assistance; contributions of the Nampo Doho Engo Kai (NDEK); and pensions, solatia, and other payments.

Economic Assistance

The economic assistance program covers GOJ aid funds which are granted to the Government of the Ryukyu Islands (GRI) and administered by the GRI. This program began in Japanese Fiscal Year (JFY) 1962, and the first formal agreement on the aid program, "Memorandum of Understanding," was approved by the High Commissioner of the Ryukyu Islands on 7 December 1962.

In JFY 1962*, the Japanese Government contributed \$2,035,858 to the GRI under this program. The major portion of this appropriation was used for: contributions to the Central Bank for Agriculture, Forestry and Fisheries in the amount of \$361,111; land and boundary surveys, \$329,600; retaining wall construction, \$257,950; purchase of a police rescue boat, \$246,167; fishery research and extension, \$232,222; roads and bridges, \$158,000; and agricultural land development, \$86,647. A complete list of the projects is given in table 9, page 305, Appendix V.

*Only the programs for JFY 1962 (1 April 1962 through 31 March 1963) are covered in this section.

Technical and Special Assistance

Projects in this category are those which are administered by the GOJ. In JFY 1962, GOJ appropriated \$692,218 for this program. Major projects under this program were:

General Technical Assistance (\$81,347). Under the General Technical Assistance Program, a total of 73 Japanese Government experts in legal affairs, public health, labor, postal affairs, plant diseases, tax administration, and other specialized fields were invited from Japan for a total of 89 months. During this same period, 96 Ryukyuan technicians received various specialized training in Japan for a total of 421 months.

In order to achieve maximum utilization of these funds, the GRI, in coordination with the Office of the High Commissioner, worked out an annual plan specifying the number of experts and trainees, their specialties, the place of duty, the time of dispatch, and duration of stay. This information was then submitted to the GOJ for consideration.

Microwave Supplies and Equipment (\$234,519). Funds for this program provided for the purchase of equipment for the microwave system which will link Japan with the Ryukyus. This is a joint project of the GRI and the GOJ.

Other projects included: Japan national scholarship program, \$82,736; educational guidance, \$63,353; high altitude weather station supplies, \$71,369; and hospitalization of tuberculosis patients, \$46,700. A complete list of the projects under this program is provided in table 10, page 306, Appendix V.

Contributions of the Nampo Doho Engo Kai (NDEK)

The Nampo Doho Engo Kai (Southern Area Brotherhood Relief Association) is a quasi-official Japanese Government agency, whose purpose is to assist the welfare of the people living in areas which were formerly Japanese territories; namely, the Ryukyus, the Bonins, and the Kuriles. The NDEK is supported from two sources: Japanese Government appropriated funds, and non-governmental funds derived from the sale of New Year greeting cards, conducting bicycle races, and private donations. During JFY 1962, NDEK projects amounted to approximately \$247,089; \$90,900 from GOJ appropriated funds and \$156,189 from NDEK sources. Major projects administered by the NDEK were: "Mother and Child" Welfare Center, \$97,222; school supplies, \$51,350; and welfare loans funds and other social welfare activities, \$46,528. These projects are summarized in table 11, page 306, Appendix V.

Pensions, Solatia, and Other Payments

Pensions, solatia, and other payments to Ryukyuans amounted to \$7,573,003 in JFY 1962. Of this amount, civil service and military pensions totaled \$4,853,251; payments to surviving families of government workers who died in World War II, \$2,613,768; payments to repatriates, \$93,745; to World War II government workers, \$9,298; funds for the collection, cremation, and shipment to Japan of the remains of the war dead in Okinawa, \$2,747; and miscellaneous payments, \$194.

HIGH COMMISSIONER'S FUND FOR SPECIAL ASSISTANCE TO MUNICIPALITIES

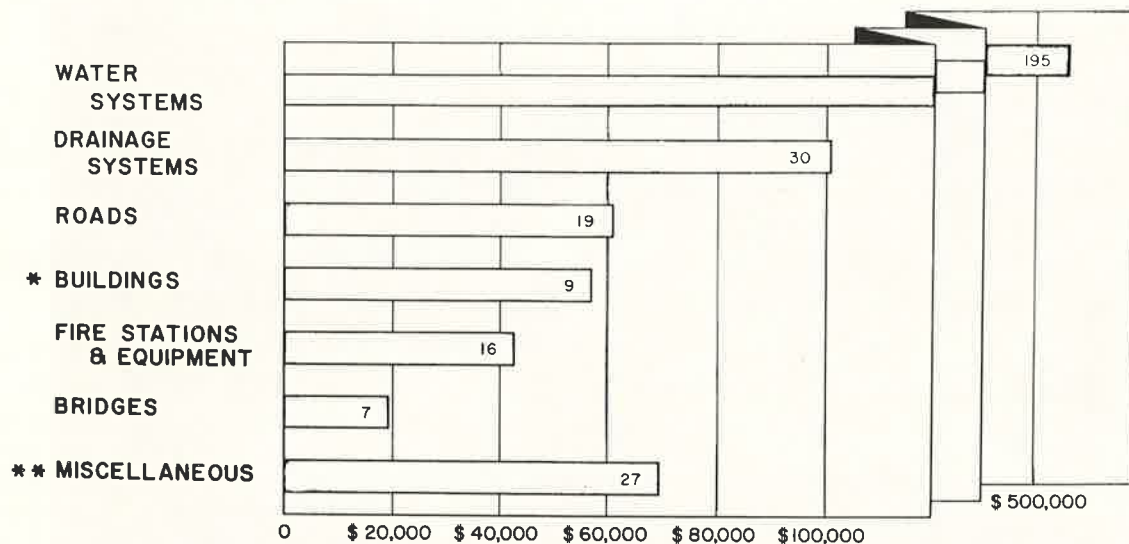
Community development grants, under the High Commissioner's Fund for Special Assistance to Municipalities, contributed significantly to the improvement of the health, welfare, and sanitation programs of the municipalities throughout the Ryukyu Islands.



A High Commissioner's Fund grant enables the people of Aragusuku Village, Gushichan-Son, to construct a new farm access road

The assistance fund, amounting to a maximum of \$200,000, is apportioned annually from the General Fund of the High Commissioner and approved by the Bureau of the Budget. Expenditures are normally made to assist in the construction of small-scale public works projects, such as simple water systems, drainage systems, farm roads, and bridges. Funds are granted to municipalities which are financially incapable of attaining these improvements independently. The municipalities share in the development of the projects by contributing within their means. These local resources vary and may be in the form of matching funds or assistance from local residents, such as common and skilled labor, blueprints and construction specifications, provisions for necessary land and rights-of-way, and construction materials. Each project receives a thorough review by the Office of the High Commissioner prior to approval and implementation. This has resulted in grants being made for those projects considered most suitable in fulfilling the basic and immediate needs of the people in small communities and improving individual municipal assets.

HIGH COMMISSIONER'S FUND FOR SPECIAL ASSISTANCE TO MUNICIPALITIES TOTAL AWARDS DURING PERIOD FY 1959 - FY 1963



* BUILDINGS - DISPENSARY (4) COMMUNITY CENTER (2) CULTURAL CENTER (1)
FRIENDSHIP CENTER (1) HOME INDUSTRY TRAINING CENTER (1)

** MISCELLANEOUS - MODEL FARMS, RIVER IMPROVEMENTS, RETAINING WALLS,
SMALL SCALE ELECTRIC POWER SYSTEMS, IRRIGATION POND & PUMPS,
GROUP LISTENING SYSTEMS, SIDEWALKS, SCHOOL TRAFFIC SIGNS,
AND AN AGRICULTURAL VIRUS CONTROL PROJECT.

During FY 1963, 43 grants, totaling approximately \$124,000, were presented. These included: \$70,458 for 25 simple water systems, \$23,662 for 8 drainage systems, \$18,034 for 6 farm roads, \$3,268 for 1 bridge, \$2,500 for the reconstruction of a community center which was destroyed by a landslide, \$800 for an agricultural virus control project, and \$5,200 for a one-time purchase of 10 small irrigation pumps which will be rotated among needy villages on a loan basis. (Individual projects, including the recipient municipalities and the dollar amounts granted from the Fund, are listed in table 12, page 307 , Appendix V.)



Completion of a water system in Sashiki Village, Sashiki-Son, with a grant from the High Commissioner's Fund

RYUKYU DEVELOPMENT LOAN CORPORATION

The Ryukyu Development Loan Corporation (RDLC) was established by High Commissioner Ordinance Number 25, dated 10 October 1959, to provide long-term loan assistance for the economic rehabilitation of the Ryukyu Islands. The corporation took over the loan operations of its predecessor organization, the Ryukyu Reconstruction Finance Fund (RRFF), and assumed all the assets and liabilities of the RRFF on 1 January 1960. The RDLC is chartered as an independent corporation. It incurs direct expenses and pays agents' commissions to the Bank of the Ryukyus and the Bank of Okinawa for administrative services in connection with the housing and disaster loan programs.

Two new developments of significance occurred in the operations of the RDLC during FY 1963. The first was the inclusion of multiple-unit, apartment-type housing as a category eligible for financing under its Charter provisions for low- and medium-cost, permanent family housing. The program met with favorable public response, being especially adapted to the urban areas of the Ryukyus where home sites are at a premium.

The second noteworthy development was the signing in February 1963 of an Agricultural Commodities Agreement with the Ryukyu Islands by the U. S. Secretary of Agriculture, under Title IV, U. S. Public Law 480. The agreement provides for the sale of \$21,097,000 worth of U. S. agricultural commodities during U. S. fiscal years 1963 - 1965. Proceeds from the sale of commodities supplied under the agreement will provide funds for loans to individual farmers and for financing grain storage, bulk discharge facilities, and other economic development projects, particularly those associated with livestock and poultry production.

A special account was established within the RDLC's system of accounts to carry out all business transacted under the agreement. The Bank of the Ryukyus and the Bank of Okinawa were designated to process all commodity import transactions under this program. Funds paid by the importers for commodities are paid to the RDLC and are used by the RDLC to make loans amounting to more than \$5,000 to farmers, businessmen, food processors, and others who qualify. The Bank of the Ryukyus, the Bank of Okinawa, and the Central Bank for Agriculture, Forestry and Fisheries act as agents for the RDLC in case of loans of \$5,000 or less.

Commodities in the amount of \$872,000 were contracted for in FY 1963, and imports amounting to \$6,200,000 were programmed for FY 1964.



Army Under Secretary Stephen Ailes presents official document on Agricultural Commodities Agreement to TAKARAMURA Nobuo, president of RDLC

During FY 1963, continued efforts were made to collect delinquent accounts in order to maximize amounts available for lending activities. Total collections of loan principal and interest amounted to \$5,373,258, an increase of \$73,030 compared with \$5,300,228 collected during FY 1962. In actual lending operations, the number of loans approved increased 19.5 percent to 2,386, as compared to 1,997 approved during FY 1962. The dollar amount of loans approved was \$10,798,010, as compared with \$10,844,510 approved during FY 1962. The reduction in the dollar amount of loans approved during the reporting period was attributable to a lower average in the amount of loans approved for manufacturing and processing industries. RDLC acted as guarantor of one bank loan of \$500,000, whereas five guarantees were undertaken during FY 1962 in the amount of \$4,497,650. Cash resources at the close of FY 1963 were reduced to \$4,101,710 from \$7,143,104 at the beginning of the period.

Continued emphasis was placed on loans for adequate family housing and projects which would contribute to the balance of payments position. Housing loan applications numbered 2,614, of which 2,314 were approved for loans amounting to \$4,127,610. In addition, eight loans were made for privately-owned apartment house construction in

the amount of \$317,900. Loans amounting to \$176,300 were also approved for the construction of 11 municipal-owned apartment houses for the lower income groups. The permanent housing facilities to be constructed by these loans will accommodate approximately 14,000 persons.

In the public utilities field, four loans totaling \$126,450 for expansion of electric power distribution, four amounting to \$626,100 for water systems, and one loan of \$900,000 for expansion of the Ryukyu Telegraph and Telephone Corporation facilities were granted.

In the livestock field, six loans totaling \$75,100 were approved for poultry production, and one loan of \$90,000 was granted for the purchase of cattle.

Two loans totaling \$307,900 were approved for the procurement of tuna fishing vessels. Two loans totaling \$399,000 were approved for the procurement of one 1,700-ton and one 495-ton steel cargo vessels, both to be used in international trade. Other loans for constructing vessels totaled \$85,000.

In the industrial field, two loans in the total amount of \$981,800 were made for the expansion of sugar refining facilities. The largest industrial loan approved was for \$842,000; this was to be used for the construction of a \$1.6 million plant to process bagasse into particle boards. Bagasse processing, for which there is an abundant supply of raw materials, will be a new industry for the Ryukyu Islands and will provide an additional export item.

A \$385,000 loan was approved for the construction of water front silos for storage of wheat pending processing by a local flour mill. The silos will facilitate the import of wheat in bulk, enabling the miller to reduce production costs. Other industrial-type loans totaled \$52,500.

The largest and most significant transaction was the approval of a \$1.2 million loan and a \$500,000 guarantee to remodel and expand the facilities of the Ryukyu Tokyu Hotel in Okinawa. In recent years, the tourist industry has become increasingly important as a source of foreign exchange to the Ryukyu Islands. With this financial assistance, Okinawa can now boast of a truly modern and first-class tourist hotel. Other loans approved for commerce and disaster relief purposes totaled \$105,350.

Detailed financial data of the RDLC are provided in tables 13, 14, and 15, pages 308 , 309 , and 310 , Appendix V.

MISCELLANEOUS ASSISTANCE

Resettlement Program

Under the Resettlement Program (see table 16, page 311, Appendix V), a total of \$2,771,827 was obligated, and \$2,740,479 was expended as of 30 June 1963. Except for minor closing-out funding transactions, no further work is scheduled with resettlement funds.

Projects completed during the period 1961 through 30 June 1963 were as follows:

Onogoshi, Miyako

The construction of capital facilities and the resettlement of 40 families at Onogoshi were completed on 28 April 1961. The capital facilities included farm roads, irrigation, and water distribution systems. Approximately 100 acres of grassland at the resettlement site have been brought under cultivation by the resettlers. Housing construction and purchase of livestock by the resettlers were partially financed with resettlement funds in the form of loans and subsidies. Total cost of the project, including loans, subsidies, land clearing, and construction of facilities, was \$94,344.

Awase Reclamation

The Awase reclamation project on Okinawa was initiated on 11 August 1960. On 30 June 1963, 95 percent of the project was completed. The \$321,757 project calls for reclamation of 80 acres of tideland, which will be used for home sites for 600 families who were affected by the U. S. Forces land acquisition on Okinawa. The project included the construction of a seawall and a drainage system. Original date of completion was scheduled for July 1961. However, mechanical failures in dredging operations and defaults on the part of the contractors have delayed the construction. The project is now scheduled to be completed in September 1963.

Taiho

In addition to the 19 families previously resettled, 11 additional families were moved into the northern Okinawa resettlement site of Taiho. These new families have completed construction of their homes and have begun cultivation of the land assigned to them. This has brought to a completion the resettlement of families under government support. The potentially arable land area adjacent to the resettlement site and the completion of a new access road are expected to promote voluntary migration of other families to Taiho.



Taiho resettlement site in northern Okinawa

Takabishi-Funaura, Iriomote Island

Resettlement of families to Iriomote has been curtailed. It is believed that, once the economic development of the island progresses, families will move there on a voluntary basis.

Yaeyama Malaria Control

The malaria control program was successfully concluded in FY 1963 under the guidance of the Office of the High Commissioner. Malaria is no longer a health menace on Iriomote or in the other islands of the Yaeyama Group.

Disaster Relief and Rehabilitation

During FY 1963, no major disaster occurred in the Ryukyu Islands requiring expenditure of disaster funds.

Table 17, page 312, Appendix V, gives the funding status of the FY 1960 and FY 1962 disaster programs. Except for Yagaji Bridge, which

was demolished by tidal waves in May 1960, and a few ports, seawalls, and farm protection walls, which were damaged by typhoons in the fall of 1961, most of the reconstruction was completed by 30 June 1963.

Overseas Emigration

A total of 685 Ryukyuan emigrated to South America during FY 1963. Of this total, 196 were sponsored by the GRI, 351 by the GOJ, and 138 were sponsored privately (call-in emigrants).

The Ryukyu Overseas Emigration Corporation, a GRI instrumentality, provided \$79,604 to the emigrants to defray cost of ocean and land transportation, subsistence, and other miscellaneous expenses. GOJ provided \$82,886 to the emigrants under its sponsorship. The call-in emigrants were financed by their relatives in the host countries.

Since the start of the postwar emigration to South America in 1948 to June 1963, a total of 15,177 Ryukyuan emigrated to South America. Total contribution made by the GRI was \$1,026,412, by the GOJ \$1,166,823, and by the U. S. \$540,000.



Ryukyuan emigrants embarking for South America

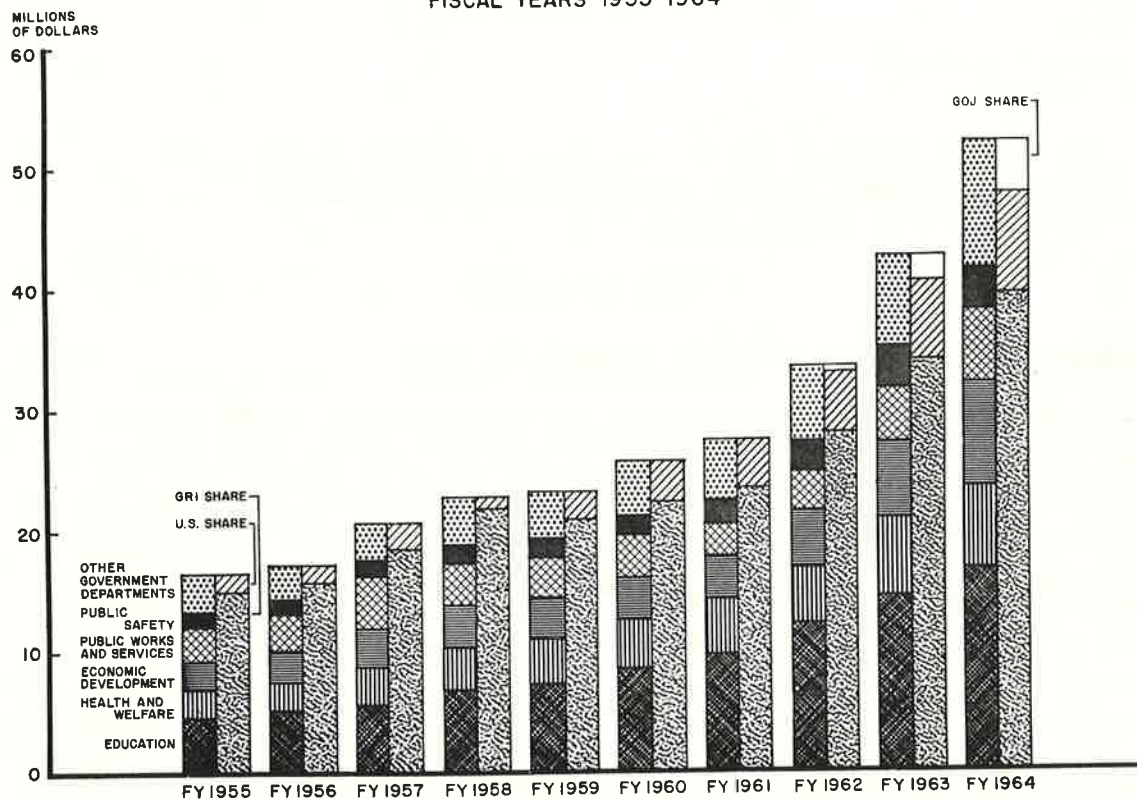
CHAPTER 7

GOVERNMENT FINANCES

GOVERNMENT OF THE RYUKYU ISLANDS BUDGET

The Government of the Ryukyu Islands (GRI) General Account Budget has continued to increase yearly for the past nine years (as shown in the chart below). In FY 1963, it totaled \$42.6 million compared with \$16.4 million in FY 1955, an increase of 160 percent in nine years. The U. S. share of the GRI budget has likewise increased during this period. In FY 1963, the U. S. contributed \$6.6 million to the GRI General Account Budget, compared to \$1.6 million in FY 1955. The Government of Japan (GOJ) contributed \$2.0 million to the budget in FY 1963.

GENERAL ACCOUNT BUDGET OF THE GOVERNMENT OF THE RYUKYU ISLANDS
FISCAL YEARS 1955-1964



Approximately one-third of the GRI FY 1963 budget was allocated for education. Budget for public health and welfare accounted for

15.3 percent of the total, economic development 15.2 percent, public works and services 10.6 percent, public safety 7.3 percent, and other government departments 18.0 percent.

Actual obligation and expenditure of the FY 1963 budget by departments were as follows:

| <u>Department</u> | <u>Obligation</u> (Thousands of Dollars) | <u>Expenditure</u> (Thousands of Dollars) |
|---------------------------------|---|--|
| TOTAL | <u>\$42,192</u> | <u>\$33,356</u> |
| Legislature | 367 | 283 |
| Court | 513 | 509 |
| Planning | 1,527 | 1,498 |
| Education | 14,274 | 12,366 |
| Welfare | 5,348 | 4,771 |
| Economics | 6,186 | 4,607 |
| Construction and Transportation | 5,959 | 2,121 |
| Legal Affairs | 1,271 | 980 |
| Police | 2,324 | 1,944 |
| Labor | 564 | 547 |
| Public Procurator | 231 | 230 |
| All Others | 3,628 | 3,500 |

The upward trend of the General Account Budget continues in FY 1964. The FY 1964 budget, as presented by the Executive Branch to the Legislature, totaled \$52 million.

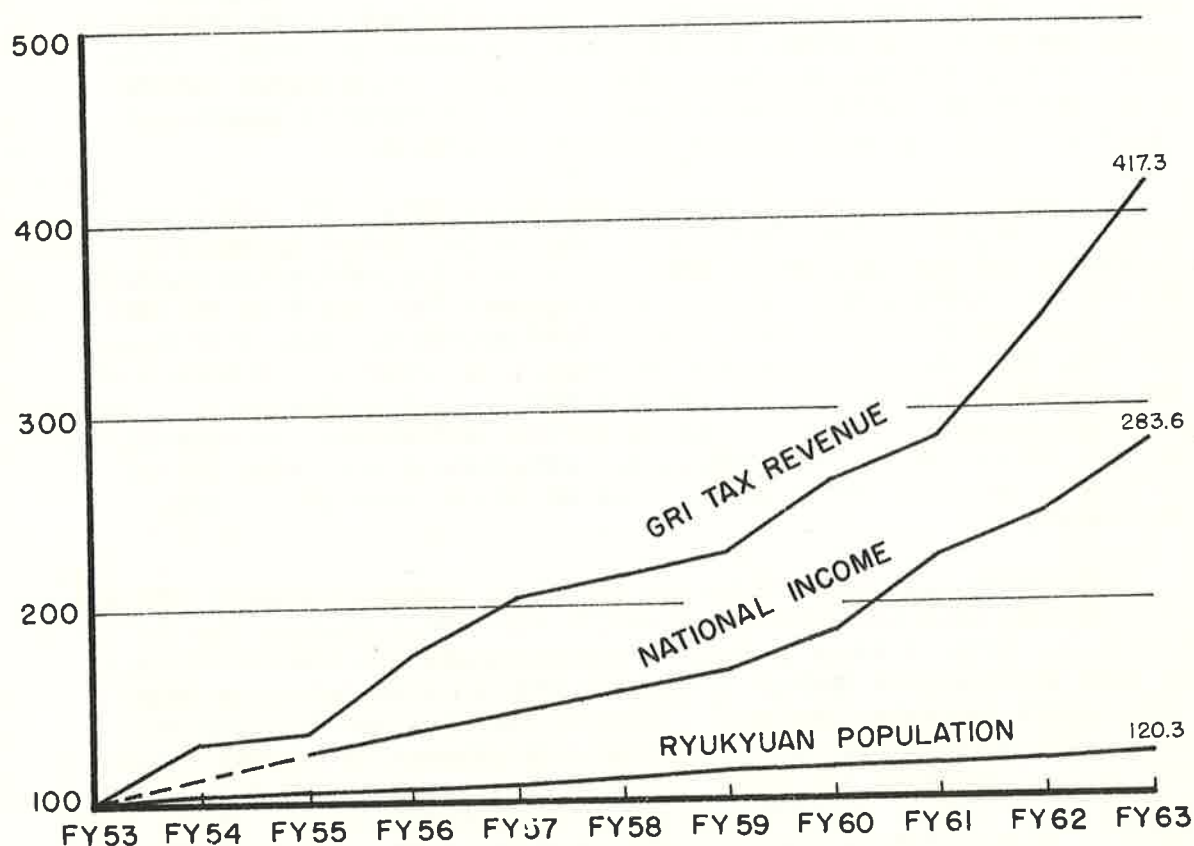
INTERNAL REVENUE

Summary of GRI Revenue - FY 1953 through FY 1963

A decade has elapsed since the revenue operation of the Government of the Ryukyu Islands produced \$9 million from internal sources in FY 1953. During this time, GRI internal revenue increased by 273 percent to \$34 million in FY 1963. This increase is very significant when the limited sources of GRI revenue are considered. Tax revenue, which was 78 percent of the \$9 million collected in FY 1953, more than quadrupled during the decade, increasing to \$30 million in FY 1963, or 88 percent of the total internal revenue receipts.

The tremendous tax increase indicates the development of the Ryukyuan economy and, at the same time, reflects the remarkable progress in tax law administration and enforcement achieved by the Ryukyuan under U. S. administration. It is noteworthy that the tax collections increased almost twice as fast as the growth of economy. The chart on the next page shows that, during the last ten years, the Ryukyuan population increased by only 20 percent and national income

Ryukyuan Population, National Income, and
GRI Tax Revenue Indexes for the Last Decade
(FY 1953 = 100)



by 184 percent, while tax revenue increased by as much as 317 percent.

The effectiveness of the policy of the Civil Administration in promoting the expansion of business and government activities, as well as in encouraging the growth of the economy in the Ryukyu Islands, is best reflected in the increase in personal and corporate income taxes during the last eleven fiscal years. Particular note should be paid to the fact that increase in the gross national product, higher per capita and disposable incomes leading to greater personal consumption expenditures and savings and, in turn, to higher levels of capital investment, would not have been possible if the tax structure presently in existence had been out of tune with economic reality. The acquisition of skills in technology and in entrepreneurship, the willingness to risk capital in engaging new types of industries never found before in the Ryukyus, have all taken place under the present tax system. Another factor that should be considered is the growth of existing corporate forms of business organization and in the

increased numbers of new ones being established, resulting in the greater pooling of resources in order to engage in industries requiring considerable amounts of capital and entrepreneurship for manufacturing and in the development of markets both locally and abroad. Under continued improvement in administration and enforcement, the cause and effect relationship, inherent in economic activity, should continue to enable the economy to reach higher levels of productivity and employment and further increases in government services and investment through greater tax yields.

An analysis of the GRI revenue during FY 1953 - FY 1963 reveals that the largest amount increase was in the individual income tax (withheld and self-assessed) which was \$7 million, while the highest percentage increase was achieved in corporate tax, which by FY 1963 had increased almost 20 times the FY 1953 receipts. Both performances are, to a large extent, due to persistent efforts on the part of the revenue officials of both GRI and the Civil Administration which resulted in improvements in audit and other enforcement techniques, as well as general administration and enforcement attitudes and objectives. Economic development alone would not have caused such increases.

Commodity tax receipts showed the third highest increase during this period, both dollar and percentage wise (\$3.7 million and 940 percent). This is largely due to economic gains and the reduction by High Commissioner Ordinance of high and, in some cases, prohibitive import tax rates imposed by acts of the Ryukyuan legislature. Such reduced rates permitted Ryukyuan enterprisers to compete with the Central Exchange and other tax-free organizations for the patronage of U. S. Forces personnel and to offer internationally known, high quality commodities to tourists and other visitors. Receipts from alcoholic beverage taxes increased by \$3 million. The outstanding rise in yield from the domestic liquor tax in recent fiscal periods was, for the most part, attributable to the production and sale of domestic beer. Significant gains were also made during the decade in receipts from tobacco taxes (\$1.5 million) and sugar tax (\$1 million). (See table 18, page 313, Appendix V, for detailed summary of GRI revenue from FY 1953 through FY 1963.)

Summary of Tax Collections - FY 1963

GRI tax receipts in FY 1963 exceeded FY 1962 receipts by \$4.5 million. This was not only the best performance to date but the largest dollar increase over a previous fiscal year.

The largest FY 1963 tax collection gains over the FY 1962 performance were achieved in the withheld income, corporate income, domestic liquor, and commodity tax areas. The net increase of \$2.1 million in receipts from withheld income taxes was, for the most part, attributable to general salary raises, larger and more

widespread payments of bonuses, and better enforcement during this period. Corporate income tax gains in FY 1963 were largely due to accelerated and more rigid enforcement efforts on the part of GRI tax auditors and other officials who are becoming more skilled and efficient in the performance of complicated enforcement assignments.

The FY 1963 decrease in travel tax receipts, when a gain would have been more normal, was due to a prolonged strike of the employees of the various bus lines. Approximately 50 percent of the travel tax is collected from bus fares. Sales of domestic beer increased in FY 1963 over FY 1962 by 82 percent. This performance was reflected in the decreased import and increased domestic liquor tax receipts for this fiscal year. It should be noted that, in 1960, domestic beer accounted for only 21.9 percent of the total beer consumed in the Ryukyuan economy; however, this ratio increased to 70.1 percent in FY 1963. The production and sales performances of domestic beer, cigarette, and shoyu (soy sauce) manufactures not only have important tax implications but are vivid indications of what can and should be accomplished in other areas of the Ryukyuan economy.

The FY 1963 commodity tax increase of \$0.7 million resulted from a rise of \$5.7 million in the importation of taxable commodities during this period. Passenger cars, textiles, watches, jewelry, electric home appliances, and higher-priced, luxury food items accounted for most of the increase. These increases generally indicated an improvement in the standard of living of the Ryukyuan people. It was also indicative of progress made by Ryukyuan firms in attracting patronage by U. S. Forces personnel, which was made possible by the moderate import tax rates provided by High Commissioner Ordinance 17.

Receipts from the tax on imported sugar increased in FY 1963 over FY 1962 by \$0.2 million, or 14 percent. This is a specific instead of an ad valorem tax; therefore, its yield was not influenced by the sharp inflation in world sugar prices which occurred during FY 1963. The increased purchase by Ryukyuans of imported sugar at inflated prices is further evidence of improvements in their purchasing power and standards of living.

The 1963 decline in receipts from the tax on imported leaf tobacco is evidence that local cigarette manufacturers are using more domestic and less imported leaf in their blends, which is the primary reason for the tax. Cigarettes of Ryukyuan manufacture accounted for 98 percent of all cigarettes consumed by Ryukyuans in FY 1963; whereas, in FY 1955, only some 8 percent of such demand was met with the local product. This, together with the production, sales, and consumption patterns which have developed in the case of shoyu, beer, and a few other commodities, tends to confirm the validity of the prevailing commodity taxation policy for the Ryukyus. (See detailed statistics on GRI tax collections on table 19, page 314, Appendix V.)

CHAPTER 8

AGRICULTURE, LIVESTOCK, FISHERY, AND FORESTRY DEVELOPMENT

AGRICULTURE

General

The longest drought in 72 years was the most significant factor affecting agricultural production, although its effect will be felt more severely in FY 1964 than in FY 1963. The sugar cane harvest and the summer pineapple crop were not materially affected, although production of other crops and all new plantings have been hard-hit by the drought. Great economic losses to the farmers are anticipated, and the effect of the drought is expected to continue through FY 1965.

Another detrimental factor affecting the agricultural economy of the Ryukyus was the proposed trade liberalization for canned pineapple and sugar by the Government of Japan (GOJ). The sugar trade liberalization was scheduled to be put into effect in early FY 1964.

A number of agricultural experts from the United States and Japan visited the Ryukyu Islands. Foremost among them was the U. S. sugar survey team invited by the High Commissioner for a 60-day survey of the Ryukyuan sugar industry. The team included three U. S. Department of Agriculture officials and three technicians from the Hawaiian Sugar Planters Association. Results of this survey have not been revealed.

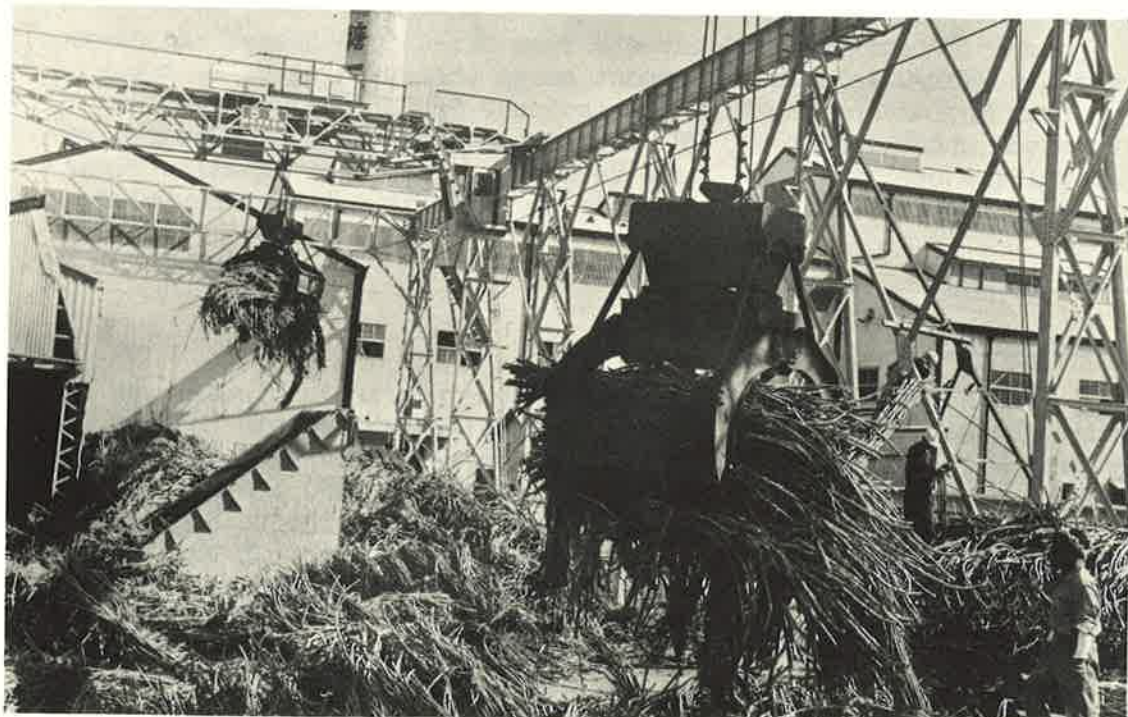
Crop Production

Sugar Cane

The highest sugar production in the industry's history was recorded in the 1962-1963 season when 1,433,720 metric tons (MT) of sugar cane were harvested. This was a 33 percent increase over the previous season. The record harvest was processed into 170,837 MT of sugar (150,494 centrifugal and 20,343 black sugar). The total area cropped to sugar cane cultivation was 27,160.8 hectares, of which 18,369.5 were harvested and 8,791.3 were newly planted during the summer of 1962. This represented approximately 62 percent of the total cultivated land in the Ryukyus and involved approximately 58,000 farm families. Average yield of sugar cane per hectare was 78.05 metric tons. The tremendous increase in the harvested area, which was approximately 38.4 percent over the previous season, and the nearly 100 percent cultivation of the N:Co 310 variety, which is highly resistant to typhoon and drought, attributed to the increase in sugar production.

Gross income derived by the farmers from sugar cane production for the 1962-1963 milling season (November 1962 through May 1963) was estimated at \$29,174,000, based on the average price of \$20.35 paid per metric ton of cane. The average price received by sugar companies was \$290 per metric ton, whereas the average price received in the preceding year was \$265 per metric ton, FOB Naha. Exports of sugar products (centrifugal sugar, black sugar, molasses) in FY 1963 amounted to \$47.9 million, an 82 percent increase over the \$26.3 million of FY 1962. Principal factors which contributed to the favorable prices were: the high brix content of the sugar cane due to the dry spell during the harvest season, and the exceptionally high price of sugar in the world market.

There were 13 centrifugal sugar mills in operation, ranging in size from 300 MT to 1,250 MT capacity. Five of these mills; namely, Hokubu Seito, Noren No. 2, Nishihara Seito, Miyako Seito, and Okinawa Seito, expanded their milling capacity by 3,150 MT grinding capacity (official) during the reporting period. The capacity of the 13 centrifugal sugar mills is now 9,200 MT per 24 hours. This is considerably in excess of current needs, despite the record harvest in the 1962-1963 season. The number of plants also is excessive for the Ryukyus, since



Conveyer system at the Nishihara Sugar Mill

processing could be done more economically with fewer plants of larger sizes. Had there been more rational planning, the construction of an excessive number of plants in the range of 500-ton capacity and their piecemeal expansion thereafter could have been avoided. This over-zealous competition has already proven to be shortsighted. Even during this temporary period of phenomenally high sugar prices, net profits realized by the owners of several of these plants have been minimal. When and if sugar prices drop, the industry will face serious adjustments.

The Government of the Ryukyu Islands (GRI) program of gradually eliminating the small black sugar mills and replacing them with larger, more efficient centrifugal or black sugar mills, has reduced black sugar mills to 56, of which 48 are of sizes less than 50 tons. (See list of sugar mills in table 20, page 315 , Appendix V.)

Pineapple

Total land area devoted to pineapple production during the 1962-1963 season was 3,369.43 hectares (8,424 acres), of which 720.9 hectares (1,781 acres) were newly planted. The actual acreage harvested was 1,540.33 hectares (3,805 acres); this acreage produced 32,710 metric tons of fruit. Total land area, acreage harvested, and total fruit production were slightly less than for the preceding reporting period. The growers' estimated gross income derived from sale of fruits to canners was \$1,889,000, based on the year-round average price of \$57.75 per metric ton.

Farmers engaged in pineapple cultivation numbered 5,425, of whom 3,566 were on the island of Okinawa and 1,859 in Yaeyama. Over three-fourths of the pineapple farms were of sizes less than half a hectare.

Plantings in Yaeyama have been fairly even over the last three years, but those in northern and central Okinawa showed great percentage decreases from the previous year. High sugar cane prices have caused farmers to place less emphasis on pineapple cultivation. The proposed policy of the Japanese Government on pineapple trade liberalization also has contributed to the reduction in acreage.

As of 30 June 1963, there were 24 pineapple canneries in the Ryukyu Islands, with a total of 80 lines. There were 14 canneries with 37 lines in Okinawa, 8 canneries with 39 lines in Ishigaki, and 2 canneries with 4 lines in Iriomote. Another cannery of one-line capacity is presently under construction at Kumejima. These 24 canneries processed 29,989 MT of fresh fruits during the crop year ending 31 March 1963. Fruit processing in the Ryukyus is characterized by two distinct seasons: approximately 75 to 80 percent of the fruits are harvested during August and September (summer crop), and the lesser crop is harvested during November through January.

Total canned pineapple output included 693,985 cases of canned pineapple, 141,082 cases of juice, 35 cases of concentrated juice, and 1,071 cases of jam. Pineapple exports (canned, fresh, and frozen pineapple, and jam) in FY 1963 amounted to \$5,626,741 with canned pineapple comprising \$5,153,647 of this total. Canned pineapple juice exports to Japan have not been too favorable. During the 1960-1961 season, a large quantity was exported; but, due to erratic, improper processing methods and lack of quality control, the market was almost lost. The juice market is again gradually improving due to more stringent controls established among the processors. Of the 24 canneries, only four firms are presently processing juice for export to Japan. The Okinawa Kansume K. K. in Ishigaki recently installed processing equipment for production of juice concentrates, solely for Mitsui Bussan of Japan.

The pineapple juice market in the Ryukyus has remained relatively undeveloped. Noren (Ryukyu Federation of Agricultural Cooperatives) produced an estimated 5,000 cases of canned juice during the season for local marketing. An estimated 300-400 cases per month are sold locally. The Ryukyu Shokusan K. K. of Ishigaki, the largest pineapple processor in the Ryukyus, exported 100,000 cases of canned juice to Japan and retained 5,000 cases for local sale, of which, during an eight-month period, only 4,200 cases were sold.

The first year of the GRI Five-Year Pineapple Rationalization Program was completed during this reporting period. Four Japanese specialists in fruitcanning were invited by GRI to survey and analyze the Ryukyuan pineapple industry. An intensive 30-day survey, including visits to all 24 canneries, was conducted from 5 April through 4 May 1963. The results of the survey have not yet been published. Other soil and agronomy experts from Japan were either invited or sent here under the GOJ Technical Assistance Program.

The government's plant propagation program for the improvement of pineapple strains is progressing as scheduled. Plant propagation beds and polyethylene frame houses which can resist typhoons and cold weather have been constructed at both Gogayama and Omotodake field stations. These stations are using sectional cuttings from stems as well as slips, suckers, and crowns for propagation in order to increase the supply of planting stock of superior Hawaiian canning strains for ultimate release to growers. Over 40,000 new seedlings have been obtained, which will be the parent material to be used for annual propagation programs to ultimately replace all fields within a programmed eight-year period commencing in FY 1963. In addition, progressive pineapple companies are initiating their own plant selection and propagation work for plantings in the company-owned fields. The GRI expended \$205,000 during this period to expand foundation seed-stock farms, nursery operations, research programs, facilities, and personnel, and to construct farm access roads.

Two U. S. pineapple processing companies (Dole Corporation and California Packing Corporation) conducted extensive private and separate surveys and research on the production, processing, and marketing of fresh and canned Ryukyuan pineapples for Japanese and other Far Eastern markets. Their survey findings have further pointed out the desirability of the local industry to consolidate processing by eliminating the existing small canneries and by constructing two medium-sized, modern, efficient canneries, preferably one each in northern Okinawa and in Ishigaki.

Sweet Potato

The production of this staple crop has been severely reduced. Acres sown to sweet potatoes decreased from 22,800 to 14,089 in CY 1962. The diverted acreage has been principally replaced by a more lucrative cash crop, sugar cane. Reduction of the sweet potato crop, in turn, has resulted in a decrease in the hog population to approximately 100,000 heads, due to lack of feed. The GRI research and extension services are placing emphasis on proper and adequate uses of fertilizers, insecticides, and modern cultivation methods to increase per unit yield. Research is also continuing on Tengus Virus (Witches Broom Disease), a major sweet potato disease.

Rice

Rice production is decreasing. This is attributed to the drought and to the increased conversion of rainwater paddies to sugar cane cropping, which presently is more profitable. Total planted acreage for the first and second crops was 24,001 during CY 1962, with production amounting to 25,082 metric tons.

The major portion of the rice requirements for the Ryukyus is imported from foreign sources. Imports of milled, broken, and glutinous rice for FY 1963 totaled 83,734 tons, at a cost of \$12,144,000. Under the local rice price stabilization program, the purchase price of Ryukyuan rice is 23 cents per kilogram. The initial purchasing plan by the GRI was 8,000 MT of rice from local growers through the local unit cooperatives. However, only 5,751 MT of rice were sold through this channel.

Tea

Total production for CY 1962 totaled 151 metric tons, a slight increase from the previous year. Total acreage devoted to tea production was 180 acres, an increase of 10 acres over CY 1961.

Tobacco

Approximately 40 percent of the leaf tobacco requirements for domestic consumption and export are produced locally. The remainder

is imported from Japan, Taiwan, Rhodesia, and the United States and used for blending purposes. The increase in production of leaf tobacco without regard to types and variations of soils, and the growers' unfamiliarity with a new crop, have resulted in the production of poor quality tobacco. Stress is now being made on quality improvement of the locally-produced tobacco.

Tobacco production in CY 1962 was 623 metric tons. Total acreage devoted to tobacco was 911 acres.

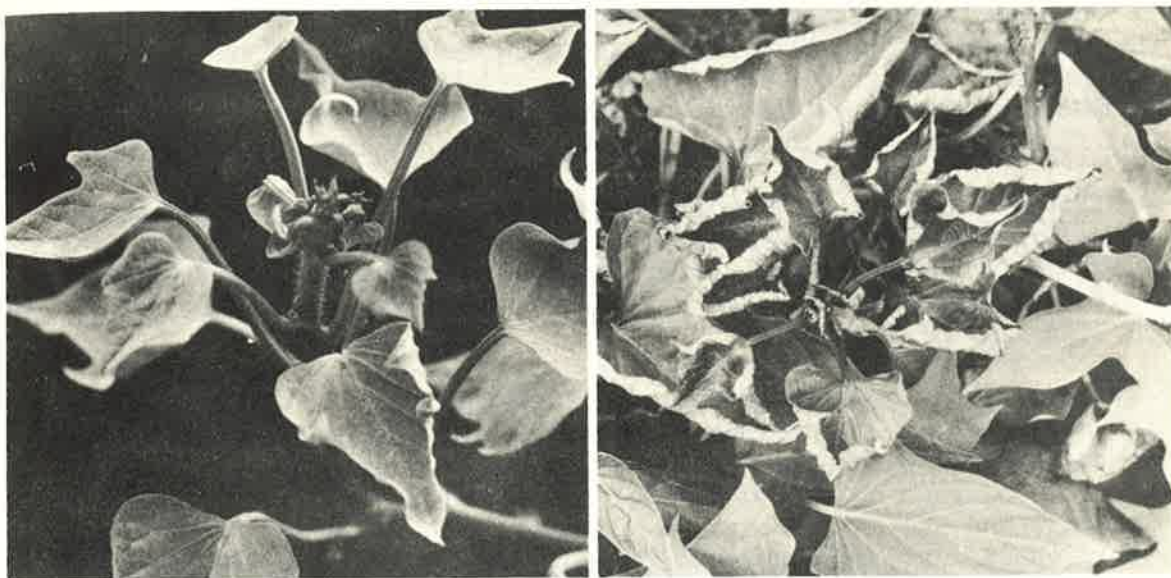
Research

Sweet Potato Tengus Virus (Witches Broom). Dr. SHINKAI Akira, entomologist at the Nishigahara Agricultural Technical Research Institute in Japan, arrived in Okinawa on 16 November 1962 to conduct research on the sweet potato virus under the GOJ Technical Assistance Program. Dr. SHINKAI observed that a leafhopper, Nesophrosyne Orientalis, under controlled laboratory conditions, transmitted the Tengus virus to susceptible soybean and kidney bean plants. Ten different species of insects were captured in sweet potato fields on Yabuchi Island, Yonagusuku-Son, and were observed in the laboratory at the main Shuri research station; however, only this particular leafhopper showed positive transmission capabilities. Transmission of the virus to healthy sweet potato plants under laboratory conditions was not accomplished. This is attributed to the slow-growing characteristics of the sweet potato plant.

The vector, N. Orientalis, had not been previously reported nor classified in the Ryukyus, although its existence had been known in the Philippines, Malaysia, Australia, Polynesia, and Micronesia. Dr. SHINKAI spent approximately five months in the Ryukyus but was to complete only a part of his studies. He returned to the Ryukyus for an additional six-month tour in May 1963. His study is the only positive report on Tengus virus transmission, although four other surveys were conducted during the period 1956 through 1960 by other Japanese technicians.

Plant Breeding. Preliminary work in sugar cane breeding was initiated at the Shuri station. Studies on sugar cane tasseling, pollen development, and air-layering of parental breeding stock to lower the height of the tasseling stock were completed.

In sweet potato breeding, 15 varieties were crossed, from which 54 combinations were attained. Over 3,000 seeds were produced and propagated for field tests. After four years, involving 1,959 cross-breeds, 10 promising seedlings have been selected for intensive field trials and comparison with the existing standard varieties.



Symptoms of the Tengus virus disease on sweet potato plants



Dr. SHINKAI working at the Ryukyu Agricultural Experiment Station

Varietal Crop Importation. Under this program, a variety of miscellaneous crops has been introduced for adaptability trials in the Ryukyus. These included different varieties of the Irish potato, cucumber, head cabbage, Japanese radish, tomato, garlic, watermelon, cauliflower, Chinese cabbage, broad-bean, and soybean.

Plant Propagation. During a 12-month period, the Ryukyu Agricultural Experiment Station and substations distributed to farmers 47,000 kilograms of sweet potato tubers; 92,200 sugar cane seedlings; 3,400 grafted varieties of citrus; 23,130 cuttings of tea varieties; and 513 kilograms of seed rice.

In order to cope with the impending pineapple trade liberalization announced by the Japanese Government, the research station has intensified its pineapple plant propagation program. The field stations at Gogayama and Omoto-dake have been expanded. Plant propagation beds and facilities have been constructed, and a new propagation method (stem cuttings) has been incorporated to expedite the increase of superior Hawaiian pineapple varieties.

Improvement of Facilities. New facilities completed during this period included a greenhouse, compost shed, and dining room at the Research Station; a concrete water storage tank at the Yaeyama substation; a greenhouse at the Koza substation; offices and laboratories at the Gogayama and Omoto-dake Field Stations; and miscellaneous plant propagation and protective beds at Gogayama and Omoto-dake.

An additional 15 acres of privately owned land were purchased near the site of the main station at Shuri for the purpose of exchange with landowners who presently refuse to sell or vacate land within the established boundary of the station. Total land purchased to date is 77.5 acres; however, an additional 36 acres are still required to meet the minimum land requirements of the main research station.

Extension Service

The GRI Agricultural Extension Service is staffed by 28 administrative personnel and 140 field supervisors and technicians (68 in home economics and 72 in agriculture).

Regular in-service training consisted of monthly meetings at the five agricultural experiment stations. Two special sessions were also held in Miyako and Yaeyama. In addition, a general extension methods seminar, a special course on soils and fertilizers at the University of the Ryukyus, and lectures by visiting specialists were conducted.

Meetings of Home Economics group leaders were conducted at four municipalities, and group liaison and discussion meetings were held in all five districts.

An annual two-day general extension project conference, attended by approximately 1,000 persons, was held in Naha on 17 and 18 January 1963. Two outstanding 4-H Club members and a Home Economics group member were selected to represent the Ryukyus in the Japanese 4-H and Home Economics National Convention.

A total of 64,000 copies of the monthly extension service publication, "Farmers Friend," were distributed during the fiscal year. In addition, 216,000 copies of a special leaflet, "Countermeasures for Drought Damage," were published and distributed.

Cultivation demonstration plots were increased from 251 to 268. Crops used in this program included rice, sweet potato, tea, pineapple, tobacco, sugar cane, soybean, mat rush, and vegetables.

Model Farm

Demonstration work on intensive cultivation of paddy land, utilization of sweet potato for hog feed, sugar cane cultivation, farm mechanization, and chicken and hog raising were conducted.

In cooperation with the farmers in Makiya Village, Haneji-Son, demonstration plots for maximum paddy land utilization were selected. Five cropping systems to increase gross income per unit area are presently being demonstrated. These systems involve successive plantings during the year of:

- a. Rice, rice, rice;
- b. Rice, rice, vegetables;
- c. Rice, vegetable, rice;
- d. Rice, sweet potato, rice;
- e. Rice, vegetable, rice, vegetable.

The production of sweet potato varieties for hog feed was demonstrated by the use of three varieties: "Yogi Murasaki," which yields 52 MT of tubers per hectare; "Okinawa No. 100," which yields 55 MT of tubers per hectare; and the "Nangoku," which yields 15 MT of green forage per hectare per month.

The Model Farm demonstrated that additional income could be obtained by intercropping cucumber, eggplant, and green pepper in the spring-planted sugar cane fields. Demonstrations were conducted on the use of a four-wheeled tractor for field preparation and cultivation. In comparison with 63 hours and 20 minutes of manual labor required, the same operation was accomplished with a tractor in 5 hours and 58 minutes. No demonstration was conducted on mechanical harvesting operations.

LIVESTOCK

General

The Government of the Ryukyu Islands placed increasing emphasis on the promotion and improvement of the livestock and poultry industries in line with its policy of diversification of agricultural practices. The implementation of the Title IV, PL 480 program in the Ryukyu Islands gave further impetus to the farmers to increase their livestock and poultry production.

Several important programs were initiated in FY 1963 to foster livestock expansion. These were:

1. Importation of Cattle, Hog, and Poultry

a. The C. Clausen Steamship Company (Danish) brought in a shipload of 395 hereford heifers from Australia in September 1962 for sale to Ryukyuan farmers. Most of these animals were sold to Gusukube-Cho, Miyako; Ohama-Cho and Taketomi-Cho, Yaeyama. Prices ranged from \$180 to \$200 per head. Loans were made available to each Cho by the Ryukyu Development Loan Corporation for the purchase of these livestock.

b. An air shipment of 1,100 Hy-Line Leghorn pullet chicks, donated by Dr. Laurene H. Baker of the Hy-Line Poultry Farms, Iowa, arrived on 17 October 1962. These chicks were distributed to the Ryukyu Animal Breeding Station at Yogi, agricultural high schools, and the University of the Ryukyus.

c. An air shipment of 11 purebred Jersey heifers and 2 bulls, 4 Zaanen milk nannies and 4 billies, and 8 grade Landrace sows was received in December 1962. The American Jersey Cattle Club donated a purebred bull to the Tomigusuku-Son Dairy Association. In addition, the Church World Service donated a purebred heifer, a bull, and 10 nannies to the Ryukyuan Chapter of the Church World Service for its farm at Taira, Higashi-Son, Okinawa. Eight sows were also donated by this organization. These are being maintained at the Ishikawa Animal Breeding Station.

d. A contract was negotiated between the Ryukyu Federation of Agricultural Cooperatives, acting in behalf of livestock purchasers, and the Trimble Manor Farms, Kansas City, Missouri, for the purchase and delivery of 320 Landrace, 3 Chester White and 1 Hampshire hogs; 1 Holstein, 6 Hereford, and 2 Angus bulls; and 36 Angus heifers. Two of the four scheduled air shipments were completed by the end of the reporting period, with the final shipment scheduled for 30 August 1963. These animals were purchased by individual farmers, Shi-Cho-Sons, the Ryukyu Livestock Promotion Association, and the GRI.



Air shipment of cattle arrives from the United States

In connection with these shipments, Dr. TOYAMA Shinshu, veterinarian and director of the Livestock Promotion Association, and KOHAGURA Nobushige, staff member of the Livestock Section, Economics Department, GRI, were sent to the United States in May 1963 to study livestock production and to grade and select pedigreed livestock for the Ryukyus.

The Ryukyu Livestock Promotion Association was incorporated on 30 May 1963, with the backing of 12 centrifugal sugar manufacturers. The primary purpose of this non-profit organization is to promote livestock production as a supplement to cane production, not only to provide additional income for the farmers but to utilize livestock manures as fertilizers. The association purchased 7 boars and 112 gilts which will be maintained at the GRI animal breeding stations. The offspring will be distributed to the farmers at cost.

e. The sum of \$144,000 was appropriated from the High Commissioner's General Fund to cover transportation costs for all shipments of livestock and poultry from the United States.

2. New Construction

In March 1963, construction was begun on the new GRI Animal Breeding and Experiment Station, which is located adjacent to the Agricultural Experiment Station in Shuri. With this modern facility, an expanded and improved insemination program, as well as experimental breeding and feeding programs, can now be conducted. Total cost of the construction will be \$120,000, of which \$45,000 will come from U. S. funds.

Construction was also started on a new building at the GRI Animal Health and Research Institute in March 1963. This new addition will house the production equipment for lyophilized, lapinized hog cholera and swine erysipelas vaccines. Completion of this project was scheduled for October 1963. This facility will produce the necessary biologics used for disease prevention and control and will be of immense value to the expanding livestock industry. Total cost of the building is \$77,000, with \$40,000 being appropriated from U. S. funds.

Livestock and Poultry Population

Beef and dairy cattle increased slightly over the previous fiscal year to 17,656 and 801, respectively. Hogs, on the other hand, decreased considerably from 131,045 in FY 1962 to 99,836 in FY 1963. Major reasons for this decrease were the heavy slaughtering and lack of feeds due to the long drought which prevented the planting of sweet potato crops. Hogs were principally fed imported corn from Thailand and commercial grain rations. This imported corn will be replaced by Title IV, PL 480 program feeds in the near future. Decreases were also noted in the number of horses and goats, which totaled 16,574 and 59,036, respectively. The poultry population, however, increased to 977,460, or an increase of 137,313 over the previous year.

Animal Breeding Program

There are five GRI animal breeding stations located at Yogi, Ishikawa, Haneji, Miyako, and Yaeyama. The main station at Yogi will move to Shuri upon completion of its new facility.

Livestock and poultry maintained by the GRI for breeding purposes include 37 cattle (Holstein, Shorthorn, Wagyu, and Aberdeen Angus); 118 hogs (Chester White, Hampshire, Berkshire, grade Yorkshire, and Chester White-Hampshire crosses); 43 Zaanen goats; 1,722 chickens (White Leghorn, Plymouth Rock, and Hy-Line strain White Leghorn); and 6 horses.

During this reporting period, GRI veterinarians performed 1,240 artificial inseminations on cattle, which was a slight increase over

the previous year, and 1,856 on hogs, a decrease of 666 from FY 1962 due to the decline in the total number of breeding hogs.

The breeding stations loaned out 53 bulls, 231 cows, 3 stallions, and 14 milk goats to farmers during this period. The livestock breeding stations also sold approximately 395 dozen eggs for hatching, 5,944 dozen eggs for consumption, and 7,361 day-old chicks.

Meat Production

There are 38 GRI-approved slaughter houses in the Ryukyu Islands, of which two are U. S.-approved. During FY 1963, these slaughter houses processed 800 MT of beef, 8,774 MT of pork, 52 MT of horsemeat, and 24 MT of chicken. Of this production, 101.9 MT of beef (approximately \$100,000) were sold to the military and approved private restaurants, and 129 MT of beef, valued at \$126,639, were supplied to the Quarter-master under contract.

In addition to the slaughter houses, Okinawa also has three poultry processing plants and five meat processing companies engaged in processing pork sausage, pressed ham, and bacon for local consumption.

Livestock Imports and Exports

Among the imports of livestock and poultry from the United States, Japan, and other countries during FY 1963 were: 2,729 heads of cattle, 486 hogs, 40 horses, 481,336 chicks, 256 chickens, and 600 ducklings. In addition, imports of meat, meat products, and poultry included approximately 553 MT of beef, 2 MT of pork, 22 MT of pork fat, 147 MT of dressed chickens, 71 MT of sausage, 35 MT of bacon, and 1,795,000 dozen eggs.

Exports to Japan during FY 1963 were: 467 heads of beef cattle, 4 hogs, 204 MT of beef, 5 MT of pork, 51 MT of pork fat, 4,100 pieces of cow hide, 105 MT of animal bones, and 12 MT of hog hair.

Animal Disease Control

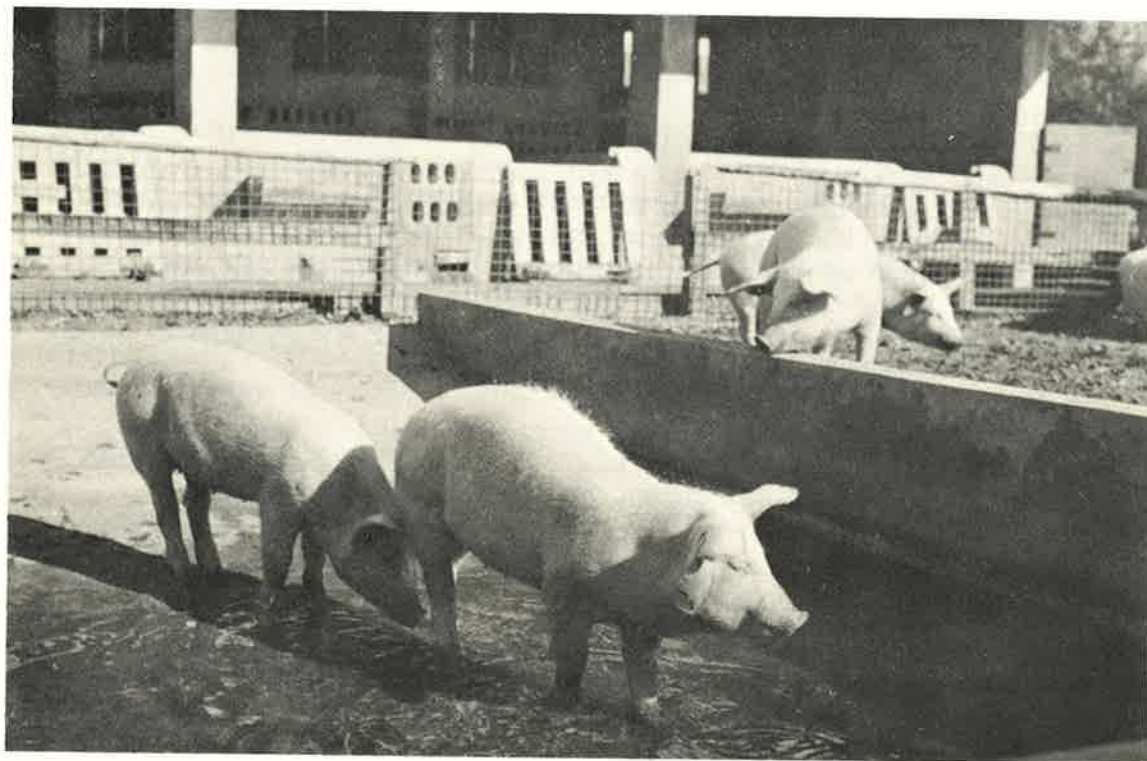
There are presently 138 veterinarians registered with the Government of the Ryukyu Islands, 113 of whom are employed by government agencies.

During FY 1963, GRI veterinarians vaccinated 56,082 hogs for the first and 42,725 for the second of the two series for both hog cholera and swine erysipelas; 191,408 chickens for Newcastle disease; 4,203 cattle and 8,900 horses for anthrax. Testing was also conducted on animals for tuberculosis and brucellosis and on poultry for pullorum disease. GRI veterinarians also conducted examinations on the decline

of the breeding power of cows. A veterinarian was sent from Japan in May 1963 to assist in the study of leucocytozoan disease of poultry.

The Ryukyu Animal Health and Research Institute manufactured the following quantities of biological products during FY 1963: hog cholera vaccine (crystal violet), 694,000 cc; hog cholera serum, 106,900 cc; hog erysipelas vaccine, 637,400 cc; hog erysipelas serum, 46,700 cc; lapinized hog cholera vaccine, 30,520 cc; and anthrax serum, 26,600 cc.

Lapinized hog cholera vaccine and anthrax serum were manufactured for the first time during this period. With the completion of the new laboratory building at the Animal Health and Research Institute, additional biologics will be produced to combat animal diseases common to this area.



Ishikawa Animal Breeding Station

FISHERIES

General

Important events affecting the Ryukyuan fishing industry during FY 1963 were:

a. The return of the chartered tuna vessels operated by the Ryukyuan fishing companies to Japanese vessel owners. There were seven chartered tuna vessels in operation in January 1962, three in June 1963, with all charters to be terminated by October 1963.

b. An increase in the Ryukyuan-owned and Ryukyuan-registered deep sea tuna fishing fleet tonnage, which totaled approximately 4,500 tons in June 1963, in comparison with 1,800 tons locally registered and 1,500 tons chartered in June 1962. This increase was due to the acquisition of seven additional tuna fishing vessels, ranging in size from 237 to 493 tons. Two of the vessels were newly constructed, the remaining five were used vessels.

c. Increased landings of skipjack, tuna, swordfish, and shark, which amounted to 13,618 metric tons in FY 1963 compared to 11,742 metric tons in FY 1962.

The GRI has encouraged the growth of the deep sea tuna fishing industry. Tuna vessel tonnage rights were allocated to Ryukyuan fishing companies with the objective of encouraging the purchase of new vessels or up-to-date used vessels. The GRI has banned the chartering of foreign registered tuna vessels after 30 June 1963, with the objective of establishing a fishing fleet that is both owned and operated by Ryukyuan. To strengthen the financial structure of existing companies, the GRI encouraged the merger of small companies. The 14 companies in operation at the beginning of the year were reduced to 8 through mergers.

Licensing

The GRI issued 133 fishing licenses in FY 1963, bringing the total licenses in effect to 678. Approximately 90 percent of these licenses cover fishery rights for skipjack fishing, coral collection, and miscellaneous small fisheries.

Whaling

Whaling operations in the Ryukyus were started in 1955 by the Nago Fisheries Cooperative. By 1958, the peak year, three enterprises were engaged in whaling, and 290 humpback whales were taken. The catch has decreased rapidly since then. In 1962 only 24 humpback whales were

landed, and in this past year only one sperm whale was taken. Only two of the three enterprises engaged in whaling in 1963. They were the Ryukyu Gyogyo K. K. with one chartered Japanese whale catcher, and the Nago Fisheries Cooperative, which operated three small fishing vessel-whalers.

Red Coral Fishery

The collection and export of red coral shows promise of becoming an important source of revenue for the Ryukyus. According to statistics furnished by the Ryukyu Red Coral Fishery and Export Association, the average price per kilo in FY 1963 was \$60.83, with gross revenue from sales reaching \$661,155*, compared to an average of \$53 per kilo and gross sales revenue of \$182,102 in FY 1962. All sales were to Japanese purchasers.

Fish Nest Construction

The fish nest construction program started in FY 1962, when a total of 63 discarded motor vehicles and 120 salvage 55-gallon oil drums were made available by the High Commissioner for fish nest construction in Nago Bay. The U. S. Army Transportation Group assisted with land and marine transportation. The program proved effective in increasing the supply of bait and reef fish, which schooled in the nest area for shelter and food. Fish nest construction was continued in Nago Bay and Motobu during this reporting period.

Fisheries Extension

Twenty-seven fisheries technicians are stationed at various municipalities throughout the Ryukyu Islands. The GRI provided 82 percent of the salaries of the technicians, with the municipalities providing the remainder. Each technician is responsible for disseminating fishery information to the local fishermen in his area, introducing and demonstrating new methods and fishing techniques, and collecting fishery statistics for transmittal to the GRI Fisheries Section.

Fishing and Processing Research

During FY 1963, the Ryukyu Fishery Research Institute continued its survey of tuna fishing grounds in the waters adjacent to Halmahera, Celebes Sea, and the Ryukyu Islands. Other surveys were conducted on handline, bottom line, and mackerel fishing grounds off the coastal area of the Ryukyus. Studies also were conducted on live bait resources for skipjack fishery, the life cycle of *Digenia Simplex* (red algae), and the transplanted Taiwan oysters. Experiments were made on the black

* This differs from the \$221,000 figure submitted by the GRI Customs.

pearl oyster cultivation and on the culture of porphyra sp (red algae). Processing of shark meat, sea urchin, fish viscera, and edible algae were studied.

Fisheries Loans

The GRI made loans available through the "Fishing Vessel Construction Special Account" for the construction of fishing vessels. This fund is managed by the Central Bank for Agriculture, Forestry and Fisheries. Loans for up to 70 percent of the cost of construction (80 percent with security) are made available. Term of these loans is seven years, at 5 percent interest, the first two years being interest free.

In FY 1963, a total of \$192,550 was advanced in loans for tuna, skipjack, and handline fishing vessel construction as compared to \$128,180 in FY 1962. In addition, during this same period, the Ryukyu Development and Loan Corporation extended loans to the Nankai Gyogyo K. K. and the Ryukyu Gyogyo K. K. for the construction of tuna fishing vessels in the amounts of \$207,900 and \$100,000, respectively.

Eighty loans, in the amount of \$128,070, were extended in FY 1963 for vessel repairs, fishing equipment, and other fishery facilities by the Central Bank for Agriculture, Forestry and Fisheries. This was an increase of \$39,745 over the previous fiscal year. In addition, the Ryukyu Development Loan Corporation extended a loan of \$12,000 to the Nago Ice Plant for expansion of its cold storage facilities.

Subsidies

GRI fisheries subsidies in FY 1963 totaled \$153,481. This was an increase of \$42,516 over the previous fiscal year. Approximately one-third of the subsidies were for fishing port facilities. Other major subsidies were for: fishing vessel insurance, salaries of fishery technicians, and purchase of fishing nets. (For detailed statistics, see table 21, page 316, Appendix V.)

Fishing Port Improvements

The GRI granted \$55,897 in subsidies for construction and improvement of fishing ports in FY 1963, compared to \$30,000 in FY 1962. The projects involved breakwater construction at Tonaki; boat ramp construction at Motobu-Cho, Haneji-Son, Nakazato-Son, Yomitan-Son, Irabu-Son, and Ishigaki; and dredging at Yonaguni-Cho, Kamimotobu-Son, Misato-Son, Katsuren-Son, Chinen-Son, Miyako, and Ishigaki.

Fishing Vessel Insurance

Insurance for total loss, partial damage, and rescue was extended to Ryukyuan fishing vessels by the GRI Fishing Vessel Insurance Act, effective June 1954. Coverage has been available up to a maximum of \$30,000, with GRI paying two-thirds of the premium cost as a subsidy. From 1 July 1963, the maximum coverage was extended from \$30,000 to \$50,000. The GRI will continue the subsidy of two-thirds of the premium payment for vessels of less than 50 tons. Vessels of over 50 tons, with the exception of tuna vessels, receive a subsidy of one-half the premium payment. As of 30 June 1963, 183 policies were in effect, totaling \$827,053 in coverage.

Cold Storage and Ice Plant Facilities

There are 16 cold storage and ice-making plants in the Ryukyu Islands, with a total ice-making capacity of 210 metric tons per day. Cold storage and ice storage capacities of these plants are 1,713 and 1,910 metric tons, respectively.

Exports and Imports

Landings of fish and marine products during FY 1963 amounted to 18,061 metric tons, valued at \$5,479,200, an increase of 3,136 metric tons over the previous fiscal year. Processed marine products totaled 3,629 metric tons, with dried skipjack sticks and fish cake making up approximately 90 percent of this total. Total value of the processed products was \$2,709,200.

Exports in FY 1963 totaled 3,154.6 metric tons. These included 1,441 metric tons of frozen tuna, shark, marlin, and swordfish which were landed and sold at foreign bases by five Ryukyuan vessels. Total value of the exports amounted to \$1,824,100. (This figure differs from that quoted in "Commodity Exports" table 26, page 319, Appendix V, due to the inclusion of fish landed and sold at foreign bases and the difference in figures on red coral exports submitted by the GRI Customs and the Ryukyu Red Coral Fishery and Export Association.)

Imports during the same period totaled 12,111.5 metric tons, valued at \$3,835,400. (See detailed statistics in tables 22, 23, 24, and 25, pages 317 and 318, Appendix V.)

FORESTRY

Forest Resources

Approximately 54 percent (294,286 acres) of the total land area in the Ryukyu Islands is comprised of forests and grassland. Of this acreage, 94,120 acres are owned by the government; 132,220 acres by the municipalities or communities; and 67,946 acres by private individuals. Over one-half of the forests are of the broadleaf variety.

The total log volume is estimated at 1,626,938 M bd. ft. Output of logs, timber, poles, and lumber during FY 1963 totaled 6,533,000 bd. ft. Pulpwood amounted to 5,064,000 bd. ft., of which 4,800,000 bd. ft. were exported. Other forest products included 11,045,000 bd. ft. of firewood, and 1,634 short tons of charcoal.

Reforestation Program

During FY 1963, the Forestry Section, GRI Economics Department, planted 27 acres, hand-seeded 979 acres, and conducted supplemental plantings on 909 acres in both government and municipal forests. Approximately 124 acres of protection forests were planted and maintained. In addition, a total of 131 acres of farm windbreak forests were planted in various areas.

The fifth annual "Keep Okinawa Green" campaign failed to reach its projected goal due to the prolonged drought. During this campaign, communities and individuals planted 288 acres of seedlings and 970,714 trees. This was considerably less than in previous years.

In conjunction with the tree planting program, the third "Green Feather Drive," sponsored by the Ryukyu Forestry Association to aid the forestry development program, was conducted in February 1963. A total of \$15,780 was collected, which was well above the target goal.

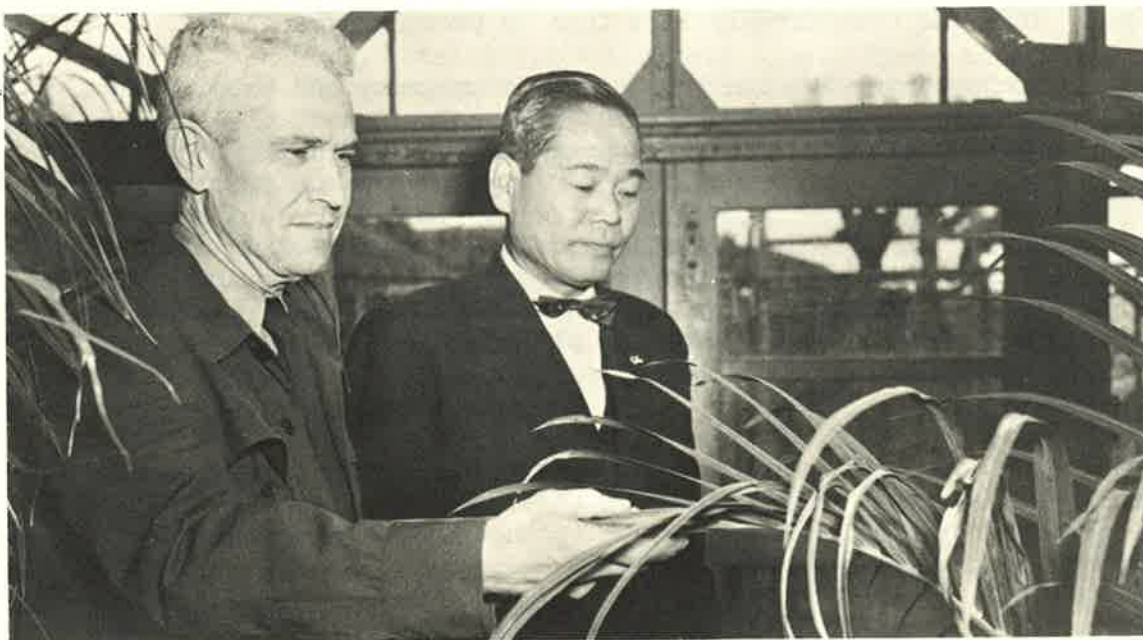
Approximately 2,500 palms and miscellaneous trees were received by the GRI Forestry Section from the International Lion's Club, Western Honshu District, Japan. These seedlings were distributed to the Lion's Clubs at Koza, Ginowan, and Nago for planting.

Nursery Operation

The GRI operates nine forestry nurseries, which produced 1,038,436 seedlings. However, only 448,231 of these were distributed for reforestation and afforestation projects due to the limited plantings as a consequence of the prolonged drought.



Tree-planting program at the Urasoe Castle grounds



Mr. Jack Kern visits the Ryukyu Forestry Experimental Station

Forest Research

The Forestry Experimental Station in Shuri conducted a limited program of practical forest research through its field station at Kita-Meijiyama, northern Okinawa, where a demonstration forest is maintained. Emphasis was placed upon applied field research with projects designed for operational improvement and implementation of reforestation activities. Some of the field projects conducted by the research station were:

- a. Propagation and adaptability tests of Casuarina and Eucalyptus species on hillsides.
- b. Propagation and growth tests on imported exotic pine species.
- c. Propagation tests on introduced bamboo species.
- d. Propagation test using mycorrhiza in nursery bed for Ryukyuan pine.
- e. Study and prevention of termite infestation and its chemical control.

During this period, 256 infested trees were destroyed and 900,700 saplings were treated with chemical insecticides to prevent the spread of pine beetle infestation.

Technical Assistance and Training Program

Mr. Jack C. Kern, forester from the U. S. Department of Agriculture, arrived in the Ryukyu Islands on 12 February 1963 for a 60-day forestry survey at the invitation of the High Commissioner. His survey revealed that the major problems are:

- a. Large areas of over-age decadent timber.
- b. Increasing areas of heavy mountain soil erosion.
- c. Competition from imported lumber.
- d. Slow-down in protection planting.

Among his recommendations were:

- a. Developing coordinated resource and land use plans based on long-range needs and resource capabilities.

b. Designing watershed improvement plans to arrest serious soil losses.

c. Instilling strong imaginative promotional leadership and a basic economic study to develop markets for forest fiber products.

d. Intensifying protection plantings by giving practical information to farmer groups and demonstrating short- and long-range values.

e. Extending research programs in wood products technology, water production-forest relations, soil capabilities, and windbreak effectiveness.

f. Re-emphasizing a factual approach in public relations to give realistic bases for economic values and benefits of forestry.

g. Establishing an advisory board on conservation to study comprehensive surveys, aid in coordination of all resource use, and advise on policy.

Under the GOJ Technical Assistance Program, one GRI forest ranger was sent to a 90-day training course at the Kumamoto Forestry Regional Office, Japan. Four GRI forestry technicians participated in various fields of forestry training at Taiwan under the Third Country Training Program sponsored by the Office of the High Commissioner and AID/China.

CHAPTER 9

COMMERCE AND INDUSTRY

FOREIGN TRADE

Exports

Ryukyuan commodity exports reached an all-time high in FY 1963 with a total (FOB) value of \$70.4 million, a 61.8 percent gain over the \$43.5 million of FY 1962. These figures do not include shipments from the Naha Free Trade Zone, which totaled \$5.1 million and \$2.5 million for FY 1962 and FY 1963, respectively; receipts from foreign fishing operations by Ryukyuan vessels; and the several millions of dollars derived from the sale of meats, produce, handicrafts, and other locally-produced items to the United States Forces, tourists, and other non-Ryukyuan. (See tables 26, 27, and 28, pages 319, 320, 321, and 322, Appendix V.)

The largest increase was in the "Sugar Products" category, which rose from \$26.3 million in FY 1962 to \$47.9 million in FY 1963, an increase of 82 percent. This rise was attributed to several factors: favorable climatic conditions during the growing and harvesting season, expansion of plant capacity, increase in acreage, improvement in sugar cane yields, and the high sugar prices in the world market. This temporary boom of high sugar prices has caused some apprehension that the local sugar industry will continue to expand without proper regard for economic factors which will impose serious limitations on the profitability of the industry when prices decline to normal levels. It is also feared that the rationalization of the industry, which has not made much progress in the past decade, will suffer further from complacency because of the present abnormally high prices.

Canned pineapple, including juice, the second largest export item in dollar volume, declined slightly from \$6 million FY 1962 to \$5.5 million in FY 1963. Apprehension regarding the pineapple trade liberalization by Japan has exerted a restraining influence on pineapple production.

Exports of cotton clothing increased from \$2 million in FY 1962 to \$3.4 million in FY 1963. This rise was especially noticeable during the latter part of the fiscal year and is considered to be the principal reason for imposing a quota on cotton textiles to the United States. Effective 1 July 1963, the Ryukyus will be allowed an aggregate quota equivalent to 9.5 million square yards of cotton textile finished goods for export to the United States. This quota will be re-examined each year and reasonable increases permitted if justified. Emphasis

is being placed on the development of domestic markets, which are currently importing approximately \$11 million of textile products annually.

Other exports registering increases in FY 1963 were: cigarettes, from \$631,000 to \$2,936,000; fresh and frozen pineapple, from \$22,000 to \$101,000; live cattle, from \$107,000 to \$167,000; meat, from \$195,000 to \$241,000; and rubber and canvas footwear, from \$283,000 to \$484,000.

Exports of whale products have declined steadily from \$400,000 in FY 1959 to zero in FY 1963. Export of live hogs has also declined from \$325,000 in FY 1959 to \$1,000 in FY 1963 due to a severe decrease in the hog population. Steps are being taken to correct this situation, and the hog population is expected to reach an all-time high in the next few years as more abundant and cheaper feed will become available from the United States under the Title IV, Public Law 480 agreement. Export of plywood also showed a decline from \$2.1 million in FY 1962 to \$1.7 million in FY 1963 due to increased costs and poor quality of imported mahogany logs and the lower prices for this type of plywood in U. S. markets.

Imports

Total (CIF) expenditures for commodity imports rose 17.4 percent from \$161 million in FY 1962 to \$189 million in FY 1963. The largest dollar increase was in foods, imports of which rose from \$28 million to \$36 million, a 28 percent increase. Rice accounted for approximately one-third of this increase. This sharp rise in expenditures for rice in FY 1963 was attributed to phasing of shipments and inventory changes, including the need for replacing the \$1.2 million of low-grade rice with U. S. rice, which enjoys high consumer acceptability in the Ryukyus. The increase in the imports of rice also reflected, to some extent, a decline in local rice production, high consumption resulting from population increase and improved consumer purchasing power, and the rise in the price of foreign rice. Increases in expenditures for other imported foods were attributed to the improved purchasing power and standard of living of the Ryukyuan people, as well as increased sales to U. S. Forces, tourists, and other non-Ryukyuan, either directly or indirectly through restaurants and hotels. Imports of pork products increased due to the depletion of the local hog population. The increase in imports of refined sugar reflected the export of all locally-produced sugar.

There was a sharp decline in imported eggs from \$1,195,000 in FY 1962 to \$708,000 in FY 1963, which reflected the progress in the expansion and improvement of the local poultry industry. For the first time in several years, imports of marine products did not rise significantly. It is expected that this trend will continue and that exports

of marine products will increase with the progress now being made by the local fishing industry.

Imports of "Beverages and Tobacco Products" decreased by 7 percent from \$2,782,000 in FY 1962 to \$2,582,000 in FY 1963. This was due primarily to the sharp increase in the sales of locally-produced beer. By vigorous sales promotion, improvement of quality, and reducing costs and prices, the local producer of "Orion" beer now supplies 70 percent of the domestic civilian market, as well as significant quantities to U. S. military clubs. For several years, imports of tobacco products, mainly cigarettes, have been stabilized at \$200,000 from a 1954 high of \$1.5 million. The three local cigarette companies now supply 95 percent of the domestic cigarette requirements and export \$3 million annually.

The 37 percent increase in expenditures for "Machinery and Equipment" and the 7 percent and 6 percent increases for "Production Materials" and "Building Materials," respectively, were in consonance with the over-all program for accelerated economic development of the Ryukyus. All of the items represented by these three categories were either unavailable locally or the volume of domestic production was inadequate to meet the needs of economic development and construction.

Imports of "Consumer and Miscellaneous Goods" rose 13 percent in FY 1963 to \$62,443,000. This trend reflected increased sales, direct and indirect, to U. S. Forces, tourists, and other "dollar-generating" customers, as well as the continued improvement in the Ryukyuan standard of living and purchasing power. With the continued rise in this category of imports, often referred to as "conspicuous consumption," a restrictive import policy is sometimes advocated to reduce these expenditures. Such a policy would seriously reduce the income of the local wholesalers, retailers, and service enterprisers. This source of income accounted for many millions of dollars of the Balance of Payments receipts of \$91 million from local expenditures of the U. S. Forces and \$21 million from "Services and General Remittances" in FY 1963.

As indicated in the foregoing paragraphs, progress has been realized in the case of several items, such as cigarettes, beer, etc. However, opportunities to develop domestic markets still exist, notably in the "Clothing and Textile Products" industry, which imported \$11.7 million in FY 1963. Developing the domestic market is just as important in closing the trade gap as expanding exports and often involves less risk. An established domestic market is also a sound foundation for developing export sales.



Transistor radios assembled in the Free Trade Zone

FREE TRADE ZONE

As of 30 June 1963, there were six companies operating in the Free Trade Zone, which the Government of the Ryukyu Islands maintains in the Naha commercial port area. These were: Ryukyu Industrial Company, Ryukyu Electric Company, Ryukyu Brother Company, (all of which were engaged in assembling transistor radios); Okinawa Petri Company (assembling cameras); Yamanaka Sangyo K. K., and the Orient Leather Products (manufacturing baseball gloves). These companies employed a total of 533 workers.

The total value of sales from the Free Trade Zone in FY 1963 was \$2.5 million compared to \$5.1 million in FY 1962. Factors contributing to this decrease were the stoppage of the import of transistor radio parts from Japan from July through September 1962 by the Government of Japan, and the approximate 25 percent decline in the export price of transistor radios resulting in the reduction of local production. A small amount of sewing machines was assembled in the Free Trade Zone in FY 1962 by the Ryukyu Brother Company for local sale, including sales to the Ryukyu Central Exchange (REX). This operation



Manufacturing baseball gloves in the Free Trade Zone

was discontinued in FY 1963. A breakdown of the sales from the Free Trade Zone for both FYs 1962 and 1963 is listed in table 29, page 323, Appendix V.

FOREIGN INVESTMENT

There were 256 foreign investors, having approximate assets of \$15.1 million, engaged in business in the Ryukyu Islands as of 30 June 1963. This number did not include many foreign enterprisers serving as contractors and concessionaires of the United States Forces and hundreds of foreign traders and other non-Ryukyuan engaged in activities which do not require foreign investment licensing. The \$15.1 million represented foreign equity ownership only, which varied from a minority interest to complete ownership of the respective enterprises. Capital loans, including deferred payment transactions to local enterprises from foreign sources, totaling approximately \$14 million, were also excluded from foreign investment licensing.

Of the 256 licensed investors, 105 were from the United States, including foreign corporations owned by United States citizens, 70 were

from Japan, and 81 were from other areas. The types of business activities in which these investors were engaged and the total foreign investment for each type of activity are listed in table 30, page 324, Appendix V.

During FY 1963, 57 new licenses, representing a total authorized investment of \$1,375,000, were issued. Of these, 14 were investors from the United States, 11 from Japan, and 32 from other areas. This was the first year, since the foreign investment program was established in 1951, that the number of new investments from "other areas" exceeded the number of investments from either the United States or Japan. These 32 investments were in small enterprises, principally those engaged in processing textile products and other consumer goods for domestic sale. The largest investment was by the American Pipe and Construction Company for the manufacture of plain and reinforced pipe. Thirty-four licenses were amended during FY 1963, which, in most instances, involved business expansions. The additional equity investments resulting from these amendments totaled approximately \$220,000.

In accordance with the High Commissioner's policy of encouraging the investment of United States and foreign capital in the Ryukyu Islands, amendments to the foreign investment law were being studied to exempt additional business activities by non-Ryukyuan from the licensing requirement.

MANUFACTURING

General

Manufacturing production continued to expand in FY 1963 with an increase of 16 percent over FY 1962. Expressed in terms of national income, this expansion rate was slightly above that of the over-all economy. The manufacturing sector of the national income amounted to \$23.2 million, or 8.8 percent of the total national income of \$265.2 million, as compared with \$20 million or 8.6 percent of the total national income of \$232.2 million in FY 1962.

Sugar again registered the largest increase in production, and its total value far exceeded any other manufactured product. Production of centrifugal sugar amounted to 150,494 metric tons as compared to 88,470 metric tons in FY 1962. Black sugar production declined slightly from 23,688 metric tons in FY 1962 to 20,343 metric tons in FY 1963, which was in accord with the sugar industry's policy of limiting black sugar output to the firm market demand in Japan.

Total value of manufactured products for CY 1962 was estimated at \$96.4 million, as compared to \$72.7 million in CY 1961 and \$50 million in CY 1960. A significant increase was seen in the processed

foods category (including sugar and beverages), which rose from \$30,444,000 in CY 1960 to \$42,789,000 in CY 1961, and to \$59,859,000 in CY 1962. Other increases were in tobacco products, textile and wood products, printing and publishing industries, and chemical products.

Construction and Expansion

The Ryukyu Cement Company began construction of a cement plant, with a daily capacity of 425 metric tons, at Awa in northern Okinawa where abundant supplies of limestone and clay are located. Estimated date of completion is June 1964. This is the first cement plant and the largest single private investment in Ryukyuan history. Upon completion, the plant will supply approximately 55 percent of the local cement requirements. This is a joint venture with Getz Brothers, Inc., a subsidiary of the Union Tank Car Company.

The Ryukyu Chemical Company started construction of a plant at Kochinda, in southern Okinawa, to produce construction board from bagasse (sugar cane fiber). Upon completion in early 1964, the plant will be able to produce 55 metric tons of construction board daily. This is the first plant of this type in the Ryukyus. Similar plants are expected to be constructed in other major sugar-producing areas of the Ryukyus. This new industry will contribute significantly to the improvement of the islands' balance of payments through the export of this product and through the reduction in imported construction materials. Equally important is its contribution to the improvement of the sugar economy in providing a profitable market for bagasse, a by-product of sugar manufacturing.

The Ryukyu Tobacco Company constructed a new plant at Naha for the production of fine-cut tobacco for export and local sales. This plant provided new employment for 146 Ryukyuan.

The Kakunan Lacquerware Company constructed a new three-story plant at Naha, which provided employment for 38 Ryukyuan skilled artisans and apprentices.

The Orion Brewing Company began the expansion of its plant at Nago, Okinawa, in October 1962. Upon completion in August 1963, the production capacity will be doubled from 54,117 hectoliters (HL) to 108,234 HL per year. Orion beer sales reached 70 percent of the total domestic civilian consumption in May 1963. With this additional capacity, the brewery is expected to supply a still larger portion of the local civilian market, as well as increase its sales to U. S. military forces.

The Kanehide Iron Works Company completed expansion of its Naha metal fabrication plant in May 1963, which will increase its production



Orion Beer Nago plant



Ryukyu Chemical Industry Company (bagasse plant) under construction

capacity for steel and aluminum window sashes. This factory now employs 140 Ryukyuan.

The Okinawa Flour Milling Company began construction of silos for the storage of wheat in anticipation of the increased production of flour and its by-products as a result of the Title IV, Public Law 480 agreement between the U. S. Department of Agriculture and the Ryukyus. When the project is completed in June 1964, the new silo capacity will be approximately 11,000 tons. Automatic equipment for unloading bulk shipments of wheat from the United States will also be installed.

Additional construction of new sugar mills and expansion of existing ones have increased the sugar milling capacity by 3,150 metric tons grinding capacity. Total capacity of the 13 centrifugal mills is now 9,200 metric tons per 24 hours.

Other expansions of commercial facilities included: the Yamagataya Department Store, the Ryukyu Boeki Company (Ryubo), and the Okinawa Toyota Motor Company. New buildings were constructed by the Hoshi Printing Company and the Nakada Shokai (Trading) Company.

Ryukyu Productivity Center

Consistent with the High Commissioner's policy of improving Ryukyuan industrial and commercial enterprises and their products and services, Administration Ryukyu Islands, Army (ARIA) funds in the amount of \$100,000 were provided in FY 1961 for constructing and purchasing part of the equipment for the Productivity Center. The building, located in Naha City, was completed in February 1962. An additional \$12,000 of ARIA funds was provided in FY 1963 to purchase training aids and other equipment.

FY 1963 was the first complete year of operation for the Ryukyu Productivity Center. Its staff was comprised of 10 regular employees and 2 temporary clerk-typists, all Ryukyuan. Activities for the year consisted almost entirely of technical (laboratory) investigations for local industries and testing construction materials either as a service to local enterprises or for regulatory government surveillance.

Twenty-eight technical investigations were performed, primarily chemical analyses, sampling, and field investigations. The scope of these investigations ranged from routine analyses of commercial goods to more detailed studies; namely, the technical and economic feasibility of using local limestone for the commercial production of carbon dioxide.

The Center tested 273 samples of sand and gravel for suitability in the manufacture of concrete products. It also performed pressure

stress, durability, gradation, specific gravity, water absorption ratio, and unit weight tests on 73 samples of concrete for local construction.

In December 1962, three Japanese Ministry of International Trade and Industry (MITI) specialists spent 24 days assisting the director and deputy director of the Center in improving the organization, its functions, and its program, with emphasis upon assistance to enterprises in management and business operations. Training conferences and lectures for personnel of the Center and local enterprises on techniques of management were also held. Two of these specialists were from the Small Enterprises Agency and one from the Industrial Science and Technology Agency, MITI.

Two other industrial specialists from the MITI Nagoya Ceramics Institute conducted a 30-day field investigation of the commercial potential of local sand and clay resources for the manufacture of glass, tableware, and other industrial ceramics. The Productivity Center has continued this survey in coordination with the Nagoya Institute specialists, but preliminary findings were not encouraging for the local production of industrial glass and tableware, especially the latter.

Dr. S. C. Kao, general manager, and Mr. Robert Belt, Agency for International Development industrial engineering advisor, China Productivity and Trade Center, spent four days in May 1963 inspecting local factories with the Productivity Center personnel, advising on operations and conducting conferences with representatives of all local business organizations and governmental agencies.

During FY 1963, the deputy director of the Productivity Center spent 40 days at the Japan Productivity Center and the Kanagawa Industrial Institute. In addition, a representative was sent to the China Productivity and Trade Center in Taiwan. This training included working with specialists on specific industrial problems of Taiwan manufacturing enterprises. As a result of this visit, the Ryukyu Productivity Center started two investigations: the feasibility of a small tannery, and the production of menthol crystals and oil for export.

TOURISM

The number of foreign entrants classified as "tourists" by the Government of the Ryukyu Islands (GRI) increased to 43,000 in FY 1963 in comparison with 35,000 in FY 1962. Approximately 70 percent of these tourists were from Japan. All temporary visitors, with the exception of members of the U. S. Forces, remaining in the Ryukyu Islands for periods of approximately two months or less were classified as "tourists." Members of foreign firms, religious organizations, other agencies operating in the Ryukyus, and their dependents were not included in this classification.

According to estimates of the GRI, direct expenditures by these tourists totaled \$11.6 million in FY 1963 as compared to \$9.2 million in FY 1962. These estimates were based on a limited survey and were approximate; however, they reflected the increasing importance of tourism as a source of dollar earnings for the Ryukyus.

This importance has been recognized by the GRI, as evidenced by increased budget appropriations for its newly established Tourist Section: \$40,000 for FY 1962, \$75,000 for FY 1963, and \$103,000 for FY 1964. The GRI budget program included the following:

Improvement of roads to tourist sites, of which 23,000 meters were completed by 30 June 1963.

Construction of observation facilities and rest rooms at tourist sites. Facilities at 23 locations were completed as of 30 June 1963.



Exhibit of Ryukyuan products at Minami Nippon Fair, Kagoshima, Japan

Erection of permanent, bilingual stone markers at tourist sites.

Maintenance, including custodial services, at parks and other tourist sites.

Production and distribution of printed and pictorial matter and films on tourism in the Ryukyus.

Exhibitions on tourism in conjunction with displays of Ryukyuan products locally and abroad. In FY 1963, exhibits were held in the Japanese cities of Tokyo, Osaka, Sendai, Shizuoka, Kagoshima, Kanazawa, and Hokkaido.

Foreign technical assistance for the promotion of tourism, including improvement of local tourist services and facilities, and the dispatch of Ryukyuans abroad for tourist training.

Hotels

As of 30 June 1963, 20 hotels, with a total of 272 western-style and 179 Japanese-style rooms, were operating in Naha and in the metropolitan area of central Okinawa. Three hotels, with 25 western-style and 38 Japanese-style rooms, were in operation at Nago, the largest town in northern Okinawa. The Yaeyama Kanko Hotel, located in Ishigaki City, Yaeyama, was completed during FY 1963.

The Ryukyu Tokyu Hotel, operated by the Tokyu Hotel chain of Japan, was expanded and extensively remodeled during FY 1963. Other hotels, which were newly constructed or extensively remodeled and expanded during the past two years, were the Okinawa Hotel, Koza Palace, New Daiichi Hotel, Royal Hotel, and the Toma Motel.

CHAPTER 10

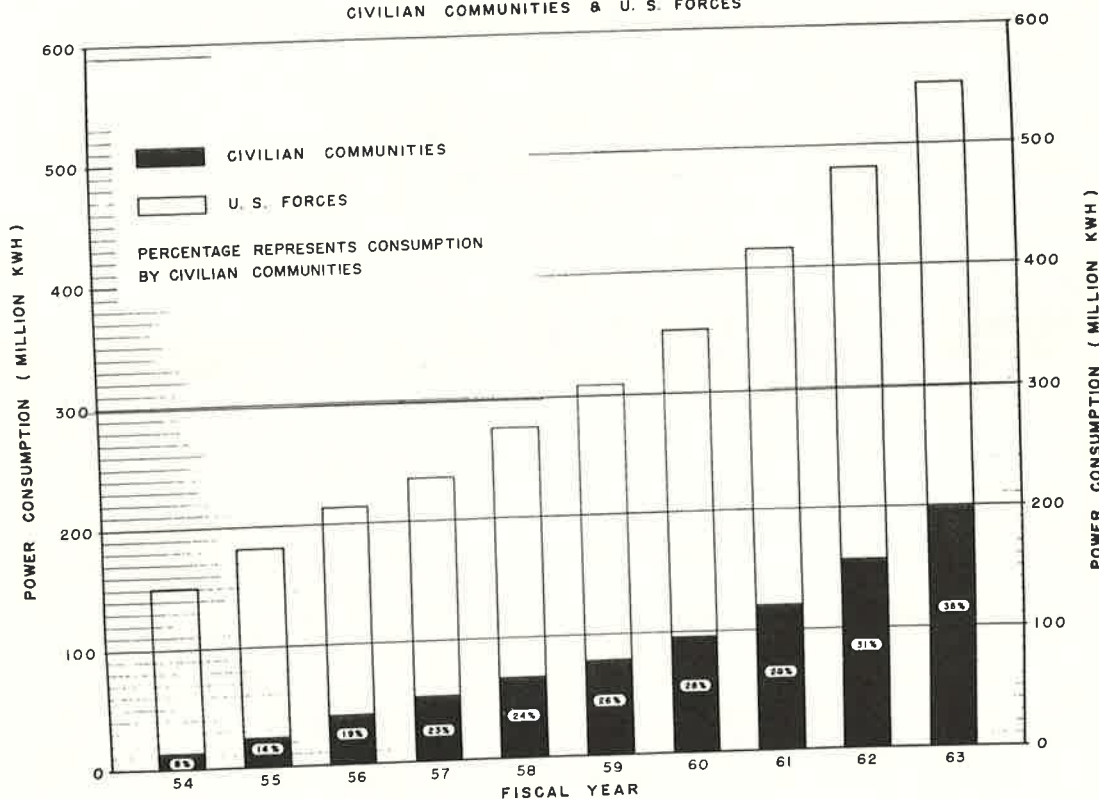
PUBLIC UTILITIES

ELECTRIC POWER DEVELOPMENT

The Ryukyuan economy consumed 199 million kilowatt hours (KWH) during FY 1963, an increase of 41 million KWH, or 26 percent over the 158 million KWH consumed in FY 1962. This increase was largely due to the extensive use of electricity by domestic customers and industries. Construction of additional private houses for rent to United States Forces personnel also contributed to the increased use of electricity.

The power consumed by the Ryukyuan economy during FY 1963 was 36 percent of the total electrical energy delivered by the Integrated Island Power System. In FY 1954, the Ryukyuan share of the total power consumption was only 8 percent.

ANNUAL POWER CONSUMPTION
BY
CIVILIAN COMMUNITIES & U. S. FORCES



To better serve the residential, agricultural, and industrial customers in the southern sector of Okinawa, the Okinawa Power Distribution Company built a 13.8 KV/6.6 KV step-down substation at Kochinda-Son at a cost of \$40,000. In northern Okinawa, the Nago Power Distribution Company now provides power to Yabu-Son, as well as to Nago-Cho. The Nago Power Distribution Company also began constructing distribution facilities for sale of electric power to Haneji-Son, which is within the franchise area of the company.

The Ginoza-Son municipal government completed the construction of electrical distribution facilities in the Ginoza rural area, which has a population of 4,200.

Plans for the electrification of Kushi-Son, a northern rural area with a population of 4,700, have been developed by the Kushi-Son municipal government.

Onna-Son, an agricultural and fishing community in northern Okinawa with a population of 8,000, will be completely electrified upon finalization of plans for extending distribution facilities to this area by the Central and Nago Power Distribution Companies.

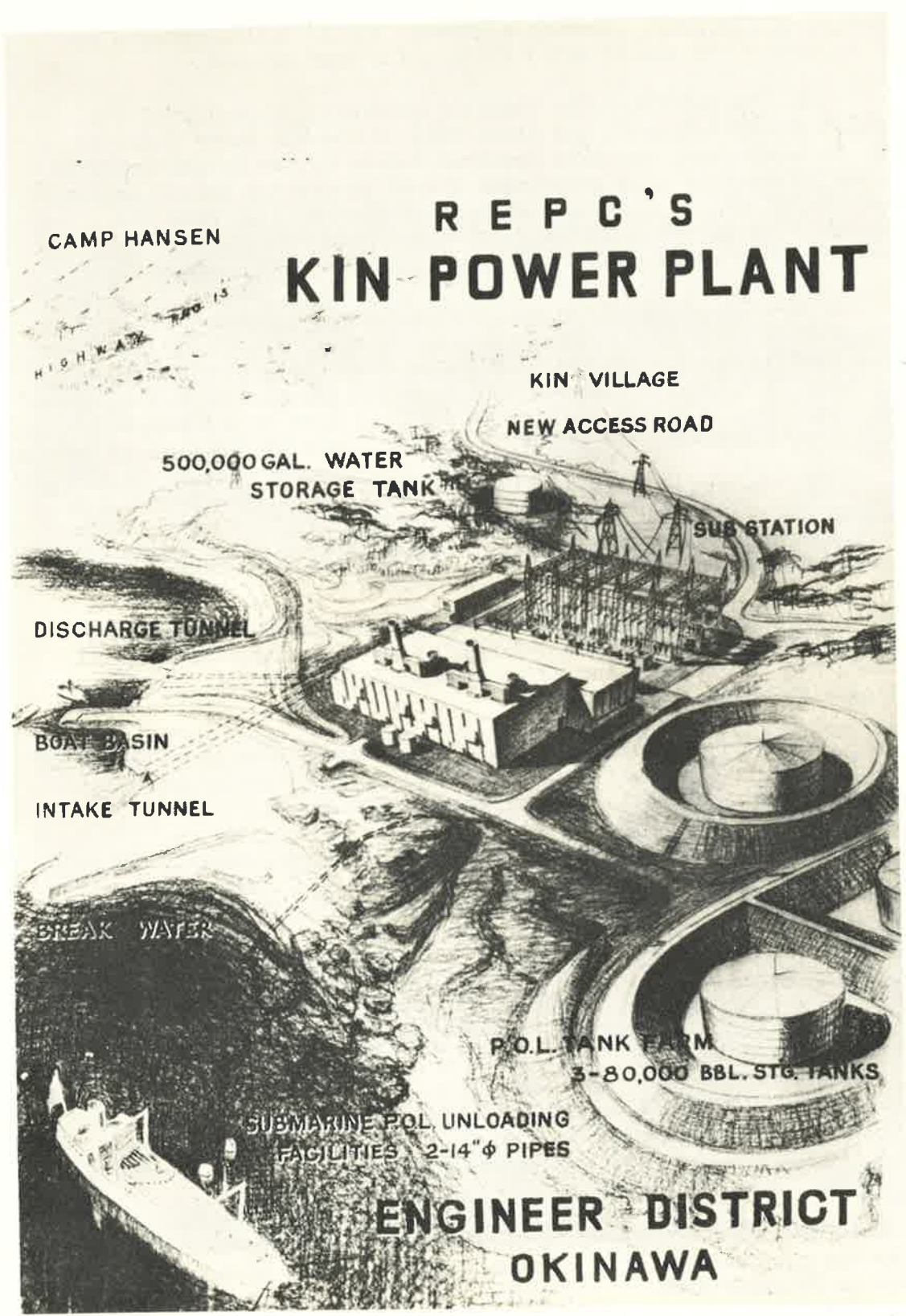
An island-wide electric power system on Irabu-Son, an offshore island in Miyako Gunto, has been completed and is now providing electric power to 11,000 people.

RYUKYU ELECTRIC POWER CORPORATION

The Ryukyu Electric Power Corporation (REPC) was established by Civil Administration Ordinance Number 129, dated 26 February 1954, as amended, to acquire and operate the Machinato Steam Power Plant and transmission lines for the generation, transmission, distribution, and sale of electricity. The REPC leases the plant and transmission lines to the United States Army, Ryukyu Islands (USARYIS), and, in turn, purchases power at cost from USARYIS to satisfy local requirements.

The following activities highlighted the operation of the REPC during FY 1963:

a. Invitations for bids for constructing an 88,000 KW power plant at Kin were issued on 1 October 1962. Bids were received and opened on 15 November 1962. The contract for constructing the plant and ancillary facilities was awarded on 11 January 1963. The contract calls for the first 22,000 KW generating unit to be put in operation by 12 August 1964 and the completion of the entire project by 9 January 1965. Approved budget estimate for this plant is \$14,720,000. By virtue of Public Law 86-383, the REPC will undertake payment of the major portion of this project by obtaining a loan from the



CAMP HANSEN

REPC'S KIN POWER PLANT

KIN VILLAGE

NEW ACCESS ROAD

500,000 GAL. WATER
STORAGE TANK

SUB STATION

DISCHARGE TUNNEL

BOAT BASIN

INTAKE TUNNEL

BREAK WATER

P.O.L. TANK FARM
3-80,000 BBL. STG. TANKS

SUBMARINE P.O.L. UNLOADING
FACILITIES 2-14" ϕ PIPES

ENGINEER DISTRICT OKINAWA

Secretary of the Army. Current allotment authorization permits the REPC to borrow the sum of \$10.5 million for this project.

b. To reinforce the existing generating capacity of the Island Power System until the first unit of the Kin Power Plant is ready for operation, the REPC received Bureau of the Budget approval for the purchase of nine additional diesel generating units (approximately 24,000 KW) at an estimated cost of \$2.5 million from its earnings. The diesel generating units and related equipment were scheduled to be in operation by 15 December 1963.

c. All projects for the relocation and extension of a 69 KV power transmission line in Naha and construction of a 69 KV line from Henoko to Nago, including a substation at Nago, have been completed and placed in operation, except for a portion of the relocation of the Naha line. The remaining portion of the Naha line is scheduled for completion in December 1963. Total cost of these projects is \$831,000.

d. Design work was initiated on a 69 KV transmission line from Nago to Awa and on sub-transmission lines (13.8 KV) from Enobi to Bolo and from Enobi to Napunja. Construction of these lines will be undertaken in FY 1964.

e. The REPC placed orders for the purchase of transformers with capacities of 20,000 KVA and 7,500 KVA. The transformers will be installed in FY 1964, including certain displacements, to relieve overloads at several substations.

f. A contract for constructing the Awase line was awarded on 19 April 1963. A contract for converting the Enobi switching station into a step-down substation was effected on 14 June 1963.

Net earnings of the Ryukyu Electric Power Corporation in FY 1963 showed an increase of \$453,058 over that of FY 1962, while net worth increased to \$14,590,666 in comparison with \$12,913,732 of FY 1962. (For detailed statements of the financial condition and operation of REPC for fiscal years 1962 and 1963, see tables 31 and 32, pages 325 and 326, Appendix V.)

WATER SUPPLY DEVELOPMENT

Municipal water treatment plants in the Ryukyu Islands are located at Naha, Nago, Itoman, Hirara City (Miyako), and Ishigaki City (Yaeyama). The largest plant is in Naha at Tomari. It originally had a capacity of 2.6 million gallons per day (gpd). This plant was expanded to 5.2 million gpd by April 1963.

The raw water pipeline from Machinato was enlarged to 6 million gpd by the construction of a 20-inch pipeline. This project was completed in December 1962.



Construction begins on the expansion of the Tomari Water Treatment Plant



Completed project

The expansion of the treatment plant, the enlargement of the pipeline, and the improvement of the distribution system were funded through a loan of \$850,000 made available by the Ryukyu Development Loan Corporation. Supplemental treated water is provided Naha City by the Ryukyu Domestic Water Corporation.

RYUKYU DOMESTIC WATER CORPORATION

The Ryukyu Domestic Water Corporation (RDWC) was established by High Commissioner Ordinance Number 8, dated 4 September 1958, to provide water for use and benefit of the Ryukyuan people and for industrial development of the islands. In order to accomplish the above mission, the corporation is entrusted to construct and operate facilities for supply and distribution of water. The United States Army, Ryukyu Islands, as the operator of the Integrated Water System, provides all water at cost of operation.

The following activities highlighted the operation of the RDWC during the reporting period:

a. The initial construction program for a series of water projects, totaling \$2,256,000, was completed in FY 1963. Among the major projects were: construction of a reservoir (600 million gallons) at Zukeyama on the headwaters of the Bishi River, enlargement of the capacity of the Tybase Plant, development of the Kadena well field, and installation of additional water distribution lines. These projects provide the Integrated Water System with the capability of supplying an additional eight million gallons per day of treated water during seasons of normal rainfall.

b. Approval was received to perform a quantitative evaluation of streams on Okinawa. This project involves new sources of water in northern Okinawa and conducting site explorations for dams and a water treatment plant. Funds totaling \$175,000 were made available to the RDWC from the High Commissioner General Fund for this purpose.

c. Based on a master water plan for the Island Water System, approval was received to perform the following projects:

(1) The exploration and design of water development facilities in northern Okinawa, \$385,000.

(2) The design work for an east side water transmission system, \$130,000.

(3) The design and installation of reinforcements to the west side water transmission system, \$185,000.

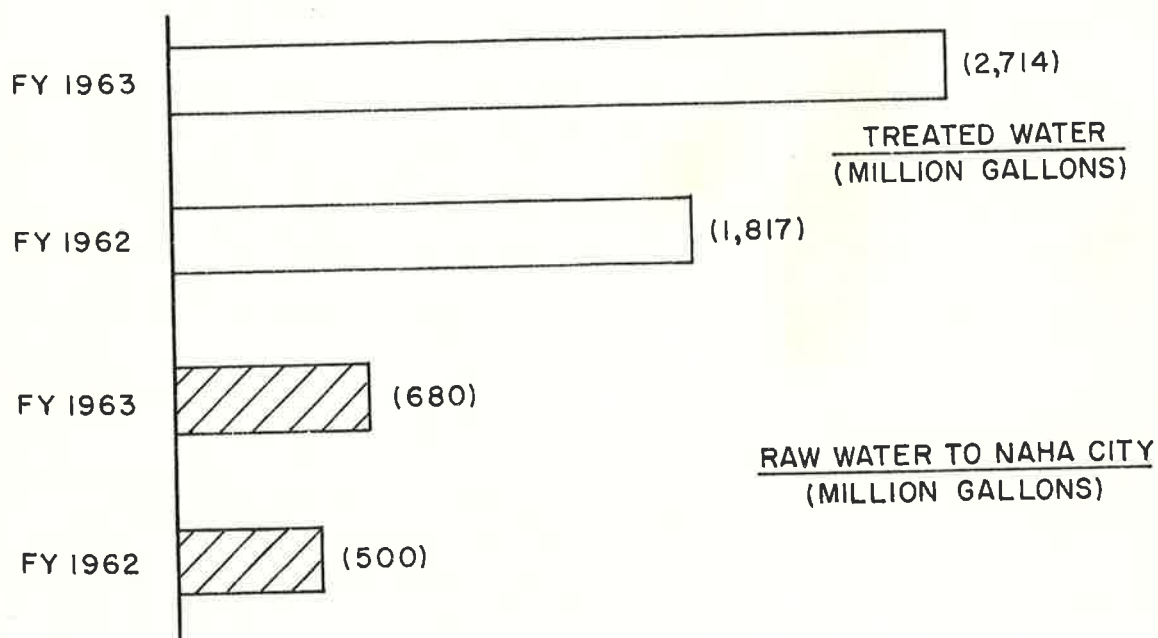
(4) The exploration and design of a reservoir on the Tengan River and the design of a well field at Tengan, \$140,000.

Design work on the above projects will increase Okinawa's water supply capacity by 13 million gallons per day.

d. New metered water rates went into effect on 1 April 1963, followed by final installation of meters for all flat-rate customers in May 1963. The new rates provide for a minimum charge of \$2 for the first 5,000 gallons per month and excess charges of \$0.38 per additional 1,000 gallons for the next 95,000 gallons; \$0.36 per additional 1,000 gallons for the next 400,000 gallons; and \$0.30 per additional 1,000 gallons over and above 500,000 gallons.

e. During FY 1963, 2.714 billion gallons of treated water were sold. During this same period, 680 million gallons of raw water were sold to Naha City at 8 cents per 1,000 gallons. The corporation reimbursed USARYIS for cost of water received at 13.75 cents per 1,000 gallons for treated water, and 2.4 cents per 1,000 gallons for raw water.

**DELIVERY OF WATER
BY THE
RYUKYU DOMESTIC WATER CORPORATION**



The RDWC served, 2,128 retail customers as of 30 June 1963. In addition, the RDWC provided water to Naha, Koza, Ginowan, Misato, Gushikawa, Chatan, Urasoe, and Yomitan, all of which have municipally owned water distribution systems to serve their areas, as well as to 20 housing companies.

Net earnings of the RDWC increased from \$219,522 in FY 1962 to \$253,770 in FY 1963. (For detailed comparative statements of the financial condition and operation of the RDWC for fiscal years 1962 and 1963, see tables 33 and 34, pages 327 and 328 , Appendix V.)

POL ACTIVITY

The High Commissioner's petroleum activity, operating under contract with Caltex (Asia), Limited, and Nippon Oil Company, Limited, continued to expand its sales as well as its terminaling facilities.

To satisfy the requirements of the growing Ryukyuan economy, sales of petroleum, oil, and lubricant (POL) soared from 49.6 million gallons in FY 1960 to 67.8 million gallons in FY 1963. To store the increasing volume of packaged products, a new lube oil warehouse was constructed during the period.

The implementation of the preferential pricing system for diesel oil and marine diesel oil proved very successful, with over 400 permits issued to fishing and marine transportation industries and Shi-Cho-Sons. Actual sales of diesel oil and marine diesel oil at preferential prices during FY 1963 totaled 3.3 million gallons and 0.6 million gallons respectively.

The Petroleum Distribution Fund (PDF) was created on 1 July 1958 as the channel for returning operational profits to the General Fund. The gross earnings of the PDF consisted primarily of the difference between the cost of products and the selling price of the products. Expenses of the PDF consisted principally of the contractor's service allowance, major repairs of facilities, and land rentals.

CHAPTER 11

TRANSPORTATION AND COMMUNICATIONS

TRANSPORTATION

Air Transportation

International

Five airline companies; namely, Northwest Orient Airlines, Japan Airlines, Civil Air Transport, U. S. Overseas Airlines, and All Nippon Airways, are engaged in international air transportation to and from Naha. At the present time, there are 33 each inbound and outbound commercial flights per week between Naha and Tokyo, Osaka, Kagoshima, Taipei, Manila, Hong Kong, and the United States. Types of commercial aircraft operating to and from the Ryukyus are DC-6, DC-8, Convair 880, 720-B, and F-27 (Friendship).

In Calendar Year 1962, 36,957 air passengers, including Ryukyuans and non-Ryukyuans, entered the Ryukyu Islands, while 37,371 passengers departed via commercial airlines. About 15 percent of the total Ryukyuan travelers and approximately 68 percent of the non-Ryukyuan travelers utilized air transportation.

Interisland

The Naha Air Terminal Company, through a charter arrangement with Civil Air Transport, operates nine flights weekly between Naha and Miyako and Ishigaki.

Improvement of Facilities

The first commercial jet aircraft operated by Northwest Airlines, landed in Naha on 1 September 1960. With the gradual replacement of other aircraft by jet carriers and the increase in the number of flights, the asphalt ramp at the Naha Civil Air Terminal proved to be obsolete. A concrete apron was constructed during FY 1963, financed from the High Commissioner's General Fund.

Construction of a new quarantine station to be installed within the terminal building was begun in June 1963, with a scheduled completion date of September 1963. The second floor was also being expanded to provide a VIP waiting room, executive offices of the terminal company, and an aviation museum. This work was expected to be completed by the end of November 1963.

In FY 1963, the Government of the Ryukyu Islands (GRI) provided \$30,000 for the construction and improvement of the airstrips at Yonaguni, Ishigaki, and Kumejima to expand interisland air services.

Marine Transportation

Foreign Trade

There were 15 Ryukyuan vessels engaged in foreign trade with occasional interisland trade. Of these, 11 were cargo carriers and 4 were passenger-cargo vessels, with total gross tonnage of approximately 16,639.

According to statistics furnished to the GRI by the shipping agents, Ryukyuan foreign trade vessels carried approximately 395,544 revenue tons of cargo and 34,766 passengers during CY 1962. Total revenue was \$3,005,771, with \$2,735,754 derived from freight and \$270,017 from passengers.

Interisland Traffic

During CY 1962, Ryukyuan interisland vessels carried 183,000 revenue tons of cargo and 402,500 passengers, with gross revenues of \$960,000 and \$460,000, respectively.

Ninety-four vessels are designated as "scheduled vessels" for interisland passenger and cargo transportation. Of these, 49 are of 5 gross tons or more. These vessels serve 37 islands and ply over 43 routes.

Tomari and Naha Commercial Ports

Tomari Port and Naha Commercial Port are the two major ports in the Ryukyu Islands. The former is used by both foreign trade and cabotage vessels, while the latter is primarily a port for foreign trade vessels.

During CY 1962, 1,430 entries of vessels engaged in foreign traffic were recorded at these ports. Of these, 416 were made by Ryukyuan ships, 704 by Japanese, and 310 by all other vessels. Of the 1,430 entries, 837 were made at Naha Commercial Port and 593 at Tomari Port.

Tomari Port is utilized more for interisland shipping than for foreign trade. In addition to the 593 entries of foreign trade vessels at Tomari Port, 1,619 calls were made by interisland vessels.

Approximately 1,462,000 revenue tons of foreign trade cargo were handled at these two ports during CY 1962. These consisted of 1,291,000 tons inbound and 171,000 outbound cargo. Approximately 48 percent of the total cargo was carried by Japanese vessels, 31 percent by other non-Ryukyuan vessels, and 21 percent by Ryukyuan vessels.

Interisland cargo handled at Tomari Port amounted to approximately 203,000 tons, bringing the total cargo handled at the port to 716,000 tons.

A total of 260,631 passengers, including interisland passengers, embarked or disembarked at the two ports. All of the interisland passengers were handled at Tomari Port. Of the 106,881 passengers traveling via foreign trade vessels, 66 percent were transported by Japanese vessels and approximately 33 percent by Ryukyuan vessels.

Port Improvements

The Office of the High Commissioner has assisted in the improvement of port facilities at Hirara, Miyako; Ishigaki, Yaeyama; and Unten, northern Okinawa. Shallow depths had prevented the larger vessels from docking, thus requiring loading and unloading of cargo by lighters. Completion of the projects has enabled docking of vessels of the 2,000-gross-ton class. The Ishigaki Port pier has been expanded to 380 meters, with navigable water depth of 6 meters. Total cost of this project was \$499,592. The former 36-meter pier at Unten Port was increased by 95 meters to 131 meters in length, at a cost of \$161,000. A total of \$299,893 has been appropriated for the improvement of Hirara Port, of which 70,050 was granted in FY 1963.

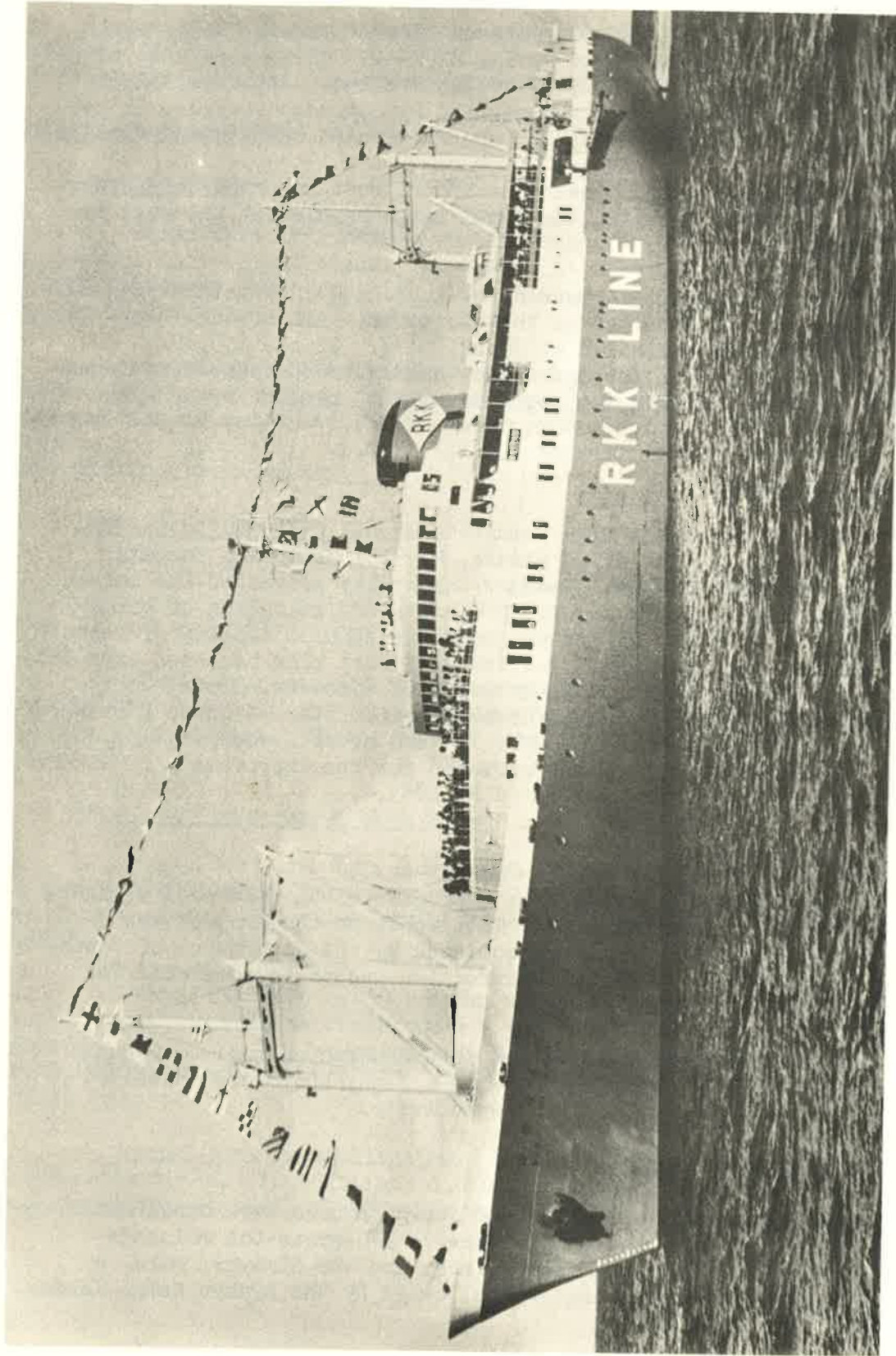
Navigational Aids

During FY 1963, funds were appropriated to construct a lighthouse at Iheya, northern Okinawa. Total cost of the project was \$53,000, of which \$47,667 was appropriated by the Government of Japan, and the remainder by the GRI. Construction was to be completed in December 1963.

Four beacons were installed in the north channel to Toguchi Port in April 1963. A mooring buoy and a light buoy were installed in Kita Daito and Ishigaki Port, respectively.

Vessel Construction

Two vessels to operate over foreign routes were constructed in FY 1963. These were the Shinko Maru, a 376-gross-ton molasses tanker owned by the Okinawa Kisen Kaisha, and the Himeyuri Maru, a 2,640-gross-ton passenger-cargo vessel owned by the Ryukyu Kaiun Kaisha.



Himeyuri Maru, the newest Ryukyuan passenger-cargo vessel

The Himeyuri Maru was scheduled to enter service between Okinawa and Kagoshima on 10 July 1963. The vessel was constructed in Japan at a cost of \$1.5 million, \$900,000 of which was financed by a loan from the Ryukyu Development Loan Corporation. This vessel is capable of carrying upwards of 600 adult passengers. Normal cruising speed is 18 knots. This is the newest, most luxurious, and fastest vessel in the Ryukyus maritime fleet.

GRI loans from the Special Account for Transport Vessel Construction Financing Fund Law in FY 1963 totaled \$75,940. These loans covered the purchase of one used vessel, construction of two vessels, and repairs on 8 other vessels.

Land Transportation

Motor Vehicles

There were approximately 56,000 motor vehicles in the Ryukyu Islands as of 30 June 1963, 98 percent of which were on the island of Okinawa. Of the total vehicles, 26,007 were licensed by the Government of the Ryukyu Islands (GRI), and approximately 20,000 were U. S. Forces vehicles, official and privately-owned, which were registered with the U. S. Army. The remaining 10,000 were small motor bicycles and scooters owned by Ryukyuans and not yet subject to any control, although the "Vehicle for Highway Transportation Law" would, if enacted as expected, require every motor bicycle and scooter to be licensed by 21 May 1964.

Buses

During CY 1962, approximately 111,850,000 passengers utilized 747 buses, including charter and sightseeing buses, throughout the Ryukyu Islands. These buses grossed \$6,148,517 in passenger revenue.

In June 1962, the Okinawa Bus Association, comprised of six bus companies, submitted an application to increase bus fares by an average of 29.5 percent. Justifications were based on increased wages and increased cost of bus vehicles and other operating expenditures. After a thorough study by the Transportation Council, GRI finally approved an average increase of 14 percent. The new fares became effective on 1 June 1963.

The GRI is presently considering a merger of the six bus companies to improve efficiency and to reduce operating costs.

Taxicabs

During CY 1962, approximately 45,650,000 passengers were transported by 1,275 taxicabs. Passenger revenue amounted to \$6,900,537. In addition to the 1,275 taxicabs, 99 taxicabs were given temporary

licenses during the 1962/1963 New Year season. GRI also announced that 619 taxicabs will be newly licensed by the end of December 1963; of which 577 will operate on the island of Okinawa and 42 on other islands. More than 92 percent of the total number of taxicabs in the Ryukyus as of 30 June 1963 were in operation on Okinawa.

Trucks

During CY 1962, 2,522,668 revenue tons of cargo were hauled by 1,454 commercial trucks, grossing \$1,761,327 in revenue. Approximately 79 percent of the trucks, or 1,158, were on the island of Okinawa.

With the industrial growth in the outlying islands, 113 trucks were newly licensed during FY 1963. The number of trucks in the outlying islands is relatively much higher than other motor carriers, such as taxicabs and buses.

COMMUNICATIONS

Telephone Communications

The commercial telephone system is owned and operated by the Ryukyu Telegraph and Telephone Public Corporation (RTTPC). There are seven automatic exchanges in the Ryukyu Islands, all on the island of Okinawa. They are: Naha, Koza, Ojana, Kadena, Gushikawa, Yonabaru, and Yogi exchanges, which serve 12,256 dial subscribers. The new telephone exchange at Yogi was activated on 1 May 1963, with 3,200 telephone subscribers transferred from the Naha telephone exchange area. Ultimate capacity of this new exchange is 16,000 lines, of which 5,000 have already been connected. Total cost of the construction of the building and equipment was \$870,745. In addition, there are 52 manual exchanges serving 3,567 subscribers throughout the Ryukyu Islands.

A \$900,000 loan from the Ryukyu Development Loan Corporation was approved on 27 March 1963 for the RTTPC, \$831,000 of which was for the construction of telephone facilities, including equipment for the Yogi exchange. The remaining \$69,000 was for the construction of radio communications equipment for domestic and international networks.

It is estimated that an additional financing of \$1,500,000 is needed over the next three-year period to bring the telecommunications facilities up to the desired high standards.

Radio and Television

There are four broadcasting companies on Okinawa: Ryukyu Broadcasting Corporation (RBC), Radio Okinawa Broadcasting Company (ROK),

Okinawa Television Company (OTV), and the Far East Broadcasting Company (FEBCO). The first three named are Ryukyuan commercial enterprises, while the fourth is an instrumentality of a group of United States missionary organizations.

RBC operates a Japanese language radio station (KSAR), an English language radio station (KSBK), and a Japanese language television station (KSAR-TV) with an automatic relay substation on Kumejima. OTV operates a Japanese language television station (KSBW). ROK operates a Japanese language radio station (KSDT). FEBCO operates an English language radio station (KSAB) and a Japanese language station (KSDX).

The frequency problem of Radio Okinawa, which had experienced heavy interference from different sources, mostly Communist China, was finally settled. Frequency 780 kc was assigned on a trial basis, replacing 790 kc. After more than one year of testing, it was found that the interference was tolerable on this frequency.

Interisland Wireless Communications

The interisland networks are operated by the RTTPC. There are three principal networks feeding into Naha, Miyako, and Yaeyama, with local circuits operating between these islands and the offshore islands.

Four new radio telephone circuits were activated during FY 1963. They were: Katsuren to Hamahiga and Tsuken; Aka to Zamami; Hateruma to Ishigaki; and Kudaka to Chinen. These brought the total radiotelephone circuits in the Ryukyu Islands to 18.

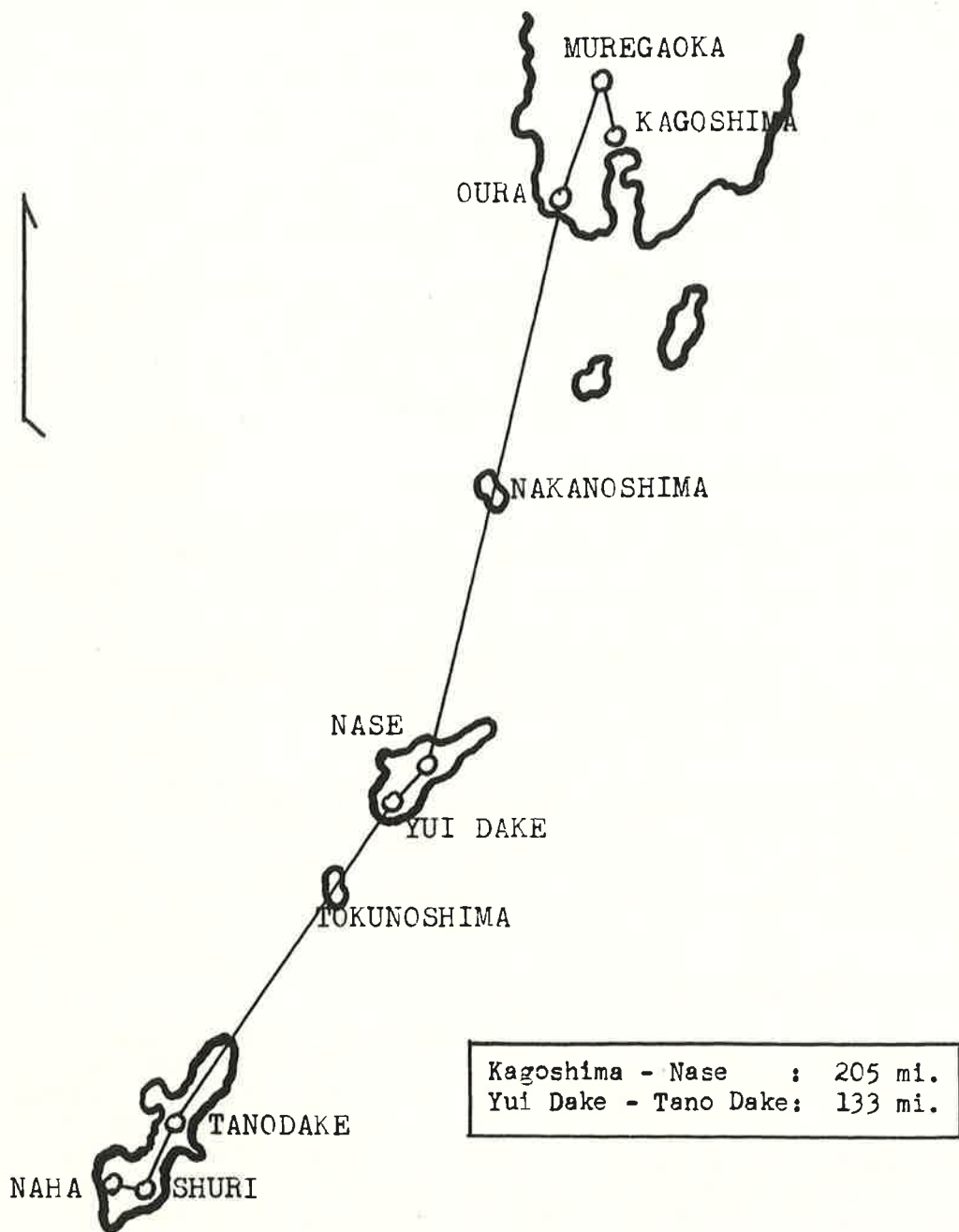
There are 17 radiotelegraph circuits in the Ryukyu Islands. These extend from Naha to Miyako, Ishigaki, Minami Daito, Kita Daito, Kume, Aguni, Tonaki, Zamami, Tokashiki, and Nago; from Ishigaki to Taketomi, Kohama, Kuroshima, Yonaguni, Hatoma, and Miyako; and from Minami Daito to Kita Daito.

International Communications

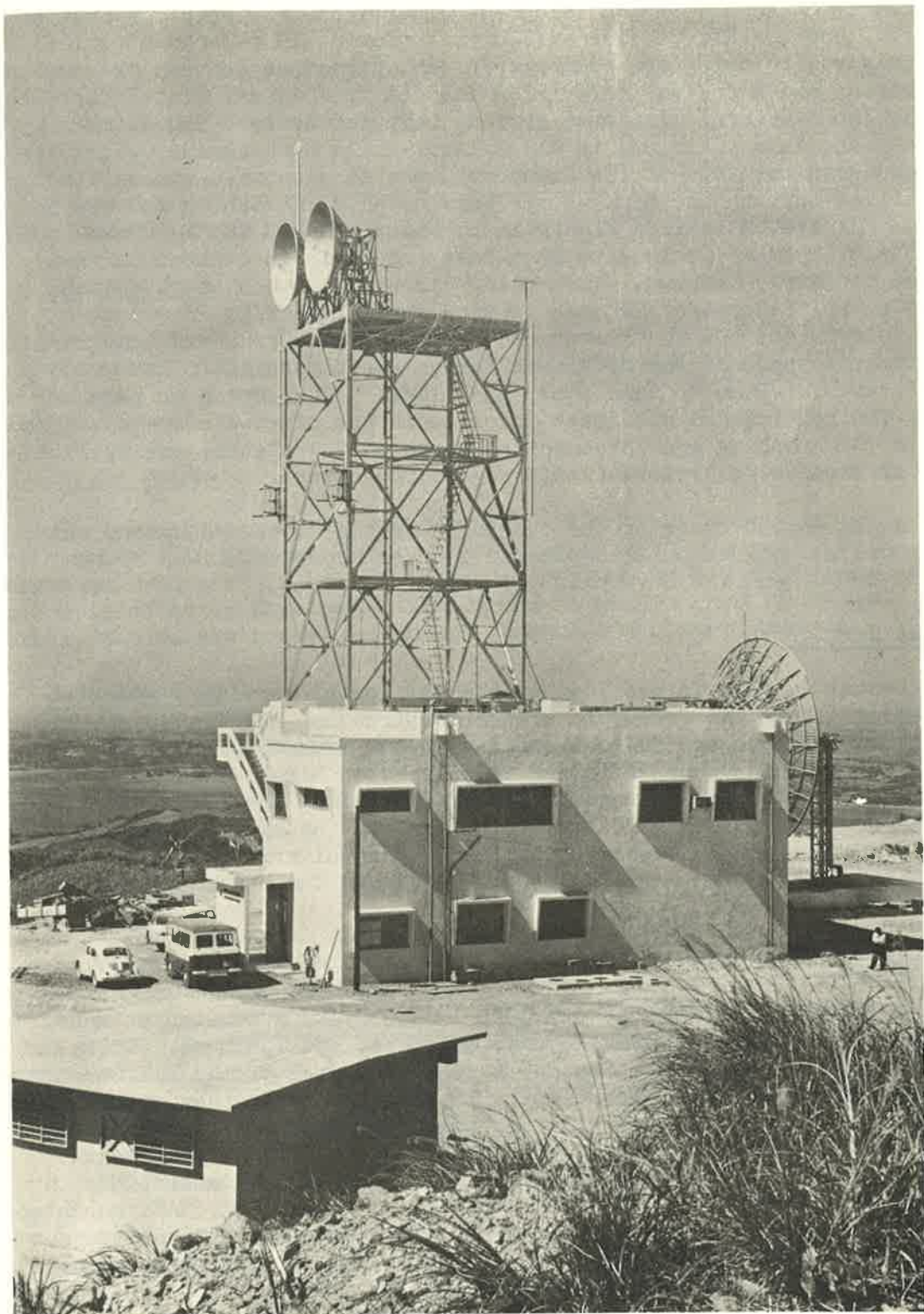
International service is provided by the Ryukyu International Telecommunications Service (RITS), a division of RTTPC. Commercial radiotelephone and radiotelegraph circuits extend from Okinawa to Japan, United States (Oakland and San Francisco), Manila, Taipei, and Hong Kong. In addition, RITS operates leased telegraph circuits to Tokyo (used by Japan Airlines and Northwest Airlines), to Hong Kong (for Pan American), and a leased telephone circuit to Tokyo for the U. S. Air Force.

Japan-Ryukyus Microwave System

Construction of the Japan-Ryukyus microwave system is in its final stages. Total construction cost of \$1,085,000 was shared by the



ROUTE SKETCH
JAPAN-RYUKYUS MICROWAVE SYSTEM



Japan-Ryukyus microwave system station at Tano Dake, Okinawa

Government of Japan, Nippon Telegraph and Telephone Public Corporation (NTTPC), and the RTTPC. The system will provide 19 telephone (voice) channels and 16 telegraph channels in each direction between Okinawa and Japan, and a one-way television channel from Japan. Total distance of the Japan-Ryukyus microwave system, computed between Kagoshima (Japan) and Naha (Okinawa) is 414 miles. While Nase (Amami Oshima) is the southern terminus of the Japanese domestic microwave system, the facilities serving the Ryukyus are terminated at Kagoshima and not at Nase. The system is from Kagoshima to Nase, relayed via Yui Dake (mountain in Amami Oshima) to Tano Dake (mountain in central Okinawa), thence to Shuri, Okinawa. Connecting circuits between Shuri and the Naha Central Telephone Exchange Terminal are Ultra High Frequency (for television) and an underground cable for telephone and telegraph. The longest spans of the microwave system are Kagoshima to Nase, 205 miles, and Yui Dake to Tano Dake, 133 miles. The sketch on page shows the routing and distances involved in the microwave system. The points, Nakanoshima and Tokunoshima, shown on the sketch, are utilized only as passive reflectors (knife edge diffraction).

An agreement covering the operation of the microwave system was concluded and signed on 22 September 1962 by representatives of the NTTPC, RTTPC, and the Government of Japan.

Postal Service

Postal service is provided by the GRI Postal Service Agency, operating within the framework of the Construction and Transportation Department. There are 90 post offices in the Ryukyu Islands, 69 of which are in Okinawa and offshore islands, 8 in Miyako, and 13 in Yaeyama. In addition to regular domestic service, the Postal Service Agency provides parcel post service between the Ryukyus and Japan, the United States, and 35 member countries of the Universal Postal Union. A limited money order service between Japan and the United States is also provided.

Weather Service

There are seven weather stations in the Ryukyus located at Naha, Minami Daito, Kume, Miyako, Yaeyama, Iriomote, and Yonaguni. These are operated by the Ryukyu Weather Bureau, a branch of the GRI Construction and Transportation Department. In addition to weather observations, the Bureau operates weather radar equipment at Naha and Miyako, and a high altitude observation system at Minami Daito. The Miyako weather radar installation was constructed with U. S. financial assistance in the amount of \$85,000 and was activated on 22 March 1963. Another high altitude facility is under construction at Ishigaki as a joint project of the GRI and Japan at a total cost of \$103,600. This facility was scheduled for completion in December 1963.

CHAPTER 12

PUBLIC WORKS

The status of the major public works projects undertaken with United States appropriated aid funds since FY 1960 was as follows:

Ishigaki Port

The Ishigaki Port improvement project was completed in FY 1962, except for the dredging of the entrance channel and land reclamation. These will be completed as Government of Ryukyu Islands (GRI) projects.

Shioya Bridge

The approach roads, causeway, and a portion of the bridge were completed in January 1962. The construction of the main steel truss span, which began in April 1962 at a total cost of \$299,580, was completed on 23 May 1963. Completion of this project shortened Route 1, the main highway to northern Okinawa, by five miles.

Hedo-Ada Road

The first portion, 12.2 miles of this road at the northern tip of Okinawa, was completed during FY 1962. An additional 2.5 miles of the road and two bridges (Ie and Sosu bridges) were completed during FY 1963.

Hirara Port

Improvements of Hirara Port, including extension and widening of the pier, extension of a breakwater, were completed with the exception of dredging the boat-turning basin. The dredging contractor failed to complete this project after accomplishing 52 percent of the work. The GRI will carry over this project with their own funds. Scheduled completion date is late 1964.

Highway No. 1 (Nago - Hentona)

By the end of FY 1963, 3.8 miles of Highway No. 1 was widened to 22-25 feet. A contract for widening an additional 4.2 miles was awarded at a total cost of \$238,200. This road is the main north-south road on the west side of Okinawa and is paved from Naha to Nago. This project will be completed in 1967.



Shioya Bridge in northern Okinawa



Opening of the Hedo-Ada Road

Unten, Yakena, Baten Ports

Unten Port improvements, including a quay wall (110 meters), retaining wall (135 meters), and dredging, were completed on 31 May 1963 at a total cost of \$161,006. The construction of a wharf at Yakena Port and the breakwater at Baten Port were also completed during FY 1963.

Gabu River

Construction work on the Gabu River project began in September 1962. Total cost of the project is \$310,000 and involves the construction of 500 meters of closed culvert on the Gabu River. Completion date is scheduled for early 1964.



Gabu River construction gets under way

Highway No. 5 (Shuri - Maehara)

A contract for the asphalt paving of 3.5 miles of Highway No. 5 was awarded in February 1963. Project cost is \$118,510 and is scheduled for completion in September 1963.

Ie Port

A contract for improvements of Ie (Kabira) Port, which included a 25 x 50 meter-pier and a 56-meter wharf, was awarded in April 1963. Total cost of the project is \$120,583, with a scheduled completion date of June 1964.

Aguni Port

A contract for the construction of an 80-meter pier and a 60-meter breakwater was awarded in February 1963. Total cost is \$81,400. This will be completed by February 1964.

CHAPTER 13

BANKING AND PRIVATE FINANCE

BANKING AND CREDIT

Fiscal Year 1963 was a year of progress for banking in the Ryukyu Islands. The most important achievement of the year was the promulgation on 1 September 1962 of Change Number 1 to High Commissioner Ordinance Number 37 on "Banks, Banking and Credits." This Change created the Bank Supervisory Authority (Financial Inspection Bureau) as an independent agency of the Government of the Ryukyu Islands (GRI).

The Change was adopted after a series of discussions among the Office of the High Commissioner, banking representatives, and the GRI.

Other accomplishments of the amendment were the strengthening of bank supervisory authority, giving examiners prestige within the government and banking circles, and instilling ethical concepts and social responsibility in banking.

With the establishment of the Financial Inspection Bureau, HOKAMA Kanwa was appointed Banking Administrator with the rank of a departmental director. YOZA Shoken was selected as Chief Examiner. The two men departed from Okinawa on 7 March 1963 for the United States for a 60-day tour under the National Leader Program. The tour included an extended study of methods and procedures of bank examination at the Federal Reserve Bank of Richmond, Virginia.

Following the return of this team to Okinawa, the Financial Inspection Bureau completed the annual examination of all Ryukyuan banks, as required by the Banking Ordinance. As a result, irregularities and malpractices were brought to light in the operation of a sogo (mutual) bank; and its president, the managing director, and the director of the general affairs department resigned. The bank was then placed under surveillance, with necessary measures taken by the Financial Inspection Bureau to avoid a possible bank run while the institution was being reorganized. The GRI police department was also alerted for appropriate criminal investigation.

In strengthening the loan portfolios of Ryukyuan banks, the Financial Inspection Bureau placed continuous emphasis on accurate appraisals of bank loans by GRI bank examiners. Due to adequate follow-up and timely administrative actions, favorable reductions were accomplished in the banks' statutory bad debts and loan concentrations during the year.

A continued upward trend of deposits and loans was noted during FY 1963, and the outlook for the future of banks in general is one of optimism.

Analysis of Principal Balance Sheet Accounts of Ryukyuan Banks

| | <u>June 1962</u> | <u>June 1963</u> | <u>Increase</u> | <u>%</u> |
|---------------------------------------|------------------|------------------|-----------------|----------|
| Total of invested capital | \$ 2,720,471 | \$ 3,825,000 | \$ 1,104,529 | 40.6 |
| Total of earned surplus | 4,421,791 | 4,709,523 | 287,732 | 6.5 |
| Total of commercial loans outstanding | 80,212,415 | 98,529,754 | 18,317,339 | 22.8 |
| Total of mujin/sogo loans | 11,226,014 | 10,020,052 | (-1,205,962) | -10.7 |
| Total of demand deposits | 54,799,248 | 65,415,965 | 10,616,717 | 19.4 |
| Total of time deposits | 52,777,439 | 62,238,568 | 9,461,129 | 17.9 |
| Total of mujin/sogo deposit accounts | 14,138,822 | 14,938,910 | 800,088 | 5.7 |

Another significant development in this reporting period was the issuance of an unrestricted license to the Okinawa Commercial Branch Office of the American Express Company (AMEXCO). Ryukyuan borrowers can now apply directly to the Commercial Office of AMEXCO for financing arrangements without processing them first through a Ryukyuan bank.

BANK OF THE RYUKYUS

The Bank of the Ryukyus was established by Military Government Ordinance Number 1, dated 4 May 1948, to engage in general banking and thereby provide the government and the people of the Ryukyus with general banking facilities and services unavailable at that time. The Civil Administration has continuously held a 51 percent stockholders' interest in the bank.

During FY 1963, the capital of the bank was increased from \$300,000 to \$900,000. A special stockholders' meeting of the bank, held on 17 December 1962, approved the capital increase by means of a \$300,000 stock dividend declaration and a \$300,000 sale of new stock issues. Stock subscriptions for the new issues were offered initially to stockholders of record as of 17 December 1962 and allocated in proportion to their holdings. Payments on the stock subscriptions were completed prior to 31 March 1963. Presently, the Office of the High Commissioner holds 459,000 shares of the 900,000

shares of the bank's total stock issues. An investment of \$153,000 from the High Commissioner General Fund to the Bank of the Ryukyus was made in FY 1963 for the purpose of retaining the 51 percent controlling interest in the bank.

New records were set during the year by the bank. The bank's resources, on 30 June 1963, were the highest since its establishment, totaling approximately \$100.2 million and showing an increase of \$12.8 million over the previous year. Deposits and loans also were at a record new high, reflecting balances of \$68.4 million and \$52.1 million, respectively, as of 30 June 1963. As compared with a year earlier, deposits were \$8.6 million higher and loans and discounts were \$9.8 million greater.

Because of the strong demand for credit during the year, loans were consistently made by the Bank of the Ryukyus on a selective basis, with priority given to key industries. Special emphasis was placed on greater diversification in the bank's loan portfolio with the objective of reducing excessive lines and loan concentrations.

In keeping with the bank's program of modernization, top management changes were effected in May 1963. The bank's president, vice-president, and two directors retired on 20 May 1963. Branch bank expansion continued during the year, with two new branches opening in Naha. At the end of the year, the bank has 20 branches, all of which are domestic.

The annual independent audit of the bank for the year was awarded to the Miyasaka CPA firm. The audit covered a 12-month period ending 31 March 1963 and was completed in May 1963. There were no major findings noted in the report.

Net operating earnings after taxes for the bank's business year ending 31 March 1963 amounted to \$339,831, reflecting continued stability in earnings as demonstrated by per share earnings of \$1.13 this year compared to the \$1.10 per share last year.

PART III
SOCIAL DEVELOPMENT

CHAPTER 14

GROWTH IN EDUCATION

GENERAL

Appropriations for Education

The period 1 July 1962 through 30 June 1963 showed a continued growth of the Ryukyuan educational system and its facilities. Some evidence of the tremendous increase in Ryukyuan educational facilities is indicated in the following appropriations for education:

| | |
|--|---------------------|
| Total Appropriations | <u>\$14,274,169</u> |
| Government of the Ryukyu Islands (GRI) | 11,649,542* |
| U. S. Appropriated Aid (ARIA) | 2,336,850 |
| Government of Japan (GOJ) Aid | 287,777 |

*This was 33.8 percent of the total GRI budget.

Teachers' Salary Supplement

For the second year, the sum of \$1 million was appropriated out of the ARIA funds to supplement the salaries of Ryukyuan teachers. Originally designed to provide a supplementary increase of approximately 15 percent of the base salary for each teacher, the percentage amount of the supplement decreased as the number of teachers increased. Ryukyuan public school teachers employed in the 1961-1962 school year totaled 7,427 and increased to 8,032 in the 1962-1963 school year.

School Construction

The largest capital outlays in the expansion of Ryukyuan education were devoted to school construction. During FY 1963, the Government of the Ryukyu Islands spent \$1,584,700 for the construction of classrooms. This included the construction of a new senior high school in Oroku, bringing the total number of senior high schools in the Ryukyus to 26. ARIA funds were used to provide \$600,000 for classrooms and \$115,000 for the completion of the construction of two engineering buildings at the University of the Ryukyus.

Construction of an English Language Center, adjacent to the University of the Ryukyus campus, was started in June 1963. Although it will not be administered by the University, the Center will support the English program of the University.

Free Textbooks for Elementary School Children

An entirely new program commenced in the school year beginning 1 April 1963 when free textbooks were distributed to public school children enrolled in grades one through six. The GOJ furnished one-third of the cost of the textbooks, and the GRI funded the remainder.

Legislation

Two bills affecting education were enacted during FY 1963. The first was "An Act Concerning Promotion of Sports" (GRI Act No. 27, 1963). This made it mandatory for the GRI to subsidize public sports activities. The government must also provide part-time physical education consultants for each of the 60 local school districts.

The second bill was "An Act for the Partial Amendment of the Certification Law for Education Personnel" (GRI Act No. 59, 1963). Fees for teachers' certificates were increased to reflect rising administrative costs.

School Enrollments

Increased enrollment was registered in the junior and senior high schools and in higher educational institutions. Junior high and senior high school enrollments on 1 April 1963 exceeded those of 1 April 1962 by 4,846 and 4,253, respectively. Enrollments in Ryukyuan institutions of higher learning exceeded 4,000 for the first time. The elementary schools, however, registered a decrease of 4,108 pupils.

The total number of students enrolled in public schools, colleges, and universities in the Ryukyus on 1 April 1963 was 268,178, of which 159,817 were in elementary schools; 78,329 in junior high; 25,986 in senior high; and 4,046 in institutions of higher learning. In addition, 3,743 Ryukyuan students were enrolled in institutions of higher learning in Japan as of December 1962, and 101 (including ARIA students) were studying at universities and colleges in the United States. These figures show that about 30 percent of the Ryukyuan population was in school. (For comparative and projected statistics on elementary and secondary school enrollments, see table 35, page 329, Appendix V.)

HIGHER EDUCATION

There are four institutions of higher learning in the Ryukyu Islands. The University of the Ryukyus, which was founded in 1950, is government-supported, while the other three, Okinawa University, Kokusai (International) University, and Okinawa Christian College, are private institutions.

University of the Ryukyus

Staff

The University of the Ryukyus opened its doors on 22 May 1950 with a faculty of 44. On 1 April 1963 its staff, headed by President YONAMINE Matsusuke, had increased to 200 administrative personnel and 169 teachers.

In order to achieve and maintain high teaching standards, continuous efforts are being made for the improvement of the professional staff. Currently, 19 staff members are studying either in the United States or Japan for advanced degrees or on research projects. In addition, 74 faculty members attended various seminars and academic conferences held during the year in Japan, Taiwan, and the Philippines.

Students

During the academic year April 1962 - March 1963, 640 students were admitted as freshmen. This was approximately 35 percent of the 1,851 high school graduates applying for admission.

There were 553 graduates in March 1963. Out of this total, 347 found employment in the educational field, 50 in government service, and 56 in banking and commercial enterprises.

Total student enrollment as of 1 April 1963 was 2,465, with 1,089 enrolled in the Faculty (College) of Arts and Sciences, 807 in the Faculty of Education, and 569 in the Faculty of Agriculture, Home Economics, and Engineering. Male students comprised about three-fourths of the total enrollment.

Scholarship Assistance

Scholarship assistance to needy students is made available through donations and government appropriations. During FY 1963, 15 organizations donated \$4,937 to the University of the Ryukyus Foundation to be used for scholarships for needy students. The GRI allocated \$3,500 to be used to provide tuition scholarships to 70 University of the Ryukyus students.

Curriculum

Faculties (Colleges). The University of the Ryukyus is divided into three faculties or colleges. They are: Faculty of Arts and Science; Faculty of Agriculture, Home Economics, and Engineering; and Faculty of Education. These faculties offer instruction through 26 departments, 13 of which are in the Faculty of Arts and Science;



Graduation ceremonies of the University of the Ryukyus in the new gymnasium-auditorium, 11 March 1963

namely, Japanese Literature, English Literature, History, Geography, Law and Political Science, Sociology, Economics, Business Administration, Mathematics, Physics, Chemistry, Biology, and Fine Arts. Departments under the Faculty of Agriculture, Home Economics, and Engineering are: Agriculture, Animal Husbandry, Forestry, Agricultural Chemistry, Home Economics, Mechanical Engineering, Electrical Engineering, and Civil Engineering. Those under the Faculty of Education are: Education, Elementary Education, Music, Physical Education, and Vocational Technical Education.

One of the most significant new programs in the Faculty of Education is the vocational technical teacher training program which opened in the 1961-1962 academic school year. This program is designed to give practical training to education majors who plan to teach vocational subjects in the junior and senior high schools. It is a four-year program which includes training in metal work, electricity, woodworking, auto-mechanics, and related subjects.

This shop-training program began with three instructors and 20 students in the first-year class and 9 transferees in the second-year class. The current year started in April 1963 with 20 students enrolled in the first-year class, 20 in the second-year, 16 in the third-year, and 9 in the fourth-year classes. The staff was increased to five instructors.

The Asia Foundation financed a project for visiting professors from the Industrial Teacher Training Institute of Taiwan Provincial Normal University to work with the regular instructors. This assistance has contributed much to the program. Plans have been made to continue the visiting professor program from October 1963 through March 1964.

The staff and shops were also utilized for in-service vocational teacher training during vacation periods, and extension of this service is now being planned.

Post-Graduate and Summer Extension Course Programs. The school curriculum also includes post-graduate work and summer extension courses. Presently, there are seven students remaining at the university for an additional year doing post-graduate research work.

During the summer of 1962, 25 summer classes and 6 correspondence courses were offered to 1,565 in-service teachers, out of whom 1,356 completed the courses and earned credits. Eight night classes for adults were held during 16 April 1962 to 16 November 1962; and, out of 352 students, 320 completed the courses and earned credits. In addition, three evening English classes for adults (non-credit) were held for 512 students during the period 2 July 1962 to 10 May 1963.

Classes were also offered for students of the Naha, Koza, and Public Health Nurses Training Schools in the academic year 1962 - 1963.

Finances

Funds for the University of the Ryukyus totaled \$1,233,438 in FY 1963. These were as follows:

| | |
|--------------------------------------|-----------|
| GRI appropriation | \$784,562 |
| Tuition and other receipts | 76,968 |
| Carry-over from previous fiscal year | 21,913 |
| U. S. grant-in-aid | 315,000 |
| Asia Foundation grants-in-aid | 23,991 |
| Rockefeller Foundation grants-in-aid | 11,004 |

Future Plans

The University of the Ryukyus, now in its fourteenth year, is planning for future expansion. Projects currently being studied are: professional upgrading of the university faculty, re-examination of the university mission, land acquisition for future campus expansion, integrated building construction plan, and a long-range development plan.

Michigan State University Consultation

Michigan State University has provided a program of professional service at the University of the Ryukyus since 1951 under a Department of Army contract. The specific services are divided into three major categories:

- a. Furnishing advice and technical assistance to the Civil Administrator and his designated agents in connection with the activities and operations of the university.
- b. Providing technical cooperation in the teaching, research, and general academic programs of the university and assisting in the development of academic and instructional procedures in accordance with modern university practices.
- c. Furnishing research, consultation, extension, and instructional services.

During FY 1963 the staff of the mission consisted of a Chief of Party, a consultant in English Language, a consultant in Agriculture, and a consultant in Sociology.

VOCATIONAL EDUCATION

General

Plans for an extended practical vocational training program, with U. S. technical and material aid, were initiated late in 1956. U. S. financial assistance was requested in 1957, and the first appropriations were received in FY 1959. Vocational training in the Ryukyuan schools was mostly theoretical before that time, although the agricultural high schools had a limited amount of practical training. The GRI cooperated in the program by building shoprooms and purchasing some equipment. U. S. budget support, from FY 1959 through FY 1963, for junior and senior high school vocational equipment totaled \$1,185,000. In addition, large amounts of surplus military equipment were secured.

Senior High Schools

There are nine vocational senior high schools in the Ryukyu Islands. In addition, 16 high schools, which formerly had only academic courses, have included several technical courses in their curriculums.

Enrollments in senior high school vocational courses in April 1963 totaled 16,598 as compared to 7,653 in 1956 when the improvement program was initiated. (See table 36, page 330 , Appendix V, for detailed statistics.)

Junior High School Shops

Continued attention was given to the development of junior high school industrial art shops. All male students were given some shop training, but extra training was given to those who will not be able to enter senior high schools. Equipment purchased from the FY 1963 budget arrived, and installation started in 21 junior high school shops. These shops, added to those already established, brought the number of junior high school shops to 45. Equipment lists were prepared for 18 more junior high school shops, and it is planned that all junior high schools with an enrollment of 400 or more will have a shop by 1964. The GRI is cooperating to meet this objective. Plans have also been made to equip all small junior high schools with hand tools.

New Schools

Preliminary plans were developed to establish a school in Okinawa in FY 1965 solely for the purpose of teaching trades. The following courses will be offered: auto-body repair, plumbing and



Students of Okinawa
Fishery High School
practicing Morse code

Using a planer at
Mawashi Junior High
School



Shop training at
Okinawa Technical
High School

heating, welding, sheet metal work, concrete and masonry work, painting, cabinet making, carpentry, printing, upholstering, tailoring, appliance and small motor repair, construction wiring, refrigeration and air-conditioning, television and radio repair, maid service, hotel operation, and food service. This school will have both day and evening classes. Building plans are now under consideration. A list of necessary equipment was drawn up with the cooperation of military and civilian organizations.

Preliminary plans were also made to establish a commercial English school in FY 1965. This school will train office workers to become efficient in both English and international business practices.

Vocational Teacher Training

In addition to the pre-service vocational teacher training course at the University of the Ryukyus, 78 high school teachers participated in government-sponsored, in-service training programs during FY 1963. Several school administrators and GRI educational representatives also observed vocational practices in Taiwan.

A four-and-a-half-month vocational education pilot training course at the East-West Center in Hawaii was held during the 1962-1963 school year. It was attended by the vocational adviser of the GRI Education Department, the chief of the vocational teacher training section of the University of the Ryukyus, and the head teachers at the Okinawa Technical High School and Koza Senior High School.

English Language Program

Considerable hours were devoted to English-language instruction during FY 1963, but there was and is room for expansion and improvement. This instruction was carried out through various programs; namely, formal instruction in elementary, junior and senior high schools; job-connected instruction conducted by the Civilian Personnel Offices of the U. S. Army and Air Force, and by the U. S. Civil Administration; self-improvement courses given by private English schools, American-Ryukyuan Cultural Centers, University of the Ryukyus extension class, and radio and TV networks. Junior and senior high schools' English programs have been greatly improved by the more than 250 members of the American Volunteer Teachers' Association, mostly military dependents, who contributed their services as teachers of conversational English.

EDUCATIONAL EXCHANGE PROGRAM

The Education Department, Office of the High Commissioner, provides opportunities for Ryukyuans to continue their education. The program has seven principal sub-programs.

1. Administration of the Ryukyu Islands, Army (ARIA) Scholarship Program

The ARIA student program began in 1949 as an undergraduate program for sending qualified students to the United States. Scholarships have increased in number, and the recipients are now restricted to college graduates. Thirty-five scholarships were awarded in FY 1963 for study at the following United States graduate schools:

Universities

| | | | |
|------------|----|--------------------|---|
| California | 6 | Indiana | 2 |
| Hawaii | 10 | Iowa State | 1 |
| Illinois | 2 | Michigan State | 2 |
| Kentucky | 1 | Purdue | 1 |
| Michigan | 5 | Ohio State | 1 |
| Texas | 1 | Southern Methodist | 1 |
| Utah | 1 | Wisconsin | 1 |



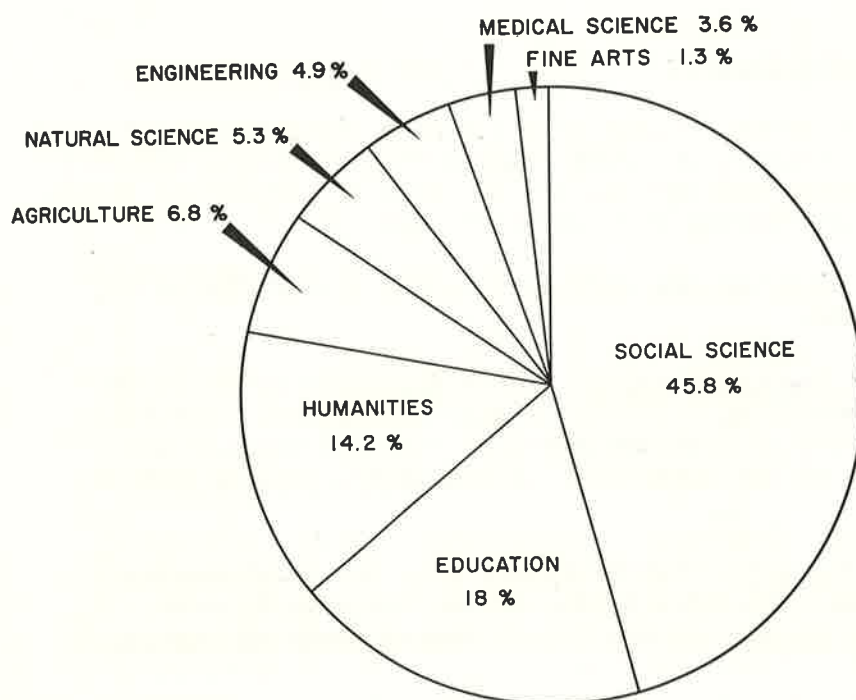
ARIA students departing for the United States

Scholarship students receive transportation, insurance, tuition, approximately \$100 per year for books, and subsistence allowances ranging from \$155 to \$220 per month. Scholarships are for one year with a renewal option for a second year, provided the student is progressing satisfactorily in his studies.

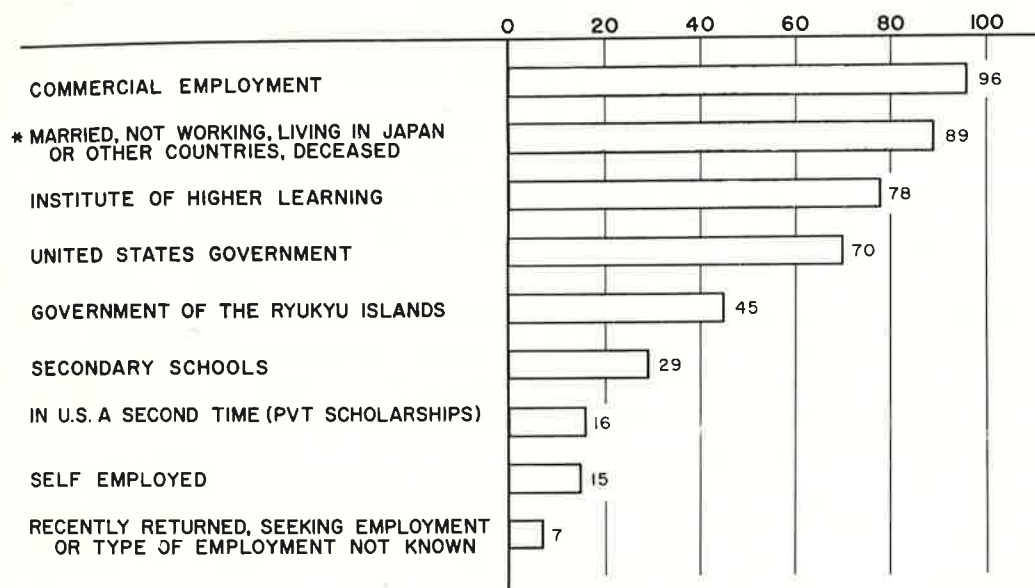
More than one-fourth of the ARIA students succeed in obtaining the master's degree within the two-year scholarship period. Some students have been able to obtain private support in the form of assistantships and fellowships to complete the requirements for advanced degrees.

Students return to the Ryukyus after one or more years of study in the United States to render much needed professional services. The accompanying charts show the subjects studied by students while in the United States and the type of employment they obtain after returning to the Ryukyus.

SUBJECTS STUDIED IN THE U.S. BY ARIA STUDENTS



TYPE OF EMPLOYMENT ENGAGED IN BY ARIA SCHOLARSHIP STUDENTS WHO HAVE RETURNED FROM THE U.S.



DATA COLLECTED ON 445 RETURNED STUDENTS, CORRECT AS OF 30 JUNE 1963.

* INCLUDES 22 RESIDENTS OF AMAMI ISLANDS WHO REVERTED TO JAPAN IN 1953.

2. National Leader Program

The National Leader Program is for senior citizens of the Ryukyus. Under this program, Ryukyuan leaders in government, industry, education, public health, and agriculture are sent to the United States for observational tours ranging from 30 to 90 days.

In FY 1963, 10 Ryukyuan were sent to the United States on four different missions:

a. Cultural Leaders Mission. Three Ryukyuan spent 60 days in the United States studying cultural affairs activities. Participants were two directors of Ryukyuan-American Cultural Centers and the assistant curator of the Government of the Ryukyu Islands Museum at Shuri.

b. Banking Mission. Two Ryukyuan (the Chief and Deputy Chief of the Financial Inspection Bureau of the Government of the Ryukyu Islands) spent 60 days in the United States studying banking operations.

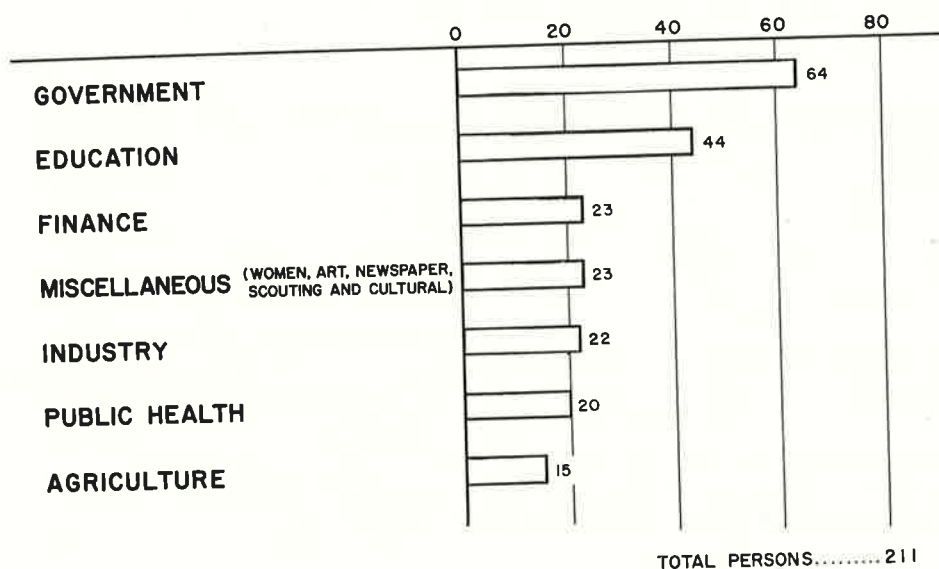
c. Livestock and Poultry Mission. Two Ryukyuan spent 60 days in the United States studying veterinarian practices. The participants were the Chief of the Livestock Section, GRI Economics

Department, and the staff veterinarian of the GRI Animal Health Research Institute.

d. Transportation Mission. Three Ryukyuan spent 45 days in the United States studying land transportation. Participants were the sub-section chief of the Land Transportation Section, GRI Construction and Transportation Department; the Director of the Okinawa Motor Trading Company; and an employee of the Showa Sangyo (bus) Company.

Since the beginning of the program in 1950, a total of 211 Ryukyuan have visited the United States. The chart below shows the training given under this program according to functional area.

RYUKYUAN NATIONAL LEADER (AS OF SEPT. 1963)



3. Farm Youth Program.

The Farm Youth Program is a joint project sponsored by the U. S. Civil Administration and the Government of the Ryukyu Islands. In Hawaii, the program is coordinated by the U. S. Army, Pacific, and the United Okinawan Federation of Hawaii. Under this program, from 9 to 20 young Ryukyuan farmers work and study for six months on farms in Hawaii. The farm youths specialize in the type of farm operation that they will pursue after their return to Okinawa.

In FY 1963, 20 youths participated in the program, bringing the total number of participants to 99 since the program was started in 1953.

4. Third Country Training Program

The number of Ryukyuans participating in the Third Country Training Program, sponsored by the U. S. Agency for International Development (AID), reached a peak of 131 in FY 1963. The continuous growth of this program is shown in the increase of participants since FY 1960, the first year of the program:

| | |
|---------|------------|
| FY 1960 | 32 |
| FY 1961 | 29 |
| FY 1962 | 86 |
| FY 1963 | <u>131</u> |
| Total | 278 |

A breakdown of the program, by types of training and host countries, is shown below:

| <u>Type of Training</u> | <u>Taiwan</u> | <u>Japan</u> | <u>Philippines</u> | <u>Korea</u> | <u>Total</u> |
|-------------------------|---------------|--------------|--------------------|--------------|--------------|
| Agriculture | 117 | 12 | 2 | 2 | 133 |
| Public Health | 38 | - | - | - | 38 |
| Industry | 34 | 22 | 8 | - | 64 |
| Education | 28 | - | - | - | 28 |
| Public Affairs | 8 | - | - | - | 8 |
| Finance | 7 | - | - | - | <u>7</u> |
| Grand Total | | | | | 278 * |

* These totals do not include 86 additional vocational education shop teachers who were trained in Taiwan in a program sponsored by the Asia Foundation.

The large number of trainees sent to Taiwan was made possible through counterpart funds made available to U. S. AID/China by the Government of the Republic of China. Approximately 150 Ryukyuans will participate in Third Country Training on Taiwan in FY 1964.

5. Training of Physicians and Medical Technicians

During FY 1963, one medical technician completed a 10-month basic and advanced training course in medical equipment maintenance at the U. S. Army Medical Optical and Maintenance Activity, St. Louis, Missouri. On-the-job training courses were held at the U. S. Army Hospital and the Veterinary Dispensary on Okinawa for one physician and two veterinarians. Another doctor was sent to Washington, D. C., to attend the World Forum on Syphilis.

6. Training of Police and Prison Officials

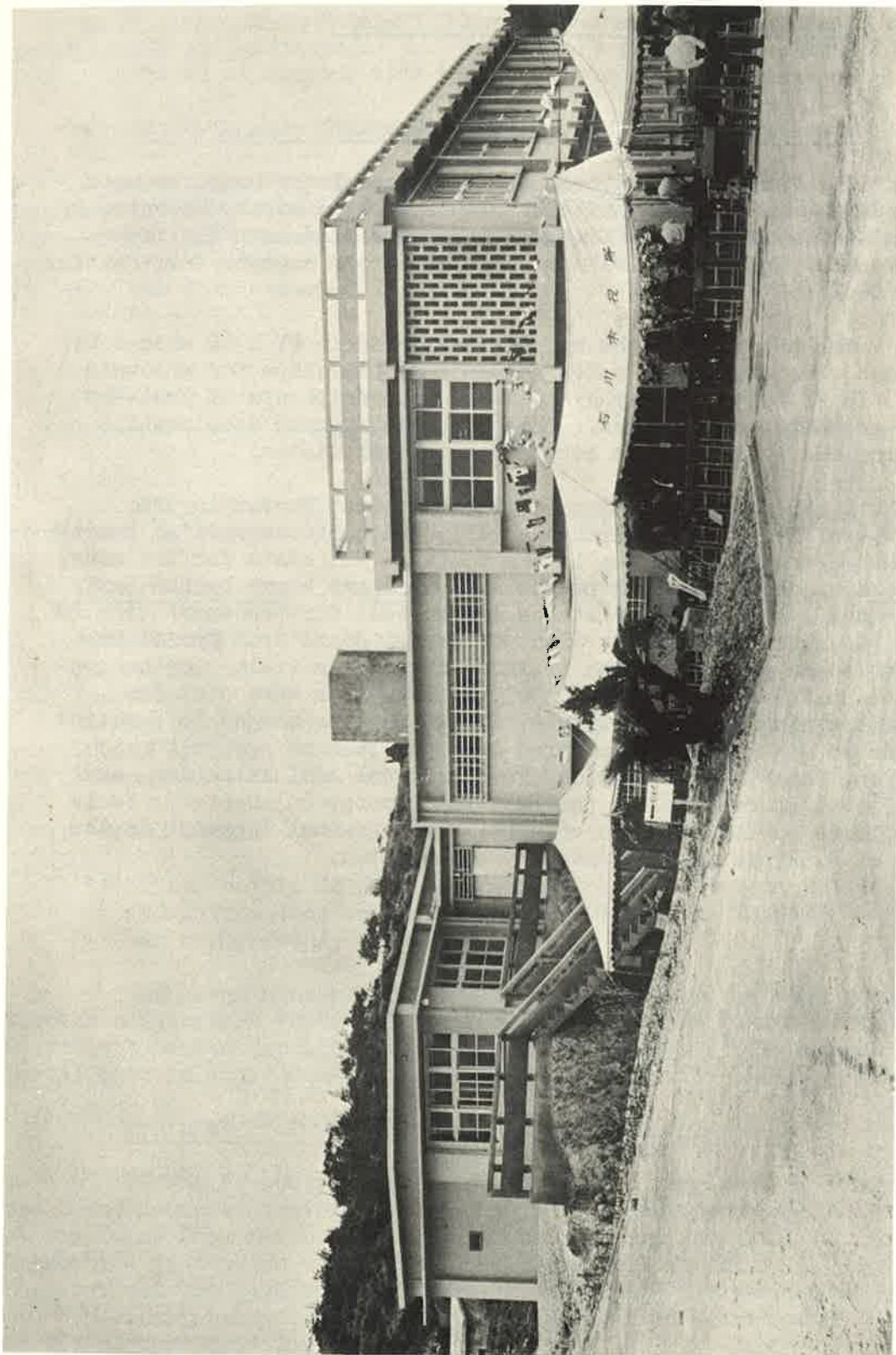
No training was conducted under this program in FY 1963.

7. East-West Center, University of Hawaii

The Center for Cultural and Technical Interchange between East and West was founded in 1960. It is located at the University of Hawaii. Funds for this Center are appropriated annually from U. S. funds. The Ryukyu Islands have been given a quota for training at the Center.

The program for the Ryukyus commenced in FY 1962 when four Ryukyuans were awarded 21-month academic scholarships for graduate study. In FY 1963, five Ryukyuans were the recipients of East-West Center graduate scholarships. These are all expense scholarships which include a trip to the continental United States.

Another major division of the East-West Center is the Institute of Technical Interchange (ITI) which offers special training courses ranging from one to six months. All costs for training, living, and miscellaneous expenses in Hawaii are borne by the East-West Center. ARIA fund assistance is provided for transportation to and from Hawaii. ARIA funds also pay travel costs from Hawaii to California and return, if the training includes a visit to the continental United States. In FY 1963, 10 Ryukyuans were sent for special training at the Institute. These courses ranged in duration from one to six months and covered subjects such as Agricultural Extension, Vocational Education, Public Fiscal Administration, and Audio Visual Education. As the East-West Center enlarges its facilities, more courses will be offered, and a gradual increase in the number of Ryukyuan participants may be expected.



Formal opening of the Ishikawa Health Center on 27 April 1963

CHAPTER 15

PUBLIC HEALTH AND WELFARE

PUBLIC HEALTH

The Office of the High Commissioner provides guidance, advisory services, and facilities to the Government of the Ryukyu Islands (GRI) public health service in promoting three main objectives: to detect, evaluate, and control disease through medical and health examinations of individuals and groups; to prevent disease and to maintain and promote health through sanitary and hygienic living and work environment; and to provide services and facilities for diagnosis, treatment, rehabilitation, and epidemiology.

Medical Facilities

Health facilities of the Government of the Ryukyu Islands include 5 general hospitals at Naha, in central Okinawa, and at Nago, Miyako, and Yaeyama; 2 tuberculosis hospitals at Kin and Itoman; 2 neuropsychiatric hospitals (one of which is a semi-governmental institution); 6 district health centers; 6 area health centers; 2 leprosaria; and 32 dispensaries.

During FY 1963, U. S. funds in the amount of \$897,000 were obligated for construction and improvement of the following medical facilities:

Okinawa Central Hospital. A contract was awarded in June 1963 for the construction of the new Okinawa Central Hospital to replace the Koza General Hospital. This will be a 150-bed facility constructed on a chassis which will be adequate for expansion to 400 beds. U. S. funds in the amount of \$657,000 were programmed for this project. The facility will be located in Gushikawa-Son and is scheduled to begin operations in 1965. When completed, this hospital will become the nucleus facility for medical service, training, and research. Approximately 250,000 inhabitants of central and northern Okinawa will be served by this facility.

Naha General Hospital. The second floor, which housed the nursing school and dormitory, is being renovated and modified to provide 150 additional beds. U. S. funds in the amount of \$100,000 were programmed for this modification and equipment.

Naha Nursing School and Dormitory. Construction began in April 1963 and is scheduled for completion in February 1964. The school will provide classroom and living accommodations for 175 nurses. Funds

in the amount of \$132,000 were appropriated for this project (\$50,000 by the U. S. and \$82,000 by GRI).

Airaku-En Leprosarium. A total of \$90,000 of U. S. funds was appropriated for the rehabilitation and the construction of a laboratory and a ward for the permanently handicapped.

Ishikawa Health Center. A new health center at Ishikawa was opened on 27 April 1963. U. S. funds in the amount of \$75,000 were appropriated in FY 1962 for this project. This center will help to alleviate part of the workload of the Nago and Koza Health Centers.

Medical Personnel

The shortage of trained medical personnel continued to be a problem. The Japanese Government was requested to provide 15 doctors for the doctorless areas of the Ryukyu Islands; however, difficulty was encountered in getting doctors to serve for a two-year period in these remote areas. This problem was later solved through provision of salary increases and additional stipends.

In addition, discussions were held with the Government of Japan for the assignment of 25 doctors to the Ryukyu Islands to assist in the hospitals, health centers, and dispensaries. In this respect, GRI emphasized the importance of recruiting qualified doctors only. Previous groups from Japan included medical servicemen who, although classified as doctors through the enactment of a new law in Japan, had not had formal training in an approved medical school. Most of them proved to be unqualified and could not be fully utilized.

Continued efforts were made to persuade Ryukyuan medical and dental students graduating from schools in Japan to return to the Ryukyu Islands.

As of 30 June 1963, there were 357 physicians in the Ryukyu Islands, or one doctor for every 2,532 persons. Public Health nurses numbered 212, or one for every 4,264. (See table 37, page 331, Appendix V, for details on medical and para-medical personnel.)

Training

An increase in the budget was requested for training medical and para-medical personnel in other countries. Personnel trained from these funds were to be sent to the United States or Hawaii. Doctors were encouraged to take the international examination for resident work so that they might be able to participate in this program.

On-the-job training continued at the U. S. Army Hospital. One doctor was able to complete four months of his six month-tour

before being reassigned as director of one of the health centers. In addition, two veterinarians were trained at the Veterinary Dispensary.

Twenty-seven doctors, nurses, and technicians were sent to Taiwan under the sponsorship of the Agency for International Development (AID) to participate in the Third Country Training program. One doctor was sent to Copenhagen on a World Health Organization scholarship for graduate study in anesthesiology. Another doctor attended the World Seminar on Venereal Disease in Washington, D. C. One nurse attended a school in India where she received training in public health nursing.

Medical Supply and Equipment

Continued emphasis was placed on the procurement of medical supplies and equipment for all GRI medical installations which would conform to standards recommended by the Public Health and Welfare Department, Office of the High Commissioner. Equipment and supplies, valued in excess of \$190,000, were turned over without cost to the GRI from property disposal sources. A concerted effort has been made to advise and obtain GRI cooperation in the purchase of supplies and equipment through the U. S. Army supply system where U. S. funds are involved. This will not only result in dollar savings, but will also insure that equipment and supplies purchased by the GRI will be of a superior quality.

The importance of medical equipment maintenance and upkeep is stressed at the Medical Maintenance Repairman School. A continuing series of courses is now being conducted at the school for representatives of various hospitals. Upon completion of the courses, these students will become qualified medical maintenance repairmen.

PREVENTIVE MEDICINE

Polio

Following the administration of the Salk Polio Vaccine in 1961 and the Sabin Oral Polio Vaccine in 1962, there has been no reported case of polio. A total of 106,298 children, or 78.7 percent of the total eligible child population of 134,994 between the ages of six months through six years, received the standard three doses of the Sabin Vaccine. The majority of these children were from urban areas. The cutoff at seven years of age was based on prior statistical reports on polio incidence in children of the Ryukyu Islands which indicated that, by the time a child had reached the age of seven, it had developed immunity through repeated exposure. All health centers, with the exceptions of Naha and Miyako, had an average turnout of approximately 85 percent, the highest for a program of this type.



Ryukyuan children receiving the Sabin Oral Polio Vaccine

The high transient population and difficulties in advertising were factors in the low turnout of 69.2 percent in Naha. Nago Health Center turned in the best performance, with 95.6 percent of its total eligible children receiving the three doses of the vaccine.

This immunization program will be conducted on a continuing basis until 100 percent of the total population is immunized.

Cholera

Although there were cholera epidemics in Southeast Asia, not a single cholera case was found in the Ryukyu Islands. One carrier was detected, but prompt action on the part of the health officials prevented the spread of the disease. The proximity of the southern islands of the Ryukyus to Taiwan, together with crowded living conditions that support a disease of this type, made the Ryukyus extremely vulnerable. Stringent measures were introduced, and the general public was made aware of the dangers involved in a possible cholera epidemic. Emphasis was placed on immunization of those in the "zone of greatest risk" and on general improvement in environmental sanitation. Police surveillance was maintained over Taiwanese fishing

vessels that arrived at Ryukyuan ports during typhoons. Quarantine facilities at seaports and airports were carefully warned not to permit entry of anyone not in possession of a valid cholera immunization certificate.

Tuberculosis

Preliminary reports tend to indicate that tuberculosis is slowly decreasing. Re-education in the treatment of the "home care" patient will further reduce this disease. It was found that many of the patients with minimally active tuberculosis were not resting or being isolated. Since many of these patients were the sole wage earners, it was not possible for them to comply fully with the "home care" program.

Under the Japanese Technical Assistance Program, 100 active tuberculosis patients were hospitalized in Japan. This relieved, to some extent, the acute bed shortage for tuberculosis patients in the Ryukyu Islands but was not sufficient to permit the hospitalization of all the minimal and moderately active cases. It is anticipated that 500 more will be transferred to hospitals in Japan during the next fiscal year.

In an effort to rehabilitate the patients as soon as possible, more pulmonary surgery is being done. The shortage of qualified surgeons, however, prevents the full utilization of this program.

Drugs used in the treatment of tuberculosis were standardized in March 1963. Prior to this time, doctors' opinions varied as to what drugs were the most effective; and, consequently, approximately 40 different drugs were being used. The pharmaceutical officer ordered drugs as requested by these doctors, with the result that several months' supply of drugs accumulated in warehouses and were not being used. By adhering to the usage of approved drugs in the doses recommended, it is believed that the number of drug resistant cases will be reduced and the average hospitalization period shortened.

Japanese "B" Encephalitis

Japanese "B" Encephalitis is the most significant insect-borne disease because of its severity and high mortality. The number of reported cases was somewhat higher than in previous years due to the abnormal dry season. Most of the cases reported involved children under 15 years of age. The reported cases were based on clinical evidence only and were not confirmed by laboratory procedure. Although a procedure for submission of blood samples to the 406th Laboratory in Japan through the U. S. Army Hospital on Okinawa has been established, no blood specimens were forwarded for confirmation for the reason that the patients were received at hospitals in such a

critical state that all the hospitals could do was to try to keep them alive.

Statistics covering the past few calendar years reveal that there has been a gradual increase in the number of encephalitis cases. There were 58 reported cases resulting in 4 deaths in 1960; 77 cases with 13 deaths in 1961; 99 cases with 21 deaths in 1962; and 60 cases with 15 deaths in the first six months of 1963. Control measures, in the form of drainage and residual spraying, have been intensified. However, in spite of extensive educational campaigns, many Ryukyuans failed to take adequate personal protective measures.

Use of encephalitis vaccine was discontinued by Ryukyuan officials after a survey revealed that fatalities had occurred among the immunized group. Tests are now being conducted on swine at the new Animal Laboratory for an encephalitis antibody titre. Swine has been regarded as one of the intermediate hosts for this disease. Some experimental work on horses as possible hosts is also being carried out in Miyako.



Drainage ditches are sprayed to prevent Japanese "B" Encephalitis

Trachoma

Trachoma is an unresolved entity and continues to be a problem because of the lack of diagnostic facilities and an effective treatment program. The true extent of this disease is not known due to the variance in the methods used in diagnosis and reporting. Physicians often report any inflammatory eye condition more serious than simple conjunctivitis as trachoma.

Dr. Chandler Dawson, consultant to the U. S. National Institute of Health, an expert on trachoma, spent one week in the Ryukyu Islands and conducted examinations at five locations on the island of Okinawa. He found that the incidence varied widely in the communities examined. The highest incidence was found on the island of Tonaki, where 30 percent of the school children examined showed positive findings, either for active trachoma or healed scars. In other communities, no trachoma was found. Conditions such as granular conjunctivitis, keratitis, and blepharitis were often grouped together and called trachoma. Trachoma patients received treatment, but no examination or treatment was given the family contacts. Dr. Dawson stressed the importance of educating doctors and nurses to recognize suspicious cases of trachoma at the time health examinations are conducted at schools.



Dr. Chandler Dawson examining students at the Tomigusuku Primary School

Venereal Diseases

The prevalence of venereal diseases resulted in efforts to secure the enactment of a realistic anti-VD law. Such a law was passed by the GRI Legislature on 16 March 1962. Although this legislation provided for methods of treatment and reporting, it did not specify detailed procedures for reporting contact sources. The utilization of "contact tracers" was objected to by many Ryukyuans, not only because of its failure in Japan but as an alleged infringement of human rights. One of the features of the bill, which was objected to by the GRI doctors, was the requirement that charges be made for examination and treatment in government facilities. They contended that this defeated the whole purpose of the law and would preclude constructive education. They further argued that, without a contact tracer program, they would not be able to uncover the reservoir in the male population and that the treatment given the prostitutes and the bar girls was merely a palliative measure. Amendments, which would provide more latitude in the application of control measures, were being studied.

Typhoid

The danger of typhoid is always present because of the possibility of water contamination, particularly in open, shallow wells. These wells are disinfected by the government only when a dysentery epidemic occurs in a community, or when it is requested by the owner, in which case a fee is charged.

Three dysentery epidemics were reported during this period. All three were from widely scattered communities and were reportedly caused by contaminated "frozen popsicles."

Filariasis

Two surveys on filariasis were conducted in the southern islands. The highest incidence was reported in Yaeyama Gunto. The efficacy of experimental drugs used in this area was evaluated, and it was found that they were useful in the early stages where the microfilaria were in the circulating blood. However, their effectiveness was doubtful in the more advanced cases.

Malaria

No new cases of malaria were reported during FY 1963. A World Health Organization malariologist, Dr. Wan I. Chen, stated that, with the continued presence of the vector and old malaria cases, it is still possible that malaria transmissions will occur. He proposed a concentrated surveillance of the so-called cured patients. One case of malaria, classified as a recurrence, was reported in a person who

originally contracted the disease in Manchuria fifteen years ago and had not left Okinawa since.

The consolidation phase of the malaria eradication program in Yaeyama ended on 30 June 1963, and the maintenance phase began on 1 July 1963. The application of residual insecticide to the interior surfaces of all structures occupied by man or animal was discontinued on 30 June 1963. Surveillance technicians will conduct house-to-house visits for the detection of fever cases. It is anticipated that the maintenance will continue until 30 June 1965; and, if there is no new transmission of malaria during the period, the disease will be classified as eradicated from the Ryukyu Islands.

Sanitation still remains the major public health concern. Demonstration areas have been used to stress the importance of new environmental sanitation methods and the need for changes in communities. Swampy, mosquito-breeding areas were filled or drained. Simple water systems with constant chlorinators were installed to increase the supply of potable water to many villages.

Statistics on prevalent reportable diseases in the Ryukyu Islands are presented in table 38, page 332, Appendix V.)

Mental Health

Inadequate facilities and lack of trained personnel present the major problems in the mental health field. There are four recognized mental hospitals on Okinawa: the government hospital at Kin, the Seiwa Hospital at Haebaru (a semi-private facility), and two private hospitals in the Naha area. These hospitals are filled to capacity. Plans are being made to enlarge the government facility at Kin.

The majority of the patients admitted to the Kin hospital were suffering from either schizophrenia or mental depression. According to the hospital reports, approximately 30 percent of those discharged return for readmission or for outpatient treatment. No shock therapy is used. Methods of treatment include tranquilizing drugs, group-suggestion, and handicraft therapy.

ENVIRONMENTAL SANITATION

Improvement has been made in the over-all sanitary conditions of the Ryukyu Islands. Most of this improvement has been in the urban areas due to the construction of modern business establishments, homes, and roads. In the isolated villages and offshore islands, where environmental sanitation projects are fragmentary with little municipal support, progress has been much slower.



Ultra-modern kitchen and dining room at the Ryukyu Tokyu Hotel

Food sanitation is one of the most critical aspects of sanitation due to the large number of substandard eating and drinking establishments and the lack of adequate supervision by the government. Ryukyuan establishments serving or catering to U. S. Forces personnel and their dependents are required to meet the military "A" (approved) sign criteria. A revision of this criteria required that all establishments be constructed of concrete and that separate flush-type latrines be provided for both sexes. The GRI and the proprietors have cooperated to the fullest extent in the implementation of these requirements.

The Ryukyu Tokyu Hotel, operated by Japan's Tokyu Hotel chain, opened two of the most modern and elaborate restaurants ever to be established in the Ryukyu Islands. These restaurants are equipped to accommodate 700 persons at one time. The huge ultra-modern kitchen is equipped with all stainless steel fixtures. Floors and walls are all tiled. These establishments will be used as models in encouraging Ryukyuan proprietors to improve sanitary conditions in all eating and drinking establishments.

The number of modern retail and wholesale food outlets and food processing plants catering to U. S. Forces personnel and their dependents continued to increase. The sanitary conditions of these establishments have been raised to the highest levels.

Waste disposal continued to be a major problem. Several local municipalities improved their refuse disposal operations by requiring that all refuse be disposed of in a central dumping area and that horse carts used for collection be replaced by trucks. Many farmers have commenced using chemical fertilizers in lieu of night soil, which, in turn, has created a disposal problem for night soil. One municipality is considering disposal at sea.

Insect and rodent control activities conducted by the GRI progressed satisfactorily, but there was lack of initiative by municipalities. Portable foggers were placed into operation to reinforce the regular mosquito control procedures. The number of insect and rodent control employees was increased by 56, and additional insecticides and vehicles were purchased to support the accelerated Japanese "B" Encephalitis control program.

PUBLIC WELFARE

Public welfare programs of the Office of the High Commissioner and the Government of the Ryukyu Islands are directed towards the development and improvement of the social welfare of the Ryukyuan people. These programs include public assistance, child welfare, aid to the physically handicapped, disaster relief, and institutional care for those persons requiring protective or rehabilitative social welfare services.

Welfare Institutions

Public welfare institutions include three homes for aged and handicapped adults, one home for dependent and neglected children, one home and training center for the deaf and blind, one training home for delinquent youths, and two temporary homes for children. The population in these institutions at the end of the reporting period was as follows:

| | |
|--|------------|
| Kosei-Ryo at Ishigaki City, Yaeyama (Aged) | 14 |
| Kosei-En at Shuri, Okinawa (Aged) | 93 |
| Kosei-Ryo at Hirara City, Miyako (Aged) | 23 |
| Ishimine Children's Home | 122 |
| Morogaku-En at Shuri, Okinawa (Deaf & Blind) | 67 |
| Jitsumugaku-En, Shuri, Okinawa (Training Home) | 61 |
| Naha Temporary Home | 16 |
| Koza Girls Home | 11 |
| | <u>407</u> |

During the year, U. S. funds in the amount of \$25,000 were obligated for the construction of needed facilities such as bath houses, dormitory, and sick wards at the homes for the aged on Okinawa, Miyako, and Yaeyama.

Public Assistance

Welfare rolls increased during the year as a consequence of the drought and the cold wave which reduced farm income. The Welfare Funds Act was amended to increase loans and to provide special consideration for the physically handicapped.

During FY 1963, there were 1,948 welfare cases opened, and 1,860 cases closed or suspended. Illness of the chief wage earner was the major reason for opening of cases with 900 cases; followed by illness of family members, 380 cases; disability of the chief wage earner, 200 cases; and decrease in income of the chief wage earner, 171 cases. The major reasons for closings or suspensions were the increase in income of the chief wage earner, 296 cases; recovery from illness of

the chief wage earner, 254 cases; increase of family income, 253 cases; and death of the recipient, 231 cases.

The monthly average number of families and persons receiving Livelihood Aid was 8,225 families (28,812 persons). As of 30 June 1963, there were 8,016 cases (28,440 persons). The average monthly grant amounted to approximately \$8.46 per family or \$2.41 per person.

The amounts expended by the GRI during FY 1963 were as follows:

| <u>Type of Aid</u> | <u>Amount</u> |
|--------------------|----------------|
| Livelihood | \$ 834,930.43 |
| Housing | 52,726.98 |
| Education | 48,966.60 |
| Maternity | 1,139.63 |
| Occupation | 3,457.38 |
| Funeral | 1,578.27 |
| Medical | 223,033.71 |
| TOTAL | \$1,165,833.00 |

The distribution of the type of families receiving assistance was as follows:

| | <u>Percent</u> |
|------------------------|----------------|
| Aged | 35.2 |
| Ill | 28.0 |
| Mother and child | 19.1 |
| Physically handicapped | 5.5 |
| Large families | 3.5 |
| Children | 1.5 |
| Unemployed | .1 |
| Others | 7.1 |

Child Welfare Services

A total of 931 children were referred to the GRI Child Welfare Center by the police, relatives, schools, courts, welfare offices, and others for counseling and services. Casework and placement services were provided to 1,081 children (pending cases included), and 225 children were given temporary care at the Center's homes in Naha and Koza. At the end of the reporting period, there were 276 children in institutions, 77 in crippled children's hospital (Okinawa Seishiryogoen), and 21 children in foster homes.

Day-care services were provided for 945 preschool children by 16 regular nurseries (14 in Okinawa, 1 in Miyako, 1 in Yaeyama). In addition, 39 seasonal nurseries provided services for 2,651 children.

Welfare Loan Funds

Five hundred thirty-six loans, amounting to \$53,877, were made by the Government of the Ryukyu Islands to low income families. Approximately 75 percent of these loans were for occupational projects, while 20 percent were for medical care.

Under a similar type program, which is administered by the Okinawa Social Welfare Council, a total of \$41,563 was provided to 300 mother-and-child families.

Physically Disabled

Sixty-four disabled persons were assisted with prosthesis and other aids, and 11 others received medical treatment during this period. Nine blind and 16 deaf completed their training at the government-operated institution in Shuri, and 32 orthopedically disabled finished their training at the government-subsidized Okinawa Rehabilitation Center in Naha.

A shipment of used but serviceable artificial limbs was received from the Committee for the Handicapped, People-to-People Program, Washington, D. C. The shipment was transported as part of the U. S. Navy "Operation Handclasp" and was turned over to the Welfare Section, GRI, for proper distribution.

Ryukyu Islands Voluntary Agencies Committee (RIVAC)

An important adjunct to the welfare program is the distribution of relief foods to the indigent and low income groups throughout the Ryukyu Islands. These relief foods consist mainly of U. S. Department of Agriculture surplus commodities distributed free to needy people throughout the world. Under the provisions of Public Law 480, the U. S. Government may designate certain recognized voluntary agencies to make this distribution abroad. In Okinawa these agencies are the Church World Service and the Catholic Relief Service of the National Catholic Welfare Conference. These agencies, together with representatives of the Government of the Ryukyu Islands and the Office of the High Commissioner, comprise RIVAC. This committee makes estimates of annual relief food requirements for the Ryukyu Islands. These requirements are then submitted to U. S. Government agencies in Washington, D. C., for approval and become the basis for annual programs for this area.

Due to the serious drought situation in the Ryukyus, more surplus food was requested and distributed in FY 1963. Food such as milk, grain foods, oils and cheese, totaling 31,616,000 pounds and valued at approximately \$2,845,440, was distributed to 284,900 recipients in school lunch programs and 191,770 recipients of welfare relief.



A shipment of relief food arrives in Naha



RIVAC school lunch program at the Kainan Primary School

Fund Drives

The Okinawa Social Welfare Council and the Anti-Tuberculosis Association conducted successful fund drives. United States military units contributed \$2,800 to the Community Chest, and over \$6,500 to the anti-tuberculosis campaign.

The Ryukyuan-American Welfare Council coordinated welfare programs among American clubs and organizations and contributed over \$22,000 to welfare institutions and individual needy cases. This included \$4,980 donated to the International Social Service. Clothing and toys were also donated by organization members.

CHAPTER 16

LABOR

GENERAL

Within the labor movement, the most important development was the disintegration of the Okinawa Federation of Labor Unions (Okiroren). Since its formation in June 1961, the organization has been dominated by public employees' unions. However, during FY 1963, industry unions grew in influence. Three of the larger unions; namely, the Okinawa Seamen's Union, the Okinawa Textile Workers' Union, and the Okinawa Transportation Workers' Union, became affiliated with moderate national unions in Japan, who have influenced significantly the trend of Okinawan private industry unions to move away from political activity toward traditional "bread and butter" issues. These unions initiated and led a move by several unions to secede from the Federation, which began just as the reporting period ended. The move represented a protest against the activities of some of the public employees union and smaller industry unions, which were considered to be leftist-oriented.

The most important labor dispute during the period involved the Okinawa Transportation Workers' Union, the Gin Bus Company Union, and the Okinawa Bus Company Union. They formed a "Joint Struggle Council," under the leadership of the Okinawa Transportation Workers' Union, and staged a fifty-day strike against the bus industry during April and May 1963. The demands were for a pay hike of \$15 per month and for a reorganization of the industry to provide greater efficiency. In addition, the Union pressed demands on the Government for public utilities regulatory legislation. The strike was settled with a \$7 per month base pay increase.

The outstanding feature of the strike was the responsible manner in which it was conducted. The Council was successful in barring leftist groups from its activities and, by so doing, paved the way for the secession from the Okiroren.

The over-all labor picture during the period was characterized, as in the past, by the confirming struggle for supremacy by those who desired to see unions follow purely economic goals and those who desired to inject an ideological and political motivation into the labor movement. At the end of the period, the former group, which had the support of the ICFTU, was in the ascendancy to a degree unprecedented in the Ryukyu Islands. However, the struggle is a continuing one; and the latter group, backed by a wide spectrum of supporters including the Okinawa People's Party, is still a force to be reckoned with.

At the end of the reporting period, there were 137 unions with a combined claimed membership of 27,000 members.

LEGISLATION

During FY 1963, the Unemployment Insurance Act was amended to effect a cut in the premium rate from 1.8 to 1.4 percent of the payroll. The Legislature passed and sent to the Chief Executive a Workmen's Accident Insurance Law, which corrected the deficiencies of a similar law which had been vetoed the previous year.

Civil Administration Ordinance Number 116 was amended to raise the minimum wage for Ryukyuan employees of the United States Forces from 14 to 16 cents per hour. However, despite the recommendation of the High Commissioner, neither the Government of the Ryukyu Islands nor the Chief Executive took action to raise the minimum wage for private industry employees above the unrealistic nine cents per hour figure, which became effective on 1 January 1963.

LABOR FORCE

The most recent data available on the labor force in the Ryukyu Islands were as follows:

| | |
|------------------------------------|----------------|
| Total Labor Force - Ryukyu Islands | <u>403,000</u> |
| Agriculture, fishery, and forestry | 168,000 |
| Non-agricultural | 226,000 |
| Employed but not at work | 7,000 |
| Unemployed | 2,000 |

Ryukyuans employed directly and indirectly by the United States Forces and personnel and by foreign investors were as follows:

| | |
|----------------------------------|---------------|
| Total | <u>54,983</u> |
| Direct-hire (appropriated funds) | 15,301 |
| Non-appropriated funds | 9,261 |
| Contractors | 13,245 |
| Concessionaires | 2,480 |
| Domestics | 7,608 |
| Foreign Investors | 7,088 |

The above represented 33.73 percent of the wage earners in the Ryukyu Islands and 36.9 percent of the wage earners on Okinawa.

CHAPTER 17

PUBLIC AFFAIRS

INFORMATION MEDIA OF THE RYUKYU ISLANDS

Newspapers

A number of Ryukyuan-owned and -operated Japanese-language newspapers, including nine dailies, served the people of Okinawa and the other islands of the Ryukyuan archipelago during the reporting period. The two largest and most important vernaculars were the Okinawa Times, with a claimed circulation of 85,000; and the Ryukyu Shimpo, with a claimed circulation of 65,000. Both were published in Naha, morning and evening. The seven other dailies--four published on Miyako and three in Yaeyama--claimed a combined circulation of about 12,000. There is no audit bureau of circulation to certify circulation figures.

Major Japanese and American news agencies serviced the Okinawa Times and the Ryukyu Shimpo, with the Kyodo News Service and the Jiji Press providing complete general news service, and the Associated Press (AP) and the United Press-International (UPI) providing wire-photo services to the Times and Shimpo, respectively.

Ryukyuan newspapers maintained close contact with media in Japan through membership in the Japan Publishers and Editors Association, and their own news bureaus in the principal cities of Japan. While many local reporters acted as part-time representatives or stringers for a number of Japanese newspapers and radio and television stations, the larger Japanese news media operated news bureaus with resident correspondents in Naha. These included, in addition to Kyodo and Jiji, the Asahi Shimbun, the Mainichi Shimbun, and the Yomiuri Shimbun.

Two English-language dailies were published, largely to serve the Americans stationed on Okinawa. These were the Morning Star, an independently-owned paper, with a claimed circulation of 11,000; and the Okinawa edition of the Pacific Stars and Stripes, published in Tokyo, flown to Okinawa daily, and circulated to an estimated 8,000 subscribers. Both the Morning Star and the Stars and Stripes received complete news and photo services from the AP and UPI, while staff members of the Morning Star represented the AP and UPI as stringers on Okinawa. The Morning Star included a feature supplement, Asia Magazine, in its Sunday editions. Asia Magazine is edited in Hong Kong and distributed throughout the leading cities of Free Asia.

Audio-Visual Media

The Ryukyu Islands were served by six radio stations and three television stations as follows:

Radio Stations

Radio Station KSAR, operated by the Ryukyu Broadcasting Corporation (RBC). (Japanese language)

Radio Station KSDT, operated by Radio Okinawa Company. (Japanese language)

Radio Station KSDX, operated by the Far East Broadcasting Corporation (FEBCO), an enterprise maintained by a foreign mission organization with headquarters in Whittier, California. (Japanese language)

Radio Station KSBK, operated by RBC, staffed largely with American news announcers and disc jockeys, featuring programs beamed at American teen-agers and young members of the United States Armed Forces. (English language)

Radio Station KSAB, operated by FEBCO, featuring religious, news, and musical programs directed at Americans and English-speaking Ryukyuans. (English language)

Armed Forces Radio, operated by the United States military forces, broadcasting programs aimed at members of the United States military forces.

Television Stations

KSDW-TV, operated by the Okinawa Television Company (OTV). (Japanese language)

KSAR-TV operated by RBC. (Japanese language)

Armed Forces TV, operated by the military forces for the troops.

The largest and best-equipped radio-television outlet is the Ryukyu Broadcasting Corporation, which operates a television station, a Japanese-language radio station, and an English-language radio station. It is closely affiliated with the Okinawa Times through a system of interlocking directorships. The competitive companies, Radio Okinawa and Okinawa Television, are closely tied in with the Ryukyu Shimpo. In both cases, the radio and television stations



OKINAWA TELEVISION Co. STUDIOS



OKINAWA TELEVISION Co. TOWER



TELEVISION STATION KSAR



RADIO STATION KSBK



RADIO STATIONS KSAB & KSDX



RADIO STATION KSDT

reflect the editorial policies of the newspapers with which they are affiliated.

There were 69,000 television sets in use during the year, more than double the number of the previous year. This is an unofficial figure, based partly upon the number of sets imported through the Government of the Ryukyu Islands (GRI) Customs Office. There is no tax on possession or fee for use of television sets.

Much of the programming of the Japanese-language television stations depends upon Japanese network sources. American programs, with dubbed-in Japanese-language sound tracks, continue to be popular, and RBC continued to broadcast popular American programs over KSAR-TV, using a dubbed-in Japanese-language sound track, while simultaneously broadcasting the English-language sound track over Radio Station KSBK. English-speaking members of the audience can turn the sound down on their television sets, tune their radios in to KSBK, and hear the shows as they were originally presented. The synchronization is uniformly excellent.

Although much locally-produced programming consisted of current events and news, there was significant progress in developing professional and semi-professional entertainment groups: dancers, singers, and musicians. This trend gave impetus to the development of associated arts, dramatic writing, directing, choreography, and set and costume designing.

Several Japanese television crews were on location in the Ryukyus during the year in search of new locations and material. The films made had stock plots and situations, apparently depending upon novel background for audience appeal.

Like the television stations, the two commercial Japanese-language radio stations continued to depend heavily on tape-recorded programs originated in Japan, although there was continued effort to improve the quality and the amount of locally-originated programming. One station has begun English-language lessons, featuring a local male teacher and an American woman counterpart, tape-recorded and broadcast twice daily.

Despite the significant increase in the television audience, radio is still considered a more potent information medium than television because of its greater range (only a few of the more remote southern islands do not receive the local stations) and its greater reception (over 80 percent of Ryukyuan families have radios).

There are about 60,000 "wired speakers" in use in the Ryukyus. These consist of a series of amplifiers and speakers from a central control. Occasionally, information of strictly local importance is

announced from a control center. Some of these "wired speakers" have a selector switch and a choice of either Japanese-language commercial channel, but most have only an off-on switch and receive the channel chosen at the control center. Excellent and inexpensive battery-powered transistor radios are growing steadily in popularity.

Television continues to make inroads on the popularity of motion pictures. Four motion picture distribution companies import about 700 films annually and distribute these to 113 motion picture theaters throughout the Ryukyus. About 500 of these films are of Japanese origin, and the rest are either American or European. Written sub-titles, rather than dubbed sound tracks, are used in films from non-Japanese sources.

Books, Magazines, and Pamphlets

Locally-published magazines included Okinawa Koron (Public Opinion), Katei Koron (Home Magazine), Okinawa Janaru (Journal), the Gekkan Okinawa (Monthly), and the Okinawa Graphic, all commercial magazines; and Ryukyu-no-Ayumi (Progress of the Ryukyus), a GRI magazine largely for government employees. Two English-language magazines, This Week on Okinawa, a 10-cent, pocket-sized issue, and Life on Okinawa, a Time-sized giveaway, were headed by American staffs and circulated primarily to Americans.

The GRI issued 87 publication permits during the year, denying no applications, in the following categories and numbers: books, 54; monthly magazines, 4; seasonal magazines, 3; yearly magazines, 7; magazines published at 10-day intervals, 3; weekly newspapers, 3; monthly newspapers, 7; seasonal newspapers, 2; newspapers published at 10-day intervals, 2; and newspapers published bimonthly, 2. All of these magazines and newspapers were published on a small scale, with news or articles on organizational activities of schools, business firms, municipal offices and the like, and were for a limited audience.

There were 6,981,897 printed items imported from Japan during the reporting period, with a dollar value of \$2,243,562. These imports included 1,396,550 copies of 53 weeklies, with 72,800 copies of these weeklies prepared by the six major Japanese dailies. Also imported were 2,479,018 textbooks and 3,106,329 monthly magazines and books (other than textbooks).

The local printing industry continued its expansion along with the economic development of the Ryukyu Islands. According to the Ryugin, house organ of the Bank of the Ryukyus, the printing business comprises, in terms of number of shops, 2.8 percent of all kinds of manufacturing industries and 7.2 percent of all employees in the various manufacturing industries. The Ryugin also noted that the value added (total sales proceeds minus costs of raw materials purchased from other

industries) for the printing industry accounted for \$1,393,000 in 1961 (the most recent year for which statistics are available).

According to the Bank of the Ryukyus' report, there were 75 printing establishments, employing 1,491 persons in 1961. This compared with 62 shops and 1,163 employees in 1958.

PUBLIC AFFAIRS PROGRAM OF THE CIVIL ADMINISTRATION

The Public Affairs program of the United States civil administration is directed at creating and maintaining a favorable image of the United States in the Ryukyu Islands and gaining cooperation and support for the United States administration programs in many fields. To this end, the Office of Public Affairs planned and executed a public relations program based on research, planning, communication, and evaluation. This was accomplished by:

Issuance of press releases, press memoranda, and news photos;

Holding or organizing press conferences and press interviews;

Distributing press kits and brochures;

Briefing local editors and reporters and visiting correspondents;

Producing and broadcasting radio and television programs, and showing films in the motion picture theaters;

Publishing and distributing magazines, photo news sheets, wall newspapers and posters;

Distributing Japanese-language translations of American books;

Operating five Ryukyuan-American Cultural Centers and an extensive cultural affairs program outside the Centers;

Monitoring and evaluating daily newspapers, magazines, and radio and television programs.

The Office of Public Affairs also prepared official civil administration reports and coordinated major speeches given by civil administration officials.

News Division

The story of the United States in the Ryukyu Islands was told in news releases and memoranda to news media during the reporting year. Releases covered such subjects as the policies and activities of the Office of the High Commissioner and its personnel and its various



The High Commissioner holds a press conference

departments, official statements and speeches, the progress and development of the Ryukyuan economy, the people-to-people programs, and the benefits deriving from the United States presence as well as the need for this presence. Press memoranda were issued to forward fact sheets and backrounders on civil administration actions, international news and happenings; and to notify the press of any and all pending events of importance.

News releases and memoranda were distributed to the major newspapers, news agencies, radio and television outlets, magazines, military information offices, and government agencies, both on-island and off-island.

Photos were widely used to tell the story of the civil administration and the over-all U. S. presence in the Ryukyu Islands.

A major news program was the setting up of special interviews and monthly news conferences by the High Commissioner, and other news conferences by U. S. officials and distinguished visitors to the island.

In October 1962, the third annual Okinawa News Forum was held at the Harborview Club, Naha. Fifty-three Ryukyuan, Japanese, and

American editors, reporters, and information officers met to discuss matters of mutual interest and to search for solutions to problems in news-gathering and dissemination.

Audio-Visual Program

The Office of Public Affairs made extensive use of commercial facilities for radio and television programs during the reporting period. Films made for television broadcast were also shown in rotation in the five Ryukyuan-American Cultural Centers and, by mobile units attached to each Center, in remote areas where commercial television does not penetrate.

During the year, the Office of Public Affairs produced weekly radio shows on each Japanese-language commercial station (KSAR and KSDT), emphasizing tangible accomplishments of the civil administration, people-to-people activities, public service programs, and factual information on controversial subjects. Also produced weekly were 15-minute news roundups, with emphasis on international developments, for broadcast simultaneously over both stations at a prime time. A 10-minute tape-recorded show was prepared weekly and sent to Hawaii for broadcast over Honolulu stations. This show featured Ryukyuan music and news concerning the Ryukyus and was popular among Hawaiians of Ryukyuan ancestry.

The Office of Public Affairs also produced two 15-minute television shows weekly, one on each Japanese-language commercial station (KSAR-TV and KSDW-TV), and an additional 30-minute show monthly on each station. In the case of both radio and television, many programs jointly serving the purposes of the stations and the United States administration were broadcast each week.

The Office of Public Affairs contracted with the U. S. Information Service (USIS) in Tokyo for $7\frac{1}{2}$ hours of Japanese-language, tape-recorded programs weekly and loaned these to the local radio stations. Special events, key political speeches, important international news, etc., were received in tape-recorded form through the International Broadcasting Service (IBS) facilities of USIA, and were distributed to the local stations.

The Office of Public Affairs also contracted with USIS Tokyo for twenty-five 16-mm films per year on diverse subjects and lengths in the Japanese language, twenty in black and white and five in color. These were loaned to the commercial stations and, after use, were shown in the Cultural Centers and by their mobile units. The U. S. Information Agency (USIA), Washington, also provided many 16-mm films with English sound tracks. Scripts of these films were translated and a Japanese-language commentary was prepared and tape-recorded by Audio-Visual Division personnel. These films were loaned to the commercial

stations or used at scheduled times purchased by the Office of Public Affairs. If the subjects warranted, the films were loaned to the Armed Forces Radio and Television Service, as well.

A series of 130 half-hour films, "Let's Learn English," was purchased from USIS, Tokyo. These were in English and Japanese and were prepared cooperatively by the Tokyo Broadcasting System (TBS) and USIS. The series was loaned to RBC, which made arrangements for the commercial use of the series with TBS.

The Office of Public Affairs provided assistance to the Far East Broadcasting Company. Among tape-recorded programs furnished the station was an English-language teaching series, based on textbooks and lessons taught in the junior high schools. These were broadcast over KSDX six days weekly.

Publications Program

The Office of Public Affairs continued to publish Konnichi-no-Ryukyu (The Ryukyus Today), a 44-page, Japanese-language, 15,000 monthly circulation magazine, with emphasis on Ryukyuan participation in the form of articles by well-known Ryukyuan writers on subjects of mutual interests to the United States administration and the Ryukyuan people. Ryukyuan participation was also demonstrated in the work of cover illustrators, cartoonists, and photographers, and there was an increase in the volume of unsolicited articles as well as letters to the editor.

Leading Ryukyuan expressed themselves freely on a continued U. S. civil administration as being necessary for continued growth of the Ryukyus and on recognition of the United States as world leader in the cause of peace. Leading Ryukyuan specialists wrote on such diverse subjects as fisheries, tourism, acceptance of treated lepers, acceleration of demand for electricity, port development, highway construction, programs of house rentals to the U. S. Forces, livestock imports from the U. S. to improve breeds, general agricultural improvements, containment of communism, gratitude for scholarship aid, understanding and prevention of cholera, future of the Free Trade Zone, improvement of environmental sanitation, development of transportation, needed legislation (by the GRI), examples of the conduct of cooperatives in other countries, U. S. purchasing as a stimulus to the poultry business, etc.

Outstanding writers pointed out the need to understand English in the modern world, in view of the fact that English is the language of commerce. These writers included ASATO Genshu, former president of the University of the Ryukyus and now professor of English, and NAKAMURA Harumi, Uenoyama Junior High School teacher who studied in the U. S. A bilingual one-page feature, "The New Aesop's Fables," was begun during



Some of the publications distributed by the Office of Public Affairs

the year as a means of encouraging the study of English.

The Office of Public Affairs maintained policy control over another and larger Japanese-language monthly magazine, Shurei-no-Hikari (Light of the Land of Courtesy), which was produced by the United States Army Broadcasting and Visual Activity, Pacific, and circulated in 75,000 copies per issue. This magazine concentrated on the international policy of the United States and life in America, and on support of specific programs of the United States civil administration in the fields of agriculture, forestry, fishing, public health and welfare, labor, education, finance, manufacturing, trade, and public safety.

Twelve Nyusu Tembo (wall newspapers) were issued in the number of 2,000 each during the year, utilizing U. S. Army Broadcasting and Visual Activity's printing facilities, on such subjects as the High Commissioner's annual message to the Legislature, the drastic need for water conservation in view of the worst drought in a century, the sharing by U. S. Forces of their water with Ryukyans, the need to conserve electricity, explanation of the dangers of Japanese "B" Encephalitis, the fact of world opinion backing President Kennedy during the Cuban crisis, the High Commissioner's sending of medical-dental teams to remote areas, and an explanation of long-term credit regarding agricultural products.

Twenty-six biweekly photo news posters in 1,000 copies each were issued as a continuing program to illustrate progress through the cooperative efforts of the U. S. administration and the Ryukyuan people. In addition, six special photo news posters were issued on such subjects as the U. S.-funded Shioya Bridge, the successful Taiho resettlement, and on international subjects.

Special posters issued with the cooperation of the U. S. Army Broadcasting and Visual Activity included one on the subject, "Stop Dynamite Fishing."

The 1963 edition of Noka-no-Koyomi (Farmers Almanac) was printed by U. S. Army Broadcasting and Visual Activity for the Office of the High Commissioner, with support and assistance by the Office of Public Affairs, which furnished calendar sketches for each page, photographs, some of the editorial material; and coordinated with the Agricultural Improvement Section of GRI in that agency's providing the lead article for the monthly pages, as well as crop-planting charts. The GRI Weather Bureau provided pertinent data for the almanac.

The Office of Public Affairs also issued a 28-page pamphlet, "United States Will Provide Massive Assistance to the Ryukyus During This Year," in the number of 22,000. The pamphlet, which was generously illustrated, described how the United States economic aid to the

Ryukyus and spending in the Ryukyus would exceed \$119 million during Fiscal Year 1963.

The most significant special publishing event of the year was the issuance of 10 booklets, in 35,000 copies each, on the subject, "Democracy versus Communism." These resulted from the cooperative effort of the Office of Public Affairs and the U. S. Army Broadcasting and Visual Activity. The original pamphlets were rewritten in simplified English by permission of the D. Van Nostrand Company, Princeton, New Jersey, copyrighted 1959 and 1961 by the Institute of Fiscal and Political Education, New York City. They were published in bilingual form, with simplified English and a Japanese version on facing pages.

The book presentation program, emphasizing distribution of books to schools, universities, public libraries, and selected individuals and groups, was continued. Books were USIS-approved titles and were largely reproductions in Japanese of American books involved in the USIS, Tokyo, book translation program. About one-fifth of the total purchased were in English, including some of the simplified "Ladder Editions."

Magazines purchased through USIS, Tokyo, and distributed by the Office of Public Affairs included the American Labor Review, the Monthly Review of American Books, the Japanese edition of the Reader's Digest, and the Japanese-American Forum.

Thirteen pamphlets in the "American Policy Series" were purchased from USIS, Tokyo. They included "A Threat to the Americas," President Kennedy's address on "The Strategy of Peace," the President's address to the nation on October 22, 1962, "The Stake in Viet Nam," the "White House Message on Civil Rights," and similar subjects. These pamphlets were, for the most part, bilingual and served the important secondary purpose in promoting English-language study.

Cultural Affairs Program

The five Ryukyuan-American Cultural Centers, operated by the Office of Public Affairs, carried out varied and extensive programs aimed at promoting understanding and trust between the American and Ryukyuan people. These programs ranged from special events and people-to-people-type activities to cultural exchange and seminars.

The Cultural Centers are located in Naha, Ishikawa, and Nago on the island of Okinawa; Hirara on Miyako; and Ishigaki on Yaeyama. Each of the Centers has a Ryukyuan staff headed by a Ryukyuan director. During the reporting period, more than a million persons used the Cultural Centers (see table 39, page 333 , Appendix V).

Administrative and General Programs

The annual Cultural Centers Directors Conference was held in December 1962 at the Miyako Ryukyuan-American Cultural Center. The theme of the conference was "The Practical Application of Modern Communication Media." Attending were the directors, deputy directors, and supervisory librarians at the five Centers, and the chief and deputy chief of the Cultural Affairs Division.

In a move to strengthen the leadership in the Cultural Centers, the directors of the Naha and Miyako Centers were selected to participate in the National Leader Program and traveled to the United States to observe various aspects of American life. The directors spent two months in the United States visiting and studying the operations of libraries and museums on the local, state, and national levels.

Apart from the five Centers under the direct supervision of the Office of Public Affairs, two Centers are operated by municipalities. To these the Office of Public Affairs renders assistance, wherever possible. One is the Zamami Ryukyuan-American Center, which was formally dedicated during the year. The other Center, constructed some years ago, is in Naha City. Both were constructed largely with U. S. funds.

Special Events and People-to-People Programs

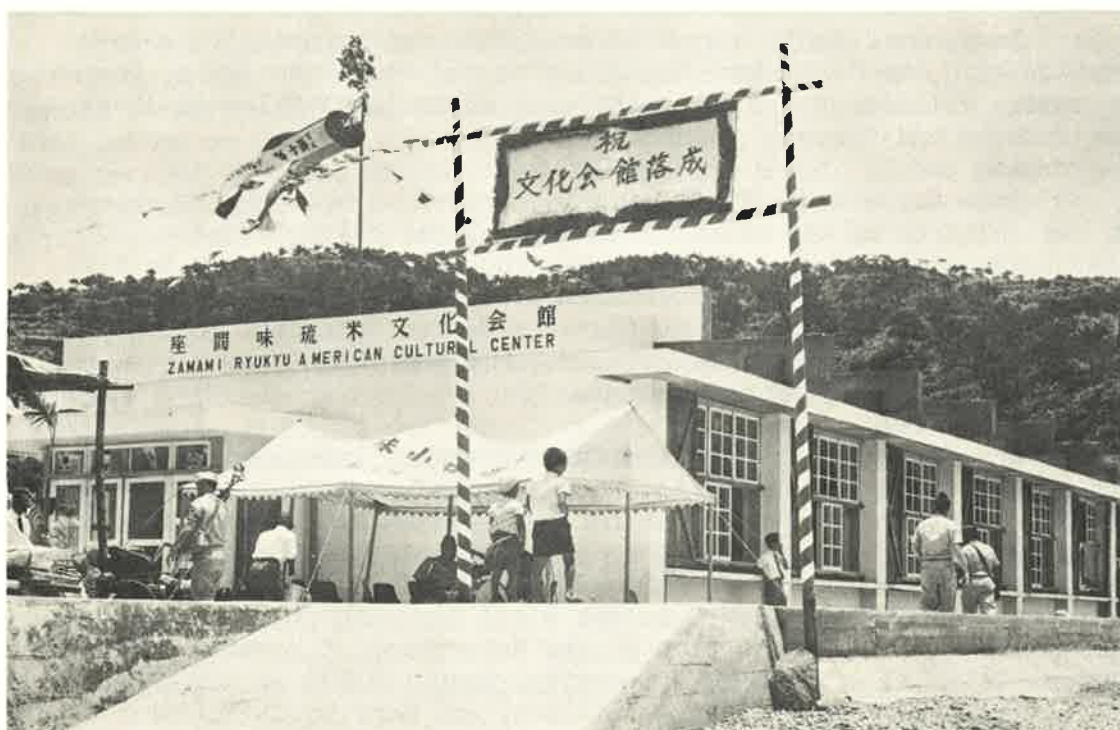
In January 1963, a special road show was organized, in cooperation with the U. S. Army Broadcasting and Visual Activity, to tour remote villages for four months with educational films on livestock raising and farmers' exhibit.

Popo de Bathe (Popo the Clown) arrived in February to entertain the children of the islands. In well-received performances on Okinawa, Kumejima, Miyako, and Yaeyama, Popo brought laughter to his many new fans. Also on the entertainment circuit were Dick Miles, U. S. table tennis champion, who played a series of exhibition matches with local table tennis enthusiasts, and the Lehr Family, a variety show, which played Miyako and Yaeyama.

One of the new cultural affairs programs initiated during the year was the Ryukyuan Studies Forum, which was held in March 1963 at the Naha Cultural Center. The forum was organized under the sponsorship of the Civil Administrator and coincided with the 15th Annual Meeting of the Association of Asian Studies held in Philadelphia. Participating in the program were the Civil Administrator, Mitsuru SAKIHARA of the East-West Center at the University of Hawaii, Professor Hiroe TAKAMIYA of Okinawa University, Anzen SHINJO of the GRI Cultural Property Preservation Commission, and many local cultural leaders and scholars.



Popo the Clown entertains at an elementary school in Yaeyama



Zamami Ryukyuan-American Center

Following the Ryukyuan Studies Forum, Dr. George M. Brooke, Jr., Fulbright scholar at Keio University, Tokyo, and professor of history at the Virginia Military Institute, was invited to appear as a featured speaker during the annual Ryukyuan-American Friendship Week in May. Dr. Brooke spoke on the "Accounts of Voyages Made to the Ryukyu Islands by Westerners." Dr. Brooke is the grandson of U. S. Navy Captain John M. Brooke, who visited Okinawa in 1854 aboard the U. S. S. Vincennes. A surprise highlight of Dr. Brooke's visit was his meeting with Chojun YONAGUSUKU, a great grandson of Regent SHO Ko Kun, who met Captain Brooke in 1854.

The Cultural Centers helped observe Ryukyuan-American Friendship Week with special sports events, open houses, concerts, exhibits, demonstrations, teas, lectures, and exchange visits among the Ryukyuan and American people. The week was topped with an International Folk Dance Festival, which attracted more than 5,000 persons to the Army's Stilwell Field House.

Under the auspices of the Office of Public Affairs, the U. S. 29th Army Band and the Mabuhay Filipino Dance Troupe were sent to Yaeyama in June 1963 to participate in the opening of Ishigaki Port. During the same month, the Ryukyuan International Art League, composed of Ryukyuan and American artists and art lovers, held an art exhibit at the Cultural Centers.

Other activities during the year included assistance to U. S. Navy VP-4 Squadron, which had adopted the southern Okinawa village of Ou; exchange programs between the Ryukyuan and American communities in observance of the August Moon Festival; concerts of the Naha Junior Girls Chorus; tours of military bases by Okinawan groups; Obon and Ryukyuan dances for military special service units; and exhibits and cultural programs of interest to the American people.

Of special significance in the people-to-people program were the extensive sports programs conducted by the Ryukyuan-American Friendship Athletic Committee. With the help of the U. S. military forces, inter-scholastic soccer games were introduced. The league had eight high school teams which played a round-robin schedule. Two basketball leagues were organized with 22 teams participating, including six American teams. Thirteen high school teams subsequently competed in baseball. The annual high school track and field meet between the American and Ryukyuan schools was held in April, and the Ryukyuan-American Open Swimming Meet was scheduled for the summer of 1963.

The cultural affairs program included sponsorship by the Office of the High Commissioner of visiting performing groups from the United States. These included:

A dramatic troupe from Mankato State College, Mankato, Minnesota, which presented "Guys and Dolls" at the Naha Cultural Center;

A theatrical group from Kansas University which presented the play "Boy Friend" at the Ryukyu Broadcasting Corporation Hall;

The Oklahoma City University Surrey Singers, with performances at the Ishimine Children's Home and the Naha Cultural Center;

An 18-member troupe from the University of California, which performed the comedy "Where's Charley" at the Okinawa Power Distribution Company Hall;

A group of 15 students from Kansas State University, who gave a concert at the RBC Hall;

The Melody Maids from Beaumont, Texas, who performed at the Naha Cultural Center;

The Brigham Young University musical comedy troupe, which presented the program "Curtain Time, USA" at the Okinawa Times Hall;

Harriet Emerson, a direct descendent of Ralph Waldo Emerson and an accomplished violinist, accompanied by Donald Nold at the piano, who performed a series of concerts at various locations in the Ryukyus.

The United States military forces on Okinawa performed musical programs on many occasions for Ryukyuan audiences. The 3rd Marine Division Band and the Marine Drum and Bugle Corps performed at schools and in communities throughout the islands, while the U. S. 29th Army Band performed numerous goodwill concerts and appeared in civic parades and functions. Local schools were also entertained during the year by the 558th Air Force Band.

The Naha Cultural Center Junior Girls Chorus participated in a special Christmas program televised over AFRTS, appeared in programs sponsored by the American women's clubs, and performed a goodwill concert for the students of Naha Air Base Elementary School.

The Naha Philharmonic Chorus, also sponsored by the Naha Cultural Center, highlighted its year's activities by presenting Handel's "Messiah" during the 1962 Christmas season. This talented group gave special performances at the Naha Air Base chapel, the Naha Commercial High School, and Sukiran Theater, and performed public concerts in Nago, Ishikawa, and Naha.

The musical highlight of the year was the first appearance on Okinawa of the NHK Symphony Orchestra, conducted by Seiji OZAWA. More than 5,000 persons attended the concert held at the Stilwell Field House.

Other performances of interest during the year were: Christmas concerts by the International Women's Club Chorus at Nago, Ishikawa, and Naha Cultural Centers; a violin-cello workshop with the Okinawa Symphony Orchestra by Professor Masashi NAKASHIMA of the Musashino Music College and visiting professor of music at the University of the Ryukyus; a koto recital at the Naha Cultural Center by the Ikuta School of Koto; a dance concert at the Naha Cultural Center by the Sakakibara School of Indian Dancing; jazz concerts by the Miyako islanders at the Miyako Cultural Center and local schools; and a dance recital at the Naha Cultural Center by Mieko KINJO, winner of the Okinawa Times award for outstanding Ryukyuan dancing.

Exhibits

Exhibits played a vital role in the cultural affairs program, as one of the most effective methods of disseminating information to large audiences. Exhibits included one on Ryukyuan arts and crafts, sponsored jointly by the Naha Cultural Center and the GRI; one on United Nations Day; a one-man art show by Mrs. Alys MacIntyre; a one-man exhibit of Chinese paintings by Mrs. Cecilie Chang; the 3rd Annual Ryukyu Arts and Handicraft Exhibit; an Orchid Association show; an exhibit of hand-made dolls; the U. S. Air Force Art Exhibit; an exhibit of the works of Senko TAIRA; a showing of dolls by the Shuri Women's Club and the Sakura Doll Society; UNESCO's exhibit on Western History from the Middle Ages; a showing of photos by the Nikkor Camera Club; a special Abraham Lincoln exhibit; a one-man show by Yaeyama's "Grandma Moses," Mrs. Kana NAKAZATO; a stamp exhibit sponsored by the Ryukyu Philatelic Club and the Nago Stamp Club; the Wonderful World of Color exhibit (color photos); the Nago Women's Federation exhibit of Ryukyuan handicraft; and art exhibits by Ryukyuan students.

Youth Activities

Ryukyuan youths were a special target of cultural center activities during the year. The position of Recreation Specialist was added to the staff of the Naha Cultural Center, while extensive leadership training courses were conducted. A course for student leaders was offered every Friday, and a special three-week training course was given to about 50 community leaders.

For the first time the Cultural Centers began taking a positive and active part in promoting the Ryukyuan Boy and Girl Scout programs. Several Boy and Girl Scout troops and cub packs were organized with Cultural Center sponsorship.

Joint Ryukyuan-American teen-age activities were expanded. The Kadena Air Base Teen Club conducted joint programs with the Ishikawa Cultural Center, including special Christmas and Easter

exchange programs. The Naha Teen Club invited Ryukyuan teen-agers to a campout during the summer vacation.

Exchange programs between schools were active during the year. The Mercy Intermediate School presented a special Christmas program at the Naha Cultural Center. Other activities included a special international dance program, exchange of art work, and visits.

Adult Activities

One significant development of the year in adult programs was the increased interest shown in English-language classes. More adult classes were organized, and greater participation was generated during the past year than in previous years.

Utilizing the "Let's Learn English" film series produced by USIS, members of the Okinawa Junior Chamber of Commerce were organized into a special class, with a qualified teacher from Kubasaki (American dependent) High School.

In a turnabout activity, the Naha Cultural Center began a conversational Japanese course for Americans on Okinawa. This course was popular and is being continued.

Apart from English-language courses, adult activities featured home-life courses for the women. The Cultural Center's home-life courses were expanded to three classes, and the USCAR Women's Club provided strong support.

A highly significant development was the organization of a young business group called the East-West Group. This organization is dedicated to the study of international topics. Americans in the Ryukyus were invited to become members.

Library Activities

The year under review saw the development of a true mobile library program, added to the extensive in-center book deposit program. With the purchase of an additional mobile unit, and the equipment of the existing mobile vans with bookcases, direct book loans to students and the people of the rural communities on the islands were instituted. This program met overwhelming response.

The Okinawa Library Association, under the sponsorship of the Office of Public Affairs, continued to exert significant influence in the school, community, and government libraries. Its best-known project was a book fair, held at the Naha Commercial High School during Library Week in April 1963. The slogan for the week was "The Fifth Freedom--Enjoy It."



Chief Executive OTA inspects mobile unit library



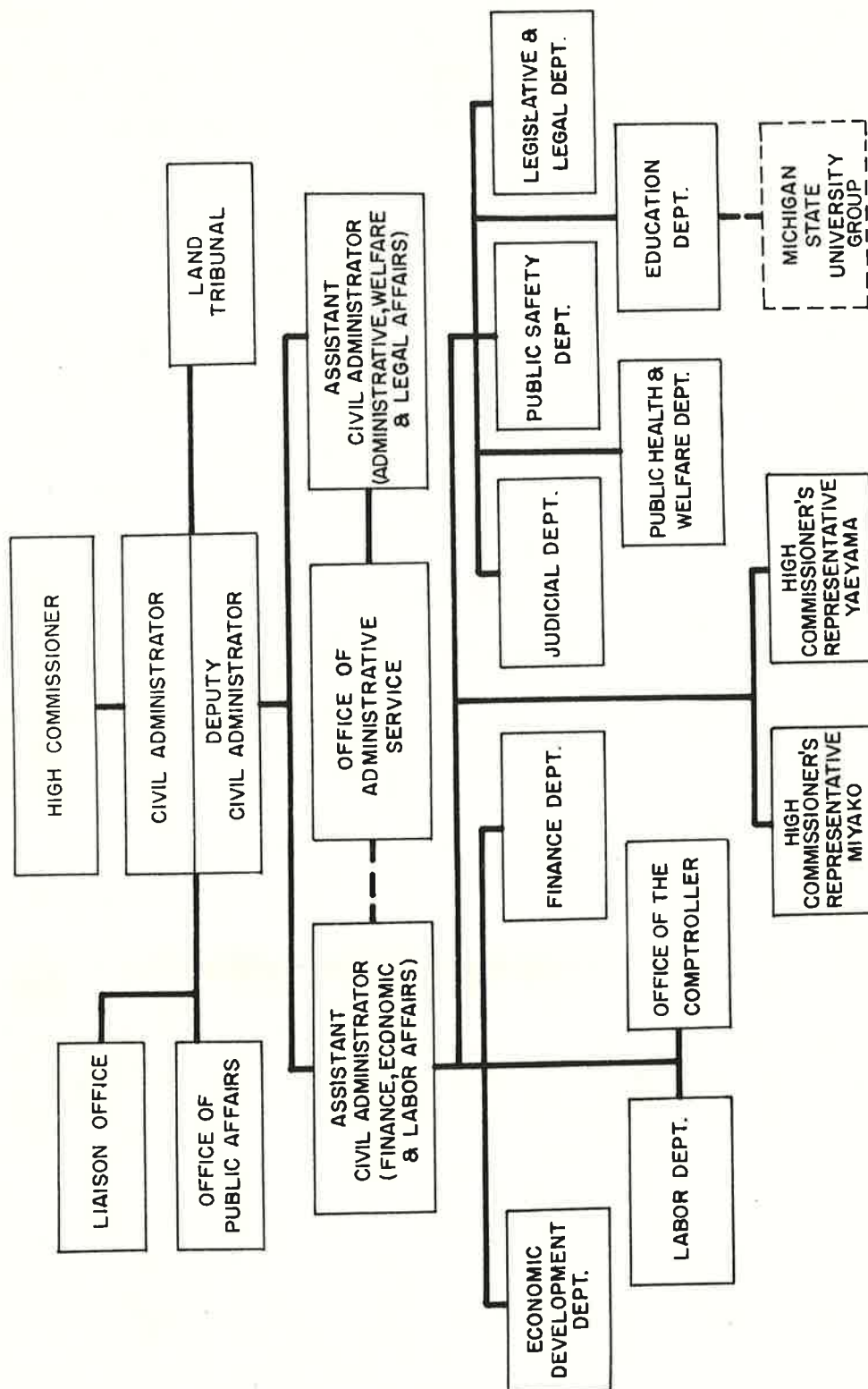
Conference of high school librarians

An inter-library loan system was inaugurated with the Army's Special Services libraries. Under this system, Ryukyuan readers are able to borrow books not on the Cultural Center library shelves from the Army libraries. Passes are issued to any Ryukyuan desiring to conduct research in the Army libraries.

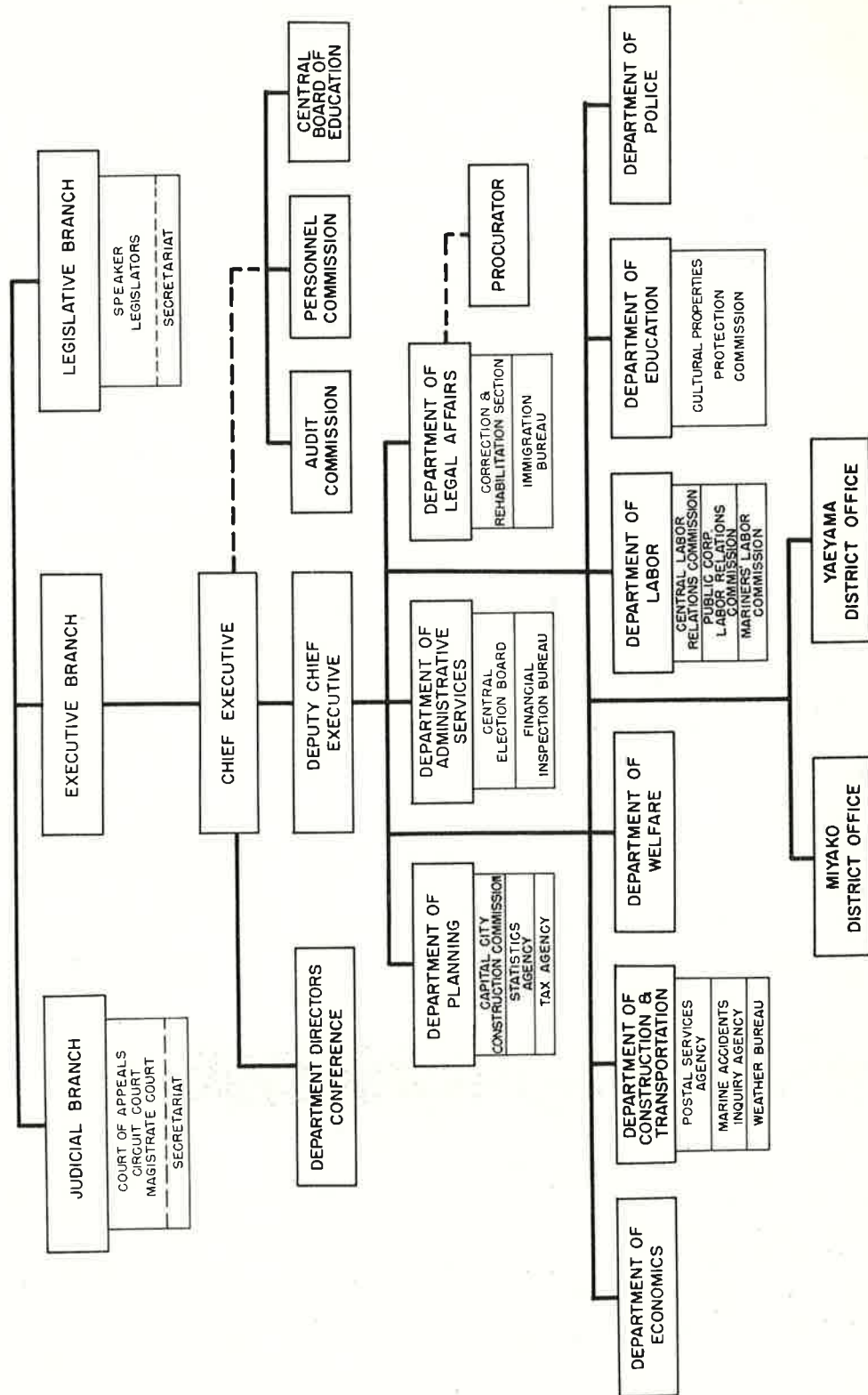
A monthly library guide was published by the Cultural Center libraries; it listed new books acquired and announced programs and developments in the libraries. Cultural Center library staff members continued to submit book reviews to local newspapers and other publications.

APPENDIX I
ORGANIZATIONAL CHARTS

UNITED STATES CIVIL ADMINISTRATION OF THE RYUKYU ISLANDS ORGANIZATION CHART



GOVERNMENT OF THE RYUKYU ISLANDS
ORGANIZATION CHART



APPENDIX II
DOCUMENTS AND SPEECHES

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| Message of the High Commissioner to the Twenty-Third Session of the Legislature of the Government of the Ryukyu Islands, 1 February 1963 | 211 |
| Speech by Chief Executive Ota Delivered to the Legislature of the Government of the Ryukyu Islands, 4 May 1963 | 223 |
| Okinawa Liberal Democratic Party Declaration, 5 October 1962 | 235 |
| Platform Planks of the Okinawa People's Party and Okinawa Socialist Party | 241 |
| Official Announcement of the Okinawa Socialist Masses Party, 27 August 1962 | 243 |
| Okinawa People's Party Convention Platform, 23 September 1962 | 245 |
| Okinawa Socialist Masses Party Fifteenth Extraordinary Party Convention, 13 October 1962 | 259 |
| Okinawa Prefectural Federated Branches of the Japan Socialist Party, 13 October 1962 | 271 |

MESSAGE OF THE HIGH COMMISSIONER
TO THE TWENTY-THIRD SESSION OF THE
LEGISLATURE OF THE GOVERNMENT OF THE RYUKYU ISLANDS
1 February 1963

Members of the Legislature of the Ryukyu Islands:

Thank you for your invitation to address the Legislature, extended to me by your Speaker, Mr. Nagamine.

I. A Backward Look at 1962

Prior to assessing the tasks for 1963, it may be useful to review the major economic and social developments during the past year.

Today, the Ryukyuan people are enjoying the highest level of well-being ever attained in these Islands.

Continued Growth of the Economy

The accelerated growth of the Ryukyuan economy registered during Fiscal Year 1961 continued throughout Fiscal Year 1962 and into the first half of Fiscal Year 1963.

The total value of goods and services rose to \$264 million in Fiscal Year 1962, representing a 16 percent increase over the previous fiscal year. The national income rose 13.0 percent to a new high of \$236 million.

Average income per employed worker rose to \$591, while per capita income advanced to \$263, a gain of 11.0 percent in both instances. These gains represented a real increase in consumer purchasing power, for retail prices rose only 1.4 percent.

In the recent past the rate of economic growth in the Ryukyus, when adjusted for changes in prices, has at least equaled the growth achieved in any other country of Asia. The growth rate during Fiscal Year 1963 will, according to current estimates, exceed that of any other country of Asia.

It is not necessary to depend on statistics alone to show what has been happening in these Islands. During Fiscal Year 1962 many new industries, including plants for manufacturing agricultural and other chemicals

and beverages were established. Existing industrial plants were greatly expanded. These included facilities for the manufacture of furniture and other wood products, textiles, beverages, confectionery products, metals, paper products, rubber footwear, other rubber products, and sugar. The sugar production of 110,000 tons set a new postwar record. This expansion in industrial facilities continued throughout the first half of Fiscal Year 1963.

Balance of Payments

The rise in the domestic economy was accompanied by some improvement in the commodity import-export picture. Commodity exports registered a gain of 22.5 percent over Fiscal Year 1961, from \$35.5 million to \$43.5 million, while commodity imports increased from \$142.7 million to \$161 million, or at the rate of 12.8 percent.

A study of specific import and export patterns shows, on the import side, sharp increases in requirements for capital expansion for raw materials, building materials, machinery and equipment. While the total imports of food items registered a decline, nonetheless, food which could be produced in the Ryukyus still is being purchased abroad. The most conspicuous items in this category are \$3.8 million spent for marine products, \$1.6 million for vegetables, and \$1.2 million for eggs.

On the export side, there was a trend toward more diversified products. While sugar and pineapple remained at the top of the list, export of such products as plywood, utility textiles, tobacco products, confectionery, and frozen fish increased, while goods valued at \$5.2 million were exported from the Free Trade Zone.

Public Utilities

The development of manufacturing and the growth in standards of living depend directly upon availability of electric power and potable water, preferably at reasonable rates.

Progress was made during 1962 in the water supply situation. The Ryukyu Domestic Water Corporation adopted a master plan which estimates future water requirements and tentatively identifies means by which additional sources can be developed.

The Corporation placed into operation six new wells which provide an additional 3.75 million gallons per day; began enlargement of the capacity of the Tybase Treatment Plant; and, completed laying of a 36-inch pipeline from this plant to the Sukiran High-Level Storage Tank. An agreement was signed with Naha for delivery of raw water to that city; and the Corporation supervised the laying of a 20-inch pipeline from the Machinato Pumping Station to the Tomari Water Treatment Plant.

The most significant accomplishments in the electric power field were the reduction in rates by the five distribution companies, the 50 percent rate reduction by the Nago Power Distribution Company; and completion of a pilot rural electrification program serving six villages of Ginoza-son. Last Thursday, I witnessed the completion of a similar program undertaken by Nakaoshi in Haneji-son.

Agriculture in 1962

As in previous years, growth in the agricultural sector was not as satisfactory as that of the industrial-commercial sector. There were, however, a number of developments of present and potential significance. These include:

1. Improvement in the potential of the livestock industry, with the importation of breeding stock from the United States and Australia.
2. Extensive training in livestock and veterinary science received by Ryukyuan agricultural specialists under the United States-financed Third Country Training Program.
3. Completion of a new agricultural experiment station.

Social Gains

Labor made outstanding advances in 1962. Civil Administration Ordinance #145 was rescinded, and Civil Administration Ordinance #116 was amended to provide for eight paid annual holidays for Ryukyuan employees of the United States Military Services. These were granted a pay increase of approximately 12 percent, plus a substantial year-end bonus. High Commissioner Ordinance #42, replacing Civil Administration Ordinance #41, raised the level of workers' accident compensation for employees of contractors working on United States projects, improved the administrative procedures for enforcement of the system, and extended its scope to include employees of business instrumentalities of the civil administration.

Today the Ryukyuan people are in better health than at any time in their history. The anti-polio inoculation program, which by early 1962 had reached 91 percent of all Ryukyuan children from one month to five years of age, was effective both in reducing the incidence of the disease and the harmful effect on the few persons who have contracted it.

A threatened invasion by cholera last summer was successfully countered.

II. Program for Progress, 1963

Goals

The legislative actions which I shall recommend today are calculated to contribute to definite goals for the betterment of the welfare and well-being of the Ryukyuan people. They are:

1. To achieve continued growth in the economy.
2. To effect a continuing increase in the national and per capita income accompanied by a rise in the standard of living.
3. To augment the supply of capital, both domestic and foreign, for economic development.
4. To increase the supplies of electricity and water at lower costs both to industrial enterprises and household consumers.
5. To promote development of ethical standards and legal requirements in finance, business, and commerce to protect the rights and interests of the public.
6. To utilize all of the available arable land consistent with proper conservation practices, increase its productivity, and move toward a more diversified agriculture.
7. To utilize wisely the resources in the seas surrounding these Islands.
8. To correct the weaknesses in arrangements for collective bargaining between employers and employees.
9. To effect further improvement in public health, public welfare, and safety facilities and practices.
10. To continue the efforts to bring the Ryukyuan people under social welfare coverage as rapidly as available resources may permit.
11. To continue the steady improvement in the educational system.
12. To improve the electoral system and electoral practices.
13. To strengthen the legal structure and law enforcement practices.
14. To improve the tax structure and achieve better enforcement of tax laws.

These goals are not new. They are derived from missions assigned to the High Commissioner in the Executive Order.

I feel sure all responsible members of this Legislature, of whatever party, can and will indorse these goals. Achievement of these goals will improve the lives of every man, woman, and child in the Ryukyus.

Strengthening the Economy

The basic requirements for future economic growth are:

1. Accelerated domestic capital formation.
2. Increased foreign investment.
3. Modernization of the legislative framework within which Ryukyuan businessmen must operate.

The role of the Ryukyu Development Loan Corporation in capital formation will continue and will expand. The \$14 million programmed for Fiscal Year 1963 in loans and guarantees will be available for industry; the expansion of public utilities; and, the stimulation of small business enterprises.

The governmental and private sectors of the economy can assist this capital formation by encouraging local production of consumer goods now imported. Even so, there is little or no possibility of providing from local resources or by external aid, sufficient capital to finance expansion of industrial capacity at the optimum rate. I pointed out to this body a year ago the need to attract foreign investment capital into the Ryukyus. The recommendations I made continue to be valid.

Last year I also pointed to the potentialities of the tourist industry as a source of dollar income. I continue to support what I said at that time.

There are a number of serious obstacles remaining in the way of economic growth that can be removed by adequate legislative action. The principal requirements are:

1. Amendments to existing legislation to provide incentives for qualified investors in new, productive enterprises, both foreign and domestic.
2. An anti-dumping law. This legislation would not replace protection now provided by commodity tax schedules, but would be applied only when dumping has become evident.
3. A new commercial code, designed to bring Ryukyuan businessmen into the modern business era. The existing code, enacted in 1899, needs

to be revised. At present, company shareholders have few rights, while company officers have almost no legal responsibilities or liabilities for their actions. The details of corrective legislation can, and I am sure will be, presented to you by the Executive Branch.

Financial Structure Underlying the Economy

The legislation regulating the field of finance is outdated or inadequate. Ryukyuan financial institutions have been permitted to operate almost entirely without the controls necessary to protect the bank depositor, the shareholder, and the general public.

In order to bring the financial structure into the 20th Century, the Legislature should enact these measures:

1. A law incorporating the provisions of High Commissioner Ordinance No. 37 and Change No. 1 thereto.
2. Unified banking legislation, preceded by a complete review of all existing legislation, including pertinent ordinances.
3. Establishment of a regulatory body within the appropriate department of the Government of the Ryukyu Islands to supervise activities of business firms licensed to engage in sales of insurance and securities.
4. A law designed to cover the sales of lands and buildings.

Public Utilities

Adequate supplies of power and water for home use and long-range industrial development must be provided. The Kin Power Plant will, within two years, generate an additional 80,000 kilowatts.

I have recently approved a long-range water development plan, involving investment of \$19 million for the first phase between Fiscal Year 1963 and Fiscal Year 1968. Implementation will depend upon the availability of funds.

While working out these long-range supply plans, action toward development of a reasonable rate structure is necessary. Legislation must be enacted to strengthen the Electrical Enterprise Law. The provisions for rate regulation in the present law have proved inadequate. Legislation should establish a public utility commission with authority to set and review public power rates. The Government of the Ryukyu Islands must be given authority to acquire utilities at fair prices when such action is necessary in the public interest.

Commissions also should be established to regulate water supply, land transportation, and water transportation within the Ryukyus.

Labor and Civil Service

My staff has recently surveyed the whole body of existing legislation in the labor field. It is barely adequate in most respects. There are a number of weaknesses requiring legislative action.

1. Civil Service Act for Employees of Municipalities

The existing labor and Civil Service codes cover employees of private industry, the Government of the Ryukyu Islands, and public enterprises but not the employees of municipalities. As a result, the Government of the Ryukyu Islands has had no choice but to interpret the Labor Standards Law, the Trade Union Law, and the Labor Relations Adjustment Law as applying to municipal employees. The need for special legislation in this area is obvious. Measures to correct the faults have been introduced into every session of the Legislature since 1957.

2. Amendment of Public Corporations Labor Relations Law

The Public Corporations Labor Relations Law prohibits strikes and acts of disputes by employees of the Ryukyu Telephone and Telegraph Corporation and the Postal Services Agency. However, it provides no specific penalty for violations other than administrative discipline by the employer. Thus, while the law properly recognizes the principle that there is no right to strike against the public, as now written, it cannot be enforced. This law should be amended to provide penalties for violation of its terms.

3. Workmen's Accident Compensation Insurance Law

Drafts of the Workmen's Accident Compensation Law have contained inherent weaknesses which would have made them inoperable. They do not define liability as belonging solely to the employer. They do not protect the taxpayer from inappropriate charges on public funds. Any such legislation must, if it includes provisions for payment of annuity benefits for long-term injuries, establish an independent insurance reserve fund, with appropriate restrictions on withdrawals.

4. Retirement System

An important objective for 1963 is enactment of a modern retirement annuity system for civil service employees of the Government of the Ryukyu Islands and public school teachers to replace the present system. A bill for establishment of such a system will be presented at this session.

Its terms will provide public servants with necessary security and make public service a more attractive career to the youth of the Ryukyus.

Public Health

Protection of the health of the Ryukyuan people must be further improved by additional legislation in this field. There are three legislative actions demanding early consideration:

1. Medical Service Law

Last year I recommended a medical service law which would define medical facilities, establish standards, and insure maintaining these standards. The law enacted by the last Legislature was not adequate since it did not provide procedures to insure high medical standards. I again recommend the enactment of a bill which will adequately protect the people of these Islands.

2. Protective Vaccination Law

Last year I also recommended a protective vaccination law, which would prescribe the requirements, standards and procedures to be followed in the administration of vaccines. No such legislation was enacted. The result is that the Ryukyu Islands is one of the few places, if not the only one among modern nations, where people are left unnecessarily vulnerable to the ravages of preventable diseases which may break out in any part of the world at any time.

3. Anti-Venereal Disease Law

The Anti-Venereal Disease Law enacted by the last Legislature is inadequate to protect the Ryukyuan people from the scourge of venereal disease. The present law's failure to provide for contact tracing, and the inclusion in this law of provisions relating to prostitution, are fatal deficiencies which must be corrected.

I am sure that very fruitful consultations and discussions between the appropriate committees of the Legislature and the proper Departments of the Executive Branch can be held and will lead to early favorable action on the above three bills.

Medical Insurance

The need for a medical insurance program for the Ryukyus is clearly apparent. There are, however, some unsolved problems: What is the best way to pay for medical insurance protection? How can sufficient medical

service be provided to assure the people that the protection they pay for will be available when needed? These questions will be answered upon completion of the research study by the Government of the Ryukyu Islands being financed from United States funds. Thereafter a draft of legislation based upon sound financial and actuarial principles will be presented to the Legislature.

Legal System

The law of the Ryukyu Islands requires systemization, clarification, and extension. I recommend:

1. Creation by the Legislature of a working group of lawyers and translators to codify, collate and index all existing legislation, of whatever origin, in both the English and Japanese languages, for subsequent enactment by the Legislature.
2. Enactment of an anti-prostitution law, separate from the anti-venereal disease law. Such law should prohibit prostitution, and make it a punishable offense.
3. Amendment of the fuzoku law to require licensing of all drinking establishments on the basis of legally established criteria relating to location, construction, and operation. The light restraints imposed by existing laws contribute to increasing drunkenness, dissipation and gangsterism.
4. Modernization of vehicle laws to establish minimum penalties for traffic offenses.
5. Amendments to existing legislation to impose a large license fee on operators of pawnshops and secondhand stores, to establish a requirement for submission of daily reports to the police, and to provide for rescission of licenses or imposition of criminal penalties for violation.
6. Amendments to strengthen the Immovables Registration Law to prevent perpetration of fraud by sellers against purchasers of property.
7. Amendments to existing legislation to grant authority to the Government to take summary action against any kind of group violence or concerted activity likely to result in violence; to increase penalties for such offenses; and to define interference with the orderly processes of government as a criminal offense.

Electoral System

This Legislature should after serious study enact comprehensive legislation to bring all elections under one system of law which will:

eliminate numerous petty restrictions on campaigning; provide for effective enforcement of remaining restrictions; and provide other enactments within the competence of this legislative body necessary to modernize the present system.

Vetoed Bills

Certain bills enacted by the last Legislature were not signed by the Chief Executive. The Chief Executive's action, in each instance, was fully justified. These bills were fatally defective in that they contained errors and oversights in drafting; or, included provisions which could have been enforced only by issuing High Commissioner Ordinances; or, authorized raids on the government funds for the benefit of special groups. These bills are being redrafted by the Executive Branch. This Legislature will have an opportunity again to consider them.

III. Tax Structure and Tax Policy

The goals of economic and social progress depend upon availability of tax revenues. Outside economic assistance will continue and may increase, but many of the governmental services demanded by the people can only be financed from taxes. In any case, outside assistance is to supplement the best efforts of the responsible government, in this case the Government of the Ryukyu Islands, not to be a substitute for such efforts.

The tax structure should rest upon certain fundamental principles:

1. It must promote broad economic development, stimulate a continuous rise in the standard of living, and provide indispensable social services.
2. It must be tailored to the specific needs of the Ryukyu Islands.
3. It must impose the heaviest tax burden on those most able to pay.
4. It must not discourage provision of assistance from outside sources.

In the Ryukyu Islands, as elsewhere, there is a natural propensity for higher income groups to shift the burden of taxation onto the masses of the people in the form of open or hidden commodity taxes.

Any proposal for a revision of the tax structure must be supported by a valid economic rationale.

In addition, it is a truism that no tax structure, however equitable, is better than its administration. I earnestly commend to you for study:

(a) the tax administration machinery of the government with a view to increasing its effectiveness; and, (b) legislation looking to the reduction of tax evasion by certain elements within the Ryukyu Islands.

IV. Conclusion

The foregoing legislative program meets the desires of the Ryukyuan people. Its objectives are attainable by the Government of the Ryukyu Islands with the resources and skills available to the Government now. It is in consonance with the promises made by responsible candidates during the recent campaign. It continues the advances previously made by the Legislature without deviation from the line leading toward the goals set out in the first part of this address. It requires actions that are bold without being foolhardy; firm, without being harsh; and follows faithfully that exhortation to responsible men given by the President two years ago: "Ask not what your country can do for you; ask what you can do for your country."

SPEECH BY CHIEF EXECUTIVE OTA
DELIVERED TO THE LEGISLATURE OF
THE GOVERNMENT OF THE RYUKYU ISLANDS
4 May 1963

ADMINISTRATIVE POLICIES FOR FISCAL YEAR 1964

In presenting the Fiscal Year 1964 budget for deliberation, I would like to manifest my views toward administration and seek the understanding and cooperation from all the people.

1. I have been appointed Chief Executive on the basis of a nomination at the Twenty-First Extraordinary Session of the Legislature. This means that I have been entrusted with the administrative responsibilities by the people and, as such, I am fully aware of the importance of my responsibilities, and I am determined to exert my full efforts, with the cooperation of all the people, and discharge my duties.

Turning first to the postwar conditions in the political, economic, educational, and social affairs fields, I am fully convinced that the end of the so-called phase of rehabilitation and the steady progress into the phase of development are due not only to the assistances of the Governments of Japan and the United States but also due to the result of the indomitable spirit and untiring efforts of the people who have been reared out of a tumultuous history. I, therefore, submit my deepest respects to each and every one of the inhabitants. At the same time, I am well-aware of the stern domestic and international conditions, and I hope that the people will further develop a spirit of self-control and self-reliance and endeavor to originate and contrive toward the rationalization of their living conditions and their industry.

It goes without saying that the people's desire is the return of the administrative powers, and I will endeavor to grasp every opportunity hereafter to cultivate a better understanding on the part of the Governments of Japan and the United States toward this matter.

Since my assumption to office as Chief Executive in November 1959, I have attended to my affairs with the consistent viewpoint that any problem on Okinawa can be solved with the understanding and trust of the Governments of Japan and the United States. With the Ikeda-Kennedy communique on June 22, 1961 as a turning point, the hoisting of the Japanese flag on public buildings on legal holidays was soon permitted, the new policies of President Kennedy regarding assistances to the Ryukyus were announced on March 20, 1962, and the efforts to improve the welfare

and well-being of the inhabitants and to increase autonomy were steadily promoted. Furthermore, I have advocated and endeavored toward the realization of entering into discussions between the Governments of Japan, the United States, and the Ryukyu Islands for the purpose of implementing a cooperative relationship between the Governments of Japan, the United States, and the Ryukyu Islands, and I am looking forward to the establishment of the Japan-United States Consultative Committee (tentative name) and the Japan-United States-Ryukyus Technical Committee (tentative name) in the near future.

The purpose of governmental administration resolves itself into the improvement of the welfare and well-being of the people and the economic development, and its pressing objective is to raise the level to that comparable with hondo. It is very difficult to attain this goal in Okinawa where the land is limited, natural resources are poor, and capital and skills are lacking. However, I believe that it is an honorable and historical mission which has been accorded to us, to take full advantage of the geographical conditions unique to tropical areas and the present special economic circumstances, to promote the increased assistance from Japan and the United States and foreign investment and to create talents endowed with the enterprising spirit and modern technology thereby attaining these goals.

2. Next, I would like to say a few words regarding the basic concept in economic and financial management for the Fiscal Year 1964.

Our economy has been supported by a remarkable increase of investments into facilities and a steady increase of expenditures for a number of years. It has enjoyed steady progress, and the national income has maintained a high rate of growth along with an increase in the volume of trade and employment, thereby further enhancing the living standards of the people. This is due not only to the individual efforts of the people themselves but also due largely to the external support and the high degree of dependency toward Japan and the United States for our economic growth; i.e., military-used land rentals, the spending of the military personnel and the civilian components, financial aid from Japan and the United States, pensions and annuities from the homeland government and other preferential treatment in trade, etc.

In this manner, the economy of Okinawa, in its composition, largely connotes the heteronomous and fluctuating factors, while the pressing need of our economy is the effective usage of revenue originating from external factors and the establishment of a sound self-supporting economy. Therefore, I believe that we should improve our consumptive economy, carry out positive means to increase savings, concentrate efforts toward capital formation, and exert further efforts for the rationalization of life and modernization of enterprise.

Our economy may be regarded as steadily expanding in scope year by year; however, our industrial structure can hardly be considered as being perfectly satisfactory. In particular, the belated start of the primary industry and small businesses and the low productivity of our industry as a whole have invited economic imbalance in various fields of industry which have become a source of hampering our social development. Externally, we are presently confronted with a difficult issue of trade liberalization.

In order to cope with these situations, the Government will endeavor to take proper steps in government and financial administration and, at the same time, concentrate efforts in a program of guidance to promote an increase of private capital and the improvement of technical knowledge. Rationalization and structural improvements are strongly requested of the various industries. With regard to the basic attitude toward economic management from now on, we shall promote the consolidation of the economic foundation and capital increase to promote continuing economic development, solidify the Financial Inspection Bureau, and concentrate our efforts toward a sound currency circulation.

In government finance, the scope of the budget has greatly expanded each year, and we will be able to exceed fifty million dollars in Fiscal Year 1964. The magnitude of this budget is four times the figures corresponding to the budget at the time of the inauguration of the Government, and it is an indication of our economic growth and the increased assistance from Japan and the United States to Okinawa.

On the other hand, the financial needs in the fields of the economy, social affairs, education, etc., are extremely high under the present conditions of Okinawa and, even if the budget of fifty million dollars is realized, it will still be far from satisfactory. It is our intention, therefore, to exert further efforts to ascertain our own financial resources for the purpose of supporting a well-balanced economic development and the improvement of the welfare and well-being of the people in our operation of government finances from now on. At the same time, we will seek the expansion of financial cooperation to Okinawa from Japan and the United States and exert our utmost efforts toward the enhancement of administrative and financial standards.

In the area of taxation, we hope to render due consideration to the maintenance of revenue, economic changes, and the actual living conditions of the people and thereby promote a proper tax burden.

The scope of local municipal finances has also expanded year after year, and a steady improvement has been noted in the substance of the budgets. However, the low financial capability is an undeniable fact; and, therefore, it is our intention to see that municipal autonomous bodies will endeavor to secure positive financial resources and effective financial management; and, at the same time, the Government shall provide extensive financial cooperative and administrative guidance to increase the

rates of municipal distribution taxes and thereby contribute toward the sound development of the municipalities.

Fiscal Year 1964 shall be the year to adhere to a policy of maintaining a sound financial structure of an expanded degree in order to cultivate our economic power and to stabilize and improve the living conditions of the people, to strongly continue the promotion of the existing essential projects in order to solidify a long-range foundation in the economic, educational, and public welfare fields. At the same time, in selecting new projects, we shall maintain, as a basic policy, priority for those that are urgent and important and establish an effective system for the allocation and application of expenditures and fundings.

3. I will now present a brief outline of those projects which the Government considers especially essential.

I. Expansion and Development of the Infrastructure

In Okinawa, today, where the aim is the establishment of a modern society, the expansion and development of the infrastructure is an essential problem. It is my intention, therefore, to expand and develop a comprehensive and effective infrastructure with our Government's own financial capabilities and with the assistances from Japan and the United States and continue to exert efforts toward the establishment of the foundation of a society which maintains all the forms of welfare benefits.

From this viewpoint, I am determined to accelerate our program of consolidating and improving transportation facilities such as roads, harbors, etc., which may be considered the artery of industrial, economic, and cultural development. Regarding roads, we would like to preferentially improve the arterial roads and strengthen the bridges, while with regard to ports and harbors, not only will the construction of main trading ports be continued but further efforts will be exerted toward the improvement of rural ports and harbors for the enhancement of the welfare and the economy of outlying islands. In addition, it is our intention to promote the increased strengthening of the transportation capacity and the rationalization of the transportation enterprises through the betterment of transportation administration and through other means.

In the field of land conservation, we shall put emphasis on flood control and seawall projects as well as exert our efforts for the prevention of disasters through the improvement of meteorological facilities.

Furthermore, it is our intention to accelerate the construction of public-operated housing and seek the relaxation of housing difficulties among those in the low income bracket, promote conservation of rivers and streams, pavement of roads and land readjustment in the city planning

projects as well as commencing a new project of improving the sewage systems of Naha and Koza. Moreover, it is also our intent to concentrate our attention toward the diffusion of power and water distribution in farming and fishing villages. These developments will promote the development of the infrastructure.

II. Improvement of Industrial Productivity

In order to plan for the development of an industrial economy, the enhancement of enterprises which will immediately respond to the conditions of location and the planning of productive improvements through modernized management of industry are two of the important problems of today. It is our intention, therefore, to basically carry out a comprehensive land survey, agricultural census, soil investigation, and other related investigations, prepare and consolidate basic data and references; intensively promote land improvement projects jointly with the increased expansion of roads, seawalls, fishing ports, and farming facilities; improve local conditions and endeavor to provide better livelihood environment. In other areas, we plan to expand our experimental and research institutions, accelerate the improvement of skills through an intensive technical training program, diffusion of technical knowledge, and increase personnel jointly with the increased technical assistance from Japan and the United States, increase the funds of the Central Bank for Agriculture, Forestry and Fisheries, and improve the credit insurance system for medium and small businesses. It is also our intention to cooperate with the Development Loan Corporation and promote the sound circulation of industrial funds by effectively utilizing the fund which will be obtained through the sale of United States surplus agricultural products.

A general outline of our program in the various fields is as follows. First, in agriculture, we will expand the study and planning projects for the improvement of our agricultural structure, encourage the use of farm equipment, concentrate our attention toward the enhancement of preventive measures against noxious insects, continue financial assistance for the purchase of fertilizer and promote the increase of the productive capacity from land through such programs as the rationalization of applying fertilizer and the increase of self-sufficing manure. We will exert particular efforts toward the rationalization of sugar and pineapple production.

In domestic production, we will increase the import of breeding stock for cattle and pigs, encourage the increase of self-produced feed and strengthen the program of dealing with livestock disease. Along with increased production, we will continue to carry out the program to stabilize the price of hogs.

With regard to forestry, we shall carry out a program to improve the quality of public-owned forests, increase profit-sharing afforestation,

and establish forests to arrest disasters, and thereby carry out an extensive afforestation program.

Concerning the fisheries, we shall endeavor to promote the use of large-scale fishing vessels with modern equipment, coupled with the improvement of a productive foundation and, at the same time, seek the legislation of a law for the efficiency of fishing vessels, study fishing grounds, and increase fishery nests.

As regards measures to protect small businesses, we shall promote the systematization of enterprises, rationalization of finances and, together with the improvement of technical know-how through agencies for scientific research and guidance, we shall expand the program of business analysis and guidance and improve business management and techniques.

In order to cope with free trade, we shall strongly promote the rationalization of the sugar and pineapple industries and, at the same time, encourage the early modernization of processing enterprises and plan for an increase in production and volume of exports. With regard to the development of new export markets, we shall try to secure a market for our products rather than promoting to maintain an orderly flow of export and, at the same time, concentrate our attention toward the expansion of foreign outlets.

The tourist industry has enjoyed a steady pace of development each year. In order to further develop tourism into an essential, integrated industry, it is our intention to establish government parks, develop sight-seeing resources, improve tourist hotels, and expand our network of roads, thereby providing better tourist attractions, and, at the same time, carry on an extensive publicity campaign in foreign countries through exhibits on tourism and trade and thereby endeavor to attract foreign tourists.

Even with the program for resettlement, we shall make special efforts to conduct a survey and selection of a new resettlement area in Bolivia for the purpose of promoting our emigration program and, at the same time, seek to provide financial support to foster new enterprises in the resettlement regions.

III. Development of Education and Culture

The construction of a democratic and cultural society and its contribution to the welfare of mankind depends largely upon education. From this viewpoint, we hope to bring up our younger generation which shoulders the destiny of tomorrow, so that it will hold fast to the traditional culture of the land which prides itself for its courtesy and progressiveness and educate them to become members of a peaceful and democratic community. We will try to raise them to love truth and justice, honor labor and responsibility, become healthy individuals, physically and mentally,

and, with an independent insight, to become the driving force of a new era. This problem cannot be solved by merely stimulating the conscience of juveniles and young people alone; it is also important to stimulate the conscience of educators, parents of children, and employers. It is our intention, therefore, to carry out a comprehensive training program not only in schools but at any place and time whether or not it may be in the home, an establishment, or a working place. In order to do so, a sound administration for education, particularly to further improve our training program and develop educational techniques, shall be carried out and thereby bring an upsurge in the over-all effectiveness of educational activities.

Next, with regard to various problems involving juveniles which come in all forms and sizes, every one of them are entirely deep-rooted; and, therefore, we would like to raise the ethical sense of the juveniles and their law-abiding spirit to cope with this situation and seek the betterment of moral principles. It is also our intention to expand the reformatory and the Juvenile Classification Office, improve welfare facilities for children, adjust the administrative projects of concerned agencies relating to the juvenile problem under the auspices of the Juvenile Problems Council and thereby achieve a satisfactory result all around.

In school education, it is our intention to improve the quality of teachers, guarantee their social standing, increase their welfare benefits and constantly maintain a maximum number of teachers in compulsory education, provide adequate classrooms, facilities, and equipment and make free distribution of textbooks to primary school children; thereby concentrating our attention on the improvement of conditions in education along with countermeasures toward the rapid increase of high school students and the development of the University of the Ryukyus. Furthermore, we shall exert our efforts in the education of the handicapped, such as the disabled and feeble-minded children, and the education for remote areas in order to provide equal educational opportunities as well as in the education of school children who face financial difficulties and, at the same time, encourage the desire of learning and scholarship projects.

In order to cope with this present progressive era of the world which demands up-to-date technical knowledge, we shall include science and commercial studies as two major subjects in the curriculum of school education and plan for the construction of an agricultural department building at the University of the Ryukyus, completion of the engineering department building at the University campus, strengthen the management of the fishery training vessel, and establish new high schools. Moreover, it is our intent to improve our vocational training program and promote the acceleration of a comprehensive training program for technical knowledge, and technicians will be required to pass an examination to become specialists. Industrial development corpsmen will also be further trained under such program.

As regards social education, attention will be given to adult education jointly with school education and, for cultural facilities and institutions, a museum and a central library will be constructed. We are encouraging various educational institutions and organizations to carry out effective programs, and the completion of a microwave system which will be ready for operation by the end of this year will certainly contribute toward the development of culture.

It is also our intention to increase various facilities for the enhancement of sports and contribute toward the fostering of sportsmanship and public spirit as well as to encourage healthy amusements and thereby improving the health of the people.

IV. Stabilization and Improvement of Public Welfare

The stabilization and improvement of public welfare and the development of economy are as closely related to each other as the two wheels of a cart. It will be difficult to sufficiently stabilize and improve people's livelihood without the support of economic development. As far as the Government is concerned, it is our intent to carry out various projects for the stabilization and improvement of public welfare while exerting our utmost in the development of the economy.

We shall begin with the survey and study of an over-all social security system with a long-range view and establish a deliberative council to study the social security system in order to adjust and coordinate the system into an integrated program while proceeding with the preparation of a medical insurance program.

It is our plan to strive for strengthening the welfare projects of existing welfare organizations in response to the demands of the society, endeavor to improve temporary care facilities, increase day nurseries, plan the completion of established facilities and thereby exert an improvement in the welfare of the children.

In the area of livelihood assistance, we would like to conduct a survey of the actual living conditions of those requiring such assistance and promote a program to render proper assistance, relax the conditions of welfare loans to low income people and the physically handicapped and thereby seek to support those who strive to rehabilitate themselves.

In relief affairs, we would like to carry out a program to aid the wives of the war dead under the newly established Law for the Payment of Special Benefits to Wives of War Dead.

The efforts toward complete employment of the labor force which increases year after year and the proper employment program for various industries provide not only the basis of livelihood for the laborers but are essential measures which are closely linked with the development of

our industry. It is our intent, therefore, to improve the quality of our employment security affairs through vocational and educational training and guidance and to strive for the modernization of our labor market. We also intend to improve the affairs of labor standards inspection in order to enhance the welfare of labor, promote the establishment of a sound minimum wage program and aim for the guarantee of the regeneration of labor force. Furthermore, a justifiable adjustment of the rights of labor and their civic rights is an important task imposed upon both labor and management. It is our intent, therefore, to improve labor education, foster and help independent and democratic labor unions as well as labor movements based on unionism, accelerate correct labor management, promote better labor and management practices and strive for the maintenance and improvement of industrial peace.

In the fields of medical affairs, health, and sanitation, the measures against tuberculosis, mental disease, and Hansen's disease are urgent problems, and preventive measures for other contagious diseases cannot be neglected in the least.

To cope with tuberculosis, we are planning to establish separate beds for patients who are carriers of the disease, increase the number of tuberculosis patients to be hospitalized in homeland sanatoria and, at the same time, increase group medical examinations and actively promote the program for the early discovery and early treatment of the disease. It is also our intent to encourage the hospitalization of mental patients as we have continued to do in the past and increase hospital beds for these unfortunate people.

With regard to measures against Hansen's disease, we hope to further improve our sanitariums, increase the number of beds to accommodate unhospitalized patients, encourage those who have recovered to leave the sanitariums while, at the same time, see that those released will be given vocational training and physical examinations so that their return to society will be satisfactory and amicable. We shall also promote the enhancement of environmental sanitation and carry out a carefully thought out plan to prevent the spread of communicable disease.

Our government-operated hospitals and nursing schools will be enlarged. Every effort will be made to secure the full number of medical staff and the program of obtaining doctors dispatched under the technical assistance program of the homeland government will be completed, thereby contributing toward the fulfillment of medical administration.

It is also our intent to exert further efforts in the control of poisonous drugs, narcotics, and awakening drugs as well as in the supervision of pharmaceutical affairs and thereby preventing danger to health and sanitation.

The pre-treaty compensation problem is presently under consideration by the United States Government, and we will be fully prepared to carry out the program when approved.

On the question of public safety, it is our intent to continue the improvement of the quality of policemen, increase the mobile force and equipment and thereby maintain the safety and order of the society, consolidate the related laws and regulations to prevent traffic accidents in particular, increase traffic controls and thereby take every possible precaution for the safety of the public.

V. Improvement of Administrative Capacity

It is very important to improve the competency of the Government, and it is particularly urgent at this time to ready ourselves for the acceptance of technical assistance from Japan and the United States which has steadily increased year after year.

The Government has recently formed a special committee to strengthen the functions of its departments, and every effort is being made to study means of improving and rationalizing the departments. It is our intent to consolidate the functions of our department in construction, increase the training of personnel to acquire general knowledge in skills and thereby improve the quality of the public service personnel; while, on the other hand, expedite the rationalization and efficiency of administrative affairs through the purchase of office appliances and increase the mechanization and endeavor to efficiently execute the functions of the Government.

Furthermore, we shall work to improve the welfare of public service personnel through the legislation of such laws as the Retirement Annuity Act and raise their working will and efficiency. We shall continue to look to see that the public service personnel will constantly maintain their pride and responsibility as servants of the entire people and that a rigid administrative supervision and control will be enforced at all times.

With regard to municipal administration, efforts will be continued to increase municipal finances and provide guidance toward effective financial management. A study is now underway to consider ways and means of ensuring the status of municipal employees and improving their welfare, and it is also our intent to continue our courses to improve the quality of municipal employees and raise the administrative standards of the cities, towns, and villages. Furthermore, the rationalization of the scope of municipalities is a vital factor for the sound development of local administration; and, therefore, due study will be made on the problems involving the early amalgamation of the municipalities and further encouragement will be rendered with the cooperation and understanding of the people.

The above is a general explanation of my views regarding the administration of the Government and the essential projects for the coming fiscal year. It is sincerely hoped that each and every member of the Legislature will render his favorable understanding to our objectives and pass the budget for the fiscal year of 1964 as soon as you can after careful deliberation.

OKINAWA LIBERAL DEMOCRATIC PARTY DECLARATION
5 October 1962

For the past three years since its establishment, our party has administered the affairs of the Ryukyus as a progressive national party and has promoted the prosperity of our land by facing up to the realities at home and abroad.

Our efforts have resulted in the establishment of a glorious political structure for a new age, comprising the United States, Japan, and the Ryukyus. The basic policy for the restoration to the Fatherland and improvement of the people's livelihood has been strongly enforced following the issuance of a joint statement by President Kennedy and Premier Ikeda and the subsequent announcement of President Kennedy's new policy for Okinawa. This was the result of our Party's sound program and policy.

We believe that the duties of a government are to ensure prosperity of our land and improvement of the people's livelihood. These duties cannot be accomplished without the cooperation and support of the United States and Japan.

We firmly believe that the Okinawa Liberal Democratic Party is the only party which can maintain and advance this cooperative structure, restore our original racial traits, and improve the people's livelihood.

Our party, therefore, has reconfirmed this sound policy for achieving racial prosperity and improvement of the people's livelihood and has decided on a policy adapted to the needs of the times. Our party shall be victorious in the coming General Election with the overwhelming support of all the people behind the leadership of our Party President and the support of the absolute majority and continue to conduct the important and eventful work of administering the affairs of the Ryukyus. The party has reconfirmed its determination to carry out its mission as the only responsible party.

Resolution

1. Let us promote reversion to the Fatherland by strengthening the U. S.-Japan cooperative structure.
2. Let us establish a responsible government through the expansion of autonomy on the basis of understanding and trust.
3. Let us acquire positive aid from the United States and Japan and attain the level equal to that of the prefectures on the mainland through

the realization of the plan for the improvement of the people's livelihood.

4. Let us strive to correct the difference of income and realize a welfare society through the establishment of a social security system.

5. Let us strive to achieve rapid development of the economy through the completion of basic facilities and providing necessary industrial funds.

6. Let us realize a sound cultural life through the perfection of electricity, waterworks, housing, etc.

7. Let us endeavor to cultivate men of talent who will become leaders of the next generation through the promotion of education.

Declared and Resolved on this day, October 5, 1962.

The Fourth Extraordinary Convention
of the Okinawa Liberal Democratic Party

OKINAWA LIBERAL DEMOCRATIC PARTY POLICY
5 October 1962

A. Realization of a Prefectural Level Through U. S. - Japan Aid and Expansion of Autonomy and Strengthening of the Internal Structure in Preparation for Reversion to the Fatherland

1. Strengthen the U. S.-Japan-Ryukyu cooperative structure.
2. Acquire pre-treaty compensation.
3. Promote the public election of the Chief Executive.
4. Complete the legislative system.
5. Perfect the administrative structure and elevate administrative efficiency.
6. Improvement in the treatment and quality of public service employees.
7. Completion of the judicial system.
8. Completion of the tax system.
9. Protection of fundamental human rights.
10. Strengthen the finances of the Shi-Cho-Son.
11. Accelerate the merger of Shi-Cho-Son.
12. Establish a local public service employee system.

B. Completion and Strengthening of Basic Facilities to Achieve Expansion of the Economy

1. Accelerate completion and paving of principal roads.

2. Complete and expand harbors.
3. Expand public works of the Shi-Cho-Son.
4. Expand farm improvement works.
5. Expand anti-flood, afforestation, and river conservation.
6. Promote development works.
7. Expand city planning works.
8. Promote basic surveys including land survey and an agricultural census.
9. Accelerate the compensation for land used for highways.
10. Complete the inter-island airfields.

C. Promotion of the Modernization of Agricultural and Fishing Industries, Output of Agricultural and Fishing Industries and Increase the Income of Farmers and Fishermen

1. Vigorous implementation of measures for the rationalization of sugar and pineapple industries.
2. Expansion of the production of principal products.
3. Encourage agriculture through livestock raising as a major sideline.
4. Improve the conditions of agricultural land and promote cooperation among farmers and mechanization.
5. Complete fishing port facilities.
6. Seek large fishing vessels and modernization of equipment.
7. Increase technical assistance.
8. Expand the finances of agricultural and fishing industries.
9. Price stabilization of products and production materials.
10. Expand cooperative associations.
11. Improve disaster countermeasures for agriculture and fishery.

D. Promotion of Industrialization and Commerce and Other Related Industries to Develop the Economy

1. Completion and modernization of enterprise facilities.
2. Improvement of technology.
3. Organize and develop small and medium enterprises.
4. Seek smooth circulation of money of small and medium enterprises.
5. Accelerate the establishment of a central wholesale market.
6. Establish an export insurance system.
7. Promote transportation businesses.
8. Develop the tourist business.
9. Encourage the habitual use of island products.

E. Completion of Education, Improvement of Literary Ability and Expansion of Cultural Facilities

1. Complete and expand school facilities.

2. Provide necessary equipment for education.
3. Provide and improve the quality of school teachers.
4. Promote industrial and scientific education.
5. Promote social education.
6. Expand local education finances.
7. Promote the early construction of sports and cultural centers.
8. Accelerate electrification of all the islands.
9. Promote water works and completion of simple water systems.
10. Accelerate the construction of public housing.

F. Expansion of the Social Security System and Medical and Public Health Facilities

1. Promote the enforcement of a medical insurance system.
2. Enforce the annuity and public service workers' retirement annuity systems.
3. Intensify the protection of livelihood.
4. Expand welfare works for the physically handicapped.
5. Expand child welfare institutions.
6. Promote the welfare of the aged.
7. Increase welfare funds.
8. Improve preventive measures against TB.
9. Improve measures for mentally deranged persons.
10. Improve preventive measures against Hansen's disease.
11. Improve preventive measures against infectious diseases and parasitic insects.
12. Accelerate the establishment of a tropical diseases research center.

G. Improvement of Welfare for the Working Class and Promotion of the Emigration Program

1. Facilitate the modernization of allowances.
2. Increase guidance and protection for women and minors as laborers.
3. Establish comprehensive vocational training centers.
4. Promote mass employment on the mainland.
5. Improve unemployment relief work.
6. Enforce accident compensation insurance system for laborers.
7. Enforce the retirement annuity system and improve the treatment of the workers employed by the military.
8. Establish a laborers bank.
9. Expand the emigration development corporation.
10. Completion of the emigration agency.
11. Expand the training of young men for the development of industry.

Resolution Requesting the Amendment of the Price Act

We would like to manifest our profound appreciation and gratitude toward the deep interest of President Kennedy and the United States Congress for the welfare of the people of Okinawa.

Our Party stands on the view that the problems of Okinawa should be amicably settled through the confidence and cooperation of the United States and Japan, and has exerted its efforts to seek an understanding of the actual situation of Okinawa by the Governments of the United States and Japan.

Fortunately, based on the Joint Communique of President Kennedy and Premier Ikeda in June 1961 and as a result of the reports of the Kaysen Study Group, which was dispatched in October 1961, the new policy for the administration of Okinawa was announced by the President in March 1962 and was greeted by the people as an advancement of the Okinawa problem.

As a positive manifestation of the new policies, we have held great expectations and hopes in the President's recommendation of lifting the ceiling for the amount of aid in the Price Act to 25 million dollars. However, it is indeed regrettable, not only for the sake of Okinawa but for the sake of the United States and Japan as well, that the reduction in the United States Congress to a 12 million dollar ceiling has caused the feeling of disappointment and unrest for the people.

From the constructive standpoint that a model area of a new democracy will be established in Okinawa, it is sincerely requested that your sound consideration will be especially rendered for an early approval in the coming United States Congress for a 25 million dollar ceiling as originally proposed by the President.

RESOLVED on this day October 5, 1962.

Copies of the Resolution are addressed to:

President Kennedy of the United States
President of United States Senate
Chairman of United States House of Representatives
Chairman of United States Senate Armed Services Committee
Chairman of United States Senate Appropriations Committee
Chairman of United States House of Representatives Appropriations
Committee
Secretary McNamara of United States Department of Defense
Secretary Rusk of United States Department of State

PLATFORM PLANKS
OF THE
OKINAWA PEOPLE'S PARTY AND OKINAWA SOCIALIST PARTY

1. Let us fight to repeal Kennedy's policies, which seek to freeze the present conditions, and gain reversion to the fatherland.

We shall overcome the assistance program which turns the issue of reversion aside in the disguise of financial assistance and seeks to permanently freeze the militaristic colonial control of existing conditions, and we shall demand expenditure from the national treasury of the Japanese Government through a special Act for the Recovery of Okinawa, thereby establishing the status of a Japanese Prefecture. We shall also demand that the United States Government make disbursements of expenses for losses resulting from its militaristic colonial control.

We shall, therefore, seek the realization of reversion and participation in state affairs as resolved by the Legislature, bring about reversion through the emancipation of Okinawa from colonialism in accordance with the United Nations' effort for complete abolition of colonialism, and emerge from the bondage of Article III of the Peace Treaty through its abolition or rescission.

2. Let us fight to cause the removal of atomic and hydrogen bomb bases from Okinawa and gain world peace.

We shall cause the removal of all and any nuclear weapons brought into Okinawa and oppose missile testing and new land requisitions. We shall defend the peaceful Constitution of Japan and oppose all and any military alliance. We shall seek the realization of complete world disarmament, peaceful co-existence and perpetual peace.

3. Let us oppose the appointment system of the Chief Executive and fight to gain the popular election of the Chief Executive.

There can be no form of a democratic government under a military-appointed Chief Executive who cannot be held responsible to the prefectural people. We shall, therefore, reject the appointment of a Chief Executive by the nomination of the Legislature and persistently fight to gain the system of selecting a Chief Executive by popular vote through the direct vote of the prefectural people.

4. Let us fight to remove all forms of colonialism and gain democracy.

We shall repeal any form of unilateral pressures from the military and government party such as the enforcement of the single representative election district system, shelving of tax reductions, and the price increase of utility rates. We shall protect the livelihood of the prefectural people by establishing a democratic government, oppose the restrictions on travel and speech which infringe upon basic human rights, demand restitution of all losses which have been caused through the occupation by the United States Forces, fight to gain the expansion of judicial rights, and transfer the control of the Bank of the Ryukyus and public corporations to the Government.

OFFICIAL ANNOUNCEMENT OF THE OKINAWA SOCIALIST MASSES PARTY
27 August 1962

Discontinuation of Coalition Discussions

The appointed Chief Executive Ota and the present situation, where the Liberal Democratic Party maintains a majority in the Legislature which is linked with the appointment system, have, for the past two years, caused a retrogression of autonomy, exposed a bureaucratic dictatorship and subordination, and have invited political non-confidence. Such maladministration is undeniable. The victory of the Liberal Democratic Party in the last election is not only due to the result of the deliberate utilization of the single representative system, but it is also caused by the flood of candidacies from the opposition. In order to advance a democratic form of government and establish a policy which will truly be responsible to the people and for the people through the expansion of autonomy, the government structure under the appointed Chief Executive Ota must be overthrown, and a curtailment of strength in the Legislature held by the Liberal Democratic Party must be promoted. From this viewpoint, the three factions of the opposition have come to realize the need to avoid a surplus of candidates and to establish a united front. Simultaneously, democratic organizations also entertain a similar view and have endeavored to join in a coalition.

This has resulted in the determination of a united platform of the four factions, but has failed to result in a united view toward an organized front in making concrete preparations for the coming election.

Our Party, for the purpose of fulfilling the aforementioned objectives, has asserted that it would be proper to prevent a flood of candidacies through agreement on the relative strength of a candidate in a district, and to campaign in assigned districts with each political party being responsible for holding fast to its respective independence, while other factions provide lateral support and various democratic organizations respond in establishing supporting organizations. However, it has been the strong opinion of the People's Party and the Socialist Party that the significance of the coalition is to fight under a single united front.

Originally, each political party usually announces the spirit underlying the formation of its party, announces its platform and

policy to the people and, at a general election, makes a further appeal to the public for their confidence by elaborating on these. Thus, a partial election to fill a vacancy is an exception; however, in the preparation for a general election, any fight under a completely united structural front by consolidating internal and external policies with other political parties will defeat the very spirit of the party for the sake of pressing the campaign, destroy the significance of the party's existence; and, though it may be a temporary one, it may well cause a result similar to the appearance of a new political party through either the amalgamation of political parties or the dissolution of a party. It is our conviction that such a development is hardly the way for a political party to fulfill its responsibility and mission.

Some views have been expressed that efforts should have been continued to fully establish a coalition. However, in reality, any further study for adjusting candidacies in each district and for other adjustments, such as, an explanation of concrete policy for each constituency, will merely cause further useless consumption of time in view of the developments which have been accomplished up until today, and it is very clear that the result of such study will be fruitless. Therefore, it has been determined that a coalition under a united front will be abandoned, and the Party will stick to its independence and fight in the coming election. However, the Party shall, for the purpose of defeating the forces of the top government party, be very strict in selecting candidates by making concessions in the districts, and the Party reconfirms its policy of striving for the fulfillment of its anticipated objectives. We express our deep appreciation to the representatives of the People's Party, the Socialist Party, and those from the Okinawa labor unions and other democratic organizations for their effort toward the establishment of a coalition until this day.

OKINAWA PEOPLE'S PARTY CONVENTION PLATFORM
23 September 1962

1. The Okinawa People's Party was established on July 20, 1947 under the leadership of progressive laborers, farmers, and men of intelligence who stood up to fight for the democratization and progress of Okinawa, in the midst of a peculiar situation of the United States occupational control following the termination of the second great war.

In view of developments in 1945 when the United States Forces landed on Okinawa, purged and defeated the Japanese militarists and occupied Okinawa, our Party has ever since exhibited the people's platform for 1) rigid enforcement of the Potsdam Declaration; 2) application of the public purge system to Okinawa; 3) establishment of democracy; 4) liberation of occupied land; and 5) protection of human rights, thereby engaging in the fight against the occupation policy of American imperialism. It has been shown that this platform was clearly legitimate as manifested in the developments of events which followed.

Our Party opposed the announcement of the so-called seven principles for the peace negotiation with Japan made by American imperialism in 1950 so that it could continue the occupation of Okinawa; it opposed the conclusion of a separate peace with the United States which isolated us from the fatherland, Japan, and which placed Okinawa under the trusteeship control of the United States, and our party advocated an all-out peace treaty which would include the Soviet Union and the socialist nations. At the same time, our Party opposed the trust administration of Okinawa and sought its immediate return to Japan. With such high standards on our political agenda, our Party adopted its respective assertions in 1951 during the 4th Party Convention.

Since then, our Party slogan for "immediate return to Japan" has become the exclusive political issue used for the liberation of the people of Okinawa and has become a star in the sky which will guide the people in their struggle for progress, democracy, and better living.

American imperialism which was confronted by the great victory of the Chinese revolution, the over-all advance of socialist nations and the great advance made by the forces of people for peace and democracy in Japan, has devised a new scheme under the policy of strengthening Japan as the aggressive nerve center in Asia for world domination while provoking aggressive hostility in Korea. This is the San Francisco setup which was established under the conspiracy of American imperialism and the quisling-like Japanese monopolistic capitalists in 1951.

The setup in San Francisco included all those controls of American imperialism against Japan (including Okinawa) which have been legalized under consistent forms of aggressive, treasonous, and humiliating treaties and agreements such as the San Francisco "Peace Treaty" and the "Security Pact."

Thus, our Okinawa has been further expanded and strengthened as the greatest military base for atomic and hydrogen bombs of the American imperialists in Asia and the nerve center for an aggression to attack the USSR, China, and other socialist nations and to oppress and threaten the people of Asiatic nations who are fighting for racial independence.

Our Party has continued to oppose the aggressive, treasonous, and reactionary control of American imperialism and the Japanese monopolistic capital, demanded the abolition of Article III of the "Peace Treaty," struggled for the withdrawal of military bases and stands at the head of the people in opposition against new military land expansion and acquisition.

In doing so, our Party has been subjected to various forms of oppression and has experienced a trying ordeal; however, our Party has steadily grown and matured with the support of the unyielding strength of the people under the banners of patriotism and justice.

Our Party has fought the policy of hostility and oppression of United States-Japanese reactionaries, fought the comprador reactionary puppets in Okinawa and fought to oppose the exploitation and plundering of the comprador capitalists.

American imperialists, simultaneously with occupational control, have assembled together a band of people, the backbone of which is the remnants of the Imperial Rule Assistance Association which existed during the second great war; set them up as their servants in an occupational administration, established government structures to control the prefectural people, organized a privileged bureaucracy which would be faithful only to American imperialism and enforced the compulsory division of our race.

However, with the growth of the working class, the struggles for peace and reversion to the fatherland, for democracy and for better living have been intensified, and the American imperialists were not only forced to return Amami Guntō but were compelled to establish at the same time "the Government of the Ryukyu Islands," a puppet organization in the guise of democracy and a comprador reactionary stronghold was established by attempting to exhibit to the prefectural people that they were being granted autonomy. Under certain conditions, a comprador bureaucracy has been assigned to various fields such as social, economic, and political functions, and direct supervision of local autonomous bodies has been maintained under

an absolute centralization of power. This rule has been basically enforced even after the High Commissioner system was established in 1957.

At the moment, Okinawa is basically controlled by American imperialism and Japanese monopolistic capital which has formed a subordinated union with American imperialism. Our Okinawa is originally a part of Japan, but it has actually become a territory of the United States.

American imperialism has delayed the return of many farmers to farming in order that its occupational control of Okinawa may be feasible; it paralyzed the people's volition for labor along with the release of captured goods; and, additionally, it intensified economic controls through extreme forced labor, compulsory service, financial and trade restrictions. Not only has this inevitably caused the primary and secondary industries such as agriculture and the productive industries to face destructive circumstances, but it has developed a tertiary industry headed by the servicing businesses which cater to the United States Forces personnel and the bases. It has created a large number in the laboring force of the military and established an economic structure which is dependent upon the military base.

The economy of Okinawa is completely controlled by American imperialism as far as productive industry is concerned, such as in finance and trade, etc. In the fields of commodities, consumption and services, the local economy relies upon Japanese monopolistic capital and between 70 percent and 80 percent of the business transacted is dependent upon our fatherland, Japan. Thus, the people of Okinawa are forced to rely upon the policy of American imperialism regarding expansion of military bases, and their living conditions are subject to extreme pressures under the influence of the high commodity price policy of the Japanese monopolistic capital.

The comprador capitalists of Okinawa have developed with this growth of militaristic colonial economy, have increased their exploitation and plunder of the laborers and the working people under the protection of American imperialism's policy for excessive reliance and have become the backbone of the comprador reactionary forces within the prefecture who are obstructing the return to the fatherland.

Along with the imperialistic military restoration and intensification of Japanese monopolistic capital, the militaristic colonialization policy of American imperialism toward nuclearization and territorialization have been further intensified. Japanese monopolistic capital has created the Self-Defense Forces in violation of the Constitution, has taken advantage of the missile bases of the United States Forces in Okinawa as a training center for the officers of this Self-Defense Forces primarily to train and prepare for the expansion of nuclear warfare and are playing a role in the militaristic provocations in Asia brought about by American imperialism. The Japanese monopolistic capitalists are supporting the

puppet "Government of the Ryukyu Islands" under American imperialism and its followers, are binding themselves with the comprador capitalists, and are promoting the spread of colonialism in Okinawa. They have also attempted to use Okinawa as a base for an invasion of Asian nations. They are making great investments in Okinawa and are pushing forward to seek capital amalgamation and establish a succession to their financial chain. This inevitably will bring pressure upon medium and small businesses and drive them into bankruptcy, cause the farmers to become the proletariat, create constant unemployment and a group of semi-unemployed, induce the excessive development of private enterprises, cause the people to fall into destitution, permanently establish a low wage standard for the working class and increase the exploitation and plundering of the people.

A group of bureaucrats with special privileges are resorting to bribery, graft, and other illicit practices by working into the national-type administration of the "puppet" government through its development as an agency for appeasement and oppression mainly under the control of the United States and Japan, and are utilizing it as their base of operations. They have built elaborate mansions for themselves and are dominating the people despite the hunger and destitution of these people.

This situation was further intensified with the conclusion of the new Security Pact between Japan and the United States in 1960 and the reinforcement, solidifying the present condition, was greatly advanced.

The new Security Pact between Japan and the United States is an aggressive military alliance which was conceived under the conspiracy of American imperialism and Japanese monopolistic capital. It is a treasonous agreement of humiliation which has encroached upon national sovereignty and which has successively sold out Okinawa to American imperialism. This Pact has further intensified an inconsistency between the people of Okinawa and American imperialism. Japanese monopolistic capital has nakedly exposed itself as the enemy of the people of Okinawa.

The controlling elements of Japan and the United States have used this Pact as a base to institute ways and means for establishing new controls in order to intensify the maintenance of militaristic colonial conditions in Okinawa, to urge the cooperation of Japanese monopolistic capitalists without basically causing any loss for the United States; to plot new colonial investments under the guise of economic "aid" and undertake an offensive movement in anticipation of disunion of the laboring front and the separation and collapse of the movement for the return to the fatherland and the liberation of Okinawa.

However, the greater the hostility and reactionary control of the United States and Japanese leaders and the comprador forces, the greater will be the differences between the various levels of the people.

The people from all walks of life have, along with the enhancement in the capacity of the working class, started to join in united struggles for reversion to the fatherland and the withdrawal of atomic and hydrogen bomb bases.

The legal basis for the American imperialists and Japanese monopolistic capitalists to continue their control over Okinawa is Article III and Article VI of the "San Francisco Peace Treaty" and the Security Pact between the United States and Japan, which have been further reinforced by other treaties and agreements in accordance with the San Francisco system.

There is a need for the people of Okinawa to persistently continue their united struggle for further intensifying the front for the liberation of Okinawa to the fatherland and for independence.

2. The basic peculiarity of the present-day international situation reveals an increase in the over-all crisis of capitalism and the fact that the decline and corruption of imperialism as a world-wide organization has become poignant. On the other hand, socialism has further developed into a world-wide organization, and the various forces for racial independence, peace, socialism, and democracy have become stronger than ever before. These forces have become the prime movers for determining the motive, methods, and special features in the development of the history of the world in these times. The world-wide structure of socialism is steadily becoming a decisive factor in the development of human society, and, in the course of establishing the progress of world history, the collapse of imperialism cannot be avoided and the victory of socialism is inevitable.

American imperialism which runs counter to the development of world history has defied the sovereignty of capitalistic nations and the backward countries of the world, mainly with a military alliance bloc and economic "aid." It has violated peace, independence, and democracy and has oppressed the people of such countries. American imperialism has thus become the common enemy of the people of various countries.

Under such an international situation, our fatherland, Japan, which has become an important base for the American imperialistic invasion of Asia, is not only prevented from racially independent and peaceful development but has likewise become a link in the struggle by various forces for world peace and socialism's advancement. It has accepted the important role of joining in the common fight of the people of various nations in Asia for racial peace and independence. Thus, the international situation of today is favorable for those forces seeking peace and socialistic advancement.

3. From the aforementioned situation and observation, the liberation of Okinawa will result from the realization of the reversion to the fatherland which will be fought for in opposition to the militaristic colonial control and comprador reactions by the American imperialists and Japanese monopolistic capitalists and for the purpose of seeking the overthrow of the San Francisco Pact, the abolition of Article III and Article VI of the San Francisco "Peace Treaty" and the revocation of the Security Pact between the United States and Japan.

The realization of this reversion to the fatherland will be developed through the consolidation of patriotic democratic forces for independence, democracy, peace, and neutrality in the fatherland, Japan.

The people of Okinawa who are being oppressed under direct control of American imperialism are assuming the traditional task of liberating themselves by their own efforts. This traditional task will repel any form of oppression by American imperialism, drive these imperialists out of Japanese land, including Okinawa, oppose the treasonous policy of Japanese monopolistic capital and make possible the struggle for their defeat.

Consequently, the primary role of the Party at this time is to oppose the imperialistic and militaristic policy for war and aggression by comprador reactionary forces which are under the leadership of American imperialism and Japanese monopolistic capital and oppose the militaristic and colonial control which is for the purpose of dividing our race and which thereby creates a treasonous political revolution. Our Party shall oppose all and any form of exploitation and plunder and will seek to organize laborers, farmers, intellectuals, women, young men, students, small businesses, and all other people to expand their objectives and struggle for independence and peace, reversion to the fatherland and democracy, and the improvement of living conditions.

4. The Party will direct all class levels to increase their demands and develop their struggles, organize labor unions, farmers' unions, and all class levels, form a strong united democratic front for reversion to the fatherland around an alliance of farmers and laborers, and commence a Ryukyu-wide struggle for the liberation of Okinawa under its leadership.

This united democratic front for reversion to the fatherland will struggle against comprador reactionaries and the puppet "Government of the Ryukyu Islands" while expanding its strength to cooperate, unite, and join in the fight for reversion with progressive and democratic political factions and with conscientious and liberal-minded people. At the same time, it will further strengthen its front through closer alliance and unity with the patriotic democratic forces in the fatherland.

The Party will oppose American imperialism and Japanese monopolistic capital and assume leadership in the struggle of the people against

comprador reactionaries while persistently but effectively campaigning to fight and work together with all democratic factions and independents during the course of fulfilling its imminent mission. With respect to the tendency that is obstructing our unified effort, the Party will fearlessly and actively criticize and fight such tendency. During these fights, the Party will provide political education to the laborers and farmers and will solicit the membership of many capable and active people to join the Party.

The development and strengthening of a united democratic front for reversion to the fatherland is assured by the establishment of our Party's political leadership, the establishment of class leaders among the working class, and the strong foundation of laborer-farmer alliance under such leadership. Our Party will thus direct the development of struggles by the laborers and farmers and exert efforts to expand and strengthen the Party.

In the course of this struggle, the fight to overthrow the puppet "Government" and the fight of the democratic forces for reversion to the fatherland to gain an absolutely secured majority number of seats in the Legislature will play an important role in the struggle for the liberation of Okinawa. If the struggle is undertaken by joining forces with the masses, the puppet-like and comprador-type reactionary factions will be exposed, the puppet "Government" will become perturbed and isolated, and the militaristic colonial control of American imperialism and Japanese monopolistic capital for war, revolution, exploitation, and oppression will sustain an inevitable blow. On the other hand, it will produce an advantageous condition for reversion to the fatherland. Such will also make possible the overthrow of the puppet "Government," the successful fight for the public election of the Chief Executive, and establish autonomous organs which will serve the people under certain conditions.

However, the effectiveness of gaining such a majority in the Legislature, which can serve in the expansion and development of a united democratic front for reversion to the fatherland and can serve those who are thoroughly indoctrinated in the struggle, will depend on the power of a common struggle outside the Legislature which supports the united front. The advancement of such struggle for liberation by the democratic forces for reversion to the fatherland, which stands to gain an absolute majority in the Legislature by joining forces with the masses, will drive the reactionary elements of the United States and Japan into a corner which becomes greater as the struggle progresses, cause their reactionary policy to fail, shake up the San Francisco agreements, and will favorably develop complete independence for Japan.

Whether this struggle will make possible the realization for reversion to the fatherland or not will depend upon the growth of a united democratic front for reversion to the fatherland.

The road for reversion to the fatherland and the fulfillment of complete Japanese independence will definitely be cleared if the unity of our Party and the League of Laborers and Farmers can be further developed, if a strong united democratic front in opposition to American imperialism and Japanese monopolistic capital can be developed through the leading role of our Party and the League of Laborers and Farmers, if the privileged bureaucrats who are replacing the two enemies - United States and Japan - can be defeated, and if the comprador reactionaries can be isolated.

However, the possibility for the realization of reversion to the fatherland through this united democratic front will not be accomplished unless the people who support the independence, democracy, peace, and neutrality of Japan will become stronger and join forces with each other. This means that the struggle of Japanese nationals to seize the power from the Japanese monopolistic capital and the fight of the people to establish their own government are inseparably related to each other. The consolidation of these two struggles will definitely clear the way for reversion.

In this way, the demonstration and development of strength by the united democratic front for reversion to the fatherland will gradually place American imperialism and Japanese monopolistic capital at bay and enrage them. This will be an indication that the San Francisco setup for war, aggression, and oppression is shaken; and the United States Forces and the military bases on Okinawa, which is the base of operations for aggression and threat in Asia, will be jolted from its very foundation. On the other hand, it will be a bright omen for reversion to the fatherland and the complete independence of Japan and will present a bright outlook for peace in Asia and the world.

The Okinawa People's Party will continue to oppose the pressing control of American imperialism and Japanese monopolistic capital for the purpose of carrying out the great task of justice imposed upon the people of Okinawa; it will fight the puppet "Government" which devotes its services to these imperialists and capitalists; and it will fight the comprador reactionaries in order to achieve democracy and livelihood improvement of the people under the following action platform.

Action Platform

1. In Order to Win the Struggle for the Restoration to the Fatherland

a. The Party will struggle for the revocation of Article III of the San Francisco "Peace Treaty" which divides our race and for the abolition of the San Francisco structure.

b. The Party will struggle for the complete application of the Japanese Constitution and other democratic laws to Okinawa.

c. The Party will struggle for the acquisition of the freedom of travel between Japan and Okinawa; realization of participation in the national government; and currency conversion to Japanese yen.

d. The Party will oppose economic "aid" to Okinawa through the phony U. S. - Japan expense-sharing system aimed toward an eternal possession of Okinawa. The Party will demand that the Japanese Government bear the national expenditure in full and meet all expenses in such a way that Japan will assume the sovereignty of Okinawa. Furthermore, the Party will demand that Japan rehabilitate Okinawa from war damage, develop land, etc., by enacting a law that provides for special rehabilitation measures.

e. The Party will demand that the United States Government indemnify for damages sustained by its unlawful, militaristic, colonial rule, and the Party will struggle to have stolen properties returned to the prefectural people.

2. In Order to Preserve Peace

a. The Party will struggle and demand that the United States evacuate its military bases, including atomic and hydrogen-bomb bases, and take all military personnel from Okinawa. The Party will oppose any military action by U. S. Armed Forces from Okinawa.

b. The Party will struggle for the abrogation of the U. S. - Japan Security Treaty and oppose any retrogressive revision of the Japanese Constitution; restoration of Japanese militarism; and military alliances. We will struggle for peaceful co-existence, establishment of friendly relations with other countries, and demand a policy of neutrality of Japan on the basis of the five principles for peace.

c. The Party will struggle in opposition to the testing, manufacturing, utilization and storing of nuclear weapons, and demand the establishment of a nuclear-free zone in the Pacific, including Okinawa, and struggle for general and complete disarmament.

3. In Order to Win the Struggle for Political Freedom and Democracy

a. The Party will oppose any system of militaristic colonial rule by the United States; demand the abolition of the Executive Order, ordinances, proclamations, and other unpatriotic and reactionary laws and regulations; and struggle to gain political freedom and democracy for the prefectural people. The Party will oppose any reactionary plot aimed at depriving the people of democratic rights.

b. The Party will oppose the system of appointing the Chief Executive or any other system of appointing government officials and will

struggle for the realization of a system of appointing a governor (chiji) by popular vote. The Party will struggle for the democratization of the courts of justice; oppose the system of appointing the judges of the Court of Appeals; and struggle for a system of appointing judges by a popular vote.

c. The Party will struggle in opposition to any veto power of either the High Commissioner or the Chief Executive. The Party will struggle to have the full amount received from the United States and Japan inserted into the budget of the Government of the Ryukyu Islands and demand that attached strings be abolished.

The Party will struggle for the abolition of the small representation system and the realization of a major constituency system; transfer control of the Bank of the Ryukyus, public corporations, and national and prefectural-owned land and forests to the people.

d. The Party will demand the abrogation of the composite criminal code and other laws and regulations, which infringe upon basic human rights; struggle for the freedom of speech, press, assembly, association, thought and demonstration; abolition of unfair deprivation of eligibility for election; and abolition of unfair treatment because of differences in ideology, religion, sex, and race.

4. In Order to Establish Independent and Democratic Municipal and Local Self-Governing Bodies

a. The Party will oppose any unfair interference and oppression of the municipal and local self-governing bodies by the High Commissioner and the Government of the Ryukyu Islands, and will struggle for the development of democratic self-governing bodies.

b. The Party will demand a substantial increase in the municipal and local distribution tax and revision of the taxation system which is partial to the Government.

Moreover, the Party will demand that the Japanese Government and the Government of the Ryukyu Islands shoulder the expenses caused by performing national and prefectural functions and activities by the municipal and local self-governing bodies.

The Party will struggle for the elimination of unfair control over the self-governing bodies through the High Commissioner's funds, and demand that the funds be inserted in the budget of the Government of the Ryukyu Islands.

5. In Order to Ensure the Improvement of the People's Livelihood and Democratic Rights

a. The Party will struggle for the abolition of the low income system for laborers; demand substantial increase in wages; establish a

minimum wage system; and struggle for the payment of wages according to work; and reduction of working hours.

b. The Party will oppose any capitalistic rationalization, dismissal, intensification of work, and retrogressive revision of working conditions; and struggle for ensuring the rights of organization, collective bargaining and strike.

c. The Party will demand suitable jobs for the unemployed and the semi-unemployed, and struggle to demand equal opportunities for graduates when seeking employment.

d. The Party will struggle in opposition to discriminatory employment and forced labor.

e. The Party will oppose any monopolistic and comprador agricultural policy that victimizes the farmers; struggle for the sale of national and prefectural-owned land and forests to the farmers; struggle to ensure the cost of production and agricultural funds; and the democratization of the federation of agricultural cooperative associations.

f. The Party will struggle in opposition to the unrestricted importation of agricultural and livestock products and manufactured products which will oppress the farmers; oppose the monopolistic sale of farm equipment, fertilizer, etc., and struggle for an independent development of the agricultural and livestock industries.

g. The Party will struggle in opposition to the requisition of new farmlands, forest lands, and maneuvers; demand the return of land; compensation for damage; and restoration of land to its original state.

h. The Party will struggle in opposition to the large-scale industrialization of the fishing industry and monopolistic control of marine facilities; demand the completion of the fishing port facilities, construction of seawalls, establishment of fish nests, and secure the prices of marine products; and struggle for the protection of petty fishermen and democratization of the federations of fishermen's associations.

i. The Party will struggle in opposition to the maneuvers by the United States Armed Forces; infringement upon fishing rights; and demand compensation for damage resulting from maneuvers.

j. The Party will struggle in support of the demands made by the small and medium enterprises which oppose the pressures exerted by the monopolistic capital of the United States, the comprador capital, and the imbalance of financing by financial institutions.

k. The Party will struggle for the protection of the livelihood and rights of the working citizens such as independent enterprisers and

professionals. The Party will struggle in opposition to the discriminatory treatment of women and struggle for the expansion of their social and democratic rights and improvement of their position and protection of mothers; completion of social facilities for the welfare and supervision of children's health. The Party will demand the completion of the facilities for educational, physical, and cultural activities of the younger generation; and struggle in opposition to any discriminatory labor and wages of young men; and struggle for the improvement of their social position.

1. The Party will struggle in opposition to the raising of commodity prices which threaten the livelihood of all levels of society and struggle for the just control of public service charges and reduction of monopolistic commodity prices.

6. In Order to Establish a Social Security System

a. The Party will struggle for the application of democratic Japanese laws on social security to Okinawa; establishment of a comprehensive social security system for the needy and the unemployed in all levels of society and for the sick and the aged, including the physically handicapped.

7. In Order to Seek a Peaceful Racial Development of Education and Culture

a. The Party will struggle in opposition to the centralization of educational and cultural policies; interference and control of education by the United States; infusion of Japanese militaristic and reactionary education; and struggle for the establishment of a democratic educational system for educating the prefectural people as Japanese who will protect racial independence and peace. The Party will struggle in opposition to the collection of money as part of the people's share in education, such as the Education Tax, or any collection under the name of education and demand that the Japanese Government meet all educational expenses and permit free interchange of education between the mainland of Japan and Okinawa.

b. The Party will struggle in opposition to the destruction of racial cultural properties of Okinawa and the introduction of the degenerated culture of the United States and struggle for the protection of cultural properties, democratic development of education, scientific technology, art, and freedom of thought, belief, and expression.

8. In Order to Achieve an Independent and Peaceful Development of Economy

a. The Party will oppose the introduction of foreign capital, including the monopolistic capital of the United States, which promotes

the development of a military and colonialistic economy; demand the development of Okinawa's economy based on a plan framed by the Japanese Government on the premise that the United States will evacuate its military bases.

The Party will struggle in opposition to the control of finance by U. S. dollars, trade monopoly and public enterprises of the United States; and struggle for the transfer of these to the people.

b. The Party will oppose the colonialistic heavy taxes; struggle for the establishment of a democratic taxation system and a rational and progressive scale in the tax system.

OKINAWA SOCIALIST MASSES PARTY
FIFTEENTH EXTRAORDINARY PARTY CONVENTION
13 October 1962

Declaration and Resolution

Racial independence and the attainment of peace, along with the declaration of the United Nations for the abolition of colonies and the movement toward complete disarmament, are indicative of the world trend. Contrary to this trend, the United States has separated Okinawa from Japan, an independent nation, and is striving toward the intensification of military bases with nuclear weapons. This is regrettable not only from the standpoint of international justice but also for the sake of world peace.

President Kennedy has recognized that Okinawa is a part of the Japanese homeland, expressed his anticipation of its return to Japan and has announced he will minimize the stresses that will accompany its eventual restoration, while, in reality, he is attempting to relax discontent of the people through the expansion of economic aid, divert the demand for reversion and continue to freeze the present condition and colonial control. In the congressional deliberations for the amendment to the Price Act on the increase of assistance, it has been stated that "the residual sovereignty retained by Japan is but a formality and that actual sovereignty remains with the United States." Conclusively speaking, there has been a drastic reduction of assistance and the cry for increased assistance has ended in empty words. Thus, the United States is avoiding its responsibility and its obligation.

The Government of Japan has testified before the National Diet that, even if Okinawa is a territory of Japan and nuclear weapons are brought in to endanger the lives of 900,000 people and even if Okinawa is a base of operations for the strategic deployment of the United States Forces, it could not render a protest because the administering authority is retained by the United States. It cannot be considered that the Japanese Government is actively striving to correct such unreasonableness and inconsistency as a national policy on a preferential basis.

Under the appointed Chief Executive Ota, the Government of the Ryukyu Islands has fostered the intervention of the United States through the depreciation of political belief and autonomous capability, forgotten its responsibility toward the people due to ingratiating and subservient toward power, promoted dependency of local autonomous bodies toward centralized authority and has distorted the true aim of local autonomy. The

retrogression of autonomy has never been as bad as it is today. The economic policy lacks planning and consistency, problems are constantly disposed of in a makeshift manner, matters are solved for the benefit of party interests and party policy along with the conspiracy of privileged individuals rather than for the interest of the masses, and the distrust and discontentment against politics are now overflowing among the common people. Thus, the reflection and criticism - that the result of the previous general election was a major cause for inviting the present condition - are presenting high hopes for a break in the present situation and for a new change.

Our Party will stand on the aforementioned views and reflect upon itself for its insufficient political activities and, at the same time, raise the level of public understanding of our Party and keenly feel responsibility to respond to public opinion and bring a new turn in the political situation. In order that the will of the people and the great masses will bring about the establishment of a responsible democratic government through the curbing and control of powers in the coming general election, the Party will thoroughly follow its political belief as manifested in its platform, enter the election campaign with further unity, and strongly determine to fight with confidence and pride for the purpose of achieving victory for the reformists.

The aforementioned and the following are hereby resolved:

1. Our Party will remove all forms of colonial control and seek an early realization of reversion to the fatherland.

1. Our Party will respond to public opinion for complete disarmament, strongly demand the removal of atomic and hydrogen bomb bases from Okinawa and fight to seek the realization of perpetual world peace.

1. Our Party will fight to seek the amendment of the Presidential Executive Order which arrests political development and the improvement of autonomy.

1. Our Party will overthrow the Ota regime which subordinates itself to the administering authority and plans to render local autonomous bodies incompetent, and fight to seek the realization of the public election of the Chief Executive, expansion of autonomy, and the sound development of local autonomous bodies.

1. Our Party will seek the improvement of public welfare on the basis of independent planning and fight to cause the Governments of Japan and the United States to fulfill their responsibilities.

1. Our Party will perfect the standards for production to protect the livelihood of farming and fishing villages, and fight to establish "a price appropriate for consumption" in production costs.

1. Our Party will prevent the liberalization of sugar and pineapple and fight to seek the realization of positive protective measures by the homeland government.

1. Our Party will promote the enforcement of social security comparable to hondo and fight to seek the construction of a better place in which to live.

1. Our Party will defend and protect the rights of the working class and fight to seek the improvement of living conditions.

1. Our Party will fight to seek the realization of participating in state affairs as Japanese nationals.

The Fifteenth Extraordinary
Party Convention of the
Okinawa Socialist Masses Party

Party Policy for 1962

Our Party has sought the normalization of the unnatural political situation of Okinawa which is administered under the authority of an alien race and has fought for the realization of reversion to the fatherland since its formation. However, the concept which is against the United States possession of Okinawa has remained unchanged; the fervent desire of the nine hundred thousand prefectural people for reversion to the fatherland has been avoided in the guise of increased aid and thereby attempts to oppress the discontent against the United States for its colonial control.

The appointed Chief Executive Ota and the government party - the Okinawa Liberal Democratic Party - are forgetting their responsibility to the general public, have come under the control of the United States, have caused the retrogression of autonomy, have constantly engaged in personal distinction and the protection of interests for certain persons. On the other hand, they are enjoying self-complacency and are planning to render the independence of local autonomous bodies incompetent. We can hardly restrain ourselves from entertaining a strong resentment against such actions.

Our Party will establish the following policy, the pivot of which is reversion to the fatherland, and commence a strong political campaign for its realization.

Foreign Policy

I. Policy Toward the United States

1. Let us repel the United States policies which seek to freeze the existing conditions and fight to gain reversion to the fatherland.

We shall overcome the aid program which seeks to sidetrack reversion in the name of financial assistance and to freeze the existing militaristic colonial control, and demand financial disbursements by the administering authority as its responsibility and the payment of expenses to compensate for all losses and disadvantages. We will seek the realization of the resolutions for the return of the administering authority and the participation in state affairs as passed by the Legislature on February 1 and promote the realization of reversion through the liberation of Okinawa from colonialization and through the abolition, revocation, etc., of Article III of the Peace Treaty along the United Nations policy for complete abolition of colonies by emerging from such bonds.

2. Let us cause the removal of atomic and hydrogen bomb bases on Okinawa and fight to gain world peace.

We will have removed all and any form of nuclear weapon brought to Okinawa and will oppose missile practices and new land acquisitions. We will safeguard peace in Japan, oppose all forms of military alliances and seek to realize complete disarmament, peaceful co-existence and everlasting peace in the world.

3. Let us oppose the appointment system of the Chief Executive and fight to gain the public election of the Chief Executive.

There can be no democratic government which can be held responsible to prefectural people under a chief executive appointed by the military. Consequently, we will reject the appointment of the Chief Executive by nomination and persistently fight to gain the public election of the Chief Executive through the direct election of the prefectural people.

4. Let us remove all forms of colonial control and fight to gain democracy.

We will repel the unilateral pressure of the military, the Government, and the government party such as the enforcement of the single representative system, shelving of tax reduction, and the increase of utility rates which are contrary to public opinion. We will establish a democratic form of government, protect the living conditions of the prefectural people, oppose the restrictions on travel and speech which infringe upon the basic human rights, and fight to gain an expansion of judicial rights and the transfer of the Bank of the Ryukyus and corporations to indigenous management.

5. Amend the Presidential Executive Order which arrests political development and the improvement of autonomy.

II. Policy Toward Japan (Hondo)

1. Early promotion for the realization of the return of administering authority as a national program of first priority.
2. Promotion of financial disbursements for education, land preservation and development and the expansion of technical assistance as the responsibility of a national and territorial sovereign.
3. Immediate preparation for the participation of an Okinawan representative or representatives in the National Diet.
4. Prevention of the liberalization of trade for sugar and pineapple and strengthening of measures to foster productive industry in Okinawa as a part of Japanese domestic economy.
5. Establishment of a direct association of institutions and agencies in Okinawa with national financial institutions and social welfare agencies corresponding thereto and provide similar treatment as that in Japan (hondo).
6. Early enforcement of payments for prewar postal savings, etc.
7. Release of privately owned properties requisitioned by the defunct Japanese Army to former owners.

Domestic Policy

1. Expansion of autonomy and relaxation of the tax burden.
 - a. Removal of improper intervention by USCAR.
 - b. Realization of the public election of the Chief Executive.
 - c. Establishment of a public election law and promote the realization of a plural (medium) election representation system.
 - d. Drastic reformation of the tax system based on territorial principle and the promotion for an equitable burden and tax reduction.
 - e. Enforcement of official discipline and reformation of administration.

f. Complete enforcement of existing Acts (Mental Hygiene Act, Tuberculosis Preventive Act, Leprosy Preventive Act, Disaster Relief Act, Daily Life Protection Act, etc.)

2. Promotion for the strengthening of local autonomous bodies.

a. Establishment of finances through the amendment of Municipal (Shi-Cho-Son) Distribution Tax Act and Municipal Tax Act.

b. Enforcement of development projects based on independent planning which will bring about local characteristics.

c. Overcome the housing problem and promote capital city planning.

d. Strengthen development programs for offshore municipalities and remote areas.

(1) Correction of disadvantageous differences sustained by offshore and remote areas.

(2) Perfection of port facilities, fishing ports, and roads.

(3) Establishment of public warehouses.

3. Promotion of industrial and economic development.

a. Enforcement of a land preservation and comprehensive development program.

(1) Perfection of port facilities.

(2) Early realization of measures for land and water conservation.

b. Economic development through the fostering of basic industry.

(1) Establishment of administrative policy for the protection and development of sugar, pineapple, rice, tobacco, poultry, etc.

(2) Perfection and complete enforcement of related laws and regulations.

(3) Early rationalization of production and management.

- (a) Proper placement of processing plants.
- (b) Improvement of loan conditions for management and funds for equipment.
- (c) Encouragement of accompanying projects.
- (d) Increased yield through improvement of variety and replanting.
- (e) Establishment of the price on agricultural products such as sugar, canned pineapple, rice, tobacco, eggs, pork, etc., which will compensate production costs and increase agricultural income.

(4) Protection and fostering of basic industry through the revision of related tax laws.

c. Development of farming and fishing villages through strong measures for perfection, guidance, and protection of the basis for production.

- (1) Enforcement of an agricultural census.
- (2) Early completion of land reinvestigation, perfection of public ledgers and early compensation for land destroyed because of public roads.
- (3) Enforcement of soil analysis and the establishment of a comprehensive production program through sectional land use.
- (4) Enforcement of arable land consolidation and early completion of basic agricultural facilities such as farm roads, irrigation, drainage, etc.
- (5) Establishment of an administrative policy on fertilizer.
- (6) Promotion of modern agricultural methods.
- (7) Expansion and improvement of agricultural guidance and research institutions.
- (8) Encouragement of diversified domestic breeding and the development of livestock industry through the expansion of market.
- (9) Strengthening of measures for the guidance and products of farm management.

(a) Include products of farmers and fishermen without limiting the domestic use of products to processed items.

(b) Stop the unrestricted importation of commodities which will compete with farm products.

(c) Establish a program to subsidize purchasing of farm tools.

(d) Establish a program to compensate for losses sustained by natural disasters such as typhoon, etc.

(10) Establishment of windbreak and tide water control forests for farmland and the cultivation of forest resources by planned afforestation.

(11) Enforcement of land and sea reclamation projects.

(12) Completion of fishing ports and strengthening of marine production facilities.

(13) Increase funds for the Central Bank of Agriculture, Forestry and Fishery and further development of cooperative associations.

(14) Comprehensive development of Iriomote and central Okinawa and the promotion for the development of mountainous northern regions.

(15) Long-term RDLC loans, low interests on loans, and improvement of funding system for productive industry.

(16) Promotion of cottage industry.

d. Elimination of non-power distribution areas and productive improvement in farming and fishing villages.

e. Establishment of measures against storms.

f. Unification of power distribution firms and reduction of utility rates (electric power, gas, telephone, water, etc.)

g. Review of the system of marginal profiting from rice and the enforcement of price reduction for rice.

h. Development of water resources and early promotion of water supply projects.

i. Establishment of measures for tourist business.

4. Promotion and fostering of medium and small business.
 - a. Increase funds of the Public Finance Bank.
 - b. Promotion of sound management through improvement of the financial system.
 - c. Establishment of related laws and regulations for medium and small business.
 - d. Further development of medium and small business systems.
 - e. Protective measures through tax reform (entertainment tax, traveling tax, etc.)
 - f. Further improvement of industrial survey.
5. Promotion for the development and improvement of maritime transportation program.
 - a. Consolidation of port facilities.
 - b. Consolidation of related laws and regulations (Act for Supplementing Interests on Loans for the Construction of Ships for Ocean Navigation, etc.)
 - c. Further construction of ocean-going and inter-island vessels.
6. Promotion for the development of education and culture.
 - a. Elevation of education comparable to that in hondo.
 - b. Establishment of educational administration and fulfillment of educational facilities and equipment.
 - c. Establishment of equal educational opportunities (remote area education, special education, etc.)
 - d. Government-supported expenses for kindergarten education.
 - e. Development of scientific and technical education.
 - f. Expansion of the scholarship program.
 - g. Sound upbringing of juveniles and young people.

h. Improvement of public hall management (establishment of public libraries).

i. Promotion of young men's and women's activities.

j. Establishment of cultural and sports centers.

7. Establishment of a social security system comparable to hondo.

a. Establishment of social security systems such as medical insurance, etc.

b. Further expansion of the welfare fund.

c. Establishment of an annuity system.

d. Further development of measures toward mental hygiene.

e. Improvement of measures against tuberculosis.

f. Strengthen relief program for leprosy patients and the perfection of facilities for medical treatment.

g. Establishment of laws for the prevention of contagious disease and a quarantine law.

h. Improvement of vocational aid institutions and a nursery for mother-child program.

i. Improvement of child welfare projects.

j. Improvement of medical administration.

(1) Establishment of medical centers.

(2) Training of medical practitioners.

8. Protection of the livelihood and the rights of laborers.

a. Early realization of a minimum wage system.

b. Early realization of a separation allowance system for laborers employed by the military and indigenous organs.

c. Unification of military and civil labor laws.

d. Establishment of a depository for laborers.

- e. Establishment of an accident compensation law for laborers.
- f. Development of labor unions and removal of improper oppression.
- g. Rational management of the Act Concerning Emergency Counter-measures for the Unemployed and the improvement of unemployment counter-measures (further increases in the unemployment countermeasures budget, increase the wages and the number of days for unemployment work).
- h. Further improvement of training and guidance program for young men employed in hondo.
- i. Training of skilled workers to meet the demand of the times.
- j. Development of a labor market and the expansion of employment.

9. Emigration Policy.

- a. Promote the sending of emigrants to the South Sea Islands and Asiatic regions.
- b. Further improvement of the Overseas Resettlement Corporation.

Slogans of the Okinawa Socialist Masses Party

Reversion to the fatherland for us! Let us all fight for its early realization.

Repel colonial control with your good vote.

Protect Okinawa and do not allow atomic and hydrogen bomb bases.

Public election of the Chief Executive and the expansion of autonomy will be realized with the overthrow of the Ota regime.

Protect local autonomous bodies from the hands of political aggression.

Protect farm villages and restore the farmers.

Let us campaign for the reduction of commodity prices and taxes.

Cultivate and foster the children of the next generation.

The construction of a better place to live comes from the expansion of social security.

Let us protect the living conditions and the rights of the working people.

OKINAWA PREFECTURAL FEDERATED BRANCHES
OF THE
JAPAN SOCIALIST PARTY
13 October 1962

Policy

Policy Criteria

A party policy is based on its platform. We have already established the following strategic goals for the emancipation of the Okinawa people;

In reference to the lower echelon, request the release of people from colonial capitalism, return the capitalistic national economy back to the Japanese and realize socialism;

In reference to the upper echelon, request the release of the people from the control of United States imperialism, return the control to the Japanese Government and establish a Japanese proletarian regime;

In reference to the tools of control, we shall request the abolishment of the Executive Order, ordinances and proclamations, request the application of Japanese laws and establish Japanese proletarian laws.

Based on said strategic goals, we have decided upon the following policy for the emancipation of the Okinawan people.

Policy

- I. Cause the removal of A&H Bomb bases on Okinawa and win world peace.
- II. Rescind Article III of the Peace Treaty, win prompt and complete reversion of Okinawa to the fatherland.
- III. Expand autonomy by winning the public election of the Chief Executive and defend democracy.

Concrete methods of struggle for the achievement of the aforementioned three issues will be in accordance with the Movement Policy.

IV. Basic Economic Policy

1. Prevent trade liberalization of agricultural and fish products and protect and foster their growth as domestic industries.
2. Control free economy (planned economy).
3. Expose the exploitation by the United States and other world capitalistic powers and abolish it.
 - a. Abolish the United States monopoly in basic economic structure.
 - b. Expose the exploitation of wages, commodity prices, interest rates, taxes, social security, etc., and abolish it.
4. Independence from the base economy.
 - a. Conduct a concrete analysis of the degree of dependency.
 - b. Plan the rearrangement of industries.
5. Proper organization of the industrial system (with a view to achieving self-sufficiency).
6. Full employment.
7. Sound and balanced international trade.
8. Development and cultivation of national land and conservation of rivers and forests.
9. Establish a social security system.
10. Abolish advertisements for effecting and accumulating capital.

V. Industrial Policy

1. Correct the existing unstable industrial system, control the third industry, seek rapid improvement of the second industry, and protect the first industry with the view to increasing its income.

In order to materialize this:

- a. Exercise an approval system for enterprises.

b. Establish a loan system in conformity with government policy.

c. Exercise priority in the use of government funds.

2. Control over the Foreign Investment Board should be by the prefectural people and remove oppression upon the prefectural people's enterprises which results from expansion of foreign enterprises.

3. Abolish unrestricted investment of foreign capital (both financial and industrial) in local enterprises and smash their control over the subordination of local enterprises.

4. Promote accumulation of capital by reduction of interest, power, water, fuel, and transportation rates.

5. Transfer the functions of the Electric Power Corporation, Domestic Water Corporation, Development Loan Corporation, etc., to the people.

6. Seek the transfer of bus enterprises to the Government and establish a tobacco monopoly system.

VI. Banking and Trade Policy

1. Establish a Prefectural Central Bank directly connected with the Government of the Ryukyu Islands in order to enable an advancement of funds in conformity with government policy. In order to appropriate its capital, obtain a long-term loan of \$5,000,000 with no interest on the loan from the Government of the Fatherland. This bank will be given the power to supervise and control city banks and other monetary institutions.

2. Control the free monetary and exchange systems and prevent the departure of Okinawan capital.

3. Abolish the direct and free grant of credit to Okinawan banks by foreign (primarily United States) banks (under a collateral agreement) and defend the Okinawan monetary system and industries from exploitation and subordination to foreign capital.

4. Reduce interest rates.

5. Enforce strict control of illicit financing by establishing easy terms for obtaining loans.

6. Expand the advancement of funds for agriculture, forestry, fishery, and minor enterprises by increasing the investment in the

Central Bank for Agriculture, Forestry and Fisheries and the People's Finance Corporation, and relax the restrictions on loans.

7. Control the unrestricted import of goods through the control of trade administration.

8. Seek the materialization of deferred payments in trade.

VII. Financial Policy

1. Conduct an over-all reform of the tax system in order to materialize a fair tax payment system and the reduction of taxes.

a. Drastically reduce the tax on earned income and enforce a highly progressive tax scale system.

b. Seek a mass reduction of taxes. In order to materialize this, impose a high tax rate upon luxuries.

c. Impose taxes on excessive advertisements on television, on radio, and in the newspapers.

2. Abolish ordinances providing for discriminative taxation which gives preferential treatment to foreigners and impose taxes upon foreigners equal to that imposed upon the prefectural people.

3. Seek the transfer of national and prefectural land to the people and appropriate the profits in the government budget.

4. Seek the transfer of public corporations to the people and appropriate the profits in the government budget.

5. Impose a tonnage tax on foreign vessels at all ports and collect rental for the use of port facilities.

6. Seek the imposition of taxes upon commodities handled by the PX and military clubs and appropriate the profits in the Government budget.

7. Seek to have the Japanese Government withdraw the military bases on Okinawa and establish a law providing special measures for the rehabilitation of Okinawa on the premise that Okinawa will be restored to the fatherland.

8. Establish a petroleum tax.

9. Seek the reduction of interest in order to enable the people to obtain loans.

10. Seek to have the Japanese Government pay the expenses for carrying out national government functions which are now appropriated from the Government of the Ryukyu Islands budget and seek compensation for the damage and exploitation by the U. S. Government while administering Okinawa during the past 17 years.

VIII. Labor Policy

1. Provide that the three basic labor laws will apply to all the laborers.

2. Oppose the establishment of a Shi-Cho-Son Public Service Law and an Education Public Service Law.

3. Seek to have the Japanese Government ratify the ILO Treaty and its application to Okinawa.

4. Establish and enforce a law providing special measures for persons who have lost their jobs as employees of the military.

5. Legislate a law guaranteeing full employment.

6. Establish a retirement system.

7. Establish a pension and annuity system.

8. Promote a program for obtaining employment in Japan.

9. Drastically increase appropriations for the unemployment relief program.

10. Faithfully enforce the unemployment insurance law.

11. Establish a Labor Bank Law.

12. Promote the organization of a consumer's cooperative association.

13. Abolish low wages by establishing a minimum wage system.

14. Establish a law concerning the settlement of wages which are in arrears.

15. Seek the rescission of Ordinance No.116 and the unification of labor laws under a single civil labor law.

IX. Agricultural and Fishery Policy

1. Establish a self-sustaining economy.
 - a. Designate staple agricultural and fishery products and establish a demand and supply plan.
 - b. Secure seeds and seedlings.
 - c. Establish prices which are government-controlled.
2. Increase the prices for agriculture and fishery products and the income of the farmers and fishermen.
 - a. Strengthen agricultural and fishery cooperative associations and expand their activity of collecting and selling products.
 - b. Improve the system of circulating money.
 - c. Establish a production plan and designate production regions and areas.
 - d. Control imports.
 - e. Conduct a market survey.
 - f. Establish government-designated prices.
 - g. Expand new markets.
 - h. Prevent trade liberalization of agricultural and fishery products and protect and foster the growth of farmers and fishermen.
3. Expand and increase productivity.
 - a. Exchange and merge farmlands.
 - b. Consolidate fundamental facilities such as agricultural roads, irrigation and drainage systems, etc.
 - c. Encourage cooperative activity and the mechanization of farming.
 - d. Perfect the experimental stations so that they maintain a direct connection with the farmers.
 - e. Establish an agricultural disaster security law.

f. Strengthen the Central Bank and provide long-term and low-interest loans.

4. Eliminate exploitation.

a. Tax deductions or exemption.

b. Price reduction of commodities.

c. Price reduction of fertilizer, farm appliances, fishing implements, and fuel oil.

d. Control donations.

e. Improve living conditions.

5. Measures for small farmers and fishermen.

a. Apply the unemployment measures.

b. Apply a social security system.

c. Legislate a factory arrangement law.

6. Establish a basic law for agriculture which provides for those matters mentioned in the preceding items and legislate a farmers' association law which is designed to realize these objectives.

X. Policy for Small Enterprises

1. Policy against exploitation of small enterprises.

a. Legislate a sub-contractor's law and a law controlling the deferred payment on sub-contracts.

b. Abolish price controls (Government-controlled prices which the working class cannot afford).

c. Reduce interest rates, particularly undertake a drastic reduction of interest rates on government-disbursed funds.

d. Provide special measures regarding taxes.

2. Policy toward competition with and exploitation of markets by large enterprise (and big capital).

a. Prevent introduction of foreign investment which provides service enterprises or exploits the market of minor enterprisers through the enactment of a foreign investment law.

b. Establish a law providing the scope of industrial activity for minor enterprises.

c. Establish a monopoly prohibition law.

d. Establish a department store law.

e. Establish a commerce adjustment law.

f. Accumulate a certain amount of funds for financing minor enterprises and establish a credit security association law.

g. Establish a minor enterprisers' organization law.

XI. Social Security Policy

1. Consolidate and put into effect a social security system which includes a national health insurance program.

2. Seek the realization of a national annuity system.

3. Faithfully enforce the unemployment insurance program and improve it.

4. Expand and strengthen welfare loan activities.

5. Early realization of a public service workers mutual benefit association law.

6. Raise the standard of livelihood protection and increase aid.

7. Strengthen the medical administration for mentally deranged and physically handicapped.

8. Strengthen tuberculosis control and leper relief activities.

9. Expand and strengthen juvenile welfare facilities.

10. Early realization of measures for protecting children from infantile paralysis.

XII. Education Policy

1. Strive to eliminate colonial culture such as consumption culture, advertisement culture, sex culture, etc., and encourage such culture which stimulates the people to go to work.

2. Improve kindergartens by providing subsidies to nurses and facilities.

3. Strengthen and expand the dispatch of Japanese educational consultants.

4. Reduce the heavy work of teachers by realizing the placement of clerical personnel at each school at government expense.

5. Expand and strengthen scholarship activity.

6. Oppose the evaluation of teachers' services and defend the independence of education against control and interference by political power.

7. Enlighten and purify the educational environment:

- a. Strengthen neighborhood cooperative activity;
- b. Complete the establishment of education zones;
- c. Eliminate bad movies and publications, etc.

8. Encourage and strengthen democratic organizations for juveniles, youth, and women.

a. Seek democratic development of youth organizations.

b. Encourage women's association activity for the democratization of homes and communities and for the improvement of living conditions.

XIII. Policy toward municipal autonomy

1. Increase the municipal distribution tax.

2. Seek to transfer the High Commissioner's Fund to the government's budget and disburse it for local development through a democratic procedure.

3. Seek the establishment of a grant-in-aid system having a military base.

4. Enforce impartial taxation against foreign enterprisers.

5. Establish a factory arrangement law.

6. Establish a welfare commissioner (Minsei-iin) system.
7. Realize the disbursement of government funds for Shi-Cho-Son development programs.
8. Prevent the merger of Shi-Cho-Son by influence exerted from above for centralization of power.
9. Eliminate the corresponding expenses in aid programs and the disbursements by Shi-Cho-Son for carrying out national and prefectural functions.

XIV. Other policies

1. Advance funds by using pensions as collateral.
2. Realize the refund of prewar postal savings.

APPENDIX III

VISITORS TO THE RYUKYU ISLANDS

VISITORS TO THE RYUKYU ISLANDS
OF SIGNIFICANCE TO THE CIVIL ADMINISTRATION
1 July 1962 - 30 June 1963

The following list, not all-inclusive, was arranged in order of arrival.

| | <u>Date of Arrival</u> |
|---|----------------------------|
| Harry D. Felt, Admiral, Commander-in-Chief, Pacific | 30 Jul 62 |
| Alan Penington, Dr., Northwest Pacific Area Representative, World Health Organization (WHO) | 19 Aug 62 |
| Paul M. A. Linebarger, Dr., Professor of Asiatic Politics, School of Advanced International Politics, John Hopkins University | 31 Aug 62 |
| John M. Allison, former Ambassador to Japan, now faculty member of the University of Hawaii | 6 Sep 62 |
| Maxwell D. Taylor, General, designated Chairman of the Joint Chief of Staff | 7 Sep 62 |
| Ray A. Soderberg, Deputy Comptroller, USARPAC | 2 Oct 62 |
| V. R. Fegley, Office of Assistant Chief of Staff, G-1, USARPAC | 2 Oct 62 |
| Robert P. Campbell, Colonel, Deputy Chief Surgeon, USARPAC | 2 Oct 62 |
| Edward O'Flaherty, Chief of Economic Affairs, Office of Deputy Chief of Staff for Military Operations | 6 Oct 62 |
| Doug Blankenship, President of U. S. Junior Chamber of Commerce | 30 Oct 62 |
| Roy L. Morgan, Director of Field Services, U. S. Department of Commerce | 3 Nov 62 |
| Lee Griggs, Time-Life, Tokyo Bureau | 6 Nov 62 |
| Frank Iwama, Time-Life, Tokyo Bureau | 6 Nov 62 |
| George H. Kerr, Honolulu Academy of Arts | 16 Nov 62 |

| | <u>Date of Arrival</u> |
|--|----------------------------|
| Jitsuzo Tokuyasu, Director General, Japanese Prime Minister's Office | 20 Nov 62 |
| Chandler Dawson, Dr., Consultant to the U. S. National Institute of Health, Bethesda, Maryland | 26 Nov 62 |
| Roman L. Hruska, United States Senator (Nebraska) | 27 Nov 62 |
| Hastings Keith, United States Congressman (Mass.) | 27 Nov 62 |
| Norman D. King, Civil Affairs Directorate, Office of the Deputy Chief of Staff for Military Operations | 2 Dec 62 |
| Gale McGee, United States Senator (Wyoming) | 13 Dec 62 |
| Frank E. Moss, United States Senator (Utah) | 13 Dec 62 |
| Frank Church, United States Senator (Idaho) | 13 Dec 62 |
| Jack C. Gotschall, G-5, USARPAC | 16 Dec 62 |
| Francis Jack, U. S. Department of Agriculture | 18 Dec 62 |
| Koy Neeley, U. S. Department of Agriculture | 18 Dec 62 |
| Francis Cardinal Spellman, Archbishop of New York | 20 Dec 62 |
| Charles B. Fahs, Dr., Director of U. S. Information Service, Japan | 12 Jan 63 |
| Chalmers Roberts, Chief of the National News Bureau of the Washington Post | 28 Jan 63 |
| Stephen Ailes, Under Secretary of the Army | 11 Feb 63 |
| Howard E. Haugerud, Deputy Under Secretary of the Army for International Affairs | 11 Feb 63 |
| Richard F. Kent, Colonel, Executive Officer to the Under Secretary of the Army | 11 Feb 63 |
| John Sitterson, Colonel, Office of the Deputy Under Secretary of the Army for International Affairs | 11 Feb 63 |
| Jack C. Kern, forester, U. S. Department of Agriculture | 12 Feb 63 |

| | <u>Date of Arrival</u> |
|--|----------------------------|
| Julius W. Cohn, Far East Director, Fairchild Publishing Company | 13 Feb 63 |
| Zenas Sykes, U. S. Social Security Administrator | 14 Feb 63 |
| Popo de Bathe (Popo the Clown) | 22 Feb 63 |
| Clifton B. Forster, Chief of Japan-Korea Affairs, USIA | 25 Feb 63 |
| Baron Goto, Director of the Technical Training Program of the East West Center, University of Hawaii | 7 Mar 63 |
| John Cowles, Jr., Editor, Minneapolis Star and Tribune | 10 Mar 63 |
| Keijiro Takagi, Dr., Councillor, Dental Affairs, Welfare Ministry | 18 Mar 63 |
| James F. Collins, General, Commander-in-Chief, U. S. Army, Pacific | 21 Mar 63 |
| Yasuo Gushi, President of the United Okinawan Association of Hawaii | 25 Mar 63 |
| Hisashi Amano, Governor of Yamanashi Prefecture, Japan | 2 Apr 63 |
| John K. Emmerson, Deputy Chief of Mission, American Embassy, Tokyo | 4 Apr 63 |
| Sylvia L. Levy, Executive Director, Mental Health Association of Hawaii | 21 Apr 63 |
| Barbara J. Chinen, "Queen" of Hui Makaala, Hawaii | 3 May 63 |
| William V. Griffin, Vice President, Mack Klosty & Co. | 6 May 63 |
| Harold M. Bitner, Dr., Dean of Student Personnel, University of Hawaii | 7 May 63 |
| Lawrence S. Okinaga, President, Associated Students of the University of Hawaii | 7 May 63 |
| Robert M. Fujii, President, College Union, University of Hawaii | 7 May 63 |
| James Shigeta, 4-H Club Specialist, Extension Services, University of Hawaii | 14 May 63 |

| | <u>Date of Arrival</u> |
|---|----------------------------|
| Rafael A. Nieves, U. S. Department of Commerce, Office for Textiles | 14 May 63 |
| Hubert V. Everly, Dr., Dean of the College of Education, University of Hawaii and President of the Hawaii Education Association | 21 May 63 |
| James R. McDonough, Executive Secretary of the Hawaii Education Association | 21 May 63 |
| Norman Sklarewitz, correspondent, Wall Street Journal | 28 May 63 |
| Yoshinori Tanada, Dr., Fulbright scholar teaching at Tokyo University, Japan | 1 Jun 63 |
| Osamu Itagaki, Japanese Ambassador to the Philippines | 8 Jun 63 |
| Robert N. Akamine, Hui Makaala, Hawaii | 11 Jun 63 |
| Clarence T. Tamashiro, Hui Makaala, Hawaii | 11 Jun 63 |
| Jane Uehara, Hui Makaala, Hawaii | 11 Jun 63 |
| Arthur Z. Gardiner, Minister-Counselor of Economic Affairs, U. S. Embassy, Tokyo | 12 Jun 63 |
| John A. Burns, Governor of Hawaii | 13 Jun 63 |
| Beauford J. George, Jr., Dr., Fulbright Professor, Tokyo University, Japan | 16 Jun 63 |
| Clara Katekaru, President, Oahu Student Counsellors Association | 18 Jun 63 |
| Ray Katekaru, Assistant Director, Institute for Technical Exchange, East West Center, University of Hawaii | 18 Jun 63 |
| James H. Boulware, U. S. Department of Agriculture | 18 Jun 63 |
| Clyde L. Rasmussen, U. S. Department of Agriculture | 18 Jun 63 |
| Delbert C. Myrick, Dr., U. S. Department of Agriculture | 18 Jun 63 |
| John Payne, Dr., Hawaiian Sugar Planters Association | 18 Jun 63 |
| Rokuro Urata, Hawaiian Sugar Planters Association | 18 Jun 63 |
| A. J. Mangelsdorf, Dr., Hawaiian Sugar Planters Assn. | 18 Jun 63 |

APPENDIX IV

OFFICE OF THE HIGH COMMISSIONER KEY PERSONNEL CHANGES

OFFICE OF THE HIGH COMMISSIONER KEY PERSONNEL CHANGES

During the period, 1 July 1962 to 30 June 1963, the following key personnel changes occurred on the staff of the Office of the High Commissioner:

| <u>Departures</u> | <u>Date</u> |
|---|-------------|
| John F. Rogan, Maj, FC, Deputy Director, Finance | 3 Jul 62 |
| John G. Nardin, Lt Col, Arty, Special Projects Officer | 28 Jul 62 |
| Ryokichi Higashionna, Lt, CE, Public Works and Utilities Officer, Economic Development | 7 Aug 62 |
| Charles V. L. Elia, Lt Col, VC, Deputy Director and Veterinarian, Public Health and Welfare | 25 Sep 62 |
| Winston K. Powell, Maj, MSC, Administrative and Operations Officer, Public Health and Welfare | 13 Nov 62 |
| Helmer M. Grotte, Col, Arty, Special Assistant to the High Commissioner | 26 Nov 62 |
| Robert E. Jacobs, Lt Col, Inf, High Commissioner's Representative, Yaeyama | 26 Nov 62 |
| Theodore Llana, Jr., Maj, Inf, Welfare Officer, Public Health and Welfare | 26 Nov 62 |
| William A. Kelley, Assistant Civil Administrator | 11 Dec 62 |
| Masamichi Sueda, Maj, AI, Political Analyst, Liaison | 19 Feb 63 |
| George T. Sakai, Maj, AI, Language Aide to the High Commissioner | 17 Apr 63 |
| Teruo Tanonaka, International Relations Officer, Liaison | 14 May 63 |
| Bernard J. Freed, Internal Revenue Agent, Finance | 1 Jun 63 |
| Roy A. Highsmith, Lt Col, MC, Director, Public Health and Welfare | 11 Jun 63 |
| Harvey A. Legate, Maj, FC, Budget and Fiscal Division Office of the Comptroller | 14 Jun 63 |

| <u>Arrivals</u> | <u>Date</u> |
|--|-------------|
| Shannon B. B. McCune, Civil Administrator | 17 Jul 62 |
| William J. Andrews, Maj, FC, Deputy Director, Finance | 25 Jul 62 |
| Stanley J. Provost, Survey Statistician, Finance | 19 Aug 62 |
| William T. Panttaja, Maj, Arty, Language Aide to the High Commissioner | 23 Aug 62 |
| Alfonso R. Carbone, Deputy Director, Public Safety | 2 Sep 62 |
| Willard R. Merchant, Lt Col, VC, Veterinary Officer, Public Health and Welfare | 17 Sep 62 |
| Gerald Solomon, Social Insurance Administrator, Labor | 18 Sep 62 |
| William W. Cobb, Lt Col, Armor, Special Assistant to the High Commissioner | 6 Nov 62 |
| Orville J. Bennett, Deputy Director, Liaison | 13 Nov 62 |
| Charles W. Galloway, Maj, Arty, High Commissioner's Representative, Yaeyama | 17 Nov 62 |
| Richard J. Rappaport, Capt, CE, Public Works and Utilities Officer, Economic Development | 22 Nov 62 |
| Albert Busby, Capt, MSC, Administrative and Operations Officer, Public Health and Welfare | 26 Nov 62 |
| Ole J. Heggem, Industrial Specialist (Fisheries), Economic Development | 2 Dec 62 |
| Robert F. Townsend, Capt, MPC, Political Analyst, Liaison | 5 Dec 62 |
| Harrol R. Cato, Capt, AGC, Welfare Officer, Public Health and Welfare | 27 Jan 63 |
| Melvin J. Larson, Maj, FC, Budget and Fiscal Division Chief, Office of the Comptroller | 9 Jun 63 |
| Edward J. Dehne', Col, MC, Director, Public Health and Welfare | 28 Jun 63 |

APPENDIX V

STATISTICS AND DATA SUPPORTING TEXT MATERIAL

TABLE OF CONTENTS

Page

| | |
|---|-----|
| Members of Standing Committees | 293 |
| Final Election Results | 294 |
| Table 1, Military Land Rentals | 296 |
| Table 2, Annual Rentals | 296 |
| Table 3, Recapitulation of U. S. Leasehold Interest | 297 |
| Table 4, Ryukyu Islands Selected Economic Indicators | 298 |
| Table 5, U. S. Economic Aid to the Ryukyu Islands, Resources | 300 |
| Table 6, U. S. Economic Aid to the Ryukyu Islands, Applications | 301 |
| Table 7, Recapitulation of U. S. Appropriated Funds for the Ryukyu Islands, FY 1947-FY 1964 | 302 |
| Table 8, General Fund of the High Commissioner | 304 |
| Table 9, Japanese Government Financial Assistance Program Programs Administered by the GRI..... | 305 |
| Table 10, Programs Administered by Japan | 306 |
| Table 11, Programs Administered by Nampo Doho Engo Kai .. | 306 |
| Table 12, Recipients of High Commissioner's Fund for Special Assistance to Municipalities, FY 1963 . | 307 |
| Table 13, Ryukyu Development Loans Corporation, Comparative Balance Sheet | 308 |
| Table 14, Comparative Profit and Loss Statements | 309 |
| Table 15, Outstanding Loans, FY 1957-1963 | 310 |
| Table 16, Resettlement Program | 311 |
| Table 17, Disaster Relief and Rehabilitation Program | 312 |
| Table 18, Summary of GRI Revenue, FY 1953 - 1963 | 313 |
| Table 19, Summary of GRI Tax Collections | 314 |
| Table 20, Sugar Mills in the Ryukyu Islands | 315 |
| Table 21, Summary of GRI Fisheries Subsidies | 316 |
| Table 22, Marine Products Landings | 317 |
| Table 23, Processed Marine Products | 317 |
| Table 24, Marine Products Exports | 318 |
| Table 25, Marine Products Imports | 318 |
| Table 26, Commodity Exports | 319 |
| Table 27, Dollar Value of Imports | 321 |
| Table 28, Commodity Exports by Countries | 322 |
| Commodity Imports by Countries | 322 |
| Table 29, Sales From Free Trade Zone | 323 |
| Table 30, Equity Foreign Investments Licensed by GRI | 324 |
| Table 31, Ryukyu Electric Power Corporation, Comparative Balance Sheet | 325 |
| Table 32, Comparative Profit and Loss Statements | 326 |
| Table 33, Ryukyu Domestic Water Corporation, Comparative Balance Sheet | 327 |
| Table 34, Comparative Profit and Loss Statements | 328 |
| Table 35, Public School Enrollments | 329 |
| Table 36, Students in Senior High Schools (by courses) | 330 |
| Table 37, Medical Personnel in the Ryukyu Islands | 331 |
| Table 38, Reportable Diseases | 332 |
| Table 39, Statistical Report, Cultural Centers | 333 |

MEMBERS OF THE
SIX STANDING COMMITTEES

Government and Legal Affairs Committee (5 OLDP - 1 OSMP - 1 OPP)

| | | | |
|------------------|--------|-------------------|--------|
| *HOSHI Katsu | (OLDP) | ASATO Shotoku | (OLDP) |
| **KINJO Shinpan | (OLDP) | ASATO Tsumichiyo | (OSMP) |
| SHINZATO Seitoku | (OLDP) | FURUGEN Saneyoshi | (OPP) |
| NAKAMURA Teruaki | (OLDP) | | |

Internal Affairs Committee (4 OLDP - 2 OSMP - 1 IND)

| | | | |
|------------------|--------|--------------|--------|
| *IGEI Tokuichi | (OLDP) | MIYARA Chogi | (OSMP) |
| **IRAHA Choko | (OLDP) | TAIRA Koichi | (OSMP) |
| MORISHIMA Meishu | (OLDP) | CHINEN Choko | (IND) |
| TANAKA Busuke | (OLDP) | | |

Education and Social Affairs Committee (4 OLDP - 2 OSMP - 1 OSP)

| | | | |
|--------------------|--------|---------------------|--------|
| *KAKINOHANA Keisho | (OLDP) | CHIBANA Hideo | (OSMP) |
| **TOMOYOSE Kiko | (OLDP) | MAEKAWA Shujin | (OSMP) |
| YAMAKAWA Yasukuni | (OLDP) | NISHIMOTO Toshisane | (OSP) |
| MIYAGI Zenpei | (OLDP) | | |

Economics and Public Services Committee (4 OLDP - 2 OSMP - 1 IND)

| | | | |
|-------------------|--------|---------------|--------|
| *KUWAE Choko | (OLDP) | TAIRA Ryosho | (OSMP) |
| **SUNAGAWA Shisei | (OLDP) | SHIMA Kenei | (OSMP) |
| YOSHIMOTO Eishin | (OLDP) | KUDAKA Shoken | (IND) |
| UEHARA Juzo | (OLDP) | | |

Steering Committee (4 OLDP - 2 OSMP - 1 IND)

| | | | |
|-------------------|--------|----------------|--------|
| *UEHARA Juzo | (OLDP) | MAEKAWA Shujin | (OSMP) |
| **TANAKA Busuke | (OLDP) | TAIRA Ryosho | (OSMP) |
| YAMAKAWA Yasukuni | (OLDP) | KUDAKA Shoken | (IND) |
| NAKAMURA Teruaki | (OLDP) | | |

Budget and Audit Committee (8 OLDP - 3 OSMP - 1 OPP - 1 OSP - 1 IND)

| | | | |
|--------------------|--------|---------------------|--------|
| *YOSHIMOTO Eishin | (OLDP) | KINJO Shinpan | (OLDP) |
| **MORISHIMA Meishu | (OLDP) | TAIRA Koichi | (OSMP) |
| HOSHI Katsu | (OLDP) | CHIBANA Hideo | (OSMP) |
| KUWAE Choko | (OLDP) | MIYARA Chogi | (OSMP) |
| KAKINOHANA Keisho | (OLDP) | FURUGEN Saneyoshi | (OPP) |
| IGEI Tokuichi | (OLDP) | KISHIMOTO Toshisane | (OSP) |
| IRAHA Choko | (OLDP) | CHINEN Choko | (IND) |

* Chairman

** Vice Chairman

FINAL ELECTION RESULTS FOR THE
11 NOVEMBER 1962 LEGISLATORIAL ELECTIONS

| <u>District</u> | <u>Candidates</u> | <u>OLDP</u> | <u>OSMP</u> | <u>OPP</u> | <u>OPFBJSP</u> | <u>IND</u> |
|-----------------|---|--------------------|--------------------|------------|----------------|--------------|
| 1 | <u>SHINZATO Seitoku</u> URASAKI Naoji | <u>4,767</u> | | | | 4,674 |
| 2 | <u>MIYAGI Zenpei</u> MIYAGI Kintoku | <u>5,603</u> | 3,619 | | | |
| 3 | <u>NAKAMURA Teruaki</u> | <u>Uncontested</u> | | | | |
| 4 | <u>YAMAKAWA Yasukuni</u> NAKASONE Kajio | <u>5,846</u> | | | | 5,544 |
| 5 | <u>YOSHIMOTO Eishin</u> TOGUCHI Yutoku | <u>5,536</u> | 4,278 | | | |
| 6 | <u>IGEI Tokuichi</u> | <u>Uncontested</u> | | | | |
| 7 | <u>SHIMA Kenei</u> ODO Saburo | 8,095 | <u>8,788</u> | | | |
| 8 | <u>KUDAKA Shoken</u> TOME Yuken | 6,950 | | | | <u>8,448</u> |
| 9 | <u>TANAKA Busuke</u> NAKAMURA Eiharu | 5,586 | | | | <u>7,495</u> |
| 10 | <u>CHIBANA Hideo</u> CHIBANA Seisho | 6,541 | <u>9,110</u> | | | |
| 11 | <u>KUWAE Choko</u> NAKAISHI Seiryu | <u>12,979</u> | | 0 | | |
| 12 | <u>TAIRA Koichi</u> | | <u>Uncontested</u> | | | |
| 13 | <u>KISHIMOTO Toshisane</u> YOZA Koshin TAKAHASHI Seiko TOBARU Seiken | 3,632 | 7,543 | | <u>7,877</u> | 3,446 |
| 14 | <u>CHINEN Choko</u> NAKAMATSU Yozen | | | 4,951 | | <u>7,012</u> |
| 15 | <u>TAIRA Ryosho</u> ONAGA Josei MIZUMA Taira | 5,232 | <u>8,152</u> | 1,933 | | |

FINAL ELECTION RESULTS FOR THE
11 NOVEMBER 1962 LEGISLATORIAL ELECTIONS
(Continued)

| <u>District</u> | <u>Candidates</u> | <u>OLDP</u> | <u>OSMP</u> | <u>OPP</u> | <u>OPFBJSP</u> | <u>IND</u> |
|--------------------------|---|--------------------|---------------|---------------|----------------|---------------|
| 16 | <u>FURUGEN Saneyoshi</u> TAKEHARA Hisao | | 8,865 | <u>9,967</u> | | |
| 17 | <u>IRAHA Choko</u> YAMAZATO Eikichi | <u>4,791</u> | | | | 4,343 |
| 18 | <u>TOMOYOSE Kiko</u> KANESHI Saichi SAKIYAMA Kisho SENAGA Kamejiro | <u>5,374</u> | | 0 | | 5,252 656 |
| 19 | <u>ASATO Tsumichiyo</u> OWAN Kisaburo UKU Shinsei | | <u>4,036</u> | 3,149 | | |
| 20 | <u>ASATO Shotoku</u> | <u>Uncontested</u> | | | | |
| 21 | <u>NAGAMINE Akio</u> | <u>Uncontested</u> | | | | |
| 22 | <u>UEHARA Juzo</u> KUNIYOSHI Shinei | <u>7,251</u> | | 0 | | |
| 23 | <u>MAEKAWA Shujin</u> HOKAMA Choken OSHIRO Shinjun | 4,410 3,658 | <u>5,836</u> | | | |
| 24 | <u>KINJO Shinpan</u> KOMAKI Yoshikazu | <u>8,147</u> | 7,427 | | | |
| 25 | <u>MORISHIMA Meishu</u> MIYAGUNI Tairyō | <u>7,187</u> | 7,007 | | | |
| 26 | <u>SUNAGAWA Shisei</u> KAWAMITSU Tatsuro | <u>4,932</u> | 4,429 | | | |
| 27 | <u>KAKINOHANA Keisho</u> NAGAHAMA Seiei ISHIMINE Chojo | <u>4,207</u> 0 | 2,319 | | | |
| 28 | <u>MIYARA Chogi</u> URAMOTO Kanni | 6,559 | <u>6,980</u> | | | |
| 29 | <u>HOSHI Katsu</u> MORITA Jiro | <u>4,612</u> | 4,386 | | | |
| Valid Vote Grand Total | | <u>134,884</u> | <u>92,774</u> | <u>20,000</u> | <u>7,877</u> | <u>46,870</u> |
| Percentage of Valid Vote | | <u>44.93</u> | <u>30.36</u> | <u>6.61</u> | <u>2.60</u> | <u>15.49</u> |

TABLE 1

MILITARY LAND RENTALS

| <u>Period</u> | <u>Rental to be Paid</u> | <u>Rental Paid as of 30 June 63</u> | <u>Balance to be Paid</u> | <u>Percentage Paid</u> |
|---------------|------------------------------|---|-------------------------------|----------------------------|
| TOTAL | \$39,263,400.00 | \$38,984,538.91 | \$278,861.09 | 99.29 |
| FY 1959 | 5,561,900.00 | 5,532,392.91 | 29,507.09 | 99.47 |
| FY 1960 | 4,888,200.00 | 4,851,433.21 | 36,766.79 | 99.25 |
| FY 1961 | 4,677,400.00 | 4,644,171.81 | 33,228.19 | 99.29 |
| FY 1962 | 4,156,300.00 | 4,103,267.10 | 53,032.90 | 98.72 |
| FY 1963 | 3,939,200.00 | 3,850,835.85 | 88,364.15 | 97.76 |
| 10-Yr Prepaid | 6,693,000.00 | 6,691,365.57 | 1,634.43 | 99.98 |
| 9-Yr Prepaid | 3,312,600.00 | 3,298,289.60 | 14,310.40 | 99.57 |
| 8-Yr Prepaid | 4,083,100.00 | 4,082,071.50 | 1,028.50 | 99.97 |
| 7-Yr Prepaid | 1,951,700.00 | 1,930,711.36 | 20,988.64 | 98.73 |

TABLE 2

ANNUAL RENTALS

| <u>Services and Others</u> | <u>Net FY 1964 Annual Rentals FY 1958 Rates</u> | <u>Net FY 1964 Annual Rentals FY 1964 Rates</u> | <u>Percentage of Increase</u> |
|--|---|---|-----------------------------------|
| GRAND TOTAL | | | |
| NET ANNUAL RENTALS | \$3,844,712.25 | \$4,457,321.50 | 15.93 |
| Army | 1,490,103.92 | 1,765,572.40 | 18.49 |
| Air Force | 1,339,516.71 | 1,566,630.67 | 16.95 |
| Marines | 614,868.80 | 662,120.86 | 7.68 |
| Navy | 248,713.05 | 284,689.40 | 14.47 |
| Sub-Total Military Services Rentals | \$3,693,202.48 | \$4,279,013.33 | 15.86 |
| Coast Guard | 2,547.51 | 2,531.94 | (-.61) |
| FBIS | 22,854.46 | 25,796.88 | 12.87 |
| State Department | 19,966.04 | 21,176.06 | 6.06 |
| USACSG | 17,322.71 | 24,548.66 | 41.71 |
| Caltex | 13,152.56 | 15,277.53 | 16.16 |
| OHC | 4,674.84 | 5,392.02 | 15.34 |
| RDWC | 392.61 | 444.79 | 13.29 |
| Sub-Total Others | \$ 151,509.77 | \$ 178,308.17 | 17.69 |

(Note: These figures will be revised as property lists are prepared;
they are not to be used for funding purposes.)

TABLE 3

RECAPITULATION OF U. S. LEASEHOLD INTEREST

| INSTALLATIONS | - A C R E S - | | | | | TOTAL ACRES |
|------------------|--------------------|-------------------|--------------------|------------------|-------------------|-------------|
| | INDEF LEASEHOLD | 5 YR LEASEHOLD | TOTAL LEASEHOLD | PUBLIC DOMAIN | RECLAIMED LAND | |
| TOTALS | 50,130.76 | 1,649.32 | 51,780.08 | 23,989.89 | 48.85 | 75,818.82 |
| Army | 11,349.50 | 1,021.75 | 12,371.25 | 426.99 | 42.29 | 12,840.53 |
| Air Force | 15,658.19 | 28.50 | 15,686.69 | 1,426.51 | - | 17,113.20 |
| Marine | 19,770.75 | 540.64 | 20,311.39 | 21,858.75 | 6.56 | 42,176.70 |
| Navy | 1,715.89 | 19.76 | 1,735.65 | 259.11 | - | 1,994.76 |
| Coast Guard | 180.10 | - | 180.10 | 6.94 | - | 187.04 |
| FBIS | 153.15 | - | 153.15 | - | - | 153.15 |
| State Department | 298.62 | - | 298.62 | - | - | 298.62 |
| USACSG | 696.40 | - | 696.40 | - | - | 696.40 |
| USCAR - Caltex | 24.56 | - | 24.56 | - | - | 24.56 |
| USCAR - OHC | .34 | 32.26 | 32.60 | - | - | 32.60 |
| USCAR - RDWC | 11.61 | - | 11.61 | .95 | - | 12.56 |
| USCAR - REPC | 271.65 | 6.41 | 278.06 | 10.64 | - | 288.70 |

Note: To reflect the current land usage by the U. S., this recapitulation is furnished as of 15 June 1963.

TABLE 4

RYUKYU ISLANDS SELECTED ECONOMIC INDICATORS

| | FY 1961 | FY 1962 1/ | Preliminary FY 1963 | Percent Change | |
|---|--------------------------|---------------|------------------------|----------------|----------------|
| | (In Millions of Dollars) | | | FY 61 to 62 | FY 62 to 63 |
| Gross National Product | 227.8 | 255.3 | 299.2 | 12.1 | 17.2 |
| Personal Consumption Expenditures | 151.8 | 173.8 | 195.8 | 14.5 | 12.7 |
| Government Purchases of Goods & Services | 23.3 | 29.0 | 34.0 | 24.5 | 17.2 |
| Gross Capital Formation | 71.1 | 84.7 | 98.7 | 19.1 | 16.5 |
| Net Export of Goods & Services | - 18.4 | - 32.2 | - 29.3 | | |
| Foreign Receipts and Payments (Excluding Capital Transactions) | | | | | |
| Receipts, Total | 165.8 | 172.5 | 204.6 | 4.0 | 18.6 |
| Commodity Exports (FOB) | 35.5 | 43.5 | 70.4 | 22.5 | 61.8 |
| Expenditures of U.S. Forces & Personnel | 89.5 | 86.9 | 91.0 | - 2.9 | 4.7 |
| Compensation of Ryukyuan Employees | 20.2 | 23.2 | 26.7 | 14.9 | 15.1 |
| Land Rental Payments | 18.1 | 9.7 | 8.2 | -46.4 | -15.5 |
| Other | 51.2 | 54.0 | 56.1 | 5.5 | 3.9 |
| Services & General Remittances | 20.0 | 21.0 | 22.0 | 5.0 | 4.8 |
| Unilateral Transfers Received | 20.8 | 21.1 | 21.2 | 1.4 | 0.5 |
| Japanese Pensions and Donations | 10.4 | 10.3 | 8.2 | - 1.0 | -20.4 |
| Foreign Aid | 10.4 | 10.8 | 13.0 | 3.8 | 20.4 |
| Payments, Total | 163.4 | 183.6 | 212.7 | 12.4 | 15.8 |
| Commodity Imports | 153.1 | 171.1 | 199.7 | 11.8 | 16.7 |
| General Imports (CIF) | 142.7 | 161.0 | 189.0 | 12.8 | 17.4 |
| Special Imports 2/ | 10.4 | 10.1 | 10.7 | - 2.9 | 5.9 |
| Services and General Remittances | 10.3 | 12.5 | 13.0 | 21.4 | 4.0 |
| Net Receipts | 2.4 | - 11.1 | - 8.1 | | |
| Capital Formation | | | | | |
| Gross Domestic Capital Formation | 71.1 | 84.7 | 98.7 | 19.1 | 16.5 |
| Gross Private Fixed Capital Formation | 47.8 | 61.2 | 76.0 | 28.0 | 24.2 |
| Residential Construction | 9.5 | 16.2 | 15.7 | 70.5 | - 3.1 |
| Total Producers' Capital Formation | 38.3 | 45.0 | 60.3 | 17.5 | 34.0 |
| Producers' Construction | 10.2 | 14.0 | 19.3 | 37.3 | 37.9 |
| Producers' Equipment | 28.1 | 31.0 | 41.0 | 10.3 | 32.3 |
| Gross Government Capital Formation | 11.6 | 12.1 | 14.5 | 4.3 | 19.8 |
| Inventory Increase (or Decrease (-)) | 11.7 | 11.4 | 8.2 | - 2.6 | -28.1 |
| National Income | | | | | |
| By Distributive Share | 209.2 | 232.2 | 265.2 | 11.0 | 14.2 |
| Compensation of Employees | 87.4 | 106.0 | 125.2 | 21.3 | 18.1 |
| Proprietors' Income | 73.9 | 79.7 | 92.6 | 7.8 | 16.2 |
| Rental Income of Persons | 32.8 | 29.1 | 26.1 | -11.3 | -10.3 |
| Corporate Profits | 8.3 | 10.1 | 13.1 | 21.7 | 29.7 |
| Interest Income of Persons | 4.4 | 5.2 | 6.2 | 18.2 | 19.2 |
| Current Surplus of Government Enterprises | 2.4 | 2.1 | 2.0 | -12.5 | - 4.8 |
| By Industrial Origin (and % Composition) 3/ | 209.2 (100.0) | 232.2 (100.0) | 265.2 (100.0) | 11.0 | 14.2 |
| Agriculture & Forestry | 35.1 (16.8) | 38.4 (16.6) | 42.2 (15.9) | 9.4 | 9.9 |
| Fisheries | 2.3 (1.1) | 2.4 (1.0) | 2.7 (1.0) | 4.3 | 12.5 |
| Manufacturing 4/ | 15.0 (7.2) | 20.0 (8.6) | 23.2 (8.8) | 33.3 | 16.0 |
| Construction | 13.0 (6.2) | 15.4 (6.6) | 18.3 (6.9) | 18.5 | 18.8 |
| Commerce, Finance & Real Estate | 82.5 (39.4) | 82.9 (35.7) | 94.1 (35.5) | 0.5 | 13.5 |
| Transportation, Communication and Utilities | 10.3 (4.9) | 13.4 (5.8) | 15.2 (5.7) | 30.1 | 13.4 |
| Services | 14.8 (7.1) | 17.1 (7.4) | 19.0 (7.1) | 15.5 | 11.1 |
| Government | 16.1 (7.7) | 19.4 (8.3) | 23.8 (9.0) | 20.5 | 22.7 |
| Compensation of U.S. Forces Employees | 20.1 (9.6) | 23.2 (10.0) | 26.7 (10.1) | 15.4 | 15.1 |
| Disposable Personal Income and Personal Saving | | | | | |
| Disposable Personal Income | 208.5 | 228.7 | 255.1 | 9.7 | 11.5 |
| Personal Saving | 56.7 | 54.9 | 59.3 | - 3.2 | 8.0 |

(Continued on next page)

TABLE 4

RYUKYU ISLANDS SELECTED ECONOMIC INDICATORS (Continued)

| | FY 1961 | FY 1962 | Preliminary FY 1963 | Percent Change | |
|---|--------------------------|-------------|------------------------|----------------|----------------|
| | | | | FY 61 to 62 | FY 62 to 63 |
| <u>Consumers' Price Index - Naha</u> (Annual Average) | | | | | |
| | (CY 1961 = 100.0) | | | | |
| General Index | 99.4 | 101.2 | 103.2 | | |
| <u>Population and Labor Force</u> (Annual Averages) | | | | | |
| | (Thousand Persons) | | | | |
| Population | 883 | 895 | 908 | 1.4 | 1.5 |
| Labor Force | 397 | 402 | 403 | 1.3 | 0.2 |
| Employed | 393 | 399 | 400 | 1.5 | 0.3 |
| At Work (and % Composition) 3/ | 385 (100.0) | 391 (100.0) | 391 (100.0) | 1.6 | - |
| Agriculture & Forestry | 171 (44.3) | 166 (42.5) | 157 (40.1) | - 2.9 | - 5.4 |
| Fisheries | 6 (1.5) | 4 (1.0) | 4 (1.0) | -33.3 | - |
| Manufacturing 4/ | 24 (6.2) | 28 (7.2) | 30 (7.7) | 16.7 | 7.1 |
| Construction | 20 (5.2) | 20 (5.1) | 23 (5.9) | - | 15.0 |
| Commerce, Finance and Real Estate | 67 (17.4) | 68 (17.4) | 68 (17.4) | 1.5 | - |
| Transportation, Communication and Utilities | 15 (3.9) | 16 (4.1) | 16 (4.1) | 6.7 | - |
| Services 5/ | 29 (7.5) | 30 (7.7) | 31 (7.9) | 3.4 | 3.3 |
| Government 5/ | 23 (6.0) | 24 (6.1) | 25 (6.4) | 4.3 | 4.2 |
| U.S. Forces | 31 (8.0) | 35 (8.9) | 37 (9.5) | 12.9 | 5.7 |
| Not at Work (All Industries) | 8 | 8 | 9 | - | 12.5 |
| Unemployed | 4 | 3 | 3 | -25.0 | - |
| <u>Financial Situation at End of Fiscal Year</u> | | | | | |
| | (In Millions of Dollars) | | | | |
| Active Money Supply 6/ | 42.6 | 43.7 | 49.0 | 2.6 | 12.1 |
| Deposit Liabilities of Financial Institutions | 101.0 | 118.8 | 134.3 | 17.6 | 13.0 |
| Private Demand Deposits 7/ | 33.3 | 34.1 | 39.7 | 2.4 | 16.4 |
| Private Time and Installment Deposits | 47.6 | 57.8 | 63.8 | 21.4 | 10.4 |
| Other Deposits 8/ | 20.1 | 26.9 | 30.8 | 33.8 | 14.5 |
| Outstanding Loans of All Financial Institutions | 103.8 | 122.7 | 146.5 | 18.2 | 19.4 |
| Industry | 13.4 | 21.1 | 29.4 | 57.5 | 39.3 |
| Commerce | 43.0 | 50.7 | 58.8 | 17.9 | 16.0 |
| Private Housing | 13.6 | 15.9 | 18.5 | 16.9 | 16.4 |
| Other | 33.9 | 35.0 | 39.8 | 3.2 | 13.7 |

Notes:

- ^{1/} Revised substantially from the earlier publication (Vol. X, PP 93-94).
- ^{2/} Includes POL imports and aid in kind.
- ^{3/} Due to rounding, detail does not in all cases add up to total.
- ^{4/} Includes mining enterprises, but the total of these is negligible.
- ^{5/} Differs from other published data by including school teachers in Government rather than services.
- ^{6/} Currency in circulation and private demand deposits with Ryukyuan financial institutions.
- ^{7/} Private checking accounts and private ordinary savings (which in the Ryukyus are available on demand). Deposits of U.S. Forces personnel excluded.
- ^{8/} Government deposits, foreign bank deposits, etc.

TABLE 5

U. S. ECONOMIC AID TO THE RYUKYU ISLANDS
RESOURCES

As of 30 June 1963

| | <u>FY 1963</u> <u>Actual</u> | <u>FY 1964</u> <u>Estimate</u> |
|--|---------------------------------|-----------------------------------|
| <u>Resources:</u> | | |
| 1. United States Aid | | |
| a. Administration Ryukyu Islands, Army | \$ 6,946,450 | \$12,000,000 |
| b. Military Construction, Army | 13,970 | 0 |
| c. Mutual Security Appropriation | 0 | 290,000 |
| Total U. S. Aid | <u>\$ 6,960,420</u> | <u>\$12,290,000</u> |
| 2. General Fund of the Office of the High Commissioner | | |
| a. Income from operations | 9,433,104 | 9,276,000 |
| b. Liquidation of investments | 101 | 806,000 |
| c. Other | 57,944 | 10,000 |
| d. Net decrease (increase) in cash balance | <u>608,683</u> | <u>(316,000)</u> |
| Total High Commissioner General Fund | <u>\$10,099,832</u> | <u>\$ 9,776,000</u> |
| Total Resources | <u><u>\$17,060,252</u></u> | <u><u>\$22,066,000</u></u> |

General Fund is on cash basis; all others are on obligation basis.

Excludes surplus food donations under Title III of PL 480 (approximately \$2,845,440 in local market value in FY 1963; \$5,200,000 in FY 1964).

Excludes long-term credit for surplus commodities under Title IV of PL 480 (\$872,000 in FY 1963; \$6,200,000 in FY 1964).

TABLE 6

U. S. ECONOMIC AID TO THE RYUKYU ISLANDS
APPLICATIONS
As of 30 June 1963

| | FY 1963 Actual | FY 1964 Estimate |
|--|---------------------|---------------------|
| <u>Application of Resources:</u> | | |
| 1. Grants to Government of the Ryukyu Islands | \$ 6,808,899 a/ | \$ 8,494,000 b/ |
| 2. Special assistance to municipalities | 118,722 | 205,000 |
| 3. Disaster relief program | 0 | 1,200,000 |
| 4. Resettlement program | 13,970 | 0 |
| 5. Technical education and training program | 262,413 | 470,000 |
| 6. Technical cooperation | 113,021 | 175,000 |
| 7. Transportation of welfare commodities | 3,500 | 5,000 |
| 8. Grants to Emigration Corporation | 0 | 290,000 |
| 9. Construction of ramp, Naha Airport | 155,814 | 34,000 |
| 10. Construction of water system | 0 | 2,000,000 |
| 11. Distribution to GRI of revenue from petroleum sales | 2,600,000 | 2,700,000 |
| 12. Investments in business operations of the Office of the High Commissioner: | | |
| a. Fixed Assets, Petroleum Facilities | 98,555 | 194,000 |
| b. Capital, POL Fund | 95,196 | 0 |
| c. Capital, Ryukyu Development Loan Corporation | 3,691,458 | 1,852,000 |
| d. Capital, Ryukyu Electric Power Corporation | 1,676,934 | 1,530,000 |
| e. Capital, Ryukyu Domestic Water Corporation | 1,268,770 | 2,917,000 |
| f. Capital, Bank of the Ryukyus | 153,000 | 0 |
| Total Application of Resources | <u>\$17,060,252</u> | <u>\$22,066,000</u> |

General Fund is on cash basis; all others are on obligation basis.

a/ Includes General Fund grants of \$93,876 for model farm, \$143,564 for transportation of livestock, and \$3,943 for medical insurance study.

b/ Includes General Fund grants of \$5,974 for model farm, \$7,323 for medical insurance study, and \$130,350 for construction of fourth floor of the GRI Economics Building.

TABLE 7
RECAPITULATION OF UNITED STATES APPROPRIATED FUNDS FOR THE RYUKYU ISLANDS
FY 1947 - FY 1964
(In Thousands of Dollars)

| Purpose | Fiscal Year | | | | | | | | | |
|--|-------------|----------|----------|----------|----------|---------|---------|---------|--|--|
| | 1947-1949 | 1950 | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | | |
| Grand Total, Appropriated Funds | \$56,554 | \$51,988 | \$39,631 | \$15,122 | \$10,830 | \$2,815 | \$3,016 | \$2,907 | | |
| Total, Economic Assistance | 48,065 | 49,581 | 36,745 | 13,257 | 9,220 | 1,741 | 1,904 | 1,678 | | |
| Cash Contributions: | | | | | | | | | | |
| GRI Services: | - | - | - | - | - | - | 275 | 500 | | |
| GRI Projects: | | | | | | | | | | |
| Educational Facilities | - | - | - | - | - | - | 820 | 600 | | |
| Public Health and Medical Program | - | - | - | - | - | - | - | - | | |
| Public Safety Facilities | - | - | - | - | - | - | - | - | | |
| Social Welfare Facilities | - | - | - | - | - | - | - | - | | |
| Public Works and Economic Development | - | - | - | - | - | - | 475- | 385 | | |
| Benefits for Teachers | - | - | - | - | - | - | - | - | | |
| Cultural Facilities | - | - | - | - | - | - | - | - | | |
| Contribution to Central Bank for Agriculture, Forestry and Fisheries | - | - | - | - | - | - | - | - | | |
| Disaster Relief | - | - | - | - | - | - | - | - | | |
| Construction Projects: | | | | | | | | | | |
| Electric Power Facilities | - | 5,000 | 2,000 | 73 | - | - | - | - | | |
| Water Facilities | 774 | 13,798 | 1,469 | 2,696 | - | - | - | - | | |
| Other | 42,190 | 26,276 | 23,259 | 8,710 | 7,651 | 848 | - | - | | |
| Goods 2/ | 5,101 | 4,142 | 791 | 1,415 | 1,173 | 680 | 65 | 90 | | |
| Transportation of Civilian Supplies | - | - | 57 | 54 | 60 | 53 | 77 | 77 | | |
| Technical Cooperation | - | 165 | 183 | 309 | 336 | 160 | 192 | 26 | | |
| Technical Education and Training | - | - | - | - | - | - | - | - | | |
| Construction, USCAR Facilities | - | - | - | - | - | - | - | - | | |
| Total, Administration, U.S. Civil Administration | 8,489 | 2,407 | 2,886 | 1,865 | 1,610 | 1,104 | 1,112 | 1,229 | | |
| Pay, Civilian Employees, RI | 6,835 | 1,695 | 2,213 | 1,610 | 1,182 | 826 | 794 | 926 | | |
| Pay, Civilian Employees, DA | - | - | - | - | 184 | 77 | 60 | 50 | | |
| Travel, Civilian Employees | 259 | 47 | 52 | 13 | 16 | 17 | 13 | 16 | | |
| Information Supplies and Materials | 578 | 445 | 349 | 240 | 225 | 182 | 175 | 173 | | |
| Incidental Operating Expenses | 817 | 118 | 272 | 2 | 3 | 2 | 70 | 64 | | |
| Other | - | 132 | - | - | - | - | - | - | | |

(Continued on next page)

TABLE 7 (Continued)
RECAPITULATION OF UNITED STATES APPROPRIATED FUNDS FOR THE RYUKYU ISLANDS
FY 1947 - FY 1964
(In Thousands of Dollars)

| Purpose | Fiscal Year | | | | | | | | 1964 Estimate | Total (1947-1964) |
|--|-------------|---------|---------|---------|---------|----------|---------|----------|------------------|----------------------|
| | 1957 | 1958 | 1959 | 1960 | 1961 | 1962 | 1963 | | | |
| Grand Total, Appropriated Funds | \$2,273 | \$2,546 | \$4,713 | \$5,675 | \$6,089 | \$7,174 | \$8,948 | \$11,366 | \$234,677 | |
| Total, Economic Assistance | 1,025 | 1,111 | 3,183 | 3,745 | 4,320 | 5,457 | 6,946 | 12,000 | 199,978 | |
| Cash Contributions: | 500 | 500 | 500 | 340 | 825 | 927 | 945 | 1,150 | 6,462 | |
| GRI Services: | | | | | | | | | | |
| GRI Projects: | | | | | | | | | | |
| Educational Facilities | 250 | 70 | 350 | 790 | 1,075 | 1,130 | 1,337 | 1,455 | 7,877 | |
| Public Health and Medical Program | - | 150 | 480 | 305 | 475 | 424 | 1,215 | 880 | 3,929 | |
| Public Safety Facilities | - | 50 | 170 | - | - | - | 50 | 50 | 320 | |
| Social Welfare Facilities | - | - | - | - | - | - | 25 | 80 | 105 | |
| Public Works and Economic Development | - | - | - | 1,564 | 1,549 | 1,499 | 1,630 | 2,085 | 9,187 | |
| Benefits for Teachers | - | - | - | - | - | 1,000 | 1,000 | 1,000 | 3,000 | |
| Cultural Facilities | - | - | - | - | - | - | - | 150 | 150 | |
| Contribution to Central Bank for Agriculture, Forestry and Fisheries | - | - | - | - | - | - | 365 | 1,500 | 1,865 | |
| Disaster Relief | - | - | - | - | - | - | - | 1,000 | 1,000 | |
| Construction Projects: | | | | | | | | | | |
| Electric Power Facilities | - | 53 | 1,146 | 284 | 24 | (15) 1/2 | - | - | 8,565 | |
| Water Facilities | - | - | 247 | 126 | (3) | 107 | - | 2,000 | 4,146 | |
| Other | - | - | - | - | - | - | - | - | 26,254 | |
| Goods 2/ | - | - | - | - | - | - | - | - | 108,934 | |
| Transportation of Civilian Supplies | 39 | 5 | 8 | 2 | 5 | 7 | 4 | 5 | 13,532 | |
| Technical Cooperation | 73 | 80 | 80 | 80 | 109 | 107 | 113 | 175 | 1,195 | |
| Technical Education and Training | 163 | 203 | 202 | 254 | 261 | 271 | 262 | 470 | 3,457 | |
| Construction, USCAR Facilities | - | - | - | 299 | 50 | - | - | - | 349 | |
| Total, Administration, U.S. Civil Administration | 1,248 | 1,435 | 1,530 | 1,631 | 1,719 | 1,717 | 2,002 | 2,366 | 34,350 | |
| Pay, Civilian Employees, RI | 898 | 1,128 | 1,158 | 1,324 | 1,397 | 1,406 | 1,604 | 1,853 | 26,849 | |
| Pay, Civilian Employees, DA | 50 | 54 | 57 | 58 | 66 | 62 | 65 | 77 | 860 | |
| Travel, Civilian Employees | 30 | 52 | 71 | 76 | 89 | 83 | 82 | 150 | 1,066 | |
| Information Supplies and Materials | 174 | 101 | 126 | 71 | 74 | 75 | 101 | 125 | 3,184 | |
| Incidental Operating Expenses | 96 | 100 | 118 | 102 | 93 | 91 | 150 | 161 | 2,259 | |
| Other | - | - | - | - | - | - | - | - | 132 | |

1/ Excludes \$10.5 million U.S. Treasury loan to Ryukyu Electric Power Corporation for construction of power plant.

2/ Details of this program are shown in VOL IX, No 1, pages 94 and 95.

Source: Office of the Comptroller, Office of the High Commissioner.

TABLE 8

GENERAL FUND OF THE HIGH COMMISSIONER
STATEMENT OF FINANCIAL CONDITION

| | 30 June 1963 <u>Actual</u> | 30 June 1964 <u>Estimate</u> |
|-------------------------------------|-------------------------------|---------------------------------|
| Assets: | | |
| Current Assets: | | |
| Cash | \$ 1,983,519 | \$ 2,299,292 |
| Accrued Interest Receivable | 15,886 | 8,000 |
| Investments: | | |
| Wholly-owned corporations: | | |
| Ryukyu Development Loan Corporation | 35,925,246 | 37,777,246 |
| Ryukyu Electric Power Corporation | 14,590,666 | 16,120,666 |
| Ryukyu Domestic Water Corporation | 4,425,803 | 9,369,681 |
| Okinawa Housing Corporation | 970,286 | 0 |
| Other investments: | | |
| Bank of the Ryukyus | 280,500 | 280,500 |
| Petroleum Distribution Fund | 293,470 | 62,723 |
| Fixed Assets: | | |
| Petroleum Facilities | <u>1,783,716</u> | <u>1,935,450</u> |
| Total Assets | <u>\$60,269,092</u> | <u>\$67,853,558</u> |
| Liabilities | <u>37,525</u> | <u>0</u> |
| Net Worth | <u>\$60,231,567</u> | <u>\$67,853,558</u> |

TABLE 9

JAPANESE GOVERNMENT FINANCIAL ASSISTANCE PROGRAMI - PROGRAMS ADMINISTERED BY THE GOVERNMENT OF THE RYUKYU ISLANDS

| <u>Project</u> | <u>Japan FY 1962</u> | <u>Japan FY 1963</u> |
|---|----------------------|----------------------|
| 1. Agricultural Research | \$ 0 | \$ 34,811 |
| 2. Livestock Improvement | 0 | 238,385 |
| 3. Livestock Breeding and Research | 0 | 8,428 |
| 4. Fishing Port Facilities | 0 | 212,983 |
| 5. Fishery Research and Extension | 232,222 | 10,400 |
| 6. Central Bank | 361,111 | 833,331 |
| 7. Navigational Aids | 47,667 | 38,889 |
| 8. Forestry Development | 0 | 114,072 |
| 9. Mountain Conservation and River Control | 0 | 168,130 |
| 10. Retaining Wall Construction | 257,950 | 606,026 |
| 11. Agricultural Land Development (SA) | 86,647 | 202,299 |
| 12. Agricultural Facilities | 0 | 127,500 |
| 13. Roads and Bridges | 158,000 | 100,000 |
| 14. Piers and Harbors | 6,944 | 203,433 |
| 15. Urban Development | 0 | 183,869 |
| 16. Municipal Housing | 0 | 125,000 |
| 17. Weather Station Facilities | 98,911 | 80,555 |
| 18. Land and Boundary Surveys | 329,600 | 297,488 |
| 19. Public School Vocational Equipment | 0 | 22,889 |
| 20. Free Textbooks | 0 | 100,505 |
| 21. Scholarship Fund | 55,556 | 70,055 |
| 22. Child Welfare Facilities | 0 | 83,430 |
| 23. Medical Supplies and Equipment | 27,467 | 17,789 |
| 24. Hospitalization of TB Patients (travel) | 0 | 6,956 |
| 25. Disease Control | 0 | 9,500 |
| 26. Cultural Exchange | 0 | 2,403 |
| 27. Transport Vessel Construction Fund | 0 | 48,178 |
| 28. Leprosy Rehabilitation Center | 81,633 | 0 |
| 29. Police Rescue Boat | 246,167 | 0 |
| 30. Fire-Fighting Equipment | 45,983 | 0 |
| TOTAL | <u>\$2,035,858</u> | <u>\$3,947,304</u> |

TABLE 10
JAPANESE GOVERNMENT FINANCIAL ASSISTANCE PROGRAM
II - PROGRAMS ADMINISTERED BY THE GOVERNMENT OF JAPAN

| Project | Japan FY 1962 | Japan FY 1963 |
|---|------------------|------------------|
| 1. Model Farm | \$ 28,961 | \$ 25,786 |
| 2. High Altitude Weather Station Supplies | 71,369 | 119,316 |
| 3. Japan National Scholarship Program | 82,736 | 115,875 |
| 4. Hospitalization of TB Patients | 46,700 | 179,327 |
| 5. Doctors and Dentists | 62,611 | 238,547 |
| 6. Educational Training in Japan | 20,622 | 20,930 |
| 7. Educational Guidance | 63,353 | 55,450 |
| 8. Cultural Property Restoration | 0 | 781 |
| 9. Treatment of Physically Handicapped | 0 | 1,966 |
| 10. Public Vocational Instructors (Fishery) | 0 | 6,394 |
| 11. Medical Insurance | 0 | 8,403 |
| 12. General Technical Assistance | 81,347 | 70,039 |
| 13. Consolidation of Ryukyuan Family Register | 0 | 1,550 |
| 14. Microwave Supplies and Equipment | 234,519 | 0 |
| TOTAL | <u>\$692,218</u> | <u>\$844,364</u> |

TABLE 11
III - PROGRAMS ADMINISTERED BY THE NAMPO DOHO ENGO KAI

| Project | Japan FY 1962 | Japan FY 1963 |
|---|------------------|------------------|
| 1. Library Books | \$ 0 | \$ 41,650 |
| 2. Welfare Loan Funds | 20,000 | 20,000 |
| 3. School Supplies | 51,350 | 62,433 |
| 4. Monetary Aid for Bereaved Family Students | 1,350* | 1,350* |
| 5. Medicine for Treatment of Hansen's Disease | 7,000 | 7,000 |
| 6. Vocational Center for Physically Handicapped | 11,875 | 7,356 |
| 7. Cancer Clinic | 0 | 95,222 |
| 8. Okinawa Welfare Hospital Enlargement | 0 | 41,667** |
| 9. Okinawa Mental Hospital Enlargement | 0 | 41,667** |
| 10. Mobile Medical Treatment Car | 0 | 20,833** |
| 11. Mobile Vocational Training Car | 0 | 2,500** |
| 12. Home for the Aged | 0 | 20,833** |
| 13. Assistance for Social Welfare Activities | 0 | 17,778** |
| 14. Funds for Improving Sites of War Monuments | 18,708** | 0 |
| 15. "Mother and Child" Welfare Center | 97,222** | 0 |
| 16. Nurses' Quarter, Crippled Children's Hospital | 4,167** | 0 |
| 17. Consultation Room, Okinawa TB Assn. | 8,889** | 0 |
| 18. Other Social Welfare Activities | 26,528** | 17,778** |
| TOTAL | <u>\$247,089</u> | <u>\$398,067</u> |

Note: * Source of funds: \$675 from GOJ and \$675 from NDEK source.
** Funds from NDEK source.

TABLE 12

RECIPIENTS OF HIGH COMMISSIONER'S FUND FOR
SPECIAL ASSISTANCE TO MUNICIPALITIES - FY 1963

| <u>Municipality</u> | <u>Sub-Village</u> | <u>Type of Project</u> | <u>Amount</u> |
|----------------------|--|-----------------------------------|---------------|
| Motobu-Cho | Sesoko & Minna | Rain Catchment Tanks | \$6,825 |
| Motobu-Cho | Ohama | Water System | 1,070 |
| Nakijin-Son | Nakijin & Oyadomari | Water System | 4,890 |
| Nakijin-Son | Wakugawa | Road Improvement | 2,430 |
| Nakijin-Son | Jaha-Tamagusuku | Road Improvement | 3,230 |
| Nago-Cho | Agarie Elem. School & 1 km NW of Agarie Elem. School | Drainage Systems | 3,784 |
| Nago-Cho | Fukuji and Kyoda | Bridge | 3,268 |
| Onna-Son | Minami Onna | Water System | 3,831 |
| Kushi-Son | Okawa | Water System | 1,587 |
| Itheya-Son | Gakiya | Drainage System | 2,225 |
| Ogimi-Son | Oganeku | Community Center | 2,500 |
| Ogimi-Son | Ogimi | Water System | 1,051 |
| Higashi-Son | Kesaji | Drainage System | 1,008 |
| Ginoza-Son | Gusukubaru | Water System | 3,931 |
| Katsuren-Son | Henna & Uchima | Water System | 7,659 |
| Yonagusuku-Son | Nishihara | Water System | 3,000 |
| Nakagusuku-Son | Soeishi | Drainage & Road | 2,934 |
| Kadena-Son | Kadena | Drainage System | 2,532 |
| Tamagusuku-Son | Shikenbaru | Water System | 2,465 |
| Ozato-Son | Haebaru | Water System | 1,770 |
| Ozato-Son | Toma & Fukuhara | Road Improvement | 1,050 |
| Ozato-Son | Inafuku | Rehabilitation of Water System | 2,819 |
| Ozato-Son | Furugen | Drainage Improvement | 2,635 |
| Nakazato-Son | Zenda | Water System | 1,360 |
| Nakazato-Son | Maja & Une | Water System | 5,399 |
| Zamami-Son | Aka | Rehabilitation of Water System | 847 |
| Aguni-Son | Aguni | Water System | 2,350 |
| Gushichan-Son | Aragusuku | Road Improvement | 3,753 |
| Itoman-Cho | Maezato | Water System | 5,540 |
| Tomigusuku-Son | Onaga | Road Improvement | 4,385 |
| Tonaki-Son | Tonaki Island | Sweet Potato Virus Control | 800 |
| Sashiki-Son | Sashiki | Water System | 3,205 |
| Sashiki-Son | Baten | Water System | 1,880 |
| Gushikawa-Son (Kume) | Nakachi & Yamazato | Water System | 1,097 |
| Haebaru-Son | Tsukazan | Drainage Improvement | 5,144 |
| Ohama-Cho | Kainan | Water System | 980 |
| Ohama-Cho | Omoto | Water System | 580 |
| Yonaguni-Cho | Sonai | Drainage System | 3,400 |
| Ishigaki-Shi | Tomino | Water System | 590 |
| Taketomi-Cho | Funauki | Water System | 740 |
| Taketomi-Cho | Hosozaki | Road Improvement | 3,186 |
| Ueno-Son | Takada & Toyohara | Water System | 4,992 |
| | | 10 Water Pumps | 5,200 |

TABLE 13
RYUKYU DEVELOPMENT LOAN CORPORATION
COMPARATIVE BALANCE SHEET
As of 30 June 1962, 1963

| | 30 June 1962 Actual | 30 June 1963 Actual |
|--|------------------------|------------------------|
| Assets: | | |
| Current assets: | | |
| Cash | \$ 7,143,104 | \$ 4,101,710 |
| Accrued income receivable | 291,365 | 156,781 |
| Other current assets | 4,174 | 5,016 |
| Total current assets | <u>7,438,643</u> | <u>4,263,507</u> |
| Fixed assets | 22,662 | 26,159 |
| Less reserve for depreciation | (9,889) | (13,645) |
| Long-term assets: | | |
| Loans receivable | 25,002,442 | 31,882,349 |
| Less reserve for doubtful loans | (201,893) | (211,027) |
| Other assets: | | |
| GARIOA receivables (net) | 65,870 | 48,796 |
| Collateral received in lieu of cash | 0 | 35,354 |
| Total assets | <u>\$32,317,835</u> | <u>\$36,031,493</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accrued expenses payable | \$ 7,512 | \$ 11,952 |
| Advance receipts on loan collection | 16,373 | 10,659 |
| Funds held in trust (fire insurance premium) | 58,942 | 77,387 |
| Other liabilities | 1,220 | 1,695 |
| Total current liabilities | <u>84,047</u> | <u>101,693</u> |
| Fixed liabilities: | | |
| Annual leave expenses payable | 0 | 4,554 |
| Total liabilities | <u>\$ 84,047 a/</u> | <u>\$ 106,247 a/</u> |
| Net Worth: | | |
| Capital | \$24,257,854 | \$26,257,854 |
| Retained earnings | 7,975,934 | 9,667,392 |
| Total net worth | <u>\$32,233,788</u> | <u>\$35,925,246</u> |

a/ RDLC was contingently liable as guarantor of the obligation of third parties in the amount of \$2,238,137 as of 30 June 1962 and \$4,156,237 as of 30 June 1963.

TABLE 14

RYUKYU DEVELOPMENT LOAN CORPORATION
COMPARATIVE PROFIT AND LOSS STATEMENTS
 Periods Covering FY 1962 and FY 1963

| | FY 1962 <u>Actual</u> | FY 1963 <u>Actual</u> |
|--|--------------------------|---------------------------|
| Earnings: | | |
| Interest income on loans | \$1,396,252 | \$1,622,996 ^{a/} |
| Other income | 332,560 | 325,038 |
| Non-operating income | 593 | 60 |
| Total earnings | <u>1,729,405</u> | <u>1,948,094</u> |
| Expenses: | | |
| Operating expenses | 172,512 | 239,923 |
| Bad debts expense | 10,243 | 12,505 |
| Depreciation expense | 4,589 | 4,208 |
| Total expenses | <u>187,344</u> | <u>256,636</u> |
| Net earnings | \$1,542,061 | \$1,691,458 |
| Add: | | |
| Adjustment to prior year retained earnings | \$ 19,596 | |
| To adjust overstatement of bad debts expense | | |
| Retained earnings at beginning of period | \$6,414,277 | \$7,975,934 |
| Retained earnings at end of period | \$7,975,934 | \$9,667,392 |

^{a/} It is the consistent practice of the Corporation not to accrue penalty interest receivable and regular interest receivable for broken periods from last installment due date to closing date.

TABLE 15

RYUKYU DEVELOPMENT LOAN CORPORATION

OUTSTANDING LOANS FY 1957-1963

| <u>30 June</u> | <u>Total</u> |
|----------------------------|--------------|
| FY 1957 | \$16,337,408 |
| FY 1958 | 18,758,501 |
| FY 1959 | 21,923,404 |
| FY 1960 | 23,569,327 |
| FY 1961 | 24,058,226 |
| FY 1962 | 25,002,442 |
| FY 1963 | 31,882,349 |
| <u>End of Month Totals</u> | |
| <u>FY 1963</u> | |
| July | \$25,333,895 |
| August | 25,444,505 |
| September | 25,795,125 |
| October | 26,308,038 |
| November | 28,220,011 |
| December | 28,581,965 |
| January | 29,335,129 |
| February | 29,214,235 |
| March | 29,482,861 |
| April | 29,691,732 |
| May | 30,245,562 |
| June | 31,882,349 |

TABLE 16

RESETTLEMENT PROGRAM
As of 30 June 1963

| <u>Projects</u> | <u>Funding Program</u> | <u>Funds Obligated</u> | <u>Funds Expended</u> |
|---|----------------------------------|----------------------------------|----------------------------------|
| <u>Projects completed prior to 30 June 1962</u> | \$1,966,659 | \$1,966,659 | \$1,966,659 |
| <u>Projects completed during 1 July 1962 - 30 June 1963</u> | | | |
| Taiho, northern Okinawa | 89,670 | 89,670 | 89,670 |
| Onogoshi, Miyako | 94,344 | 94,344 | 94,344 |
| Resources and development survey, Iriomote | 86,511 | 86,511 | 86,511 |
| Takabishi-Funaura, Iriomote (preliminary survey) | <u>4,153</u> <u>274,677</u> | <u>4,153</u> <u>274,677</u> | <u>4,153</u> <u>274,677</u> |
| <u>Projects in progress</u> | | | |
| Malaria control, Yaeyama | 209,286 | 208,734 | 200,475 |
| Awase reclamation, Okinawa | <u>321,757</u> <u>531,043</u> | <u>321,757</u> <u>430,491</u> | <u>298,668</u> <u>499,143</u> |
| TOTAL | <u>\$2,772,379</u> | <u>\$2,771,827</u> | <u>\$2,740,479</u> |

TABLE 17

DISASTER RELIEF AND REHABILITATION PROGRAM - U. S. FUNDS

| Source of Funds | FY 1960 Typhoons and Tidal Wave | | FY 1962 Typhoons | |
|---------------------------------------|---------------------------------|----------------|------------------|----------------|
| | Funds Obligated | Funds Expended | Funds Obligated | Funds Expended |
| PL 480 | \$2,756,896 | \$2,711,073 | \$ 102,456 | \$ 102,456 |
| General Fund of the High Commissioner | 82,987 | 82,987 | 1,234,898 | 1,127,856 |
| TOTAL | \$2,839,883 | \$2,794,060 | \$1,337,354 | \$1,230,312 |
| <u>Application</u> | | | | |
| Emergency Relief | \$ 82,987 | \$ 82,987 | \$ 189,627 | \$ 189,627 |
| Public Schools | 131,889 | 131,889 | 199,001 | 199,001 |
| Public Health and Welfare Facilities | 40,199 | 40,199 | 60,046 | 55,121 |
| Public Safety Facilities | 0 | 0 | 9,958 | 9,958 |
| Other Government Facilities | 235 | 235 | 29,367 | 29,367 |
| Roads and Bridges | 829,147 | 783,324 | 107,306 | 102,906 |
| Seawalls and River Revetments | 252,242 | 252,242 | 184,075 | 160,925 |
| Ports and Harbors | 13,050 | 13,050 | 65,965 | 30,698 |
| Farm Protection Walls | 303,104 | 303,104 | 338,863 | 299,563 |
| Other Agricultural Facilities | 936,546 | 936,546 | 0 | 0 |
| Municipal Public Works | 0 | 0 | 50,690 | 50,690 |
| Fishing Ports | 39,109 | 39,109 | 0 | 0 |
| Unemployment Relief | 199,427 | 199,427 | 100,000 | 100,000 |
| Transportation and Port Handling | 0 | 0 | 2,456 | 2,456 |
| Landslides | 11,948 | 11,948 | 0 | 0 |
| TOTAL | \$2,839,883 | \$2,794,060 | \$1,337,354 | \$1,230,312 |

TABLE 18

SUMMARY OF CRI REVENUE DURING FY 1953 - FY 1963

In Thousands of Dollars
(On Program Basis)

| | FY 53 | FY 54 | FY 55 | FY 56 | FY 57 | FY 58 | FY 59 | FY 60 | FY 61 | FY 62 | FY 63 | Increase Over FY 53 |
|-------------------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------------|
| Internal Revenue Total: | 9,043 | 11,951 | 12,227 | 15,608 | 18,157 | 18,393 | 19,765 | 21,947 | 23,246 | 28,457 | 33,760 | 24,716 |
| Total Tax Revenue: | 7,072 | 9,204 | 9,663 | 12,324 | 14,431 | 15,229 | 16,148 | 18,656 | 20,273 | 24,738 | 29,611 | 22,536 |
| Total Direct Taxes: | 2,180 | 3,590 | 3,988 | 4,538 | 5,370 | 5,871 | 6,140 | 7,848 | 8,209 | 10,681 | 13,615 | 11,435 |
| Withheld Income Tax | 1,359 | 1,850 | 2,348 | 2,417 | 2,627 | 2,452 | 2,285 | 3,669 | 3,693 | 5,439 | 7,407 | 6,048 |
| Self-Assessed Income Tax | 574 | 809 | 798 | 851 | 1,044 | 1,015 | 1,103 | 1,208 | 1,529 | 1,597 | 1,662 | 1,088 |
| Corporation Income Tax | 218 | 839 | 765 | 1,153 | 1,522 | 2,230 | 2,541 | 2,750 | 2,786 | 3,597 | 4,242 | 4,025 |
| Motor Vehicle Tax | 29 | 92 | 117 | 118 | 147 | 174 | 211 | 221 | 241 | 286 | 303 | 274 |
| Total Indirect Taxes: | 4,895 | 5,614 | 5,676 | 7,795 | 9,061 | 9,358 | 10,008 | 10,808 | 12,064 | 14,057 | 15,997 | 11,101 |
| Travel Tax | 375 | 479 | 412 | 490 | 600 | 756 | 895 | 1,002 | 1,106 | 1,250 | 1,331 | 956 |
| Domestic Liquor Tax | 617 | 617 | 826 | 1,085 | 1,055 | 1,026 | 1,012 | 1,160 | 1,356 | 1,788 | 2,555 | 1,939 |
| Amusement Tax | 296 | 317 | 325 | 330 | 303 | 317 | 375 | 379 | 257 | 232 | 280 | (15) |
| Entertainment Tax | 79 | 107 | 91 | 106 | 106 | 129 | 141 | 165 | 209 | 251 | 290 | 211 |
| Commodity Tax | 390 | 479 | 495 | 930 | 1,823 | 1,731 | 1,638 | 2,132 | 2,938 | 3,320 | 4,058 | 3,668 |
| Soft Drink Tax | 225 | 253 | 205 | 342 | 339 | 353 | 357 | 346 | 423 | 489 | 590 | 365 |
| Tobacco Tax | 1,020 | 1,550 | 1,337 | 2,014 | 2,029 | 2,128 | 2,388 | 1,769 | 1,414 | 1,609 | 1,860 | 840 |
| Imported Liquor Tax | 1,090 | 1,041 | 1,033 | 1,459 | 1,790 | 2,138 | 2,151 | 2,230 | 1,993 | 2,259 | 1,930 | 840 |
| Sugar Tax | 391 | 391 | 590 | 561 | 441 | 202 | 400 | 1,046 | 1,068 | 1,149 | 1,302 | 911 |
| Revenue Stamp Tax | 242 | 371 | 352 | 459 | 562 | 557 | 629 | 750 | 798 | 934 | 1,101 | 860 |
| Tonnage Tax | 5 | 7 | 8 | 9 | 12 | 20 | 22 | 29 | 35 | 38 | 43 | 38 |
| Leaf Tobacco Import Tax | - | - | - | - | - | - | - | - | 467 | 738 | 657 | 657 |
| Old Tax | 167 | 5 | 2 | 1 | 0 | 0 | 0 | - | - | - | - | (167) |
| Total Non-Tax Revenue: | 1,969 | 2,746 | 2,564 | 3,285 | 3,726 | 3,164 | 3,617 | 3,291 | 2,973 | 3,719 | 4,148 | 2,450 |
| Tax as % of Internal Revenue: | 78.2% | 77.0% | 79.0% | 79.0% | 79.5% | 82.8% | 81.7% | 85.0% | 87.2% | 86.9% | 87.7% | 91.4% |
| | | | | | | | | | | | | 18% |

Note: These figures are rounded and will not necessarily add to the indicated totals which are based on unrounded figures.

TABLE 19

GOVERNMENT OF THE RYUKYU ISLANDS
SUMMARY OF TAX COLLECTIONS
 (Cash Basis)

| | <u>FY 1962</u> | <u>FY 1963</u> | <u>Increase (Decrease)</u> | |
|---------------------|---------------------|---------------------|----------------------------|--------------|
| | | | <u>Amount</u> | <u>Ratio</u> |
| TOTAL TAX REVENUE | <u>\$24,837,040</u> | <u>\$29,316,944</u> | <u>\$4,479,904</u> | 18.0% |
| <u>Income Taxes</u> | <u>\$10,412,084</u> | <u>\$13,236,428</u> | <u>\$2,824,344</u> | 27.1% |
| Withheld | 5,363,797 | 7,457,317 | 2,093,520 | 30.0 |
| Self-Assessed | 1,410,281 | 1,597,725 | 187,444 | 13.3 |
| Corporate | 3,638,006 | 4,181,386 | 543,380 | 14.9 |
| <u>Excise Taxes</u> | <u>\$14,424,956</u> | <u>\$16,080,516</u> | <u>\$1,655,560</u> | 11.5% |
| Motor Vehicle | 286,408 | 299,569 | 13,161 | 4.6 |
| Travel | 1,301,984 | 1,277,298 | (24,686) | (1.9) |
| Domest. Liquor | 1,708,828 | 2,486,956 | 778,128 | 45.5 |
| Amusement | 232,854 | 285,176 | 52,322 | 22.5 |
| Entertainment | 259,576 | 283,018 | 23,442 | 9.0 |
| Commodity | 3,333,905 | 4,047,905 | 714,000 | 21.4 |
| Soft Drink | 489,043 | 578,827 | 89,784 | 18.4 |
| Tobacco | 1,658,501 | 1,868,016 | 209,515 | 12.6 |
| Imported Liquor | 2,264,992 | 1,914,710 | (350,282) | (15.5) |
| Sugar | 1,162,260 | 1,322,556 | 160,296 | 13.8 |
| Revenue Stamp | 933,917 | 1,005,268 | 71,351 | 7.6 |
| Tonnage | 36,826 | 42,915 | 6,089 | 16.5 |
| Leaf Tobacco | 755,862 | 668,302 | (87,560) | (11.6) |

TABLE 20

CENTRIFUGAL SUGAR MILLS IN THE RYUKYU ISLANDS

| | <u>Capacity as of 30 June 1963</u> |
|--------------------------|------------------------------------|
| | <u>Metric Tons</u> |
| <u>Okinawa Gunto</u> | |
| Okinawa Island | |
| Hokubu Seito K. K. | 1,000 |
| Noren No. 2 | 750 |
| Noren No. 1 | 750 |
| Nishihara Seito K. K. | 750 |
| Ryukyu Seito K. K. | 1,250 |
| Daiichi Seito K. K. | 500 |
| Kume Island | |
| Kumejima Seito K. K. | 300 |
| Minami Daito Island | |
| Daito Togyo K. K. | 600 |
| <u>Miyako Gunto</u> | |
| Miyako Island | |
| Miyako Seito K. K. | 1,000 |
| Okinawa Seito K. K. | 1,000 |
| Irabu Island | |
| Irabu Seito K. K. | 300 |
| <u>Yaeyama Gunto</u> | |
| Ishigaki Island | |
| Yaeyama Seito K. K. | 500 |
| Ishigakijima Seito K. K. | 500 |
| TOTAL | 13 mills 9,200 |

BLACK SUGAR MILLS IN THE RYUKYU ISLANDS

| | <u>Number of Mills</u> |
|---------------|------------------------|
| Okinawa Gunto | 34 |
| Miyako Gunto | 14 |
| Yaeyama Gunto | 8 |
| TOTAL | 56 |

TABLE 21

SUMMARY OF GRI FISHERIES SUBSIDIES

| | <u>FY 1962</u> | <u>FY 1963</u> | <u>Remarks</u> |
|--------------------------------------|----------------|----------------|--|
| Fishing Port Facilities | \$ 47,800 | \$ 55,897 | |
| Fishery Associations | 1,800 | 1,800 | For education of fishermen. |
| Fishing Vessel Insurance Assn. | 29,000 | 35,304 | To cover two-thirds of insurance prem. |
| Fish Nest Construction | 4,850 | 2,433 | For labor expense and materials . |
| Purchase of Bait | 4,000 | 6,874 | Imported bait is subsidized at \$.25 per case. |
| Ryukyu Red Coral Fishery Assn. | 0 | 1,000 | To locate new grounds. |
| Ryukyu Fisheries Cooperative Society | 0 | 17,000 | To stabilize price of skipjack sticks. |
| Fishery Technicians | 11,086 | 13,559 | To pay 75 percent (FY 62), 82 percent (FY 63) of Son fishery technicians' salaries. |
| Technician-Fishery Radio Station | 0 | 5,864 | To cover 91 percent of salaries. |
| Purchase of Fishing Nets | 12,429 | 13,750 | To cover 50 percent of cost of nets for fishermen who belong to fishery cooperative. |
| TOTAL | \$110,965 | \$153,481 | |

TABLE 22

MARINE PRODUCTS LANDINGS
(Unit: Metric Tons and \$1,000)

| <u>Item</u> | <u>FY 1962 Quantity</u> | <u>FY 1963 Quantity</u> | <u>Value</u> |
|---------------------------------|-----------------------------|-----------------------------|------------------|
| TOTAL | <u>14,925</u> | <u>18,061</u> | <u>\$5,479.2</u> |
| Fish | 14,155 | 17,396 | \$4,380.6 |
| Sea Shells | 99 | 102 | 14.6 |
| Sea Weeds | 100 | 47 | 19.0 |
| Precious Coral | 3.4 | 10.2 | 661.1 |
| Other Marine Products <u>1/</u> | 568 | 506 | 403.9 |

1/ Includes dolphin, whale, crustacea, mollusca, sea cucumber.

TABLE 23

PROCESSED MARINE PRODUCTS
(Unit: Metric Tons and \$1,000)

| <u>Item</u> | <u>FY 1962 Quantity</u> | <u>FY 1963 Quantity</u> | <u>Value</u> |
|-----------------------|-----------------------------|-----------------------------|------------------|
| TOTAL | <u>2,918</u> | <u>3,629</u> | <u>\$2,709.2</u> |
| Dried skipjack sticks | 926 | 1,270 | 1,536.7 |
| Fish Cake | 1,741 | 1,946 | 947.9 |
| Dried Shark's Fin | 29 | 36 | 53.2 |
| Whale Oil | 97 | 0 | 0 |
| Pickled Seafood | 9 | 11 | 3.2 |
| Fish Ham and Sausage | 62 | 176 | 80.6 |
| Others <u>2/</u> | 54 | 190 | 87.6 |

2/ Fish meal, tuna sticks, and other dried fish except skipjack.

TABLE 24

MARINE PRODUCTS EXPORTS
(Unit: Metric Tons and \$1,000)

| <u>Items</u> | <u>FY 1962</u> | | <u>FY 1963</u> | |
|--------------------------------------|-----------------|------------------|-----------------|------------------|
| | <u>Quantity</u> | <u>Value</u> | <u>Quantity</u> | <u>Value</u> |
| TOTAL | <u>2,201.0</u> | <u>\$1,068.9</u> | <u>3,154.6</u> | <u>\$1,824.1</u> |
| Whale Meat | 199.7 | 22.4 | 0 | 0 |
| Whale Oil | 60.2 | 12.2 | 0 | 0 |
| Fish, Fresh and Frozen | 1,325.0 | 424.9 | 2,498.9 | 647.4 * |
| Fish, Salted | 0 | 0 | 9.7 | 9.3 |
| Fish Preparation | 0 | 0 | 1.3 | 0.5 |
| Skipjack sticks | 241.5 | 262.4 | 284.7 | 314.7 |
| Shark Fins | 33.3 | 29.7 | 25.7 | 41.6 |
| Sea Snake (Loticuda Semifasciata) | 0.3 | 0.9 | 0.1 | 0.3 |
| Fish Liver | 30.6 | 2.2 | 14.0 | 0.7 |
| Shell | 131.7 | 48.0 | 133.6 | 39.0 |
| Precious Red Coral | 3.4 | 182.0 | 10.2 | 661.1 ** |
| Sea Urchin | 30.6 | 21.8 | 22.8 | 18.2 |
| Seaweeds: | | | | |
| Digenia simplex | 66.2 | 47.1 | 84.0 | 80.2 |
| Edible seaweeds | 34.0 | 7.7 | 52.6 | 7.1 |
| Industrial seaweeds | 44.5 | 7.6 | 17.0 | 4.0 |

* 1,441 metric tons (value \$338,937) of frozen tuna, shark, marlin, and other fish sold at foreign bases by five Ryukyuan fishing vessels are included. Source: GRI Fisheries Section.

** Source: Ryukyu Red Coral Fishery and Export Association.

TABLE 25

MARINE PRODUCTS IMPORTS
(Unit: Metric Tons and \$1,000)

| <u>Items</u> | <u>FY 1962</u> | | <u>FY 1963</u> | |
|------------------------------------|-----------------|----------------|-----------------|------------------|
| | <u>Quantity</u> | <u>Value</u> | <u>Quantity</u> | <u>Value</u> |
| TOTAL | <u>11,100</u> | <u>\$3,774</u> | <u>12,111.5</u> | <u>\$3,835.4</u> |
| Fish, Fresh and Frozen | 4,140 | 736 | 4,831.6 | 957.0 |
| Fish, Dried & Salted | 1,416 | 466 | 1,075.9 | 359.4 |
| Fish, Canned & Preparation | 4,406 | 1,771 | 4,491.9 | 1,654.7 |
| Skipjack Sticks | 177 | 230 | 151.1 | 207.6 |
| Seaweed, Edible and Preparation | 680 | 453 | 689.4 | 401.8 |
| Crustacea & Mollusca | 274 | 116 | 868.8 | 254.1 |
| Fish Oil | 7 | 2 | 2.8 | .8 |

TABLE 26

| COMMODITY EXPORTS (FOB RYUKYUS) (Thousands of Dollars) | | | |
|--|-----------------|-----------------|-------------|
| | FY 1962 | FY 1963 | % Change |
| TOTAL EXPORTS (excluding sales to U. S. Military) | <u>\$43,515</u> | <u>\$70,418</u> | + 62 |
| <u>Agricultural Products</u> | <u>201</u> | <u>1,527</u> | +660 |
| Fresh vegetables | 22 | 12 | |
| Fresh and Frozen Pineapple | 22 | 101 | |
| Bananas | | 14 | |
| Peanuts | | 9 | |
| Vegetable Preparations | | 24 | |
| Pulp Wood | 157 | 143 | |
| Leaves (Adan & Kuba) | | 21 | |
| Tree Seeds and Saplings | | 6 | |
| Others | | 9 | |
| Rice (re-export of imported rice) | | 1,188 | |
| <u>Livestock and Livestock Products</u> | <u>438</u> | <u>445</u> | + 2 |
| Hogs (live) | 94 | 1 | |
| Cattle (live) | 107 | 167 | |
| Hides | 37 | 32 | |
| Meat | 195 | 241 | |
| Other (bones, etc.) | 5 | 4 | |
| <u>Marine Products</u> | <u>998</u> | <u>1,328</u> | + 33 |
| Whale Meat and Blubber | 35 | 0 | |
| Processed Skipjack | 262 | 315 | |
| Sea Shells | 48 | 39 | |
| Kaijinso (Digenia Simplex) | 47 | 80 | |
| Frozen Fish | 398 | 318 | |
| Precious Coral | 136 | 221* | |
| Others | 72 | 355 | |
| <u>Sugar Products</u> | <u>26,316</u> | <u>47,896</u> | + 82 |
| Black Sugar | 4,294 | 5,201 | |
| Centrifugal Sugar | 21,347 | 41,613 | |
| Molasses | 675 | 1,082 | |
| <u>Other Manufacturing</u> | <u>12,240</u> | <u>15,842</u> | + 29 |
| Canned Pineapple | 5,785 | 5,154 | |
| Canned Pineapple Juice | 267 | 367 | |
| Candy and Confectionery | 197 | 331 | |
| Cigarettes | 631 | 2,936 | |
| Wheat Bran | 139 | 117 | |
| Textile Products (finished garments) | 1,998 | 3,376 | |
| Ryukyuan Handicraft Textiles | 163 | 182 | |
| Soybean Oil | 115 | 102 | |
| Plywood | 2,113 | 1,706 | |
| Awamori (Rice Brandy) | 63 | 62 | |
| Footwear (rubber and canvas) | 283 | 484 | |
| Others | 486 | 1,025 | |

* This figure from the GRI Customs differs from the export figure submitted by the Ryukyu Red Coral Fishing and Export Association (\$661,000).
(Continued on next page)

TABLE 26 (Continued)

COMMODITY EXPORTS
(FOB RYUKYUS)
 (Thousands of Dollars)

| | <u>FY 1962</u> | <u>FY 1963</u> | <u>% Change</u> |
|---------------------------|----------------|----------------|---------------------|
| <u>Travertine</u> | \$ 33 | \$ 27 | - 18 |
| <u>Metal Scrap</u> | 2,126 | 1,607 | - 24 |
| <u>Non-metallic Scrap</u> | 364 | 285 | - 22 |
| <u>Used Machinery</u> | 264 | 519 | + 97 |
| <u>Other Exports</u> | 535 | 942 | + 76 |

Source: GRI Customs Service.

TABLE 27

DOLLAR VALUE OF IMPORTS
(CIF RYUKYUS)
(Thousands of Dollars)

| | FY 1962 | FY 1963 | % Change |
|------------------------------------|------------------|------------------|-------------|
| TOTAL IMPORTS | <u>\$160,999</u> | <u>\$188,998</u> | + 17 |
| Food | <u>28,337</u> | <u>36,271</u> | + 28 |
| Rice | 8,022 | 12,144 | |
| Dairy Products | 1,236 | 1,672 | |
| Meat and Meat Preparation | 2,070 | 3,836 | |
| Marine Products | 3,772 | 3,835 | |
| Fruits | 2,261 | 2,470 | |
| Vegetables | 1,577 | 1,860 | |
| Sugar | 2,206 | 2,651 | |
| Oils and Fats | 1,502 | 1,810 | |
| Condiments | 1,801 | 2,114 | |
| Eggs | 1,195 | 708 | |
| Others | 2,695 | 3,171 | |
| Beverages and Tobacco Products | <u>2,782</u> | <u>2,582</u> | - 7 |
| Alcoholic Beverages | 1,566 | 1,245 | |
| Non-Alcoholic Beverages | 24 | 51 | |
| Tobacco Products | 188 | 226 | |
| Others | 1,004 | 1,060 | |
| Production Materials | <u>28,247</u> | <u>30,275</u> | + 7 |
| Animal Feeds | 1,796 | 2,697 | |
| Chemical Fertilizers | 2,276 | 2,673 | |
| Grains | 4,283 | 4,124 | |
| Textile Fibers, Yarns, and Fabrics | 9,461 | 11,241 | |
| Tobacco Leaves | 1,091 | 1,613 | |
| Chemical Products | 2,459 | 2,341 | |
| Others | 6,881 | 5,586 | |
| Machinery and Equipment | <u>26,068</u> | <u>35,643</u> | + 37 |
| Building Materials | <u>20,460</u> | <u>21,784</u> | + 6 |
| Consumer and Miscellaneous Goods | <u>55,105</u> | <u>62,443</u> | + 13 |
| Paper and Paper Products | 3,453 | 4,116 | |
| Plastic Products | 1,213 | 1,569 | |
| Clothing and Textile Products | 10,225 | 11,737 | |
| Fabricated Metal Products | 6,070 | 5,623 | |
| Medical Instruments and Supplies | 3,620 | 4,026 | |
| Furniture and Fixtures | 1,126 | 1,533 | |
| Household Electric Appliances | 1,618 | 1,934 | |
| Watches and Clocks | 2,477 | 3,132 | |
| Books and Other Printed Items | 2,547 | 2,647 | |
| Footgear | 2,415 | 2,809 | |
| Cosmetics, etc. | 3,675 | 4,474 | |
| Miscellaneous Imports | 16,666 | 18,843 | |

Source: GRI Customs Service.

TABLE 28

COMMODITY EXPORTS BY COUNTRIES
(Thousands of Dollars)

| <u>Country</u> | <u>FY 1962</u> | | <u>FY 1963</u> | |
|----------------|-------------------------|-----------------------------------|-------------------------|-----------------------------------|
| | <u>Value Dollar</u> | <u>Percentage Composition</u> | <u>Value Dollar</u> | <u>Percentage Composition</u> |
| TOTAL | <u>\$43,515</u> | <u>100.0</u> | <u>\$70,418</u> | <u>100.0</u> |
| Japan | 38,218 | 87.8 | 61,636 | 87.5 |
| United States | 4,724 | 10.9 | 6,686 | 9.5 |
| Great Britain | 252 | 0.6 | 371 | 0.5 |
| Taiwan | 107 | 0.2 | 324 | 0.5 |
| Others | 214 | 0.5 | 1,400 | 2.0 |

COMMODITY IMPORTS BY COUNTRIES
(Thousands of Dollars)

| <u>Country</u> | <u>FY 1962</u> | | <u>FY 1963</u> | |
|----------------|-------------------------|-----------------------------------|-------------------------|-----------------------------------|
| | <u>Value Dollar</u> | <u>Percentage Composition</u> | <u>Value Dollar</u> | <u>Percentage Composition</u> |
| TOTAL | <u>\$160,995</u> | <u>100.0</u> | <u>\$188,998</u> | <u>100.0</u> |
| Japan | 117,399 | 72.9 | 135,711 | 71.8 |
| United States | 20,072 | 12.4 | 22,062 | 11.7 |
| Great Britain | 5,734 | 3.6 | 6,351 | 3.4 |
| Taiwan | 3,195 | 2.0 | 4,089 | 2.2 |
| Others | 14,595 | 9.1 | 20,785 | 10.9 |

Source: GRI Customs Service.

TABLE 29

SALES FROM FREE TRADE ZONEFY 1962

| Commodities | United States | | Other Countries | | Local Sales | | REX | | Total | |
|-------------------|----------------|--------------------|-----------------|------------------|--------------|-----------------|---------------|------------------|----------------|--------------------|
| | Set | Value | Set | Value | Set | Value | Set | Value | Set | Value |
| TOTAL | <u>787,463</u> | <u>\$4,392,665</u> | <u>33,293</u> | <u>\$266,098</u> | <u>2,789</u> | <u>\$37,438</u> | <u>26,185</u> | <u>\$448,687</u> | <u>849,730</u> | <u>\$5,144,888</u> |
| Transistor Radios | 736,040 | 4,310,636 | 32,706 | 243,257 | 1,358 | 13,476 | 17,694 | 205,359 | 787,798 | 4,772,728 |
| Baseball Gloves | 51,423 | 82,029 | 5 | 10 | 854 | 1,255 | 414 | 1,244 | 52,696 | 84,538 |
| Cameras | 0 | 0 | 582 | 22,831 | 129 | 3,982 | 7,805 | 224,622 | 8,516 | 251,435 |
| Sewing Machines | 0 | 0 | 0 | 0 | 448 | 18,725 | 272 | 17,462 | 720 | 36,187 |

FY 1963

| | | | | | | | | | | |
|-------------------|----------------|--------------------|---------------|------------------|--------------|-----------------|---------------|------------------|----------------|--------------------|
| TOTAL | <u>438,908</u> | <u>\$1,822,134</u> | <u>53,108</u> | <u>\$314,474</u> | <u>5,197</u> | <u>\$26,360</u> | <u>28,204</u> | <u>\$372,862</u> | <u>525,417</u> | <u>\$2,535,830</u> |
| Transistor Radios | 385,353 | 1,730,043 | 52,774 | 308,767 | 1,104 | 11,032 | 19,795 | 159,420 | 459,026 | 2,209,262 |
| Baseball Gloves | 53,555 | 92,091 | 34 | 45 | 3,872 | 8,242 | 1,759 | 4,515 | 59,220 | 104,893 |
| Cameras | 0 | 0 | 300 | 5,662 | 221 | 7,086 | 6,650 | 208,927 | 7,171 | 221,675 |

TABLE 30

EQUITY FOREIGN INVESTMENTS LICENSED BY THE GRI
 As of 30 June 1963
 (Thousands of Dollars)

| Type of Activities | United States | | Japan | | Others | | Total | |
|---|---------------|----------------|-----------|----------------|-----------|----------------|------------|-----------------|
| | No. | Amount | No. | Amount | No. | Amount | No. | Amount |
| TOTAL | <u>105</u> | <u>\$8,879</u> | <u>70</u> | <u>\$4,213</u> | <u>81</u> | <u>\$2,049</u> | <u>256</u> | <u>\$15,141</u> |
| Fishing | 1 | 7 | 1 | 200 | 0 | 0 | 2 | 207 |
| Pearl Culture | 0 | 0 | 2 | 11 | 0 | 0 | 2 | 11 |
| Forestry | 0 | 0 | 2 | 333 | 0 | 0 | 2 | 333 |
| Livestock and Poultry | 3 | 80 | 0 | 0 | 1 | 0 | 4 | 80 |
| Mining | 0 | 0 | 1 | 5 | 0 | 0 | 1 | 5 |
| Sugar Manuf. | 0 | 0 | 8 | 1,500 | 0 | 0 | 8 | 1,500 |
| Pineapple Canning | 0 | 0 | 15 | 455 | 0 | 0 | 15 | 455 |
| Textile Products Mfg. | 0 | 0 | 7 | 335 | 24 | 409 | 31 | 744 |
| Rubber Products Mfg. | 0 | 0 | 2 | 300 | 0 | 0 | 2 | 300 |
| Soft Drink Bottling | 5 | 730 | 0 | 0 | 0 | 0 | 5 | 730 |
| Plywood Mfg. | 1 | 225 | 0 | 0 | 0 | 0 | 1 | 225 |
| Other Mfg. | 16 | 1,948 | 12 | 207 | 15 | 370 | 43 | 2,525 |
| Wholesale, Retail & Commercial Service | 35 | 5,525 | 6 | 690 | 13 | 1,204 | 54 | 7,419 |
| Insurance | 3 | 0 | 0 | 0 | 2 | 0 | 5 | 0 |
| Banking | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| International Airlines & Shipping | 4 | 0 | 2 | 0 | 1 | 0 | 7 | 0 |
| Professional Svc., Publishing, TV, etc. | 35 | 364 | 12 | 178 | 25 | 66 | 72 | 608 |

TABLE 31
RYUKYU ELECTRIC POWER CORPORATION
COMPARATIVE BALANCE SHEET
As of 30 June 1962 and 1963

| | 30 June 1962 Actual | 30 June 1963 Actual |
|---------------------------------------|------------------------|------------------------|
| Assets: | | |
| Current assets: | | |
| Cash | \$ 4,545,270 | \$ 5,317,247 |
| Accounts receivable | 250,450 | 303,556 |
| Less reserve for doubtful accounts | (5,384) | (5,384) |
| Accrued income receivable | 123,880 | 184,873 |
| Advances receivable | 852 | 793 |
| Less reserve for doubtful accounts | 0 | (793) |
| Total current assets | <u>4,915,068</u> | <u>5,800,292</u> |
| Fixed assets | <u>9,524,463</u> | <u>9,534,224</u> |
| Less reserve for depreciation | (2,167,010) | (2,508,094) |
| Advances for construction projects | 37,861 | 0 |
| Construction in progress | 758,654 | 1,892,741 |
| Deferred charges | 72,654 | 10,828 |
| Total assets | <u>\$13,141,690</u> | <u>\$14,729,991</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | \$ 225,972 | \$ 135,167 |
| Accrued expenses payable | 49 | 508 |
| Total current liabilities | <u>226,021</u> | <u>135,675</u> |
| Other liabilities (suspense receipts) | <u>1,937</u> | <u>3,650</u> |
| Total liabilities | <u>\$ 227,958</u> | <u>\$ 139,325</u> |
| Net Worth: | | |
| Capital | \$ 8,671,008 | \$ 8,671,008 |
| Retained earnings | 4,242,724 | 5,919,658 |
| Total net worth | <u>\$12,913,732</u> | <u>\$14,590,666</u> |

TABLE 32

RYUKYU ELECTRIC POWER CORPORATION
COMPARATIVE PROFIT AND LOSS STATEMENTS
Periods covering FY 1962 and FY 1963

| | FY 1962 <u>Actual</u> | FY 1963 <u>Actual</u> |
|--|--------------------------|--------------------------|
| Earnings: | | |
| Sales of electric power | \$2,547,643 | \$3,198,149 |
| Less cost of electric power sold | <u>1,845,583</u> | <u>2,172,215</u> |
| Gross earnings on sales | 702,060 | 1,025,934 |
| Other income | <u>947,013</u> | <u>1,082,874</u> |
| Total earnings | <u>1,649,073</u> | <u>2,108,808</u> |
| Expenses: | | |
| Operating expenses | 84,415 | 89,997 |
| Bad debts expense | 0 | 793 |
| Depreciation expense | <u>340,782</u> | <u>341,084</u> |
| Total expenses | <u>425,197</u> | <u>431,874</u> |
| Net earnings | \$1,223,876 | \$1,676,934 |
| Retained earnings at beginning of period | \$3,018,848 | \$4,242,724 |
| Retained earnings at end of period | \$4,242,724 | \$5,919,658 |

TABLE 33

RYUKYU DOMESTIC WATER CORPORATION
COMPARATIVE BALANCE SHEET
 As of 30 June 1962 and 1963

| | 30 June 1962 Actual | 30 June 1963 Actual |
|-------------------------------------|------------------------|------------------------|
| Assets: | | |
| Current assets: | | |
| Cash | \$ 445,201 | \$ 637,784 |
| General Fund | 305,018 | 1,026,017 |
| Construction Fund | 52,296 | 59,399 |
| Accounts receivable | 18,353 | 41,433 |
| Accrued income receivable | 200 | 200 |
| Miscellaneous receivable | 821,068 | 1,764,833 |
| Total current assets | <u>914,689</u> | <u>2,456,201</u> |
| Fixed assets | (25,502) | (73,912) |
| Less reserve for depreciation | 27,102 | 0 |
| Advances for construction projects | 1,476,238 | 396,688 |
| Construction in progress | 1,011 | 1,092 |
| Deferred charges | <u>\$3,214,606</u> | <u>\$4,544,902</u> |
| Total assets | | |
| Liabilities: | | |
| Current liabilities: | \$ 51,362 | \$ 90,438 |
| Accounts payable | 36,348 | 28,661 |
| Other liabilities: | <u>\$ 87,710</u> | <u>\$ 119,099</u> |
| Advance deposits and other payables | | |
| Total liabilities | | |
| Net Worth: | \$2,686,298 | \$3,731,435 |
| Capital | 440,598 | 694,368 |
| Retained earnings | <u>\$3,126,896</u> | <u>\$4,425,803</u> |
| Total net worth | | |

TABLE 34

RYUKYU DOMESTIC WATER CORPORATION
COMPARATIVE PROFIT AND LOSS STATEMENTS
Periods covering FY 1962 and FY 1963

| | FY 1962 Actual | FY 1963 Actual |
|--|-------------------|-------------------|
| Earnings: | | |
| Sales | \$486,606 | \$675,937 |
| Less cost of sales | <u>267,385</u> | <u>397,385</u> |
| Gross earnings on sales | 219,221 | 278,552 |
| Other income | 41,788 | 54,593 |
| Non-operating income (expense) | <u>0</u> | <u>(169)</u> |
| Total earnings | <u>261,009</u> | <u>332,976</u> |
| Expenses: | | |
| Operating expenses | 21,844 | 30,544 |
| Depreciation expense | <u>19,643</u> | <u>48,662</u> |
| Total expenses | <u>41,487</u> | <u>79,206</u> |
| Net earnings | \$219,522 | \$253,770 |
| Retained earnings at beginning of period | \$221,076 | \$440,598 |
| Retained earnings at end of period | \$440,598 | \$694,368 |

TABLE 35

PUBLIC SCHOOL ENROLLMENTS
ELEMENTARY AND SECONDARY SCHOOLS

ACTUAL ENROLLMENTS

| | <u>Elementary School</u> | <u>Junior High School</u> | <u>Senior High School</u> |
|------------|--------------------------|---------------------------|---------------------------|
| April 1960 | 163,209 | 48,365 | 23,689 |
| April 1961 | 165,394 | 61,251 | 22,437 |
| April 1962 | 163,925 | 73,483 | 21,733 |
| April 1963 | 159,817 | 78,329 | 25,986 |

PROJECTED ENROLLMENTS

| | <u>Elementary School</u> | <u>Junior High School</u> | <u>Senior High School</u> |
|------|--------------------------|---------------------------|---------------------------|
| 1964 | 157,107 | 81,617 | 30,994 |
| 1965 | 154,592 | 83,209 | 36,880 |
| 1966 | 153,110 | 81,385 | 39,788 |
| 1967 | 151,947 | 80,960 | 41,703 |
| 1968 | 151,424 | 78,863 | 42,277 |
| 1969 | 151,518 | 76,986 | 41,429 |
| 1970 | 152,017 | 75,328 | 40,818 |

TABLE 36

NUMBER OF STUDENTS BY COURSES IN THE SENIOR HIGH SCHOOLS

| <u>Schools</u> | <u>Courses</u> | <u>Students 1956-57</u> | <u>Students 1963-64</u> |
|---------------------------------|---|-----------------------------|-----------------------------|
| Naha Commercial High School | General Commerce | 1,620 | 1,033 |
| | Banking | 0 | 309 |
| | Trade | 0 | 310 |
| | Total | <u>1,620</u> | <u>1,652</u> |
| Okinawa Technical High School | Mechanics | 366 | 369 |
| | Electricity | 300 | 408 |
| | Architecture | 308 | 411 |
| | Industrial Art (Wood-working & Lacquerware) | 171 | 287 |
| | Civil Engineering | 40 | 123 |
| | Auto Mechanics | 0 | 170 |
| | Industrial Chemistry | 0 | 35 |
| | Total | <u>1,185</u> | <u>1,803</u> |
| Okinawa Fishery High School | Fishing | 354 | 323 |
| Miyako Fishery High School | Marine Products and Processing | 532 | 322 |
| | Marine Management | 0 | 32 |
| | Marine Engine | 195 | 387 |
| | Radio Communication | 79 | 124 |
| | Total | <u>1,160</u> | <u>1,188</u> |
| 5 Agricultural High Schools | Agriculture | <u>1,477</u> | <u>1,385</u> |
| | Animal Husbandry | 532 | 432 |
| Northern | Agricultural Products Processing | 0 | 196 |
| Central | Forestry | 241 | 180 |
| Southern | Horticulture | 251 | 217 |
| Miyako | Emigration | 0 | 412 |
| Yaeyama | Agricultural Home Economics | <u>1,187</u> | <u>1,082</u> |
| | Total | <u>3,688</u> | <u>3,904</u> |
| 16 Academic Senior High Schools | General Home Economics | 0 | 2,126 |
| | General Commerce | 0 | 4,462 |
| | Agriculture | 0 | 113 |
| | Dressmaking | 0 | 452 |
| | Food | 0 | 122 |
| | Handicraft | 0 | 127 |
| | Electricity | 0 | 262 |
| | Mechanics | 0 | 110 |
| | Folkcraft | 0 | 109 |
| | Auto Mechanics | 0 | 168 |
| | Total | <u>0</u> | <u>8,051</u> |
| | Total in Vocational Courses | <u>7,653</u> | <u>16,598</u> |
| | Total in Academic Courses | 12,907 | 9,298 |
| | Total Students in Senior High Schools | 22,560 | 25,896* |

* Excludes 4,217 who enrolled in private high schools in April 1963.

TABLE 37

MEDICAL PERSONNEL IN THE RYUKYU ISLANDS
As of 30 June 1963

| | <u>Private</u> | <u>Gov't</u> | <u>Foreign</u> | <u>Total</u> | <u>Ratio to Population^{1/}</u> |
|----------------------------------|-------------------|------------------|----------------|-------------------|---|
| TOTAL | <u>1,100</u> | <u>847</u> | <u>20</u> | <u>1,967</u> | <u>1: 460</u> |
| Physicians | 265 ^{2/} | 84 ^{3/} | 8 | 357 | 1: 2,532 |
| Dentists | 88 ^{4/} | 3 | 8 | 99 | 1: 9,131 |
| Nurses (Clinical) | 153 | 385 | 0 | 538 ^{5/} | 1: 1,680 |
| Nurses (Public Health) | 2 | 210 | 0 | 212 ^{6/} | 1: 4,264 |
| Midwives | 385 | 0 | 0 | 385 | 1: 2,348 |
| Medical Servicemen ^{7/} | 44 | 34 | 0 | 78 | 1:11,590 |
| Dental Servicemen ^{8/} | 29 | 1 | 0 | 30 | 1:30,133 |
| Veterinarians | 24 | 103 | 1 | 128 | - |
| Pharmacists | 110 | 27 | 3 | 140 | 1: 6,457 |

^{1/} Based on estimated population of 904,000 as of 1 May 1962.

^{2/} Includes 9 licensed but not practicing and 12 attending school outside the Ryukyus.

^{3/} Includes 14 physicians dispatched by the Government of Japan.

^{4/} Includes 1 licensed but not practicing and 3 attending school outside the Ryukyus.

^{5/} Includes 21 who also have midwifery license. Excludes approximately 100 unemployed.

^{6/} Includes 21 who also have midwifery license. Excludes 25 licensed but unemployed.

^{7/} Similar to Army Medical Corpsmen.

^{8/} Similar to Army Dental Assistants.

TABLE 38
REPORTABLE DISEASES

| | Calendar Year | | | | | |
|--------------------------|---------------|-------------|-------------|-------------|-------------|-------------|
| | <u>Totals</u> | <u>1958</u> | <u>1959</u> | <u>1960</u> | <u>1961</u> | <u>1962</u> |
| Tuberculosis (all forms) | 14,930 | 3,243 | 3,263 | 3,257 | 2,674 | 2,493 |
| Venereal Diseases | 13,896 | 3,491 | 3,391 | 2,371 | 2,276 | 2,367 |
| Typhoid | 89 | 22 | 17 | 2 | 45 | 3 |
| Dysentery, Shigella | 1,293 | 256 | 225 | 200 | 220 | 392 |
| Food Poisoning | 522 | 156 | 57 | 57 | 40 | 212 |
| Diphtheria | 458 | 107 | 113 | 106 | 81 | 51 |
| Whooping Cough | 585 | 2 | 412 | 117 | 49 | 5 |
| Epidemic Meningitis | 24 | 10 | 4 | 4 | 1 | 5 |
| Hansen's Disease | 266 | 28 | 69 | 65 | 62 | 42 |
| Tetanus | 200 | 18 | 38 | 51 | 41 | 52 |
| Poliomyelitis | 180 | 23 | 30 | 57 | 58 | 12 |
| Japanese B Encephalitis | 375 | 72 | 67 | 60 | 77 | 99 |
| Measles | 2,070 | 116 | 272 | 120 | 1,280 | 282 |
| Chicken Pox | 354 | 21 | 23 | 24 | 174 | 112 |
| Mumps | 281 | 48 | 80 | 30 | 50 | 73 |
| Trachoma | 13,634 | 645 | 768 | 2,151 | 4,620 | 5,450 |
| Malaria | 402 | 338 | 55 | 4 | 5 | - |
| Filariasis | 2,033 | 28 | 23 | 250 | 79 | 1,653 |
| Ankylostomiasis | 26,244 | 1,944 | 3,176 | 4,147 | 7,796 | 9,181 |
| Influenza | 4,071 | 28 | 119 | 22 | 3,052 | 850 |
| Rheumatic Fever | 67 | 1 | - | 5 | 47 | 14 |

TABLE 39

RYUKYUAN-AMERICAN CULTURAL CENTERS
ANNUAL STATISTICAL REPORT
July 1962 - June 1963

| | <u>Naha</u> | <u>Nago</u> | <u>Ishikawa</u> | <u>Miyako</u> | <u>Yaeyama</u> | <u>Total</u> |
|--------------------------------|-------------|-------------|-----------------|---------------|----------------|--------------|
| <u>Youth Activities</u> | | | | | | |
| <u>Attendance</u> | 9,692 | 6,531 | 5,663 | 8,597 | 18,230 | 48,713 |
| <u>Adult Activities</u> | | | | | | |
| <u>Attendance</u> | 26,661 | 2,451 | 13,050 | 28,746 | 48,777 | 119,685 |
| <u>Special Events</u> | | | | | | |
| <u>Attendance</u> | 113,471 | 132,577 | 60,849 | 93,481 | 111,582 | 511,960 |
| <u>Library Activities</u> | | | | | | |
| <u>Center Library</u> | | | | | | |
| <u>Attendance</u> | 214,491 | 93,742 | 116,198 | 73,784 | 82,654 | 580,869 |
| <u>Circulation</u> | 16,115 | 8,171 | 9,122 | 4,978 | 11,782 | 50,168 |
| <u>Book Deposits MUJ</u> | | | | | | |
| <u>No. of Deposits</u> | 308 | 214 | 356 | 195 | 286 | 1,359 |
| <u>No. of Books</u> | 6,160 | 5,402 | 7,220 | 2,433 | 5,502 | 26,717 |
| <u>Attendance</u> | 31,832 | 14,754 | 5,878 | 4,209 | 2,805 | 59,478 |
| <u>Circulation</u> | 6,991 | 13,635 | 7,033 | 5,536 | 4,426 | 37,621 |
| <u>Audio-Visual Activities</u> | | | | | | |
| <u>No. of Shows</u> | 2,442 | 467 | 222 | 337 | 880 | 4,348 |
| <u>Attendance</u> | 313,961 | 80,250 | 64,090 | 53,647 | 125,393 | 637,341 |

