

Budget compilation and the Cabinet Planning Board during the new  
Konoe system era: CPB intervention in the budget process for 1941  
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Within the process of the “new system movement”, initiated by the 2nd Konoe Fumimaro Cabinet during July 1940, one aspect of the new system's multi-faceted development was the attempt by the Cabinet Planning Board (CPB) to intervene in compiling the national budget, demonstrating an attitude towards reforming the budget system. The aim of this article is to focus on moves made by the CPB in the process of the budget compilation for fiscal year 1941 and investigate the CPB's budget assessments, specifically the allocation of ordinary steel stocks in the Materiel Mobilization Plan (MMP), and its relationship to the Ministry of Finance, in order to reconsider historical significance of the CPB from the aspect of budget compilation.

The CPB set its 1941 budget assessment criteria around the same time the general outline for budget control was being determined for the fiscal year. The CPB then submitted a request to the Ministry of Finance that assessments be implemented in accordance with its findings, which indicates that the CPB enjoyed the upper hand over finance in the process. In the background to the CPB setting criteria in this manner lay the fact that 1) the two bureaus had their own separate budget compilation policies and 2) circumstances surrounding any delay in the Ministry of Finance budget assessments would be viewed as problematic by the CPB.

One characteristic feature of the CPB's assessments which were implemented based on the above criteria determination process, was that they were understated with respect to construction-related expenditures like new construction and additions. The assessments for ordinary steel stocks in the MMP is one example of such passivity in allocations to newly proposed projects.

However, the Ministry of Finance, by implementing its own assessments without giving due consideration to the CPB's assessments, also tended to

dissociate budget allocations from materiel. While criticizing this kind of Ministry of Finance assessment, the CPB's at the same time pointed out that it, too, had problems, such as its waning influence on budget compilation due to delays in the MMP. Consequently, in budget compilation for the coming year, the CPB considered such improvement measures as joint appointments of Budget Bureau and CPB's staff and limiting Ministry of Finance assessments.

From the above investigation, the author shows that the characteristic feature of intervention by the CPB in the budget compilation process was its employment of the indirect method in setting assessment criteria. However, through this type of method, it had limited its influence on the Ministry of Finance, making it necessary a choice that was made between two different clerical systems, thus making the complete realization of CPB's assessment was impossible.