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Appendix XXIV

THE DEVELOPMENT OF THE COMMODITY LINK SYSTEM IN JAPAN

Designation	Date enforced	Commodities linked Exports	Imports	Types of System	Associations concerned
Soap link	October 1, 1937	Soap	Beef Tallow Spices 6)	Export obligation Individual link Quantity link 7)	Japan Soap Exporters Association
Brush link	January 1, 1930	Brush	Bristles Natural ebony Mexican fibre Cow bones	Export obligation Group link Quantity link	Bristle Importers' Control Association Natural Ebony Importers' Control Ass'n Cow Bone Importers Control Ass'n.
Wool link	March 15, 1938	Woolen goods	Wool	Import privilege Export obligation Individual link Quantity link	Wool Importers' Control Ass'n. Japan Woolen Yarn Export Association Japan Woolen Textile Export Ass'n. Japan Hosiery Export Ass'n. Japan Philippine Hosiery Export Ass'n.
Hat link	May 10, 1938	Felt Hats Hat bodies	Noil & other Waste wool	Import privilege Export Obligation Individual link Value link	Japan Felt-hat Raw Material Importers' Control Ass'n. Japan Felt-Hat Export Ass'n.
Japanese paper link	June 1, 1938	Japanese paper	Manila hemp	Export obligation Individual link Quantity link	Japanese Paper Export Promotion Ass'n.

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<u>Designation</u>	<u>Date enforced</u>	<u>Commodities linked Exports</u>	<u>Imports</u>	<u>Types of System</u>	<u>Associations concerned</u>
Cotton link	July 1, 1938	Cotton Goods	Raw cotton	Import privilege Export obligation Individual link Quantity link	Japan Cotton Spinners' Ass'n. Federation of Japan Cotton-goods Export Associations
Rayon link	August 1, 1938	Rayon yarn & textiles	Rayon pulp	Import privilege Export obligation Individual link (yarns) Group link (textiles) Quantity link	Japan Rayon Ass'n. Federation of Japan Rayon-goods Export Ass'n. Federation of Japan Export Rayon Dealers' Associations.

6) Enforced in February 1936

7) Spices are linked with a value system

APPENDIX XXV

THE NATIONAL POLICY COMPANIES OF JAPAN - 1943

	Date of Establishment	Authorized Capitali- zation (in thous- and yen)	Capita Paid-u (in th and ye
Karafuto Development Company	6-1938	50,000	25,000
Teito High Speed Transit Eidan	7-1941	60,000	25,000
Nippon Publication Distribution Co.	5-1941	10,000	5,000
Nippon Cinema Materials Control Co.	3-1943	5,000	5,000
Oriental Development Co.	12-1908	100,000	75,000
Formosa Development Co.	6-1936	60,000	48,700
Yokohama Specie Bank	2-1886	100,000	100,000
Bank of Japan	10-1882	100,000	45,000
Nippon Hypothetic Bank	6-1897	141,920	117,700
Okayama Ken Agriculture & Industrial Bank	12-1897	3,000	3,000
Aichi Ken Agriculture & Industrial Bank	3-1898	6,000	4,500
Kanagawa Agriculture & Industrial Bank	3-1898	4,000	4,000
Ibaraki Agriculture & Industrial Bank	4-1898	3,000	3,000
Fukushima Agriculture & Industrial Bank	6-1898	4,000	4,000
Hokkaido Colonization Bank	2-1900	20,885	12,700
Nippon Industrial Bank	3-1902	200,000	87,500
People's Gold Depository	7-1938	10,000	9,600
Wartime Financial Gold Depository	4-1942	300,000	150,000
Nippon Securities Exchange	6-1943	200,000	200,000
Pension Gold Depository	6-1938	30,000	30,000
Industrial Association Central Gold Depository	12-1927	35,700	35,700
Nippon Cotton Fishing Net Mfg.	9-1939	2,000	2,000
Nippon Manila Hemp Net Co.	12-1939	3,000	3,000
Nippon Oil Fertilizers	5-1940	3,000	3,000
Farm Machinery Distribution Co.	5-1940	1,000	1,000
Nippon Throwing Mfg. Sale	5-1940	1,000	1,000
Nippon Straw Products Distribution	7-1940	3,000	3,000
Nippon Rubber for Farm Equipment Dist.	9-1940	500	500
Agricultural Insecticide	10-1940	300	300
Nippon Manila Hemp Net Mfg.	11-1940	500	500

APPENDIX XXV

THE NATIONAL POLICY COMPANIES OF JAPAN - 1943

	Date of Establishment	Authorized Capitali- zation (in thous- and yen)	Capital Paid-up (in thous- and yen)
Development Company	6-1938	50,000	25,000
Speed Transit Eidan	7-1941	60,000	25,000
Publication Distribution Co.	5-1941	10,000	5,000
Yama Materials Control Co.	3-1943	5,000	500
Development Co.	12-1908	100,000	75,000
Development Co.	6-1936	60,000	48,750
Yama Bank	2-1886	100,000	100,000
Yama Bank	10-1882	100,000	45,000
Yama Bank	6-1897	141,920	117,795
Yama Bank	12-1897	3,000	3,000
Yama Bank & Industrial Bank	3-1898	6,000	4,500
Yama Bank & Industrial Bank	3-1898	4,000	4,000
Yama Bank & Industrial Bank	4-1898	3,000	3,000
Yama Bank & Industrial Bank	6-1898	4,000	4,000
Colonization Bank	2-1900	20,885	12,770
Industrial Bank	3-1902	200,000	87,500
Gold Depository	7-1938	10,000	9,690
Financial Gold Depository	4-1942	300,000	150,000
Securities Exchange	6-1943	200,000	200,000
Gold Depository	6-1938	30,000	30,000
Association Central Gold Depository	12-1927	35,700	35,700
Yama Fishing Net Mfg.	9-1939	2,000	2,000
Yama Hemp Net Co.	12-1939	3,000	3,000
Yama Fertilizers	5-1940	3,000	3,000
Yama Distribution Co.	5-1940	1,000	1,000
Yama Mfg. Sale	5-1940	1,000	1,000
Yama Products Distribution	7-1940	3,000	3,000
Yama Paper for Farm Equipment Dist.	9-1940	500	300
Yama Insecticide	10-1940	300	150
Yama Hemp Net Mfg.	11-1940	500	500

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitali- zation (in thousand yen)	Capita Paid-up (In tho and ye
Teikoku Oil Control	9-1942	32,185	15,73
Fodder Distribution	4-1938	8,450	5,57
Toa Tea Mfg.	7-1932	1,200	30
Dai Nippon Phosphorus Ores	6-1939	3,000	1,50
Organic Fertilizer	12-1939	30,000	1,50
Nippon Raw Hemp	6,1940	5,000	5,00
Nippon Export of Farm Products	7-1940	10,000	5,00
Nippon Fertilizer	7-1940	50,000	13,25
Nippon Starch	8-1940	1,000	1,00
Chosen Livestock Dist.	11-1940	1,000	50
Fodder Mfg.	4-1941	5,000	5,00
Nippon Seeds	5-1941	150	
Farmland Development Eidan	5-1941	30,000	15,00
Nippon Sweet Potatoes & Potatoes	8-1941	10,000	5,00
Nippon Raw Hide	11-1941	10,500	5,00
Nippon Rabbit	11-1941	3,000	3,00
Nippon Raised Fur	10-1939	150	
Dai Nippon Fur Control	9-1940	71	
Nippon Charcoal for Gas	5-1941	10,000	10,00
Nippon Lumber	8-1941	50,000	25,00
Nippon Special Forest Products Control	4-1942	1,500	1,50
Marine (products) Skin Control	10-1939	1,000	50
Nippon Vegetable Gelatine Control	9-1940	2,000	1,00
Kokusen Fuel Equipment	12-1940	700	350
Nippon Godo Pearl	8-1942	1,000	500
Nippon Marine Products	11-1942	1,500	1,500
Teikoku Marine Products Control	12-1942	50,000	50,000
Nippon Silk-Yarn By-Products Control	6-1940	5,000	2,500
Nippon Silk-Yarn Control	5-1941	80,000	40,000
Development Co. for Silk-Yarn Use	2-1942	3,000	3,000

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	Date of Estab- lishment	Authorized Capitali- zation (in thousand yen)	Capital Paid-up (In thous- and yen)
Control	9-1942	32,185	15,735
Distribution	4-1938	8,450	5,575
	7-1932	1,200	300
	6-1939	3,000	1,500
Phosphorus Ores	12-1939	30,000	1,500
Fertilizer	6,1940	5,000	5,000
Hemp	7-1940	10,000	5,000
Port of Farm Products	7-1940	50,000	13,250
Fertilizer	8-1940	1,000	1,000
Wool	11-1940	1,000	500
Stock Dist.	4-1941	5,000	5,000
	5-1941	150	75
	5-1941	30,000	15,000
Development Eidan	8-1941	10,000	5,000
Art Potatoes & Potatoes	11-1941	10,500	5,000
Hide	11-1941	3,000	3,000
Wool	10-1939	150	75
Used Fur	9-1940	71	71
Fur Control	5-1941	10,000	10,000
Coal for Gas	8-1941	50,000	25,000
Wool	4-1942	1,500	1,500
Special Forest Products Control	10-1939	1,000	500
Products) Skin Control	9-1940	2,000	1,000
Stable Gelatine Control	12-1940	700	350
Wool Equipment	8-1942	1,000	500
Wool Pearl	11-1942	1,500	1,500
Wool Products	12-1942	50,000	50,000
Wool Products Control	6-1940	5,000	2,500
Silk-Yarn By-Products Control	5-1941	80,000	40,000
Silk-Yarn Control	2-1942	3,000	3,000
Co. for Silk-Yarn Use			

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capit Paid (In t and
Nippon Silk-Yarn Mfg.	7-1943	100,000	50
Kyoto Green Producers	1-1928	2,700	2
Beer Joint-Sales	8-1933	2,000	1
Canned Crab Kyowakai Joint-Sales	7-1935	1,000	1
Canned Crab Sales	6-1939	150	
Nippon Marine Products Dist.	8-1939	3,000	3
Nippon Sugar Distribution	6-1940	2,000	
Nippon Salmon & Trout Distribution	6-1941	3,000	3
Nippon Meat Distribution	8-1941	6,000	6
Kanto Fowl	10-1941	198	
Kyokan Fowl	10-1941	198	
Fukuoka Ken Fowl	11-1941	100	
Zenkoku Soy Sauce Control	11-1941	1,000	1
Nippon Amino Acid Control	11-1941	1,500	1
Zenkoku Bean Paste	11-1941	1,000	1
Nippon Canned Food Control	3-1942	6,000	3
Central Food Public Corporation (Eidan)	9-1942	100,000	60
Shoko Kumiai Central Gold Depository	11-1936	16,000	9
Kokumin Kosei Gold Depository	7-1941	100,000	97
Industrial Establishment Public Corp. (Eidan)	12-1942	200,000	78
Nippon Iron Mfg.	1-1934	800,000	671
Nippon Precious Metals	12-1937	1,000	1
Nippon Gold Production Promotion	9-1938	50,000	40
Teikoku Mine Development	8-1939	90,000	27
Steel & Iron Raw Materials Control	8-1940	1,000	1
Teikoku Light Metal Control	9-1940	25,000	12
Nippon Metal Dist.	9-1940	10,000	5
Teikoku Manganese Chrome	4-1941	5,000	5
Nippon Wire Rod Products Control	6-1941	1,000	1
Nippon Cast-Iron Tube Control	7-1941	3,000	1
Nippon Mine-Ball Control	8-1941	500	
Nippon Ore Dressing Reagent	9-1941	500	

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (In thous- and yen).
Yarn Mfg.	7-1943	100,000	50,000
Producers	1-1928	2,700	2,440
Sales	8-1933	2,000	1,000
Kyowakai Joint-Sales	7-1935	1,000	1,000
Sales	6-1939	150	150
Products Dist.	8-1939	3,000	3,000
Distribution	6-1940	2,000	500
on & Trout Distribution	6-1941	3,000	3,000
Distribution	8-1941	6,000	6,000
	10-1941	198	198
	10-1941	198	198
	11-1941	100	50
Fowl	11-1941	1,000	1,000
Sauce Control	11-1941	1,500	1,500
Acid Control	11-1941	1,000	1,000
Paste	3-1942	6,000	3,000
Food Control	9-1942	100,000	60,898
Public Corporation (Eidan)	11-1936	16,000	9,983
Central Gold Depository	7-1941	100,000	97,520
Gold Depository	12-1942	200,000	78,450
Establishment Public Corp. (Eidan)	1-1934	800,000	671,000
Mfg.	12-1937	1,000	1,000
ous Metals	9-1938	50,000	40,000
Production Promotion	8-1939	90,000	27,000
Development	8-1940	1,000	1,000
Raw Materials Control	9-1940	25,000	12,500
nt Metal Control	9-1940	10,000	5,000
Dist.	4-1941	5,000	5,000
ganese Chrome	6-1941	1,000	1,000
Rod Products Control	7-1941	3,000	1,500
Iron Tube Control	8-1941	500	500
Ball Control	9-1941	500	250
Dressing Reagent			

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Cap Pal (In and
Nippon Hoops Control	10-1941	500	
Iron & Steel Sales Control	12-1941	5,000	
Nippon Shavel Control	12-1941	500	
Nippon Black-Lead Crucible	1-1942	500	
Nippon Band Steel Control	1-1942	500	
Black Sheet Control	2-1942	100	
Nippon Wire Tube Control	3-1942	500	
Nippon Empty Can Control	3-1942	500	
Nippon Light Metal Control	4-1942	2,000	
Wire Distribution	4-1942	2,000	
Metal Distribution	5-1942	2,000	
Nippon Ships Hardware Equipment Control	5-1942	1,000	
Nippon Flourite Control	5-1942	3,000	
Special Steel Sale	6-1942	1,000	
Metal Collection Control	7-1942	500	
Nippon Automobile	6-1914	3,000	
Callons Oil Glycerine Control	3-1926	800	
Nippon Leather & Hide Control	3-1939	2,000	
Nippon Chikatabi Joint Sales	9-1939	1,000	
Nippon Automobile Tire Control	11-1939	1,000	
Nippon Kaizen Control	12-1939	100	
Nippon Tawnin Industry	12-1939	1,700	
Nippon Rubber Toy and Sport Goods for Export Control	1-1940	200	
Nippon Metal and Glass from Waste Bulbs	2-1940	195	
Cement Joint Sales	3-1940	5,000	
Rubber Goods for Marine Ind. Joint-Sales	8-1940	150	
Dai Nippon Asbestos	8-1940	1,000	
Nippon Rubber Band Control	10-1940	1,000	
Nippon Joint-Sales for Authorized Rubber Sporting Goods	10-1940	100	
Nippon Industrial Rubber Goods Control	12-1940	500	
Nippon Rubber Hose Control	12-1940	1,000	
Paints Control	12-1940	150	

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (In thous- and yen)
Coops Control	10-1941	500	500
Steel Sales Control	12-1941	5,000	5,000
Travel Control	12-1941	500	500
Black-Lead Crucible	1-1942	500	500
Cast Steel Control	1-1942	500	500
Cast Control	2-1942	100	100
Wire Tube Control	3-1942	500	500
Empty Can Control	3-1942	500	500
Light Metal Control	4-1942	2,000	2,000
Distribution	4-1942	2,000	2,000
Distribution	5-1942	2,000	2,000
Ships Hardware Equipment Control	5-1942	1,000	500
Tourite Control	5-1942	3,000	1,500
Steel Sale	6-1942	1,000	1,000
Collection Control	7-1942	500	500
Automobile	6-1914	3,000	2,500
Oil Glycerine Control	3-1926	800	800
Leather & Hide Control	3-1939	2,000	2,000
Chikatabi Joint Sales	9-1939	1,000	1,000
Automobile Tire Control	11-1939	1,000	250
Kaizen Control	12-1939	100	100
Lawnin Industry	12-1939	1,700	1,700
Rubber Toy and Sport Goods for Export Control	1-1940	200	100
Metal and Glass from Waste Bulbs	2-1940	195	195
Joint Sales	3-1940	5,000	1,250
Goods for Marine Ind. Joint-Sales	8-1940	150	150
Iron Asbestos	8-1940	1,000	1,000
Rubber Band Control	10-1940	1,000	500
Joint-Sales for Authorized Rubber Sporting Goods	10-1940	100	50
Industrial Rubber Goods Control	12-1940	500	250
Rubber Hose Control	12-1940	1,000	750
Control	12-1940	150	75

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)
Nippon Waste Glass Control	12-1940	1,000
Export Rubber Promotion	12-1940	2,000
Nippon Mixed Dye Stuff Sale	1-1941	10,000
Carbide Joint Sale	2-1941	1,000
Toa Lacquer Control	3-1941	1,000
Nippon Repossessed Tire Sale Control	3-1941	500
Koa Lacquer Ltd. Co.	4-1941	100
Nippon Tannin Trading Co.	4-1941	1,500
Rubber Control for Medical Use	4-1941	190
Nippon Gunpowder Control	5-1941	2,500
Nippon Shimbo Leather Control	7-1941	190
Nippon Industrial Leather Products Control	8-1941	3,000
Nippon Cyanide Soda Sales	9-1941	150
Nippon Gall Nuts Control	10-1941	500
Nippon Industrial Leather Gloves Control	10-1941	150
Chuo Oil Cloth	10-1941	190
Tobu Carbide Dist.	10-1941	180
Chubu Carbide Dist.	10-1941	100
Kansai Carbide Dist.	10-1941	180
Seibu Carbide Dist.	10-1941	180
Toyo Licquor Industry	11-1941	150
Nippon Celluloid Control	11-1941	500
Nippon Waste Celluloid Control	11-1941	200
Nippon Shoes Dist. Control	11-1941	1,000
Toa Refined Lacquer for Rolling Stock	12-1941	150
Raw Materials for Glue Control	12-1941	500
Nippon Reproduced Leather Products	12-1941	190
Nippon Mixed Resin Control	12-1941	1,000
Tar Products Distribution Control	2-1942	3,000
Nippon Tar Medium Dist.	2-1942	195
Soda for Industrial Chemicals	3-1942	2,000
Nippon Photo Material Control	4-1942	190
Nippon Steatite Dist. Control	5-1942	198
Shinko China Dist. Control	5-1942	190
Nippon Light Metal Equipment Control	5-1942	2,000

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Waste Glass Control	12-1940	1,000	500
Rubber Promotion	12-1940	2,000	500
Mixed Dye Stuff Sale	1-1941	10,000	10,000
Joint Sale	2-1941	1,000	250
Quer Control	3-1941	1,000	750
Repossessed Tire Sale Control	3-1941	500	250
Quer Ltd. Co.	4-1941	100	100
Tannin Trading Co.	4-1941	1,500	1,500
Control for Medical Use	4-1941	190	90
Gunpowder Control	5-1941	2,500	1,250
Shimbo Leather Control	7-1941	190	475
Industrial Leather Products Control	8-1941	3,000	3,000
Cyanide Soda Sales	9-1941	150	150
Ball Nuts Control	10-1941	500	250
Industrial Leather Gloves Control	10-1941	150	150
Cloth	10-1941	190	47.5
Carbide Dist.	10-1941	180	180
Carbide Dist.	10-1941	100	100
Carbide Dist.	10-1941	180	180
Carbide Dist.	10-1941	180	125
Alcohol Industry	11-1941	150	150
Celluloid Control	11-1941	500	250
Waste Celluloid Control	11-1941	200	100
Shoes Dist. Control	11-1941	1,000	500
Finished Lacquer for Rolling Stock	12-1941	150	75
Materials for Glue Control	12-1941	500	500
Reproduced Leather Products	12-1941	190	190
Mixed Resin Control	12-1941	1,000	500
Products Distribution Control	2-1942	3,000	3,000
Tar Medium Dist.	2-1942	195	195
For Industrial Chemicals	3-1942	2,000	2,000
Photo Material Control	4-1942	190	190
Steatite Dist. Control	5-1942	198	99
China Dist. Control	5-1942	190	190
Light Metal Equipment Control	5-1942	2,000	2,000

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)
Nippon Waste Glass Control	12-1940	1,000
Export Rubber Promotion	12-1940	2,000
Nippon Mixed Dye Stuff Sale	1-1941	10,000
Carbide Joint Sale	2-1941	1,000
Toa Lacquer Control	3-1941	1,000
Nippon Repossessed Tire Sale Control	3-1941	500
Koa Lacquer Ltd. Co.	4-1941	100
Nippon Tannin Trading Co.	4-1941	1,500
Rubber Control for Medical Use	4-1941	190
Nippon Gunpowder Control	5-1941	2,500
Nippon Shimbo Leather Control	7-1941	190
Nippon Industrial Leather Products Control	8-1941	3,000
Nippon Cyanide Soda Sales	9-1941	150
Nippon Gall Nuts Control	10-1941	500
Nippon Industrial Leather Gloves Control	10-1941	150
Chuo Oil Cloth	10-1941	190
Tobu Carbide Dist.	10-1941	180
Chubu Carbide Dist.	10-1941	100
Kansai Carbide Dist.	10-1941	180
Seibu Carbide Dist.	10-1941	180
Toyo Licquor Industry	11-1941	150
Nippon Celluloid Control	11-1941	500
Nippon Waste Celluloid Control	11-1941	200
Nippon Shoes Dist. Control	11-1941	1,000
Toa Refined Lacquer for Rolling Stock	12-1941	150
Raw Materials for Glue Control	12-1941	500
Nippon Reproduced Leather Products	12-1941	190
Nippon Mixed Resin Control	12-1941	1,000
Tar Products Distribution Control	2-1942	3,000
Nippon Tar Medium Dist.	2-1942	195
Soda for Industrial Chemicals	3-1942	2,000
Nippon Photo Material Control	4-1942	190
Nippon Steatite Dist. Control	5-1942	198
Shinko China Dist. Control	5-1942	190
Nippon Light Metal Equipment Control	5-1942	2,000

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Waste Glass Control	12-1940	1,000	500
Rubber Promotion	12-1940	2,000	500
Mixed Dye Stuff Sale	1-1941	10,000	10,000
Joint Sale	2-1941	1,000	250
Quar Control	3-1941	1,000	750
Repossessed Tire Sale Control	3-1941	500	250
Quar Ltd. Co.	4-1941	100	100
Tannin Trading Co.	4-1941	1,500	1,500
Control for Medical Use	4-1941	190	90
Gunpowder Control	5-1941	2,500	1,250
Shimbo Leather Control	7-1941	190	475
Industrial Leather Products Control	8-1941	3,000	3,000
Cyanide Soda Sales	9-1941	150	150
Ball Nuts Control	10-1941	500	250
Industrial Leather Gloves Control	10-1941	150	150
Cl Cloth	10-1941	190	47.5
Carbide Dist.	10-1941	180	180
Carbide Dist.	10-1941	100	100
Carbide Dist.	10-1941	180	180
Carbide Dist.	10-1941	180	125
Acquor Industry	11-1941	150	150
Celluloid Control	11-1941	500	250
Waste Celluloid Control	11-1941	200	100
Shoes Dist. Control	11-1941	1,000	500
Fined Lacquer for Rolling Stock	12-1941	150	75
Materials for Glue Control	12-1941	500	500
Reproduced Leather Products	12-1941	190	190
Mixed Resin Control	12-1941	1,000	500
Products Distribution Control	2-1942	3,000	3,000
Tar Medium Dist.	2-1942	195	195
or Industrial Chemicals	3-1942	2,000	2,000
Photo Material Control	4-1942	190	190
Steatite Dist. Control	5-1942	198	99
China Dist. Control	5-1942	190	190
Light Metal Equipment Control	5-1942	2,000	2,000

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)
Nippon Hoops Control	10-1941	500
Iron & Steel Sales Control	12-1941	5,000
Nippon Shavel Control	12-1941	500
Nippon Black-Lead Crucible	1-1942	500
Nippon Band Steel Control	1-1942	500
Black Sheet Control	2-1942	100
Nippon Wire Tube Control	3-1942	500
Nippon Empty Can Control	3-1942	500
Nippon Light Metal Control	4-1942	2,000
Wire Distribution	4-1942	2,000
Metal Distribution	5-1942	2,000
Nippon Ships Hardware Equipment Control	5-1942	1,000
Nippon Flourite Control	5-1942	3,000
Special Steel Sale	6-1942	1,000
Metal Collection Control	7-1942	500
Nippon Automobile	6-1914	3,000
Callons Oil Glycerine Control	3-1926	800
Nippon Leather & Hide Control	3-1939	2,000
Nippon Chikatabi Joint Sales	9-1939	1,000
Nippon Automobile Tire Control	11-1939	1,000
Nippon Kaizen Control	12-1939	100
Nippon Tawain Industry	12-1939	1,700
Nippon Rubber Toy and Sport Goods for Export Control	1-1940	200
Nippon Metal and Glass from Waste Bulbs	2-1940	195
Cement Joint Sales	3-1940	5,000
Rubber Goods for Marine Ind. Joint-Sales	8-1940	150
Dai Nippon Asbestos	8-1940	1,000
Nippon Rubber Band Control	10-1940	1,000
Nippon Joint-Sales for Authorized Rubber Sporting Goods	10-1940	100
Nippon Industrial Rubber Goods Control	12-1940	500
Nippon Rubber Hose Control	12-1940	1,000
Paints Control	12-1940	150

XV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (In thous- and yen)
Coops Control	10-1941	500	500
Steel Sales Control	12-1941	5,000	5,000
Navel Control	12-1941	500	500
Black-Lead Crucible	1-1942	500	500
and Steel Control	1-1942	500	500
Cast Control	2-1942	100	100
Fire Tube Control	3-1942	500	500
Empty Can Control	3-1942	500	500
Light Metal Control	4-1942	2,000	2,000
Distribution	4-1942	2,000	2,000
Distribution	5-1942	2,000	2,000
Ships Hardware Equipment Control	5-1942	1,000	500
Flourite Control	5-1942	3,000	1,500
Steel Sale	6-1942	1,000	1,000
Collection Control	7-1942	500	500
Automobile	6-1914	3,000	2,500
Oil Glycerine Control	3-1926	800	800
Leather & Hide Control	3-1939	2,000	2,000
Nikatabi Joint Sales	9-1939	1,000	1,000
Automobile Tire Control	11-1939	1,000	250
Wizen Control	12-1939	100	100
Tannin Industry	12-1939	1,700	1,700
Rubber Toy and Sport Goods for Export Control	1-1940	200	100
Metal and Glass from Waste Bulbs	2-1940	195	195
Joint Sales	3-1940	5,000	1,250
Goods for Marine Ind. Joint-Sales	8-1940	150	150
Iron Asbestos	8-1940	1,000	1,000
Rubber Band Control	10-1940	1,000	500
Joint-Sales for Authorized Rubber Sporting Goods	10-1940	100	50
Industrial Rubber Goods Control	12-1940	500	250
Rubber Hose Control	12-1940	1,000	750
Control	12-1940	150	75

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capit Paid (in t and y
Nippon Organic Rubber Chemicals Control	7-1942	190	
Nippon Pine Root Oil Products Control	8-1942	300	
Nippon Soap Distribution Control	7-1942	3,000	3
Nippon Match Control	9-1942	5,000	3
Organic Mixed Goods Dist. Control	12-1942	2,000	1
Nippon Sulphuric Acid Dist. Control	1-1943	5,000	3
Kanto Cement Sale	1-1943	3,000	1
Chukei Cement Sale	1-1943	1,000	
Chukoku Cement Sale	1-1943	1,600	
Nippon Potassium Salt	2-1943	300	
Nippon Photo Sensitive Material Sales	2-1943	2,000	2
Tokoku Cement Sale	22-1943	1,000	
Keamsai Cement Sale	2-1943	3,000	1
Kyushu Cement Sale	2-1943	1,000	
Hokkaide Cement Sale	3-1943	1,000	
Hokuriki Cement Sale	3-1943	700	
Nippon Fire Proof Brick Control	3-1943	3,000	3
Nippon Reagent Control	4-1943	1,000	
Paints Control	4-1943	2,000	2
Nippon Temper Machine Tools	10-1941	180	
Hyojun Electrical Machinery Joint-Sale	7-1942	1,000	1
Nippon Automobile Dist.	7-1942	10,000	10
Iron Tube	7-1942	500	
Nippon Towel Mfg. Control	9-1938	2,000	1
Meriyasu Mfg. Control	6-1939	6,500	6
Nippon Cotton Fishing Nets Mfg.	9-1939	2,000	2
Zenkoku Medical Gauze Mfg. Control	9-1939	500	
Nippon Cotton Sufu Cloth Control	10-1939	20,000	12
Nippon Waste Cloth Control	10-1939	120	
Nippon Waste Fiber Dist. Control	10-1939	2,000	2
Nippon Special Artificial Silk Yarn Control	4-1939	500	

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
nic kubber Chemicals Control	7-1942	190	190
Root Oil Products Control	8-1942	300	300
Distribution Control	7-1942	3,000	3,000
n Control	9-1942	5,000	3,000
ed Goods Dist. Control	12-1942	2,000	1,500
uric Acid Dist. Control	1-1943	5,000	3,000
e Sale	1-1943	3,000	1,500
nt Sale	1-1943	1,000	500
ent Sale	1-1943	1,600	800
esium Salt	2-1943	300	300
o Sensitive Material Sales	2-1943	2,000	2,000
nt Sale	22-1943	1,000	500
nt Sale	2-1943	3,000	1,500
nt Sale	2-1943	1,000	800
ent Sale	3-1943	1,000	500
ent Sale	3-1943	700	400
Proof Brick Control	3-1943	3,000	3,000
nt Control	4-1943	1,000	500
ol	4-1943	2,000	2,000
er Machine Tools	10-1941	180	45
rical Machinery Joint-Sale	7-1942	1,000	1,000
obile Dist.	7-1942	10,000	10,000
	7-1942	500	250
Mfg. Control	9-1938	2,000	1,550
, Control	6-1939	6,500	6,500
on Fishing Nets Mfg.	9-1939	2,000	2,000
ical Gauze Mfg. Control	9-1939	500	500
on Sufu Cloth Control	10-1939	20,000	12,500
e Cloth Control	10-1939	120	120
e Fiber Dist. Control	10-1939	2,000	2,000
al Artificial Silk Yarn Control	4-1939	500	500

Appendix XIV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capit Paid-u (in th and ye
Nippon Throwing Yarn Mfg. Sales	12-1939	1,000	1,000
Nippon Manila Hemp Net	12-1939	3,000	3,000
Nippon Special Cotton Sufu Cloth	1-1940	1,000	1,000
Chuo Mfg. Dis. Control for Work Clothes & Uniforms	4-1940	2,000	2,000
Nippon Used Cotton Control	4-1940	500	500
Nippon Used Fibre Control	5-1940	3,000	1,500
Nippon Sewing Thread Mfg. Dist.	5-1940	1,500	1,500
Nippon Spinning Waste Cloth	6-1940	150	150
Nippon Raw Hemp	6-1940	5,000	5,000
Nippon Special Cloth for Rayon	7-1940	500	500
Nippon Cocoon Products	8-1940	10,000	2,000
Zenkoku Raw Material for Japanese Paper Control	9-1940	190	190
Nippon Yara Spinning Yarn Control	10-1940	2,000	2,000
Nippon Tabi Mfg. Control	10-1940	3,000	3,000
Nippon Special Cotton Yarn Cloth Control	10-1940	1,500	1,500
Nippon Used Manila Hemp Nets Mfg.	11-1940	500	500
Nippon Special Cloth Control	12-1940	1,000	1,000
Western Paper Joint-Sales	12-1940	180	180
Nippon Publication Div.	12-1940	1,000	1,000
Nippon Hemp Fibre	5-1941	30,000	3,000
Nippon Japanese Paper Mfg. Control	8-1941	1,250	1,250
Nippon Sheet Paper Control	10-1941	1,000	1,000
Chuo Dis. Control for Mariyasu products	12-1941	5,000	5,000
Nippon Wool Control	12-1941	5,000	5,000
Chuo Mfg. Dist. Control for Towels	1-1942	1,000	1,000
Chuo Mfg. Dist. Control for Japanese Clothings	1-1942	1,500	1,500
Chuo Mfg. & Dist. Control for Cotton Fibre Goods	1-1942	5,000	5,000
Chuo Mfg. & Dist. Control for Ready Made Cloths	1-1942	5,000	5,000
Nippon Silk & Rayon Fibre Dist. Control	1-1942	20,000	20,000
Chuo Dist. Control for Cotton Cloth	1-1942	10,000	10,000
Chuo Dist. Control for Woolen Thread	1-1942	3,000	3,000
Chuo Dist. Control for Fabi	1-1942	2,000	2,000

IV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Spinning Yarn Mfg. Sales	12-1939	1,000	1,000
La Hemp Net	12-1939	3,000	3,000
Special Cotton Sufu Cloth	1-1940	1,000	750
Dist. Control for Work Clothes & Uniforms	4-1940	2,000	2,000
Cotton Control	4-1940	500	250
Fibre Control	5-1940	3,000	1,500
Spinning Thread Mfg. Dist.	5-1940	1,500	1,500
Spinning Waste Cloth	6-1940	150	150
Hemp	6-1940	5,000	5,000
Special Cloth for Rayon	7-1940	500	500
Rayon Products	8-1940	10,000	2,000
Material for Japanese Paper Control	9-1940	190	190
Spinning Yarn Control	10-1940	2,000	2,000
Mfg. Control	10-1940	3,000	3,000
Special Cotton Yarn Cloth Control	10-1940	1,500	1,500
Manila Hemp Nets Mfg.	11-1940	500	500
Special Cloth Control	12-1940	1,000	500
Joint-Sales	12-1940	180	180
Location Div.	12-1940	1,000	500
Fibre	5-1941	30,000	3,000
Japanese Paper Mfg. Control	8-1941	1,250	1,250
Special Paper Control	10-1941	1,000	500
Control for Mariyasu products	12-1941	5,000	5,000
Control	12-1941	5,000	5,000
Dist. Control for Towels	1-1942	1,000	1,000
Dist. Control for Japanese Clothings	1-1942	1,500	1,500
Dist. Control for Cotton Fibre Goods	1-1942	5,000	5,000
Dist. Control for Ready Made Cloths	1-1942	5,000	5,000
& Rayon Fibre Dist. Control	1-1942	20,000	20,000
Control for Cotton Cloth	1-1942	10,000	10,000
Control for Woolen Thread	1-1942	3,000	3,000
Control for Fabi	1-1942	2,000	2,000

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Cap Paid (in th and
Nippon Silk Sewing Thread Mfg. & Dist. Control	2-1942	2,300	2,
Chuo Dist. Control for Woolen Blankets	2-1942	1,000	1,
Nippon Sail Cloth	2-1942	1,000	1,
Nippon Cotton Sufu Cloth Dist.	3-1942	30,000	30,
Tokyo To Fibre Products Dist. Control	3-1942	10,000	10,
Nippon Silk & Cotton Mfg. & Sales	5-1942	1,000	1,
Nippon By-Products of Cocoon Yarn Control	7-1942	5,000	2,
Nippon Silk-Rayon Cloth Mfg.	10-1942	40,000	40,
Nippon Hats, Chuo Mfg. & Dist. Control	-	5,000	5,
Toa Grains Import Control	5-1938	150	
Nippon Export Automobile Sale	9-1939	1,000	1,
Nippon Export Agricultural Products	9-1940	10,000	10,
Celluloid Export Production	9-1940	150	
Fibre Products Export Promotion	11-1915	10,000	2,
Toa Lumber Trade	12-1940	2,500	2,
Glass Products Export Promotion	12-1940	2,000	
Rubber Products Export Promotion	12-1940	2,000	
Toa Raw Material for Plant Oil Import	12-1940	150	
Toa Scrap Iron Import	12-1940	300	
Toa Pig Bristle Import	12-1940	1,000	
Nippon Trade Promotion	1-1941	25,000	6,
Toa By-Products of Cocoon Yarn Import	1-1941	1,000	
Nippon Raw Material for Glue Import Control	1-1941	200	
Silk & Rayon Export Promotion	3-1941	5,000	5,
China Export Promotion	4-1941	3,000	
Nippon Machinery Export Promotion	7-1941	5,000	1,
Nippon Raw Cotton Import Control	7-1941	2,500	2,
Nippon Leather Products Export Promotion	1-1942	195	
Chemical Products Export Promotion	1-1942	3,000	1,
Koeki Eidan	6-1943	300,000	213,
Kita Karafuto Petroleum	6-1926	20,000	20,
Kit Karafuta Mining	8-1926	10,000	10,
Showa Finished Products of Agriculture	12-1934	12,000	12,

IV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Sewing Thread Mfg. & Dist. Control	2-1942	2,300	2,300
Control for Woolen Blankets	2-1942	1,000	1,000
Cloth	2-1942	1,000	1,000
on Sufu Cloth Dist.	3-1942	30,000	30,000
ibre Products Dist. Control	3-1942	10,000	10,000
& Cotton Mfg. & Sales	5-1942	1,000	1,000
Products of Cocoon Yarn Control	7-1942	5,000	2,500
-Rayon Cloth Mfg.	10-1942	40,000	40,000
, Chuo Mfg. & Dist. Control	-	5,000	5,000
Import Control	5-1938	150	150
ort Automobile Sale	9-1939	1,000	1,000
ort Agricultural Products	9-1940	10,000	10,000
Export Production	9-1940	150	150
ucts Export Promotion	11-1915	10,000	2,500
Trade	12-1940	2,500	2,500
ucts Export Promotion	12-1940	2,000	500
ucts Export Promotion	12-1940	2,000	500
aterial for Plant Oil Import	12-1940	150	150
Iron Import	12-1940	300	300
istle Import	12-1940	1,000	500
de Promotion	1-1941	25,000	6,250
ucts of Cocoon Yarn Import	1-1941	1,000	250
Material for Glue Import Control	1-1941	200	200
on Export Promotion	3-1941	5,000	5,000
ort Promotion	4-1941	3,000	750
achinery Export Promotion	7-1941	5,000	1,250
Cotton Import Control	7-1941	2,500	2,500
ather Products Export Promotion	1-1942	195	195
Products Export Promotion	1-1942	3,000	1,500
an	6-1943	300,000	213,955
Auto Petroleum	6-1926	20,000	20,000
ata Mining	8-1926	10,000	10,000
shed Products of Agriculture	12-1934	12,000	12,000

Appendix XXV - continued

		Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capit Paid (in th and y
Alcohol Transportati		2-1938	5,000	3,
Toa Alcohol Development		3-1938	8,000	8,
Teikoku Fuel Development		7-1938	200,000	120,
Teikoku Ceke		2-1939	5,000	1,
Petroleum Dist. Control		4-1940	20,000	10,
Nippon Fuel Burner		5-1940	7,180	6,
Nippon Coal		6-1940	50,000	25,
Hokkaido Coal Sale		9-1940	1,000	
Joban Coal		9-1940	1,000	
Yamaguchi Coal		9-1940	1,000	
Nishi Kyushu Coal		10-1940	1,000	
Alcohol Dist.		10-1940	6,000	6,0
Karafuto Coal		11-1940	1,000	2,
Kyodo Enterprise		4-1941	10,410	10,4
Teikoku Petroleum		9-1941	260,000	260,0
Each Do Fu & Ken Petroleum Distribution	Between	11-1941 & 1-1942	4,500 & 160	4,5
Each Do Fu & Ken Coal Distribution	Between	3-1942 & 6-1942	9,000 & 120	9,0
Nippon Postal Communication		11-1942	5,000	5,0
Kokusai Electric Communication		3-1938	85,800	63,5
Wireless Telegraph & Telephone of Ships		10-1942	10,000	5,0
Nippon Telegraph & Telephone Works		4-1937	20,000	10,0
Nippon Electric Power Generation & Transmission		4-1939	1,541,000	1,466,0
Hokkaido Power Distribution		4-1942	65,000	65,0
Tokoku Power Distribution		4-1942	164,700	161,
Kanto Power Distribution		4-1942	805,000	805,00
Chubu Power Distribution		4-1942	200,000	109,
Hokuriku Power Distribution		4-1942	138,000	119,
Kansai Power Distribution		4-1942	560,000	507,
Shikoku Power Distribution		4-1942	58,500	58,
Chukoku Power Distribution		4-1942	170,000	170,
Kyushu Power Distribution		4-1942	230,000	230,
Toa Marine Transport		8-1942	100,000	86,

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Transportati	2-1938	5,000	3,980
Oil Development	3-1938	8,000	8,000
Oil Development	7-1938	200,000	120,000
Oil Development	2-1939	5,000	1,250
Oil Development	4-1940	20,000	10,000
Dist. Control	5-1940	7,180	6,930
Oil Burner	6-1940	50,000	25,000
Oil	9-1940	1,000	500
Coal Sale	9-1940	1,000	250
Coal	9-1940	1,000	500
Shu Coal	10-1940	1,000	250
Dist. Coal	10-1940	6,000	6,000
Coal	11-1940	1,000	250
Surprise	4-1941	10,410	10,410
Petroleum	9-1941	260,000	260,000
Ken Petroleum Distribution	11-1941 &	4,500 &	4,500 &
	1-1942	160	90
Ken Coal Distribution	3-1942 &	9,000 &	9,000 &
	6-1942	120	120
Postal Communication	11-1942	5,000	5,000
Electric Communication	3-1938	85,800	63,556
Telegraph & Telephone of Ships	10-1942	10,000	5,000
Telegraph & Telephone Works	4-1937	20,000	10,000
Electric Power Generation & Transmission	4-1939	1,541,000	1,466,000
Power Distribution	4-1942	65,000	65,000
Power Distribution	4-1942	164,700	161,295
Power Distribution	4-1942	805,000	805,000
Power Distribution	4-1942	200,000	109,585
Power Distribution	4-1942	138,000	119,486
Power Distribution	4-1942	560,000	507,253
Power Distribution	4-1942	58,500	58,500
Power Distribution	4-1942	170,000	170,000
Power Distribution	4-1942	230,000	230,000
Power Distribution	8-1942	100,000	86,500
Transport			

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capita Paid- (in th and ye
Shoel Coal	7-1935	500	
Fushiki Harbour Transport	2-1941	850	
Rumoi Harbor Transport	6-1941	430	
Hokkaido Coal Transport	7-1941	10,000	8,000
Hiroshima Harbour Transport	3-1942	1,000	
Onoda Harbour Transports	3-1942	150	
Karatsu Harbor Transport	3-1942	100	
Railway Department Coal Transport	3-1942	1,000	1,000
Hakodate Sea & Land Works	4-1942	1,000	1,000
Omi Harbour Transport	4-1942	190	
Ube Harbour Transport	5-1942	195	
Niigata Harbour Transport	6-1942	1,750	1,750
Araiama Harbour Transport	7-1942	190	
Sakada Harbour Transport	7-1942	195	
Nabetsu Harbour Transport	7-1942	650	
Hakata Harbour Transport	7-1942	1,000	
Notor Sailing Ship Transport Control	7-1942	5,000	2,500
Shiokama Harbour Transport	8-1942	550	
Haahimohe Harbour Transport	8-1942	950	
Sakai Harbour Transport	8-1942	195	
Akita Harbour Transport	9-1942	720	
Kimugaura Harbour Transport	11-1942	180	
Atern Harbour Raft Transport	12-1942	180	
Nagoya Harbour Transport	12-1942	10,000	10,000
Yokkaichi Harbour Transport	12-1942	1,000	1,000
Kobe Ship Porterage	12-1942	3,000	3,000
Osaka Ship Porterage	12-1942	4,050	4,050
Yokohama Harbour Transport	12-1942	30,000	30,000
Tokyo Harbor Transport	12-1942	30,000	30,000
Osaka Raft	12-1942	1,800	1,800
Hirohata Harbour Transport	12-1942	5,000	5,000
Kammon Harbour Transport	12-1942	25,000	25,000
Kobe Harbour Transport	12-1942	30,000	30,000

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Harbour Transport	7-1935	500	500
Harbour Transport	2-1941	850	850
Harbour Transport	6-1941	430	430
Coal Transport	7-1941	10,000	8,000
Harbour Transport	3-1942	1,000	500
Harbour Transports	3-1942	150	375
Harbour Transport	3-1942	100	25
Department Coal Transport	3-1942	1,000	1,000
Sea & Land Works	4-1942	1,000	1,000
Harbour Transport	4-1942	190	190
Harbour Transport	5-1942	195	48
Harbour Transport	6-1942	1,750	1,750
Harbour Transport	7-1942	190	190
Harbour Transport	7-1942	195	195
Harbour Transport	7-1942	650	650
Harbour Transport	7-1942	1,000	500
Shipping Ship Transport Control	7-1942	5,000	2,500
Harbour Transport	8-1942	550	550
Harbour Transport	8-1942	950	950
Harbour Transport	8-1942	195	195
Harbour Transport	9-1942	720	720
Harbour Transport	11-1942	180	180
Harbour Raft Transport	12-1942	180	180
Harbour Transport	12-1942	10,000	10,000
Harbour Transport	12-1942	1,000	1,000
Porterage	12-1942	3,000	3,000
Porterage	12-1942	4,050	4,050
Harbour Transport	12-1942	30,000	30,000
Harbour Transport	12-1942	30,000	30,000
Harbour Transport	12-1942	1,800	1,800
Harbour Transport	12-1942	5,000	5,000
Harbour Transport	12-1942	25,000	25,000
Harbour Transport	12-1942	30,000	30,000

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)
Kausaki Ship Porterage	12-1942	2,500
Wakamatsu Harbour Transport	12-1942	10,000
Yokohama Ship Porterage	12-1942	3,000
Tokyo Ship Porterage	12-1942	3,500
Atarn Harbour Transport Works	1-1943	4,500
HaKodate Harbour Transport	1-1943	3,500
Tokyo Harbour Raft	1-1943	1,500
Nagoya Ship Porterage	3-1943	1,500
Nittetsu Hanishi Harbour Transport	3-1943	1,000
Kure Harbour Transport	4-1943	10,000
Otoru Coal Harbour Transport	5-1942	800
Shimizu Harbour Transport	6-1943	3,780
Oita Harbour Transport	6-1943	150
Kushiro Harbour Transport	7-1943	2,000
Kushiro Harbour Coal Transport	7-1943	1,800
Nagasaki Harbour Transport	7-1943	2,500
Muroran Coal Harbour Transport	7-1943	1,150
Muroran Harbour Transport	7-1943	6,000
Tsururuga Sea & Land Transport	8-1943	1,400
Nagoya Raft Works	8-1943	800
Dai Nippon Air Transportation	8-1939	100,000
Nippon Transportation	9-1937	100,420
Teito High Speed Transportation	7-1941	60,000
Nippon Controlled Sport Goods Dis.	12-1939	195
Tenkoku Medic 1 Gauze Mfg. Control	9-1939	500
Tenkoku Absorbent Cotton Mfg. Control	1-1940	500
Nippon Herbs Control	4-1940	500
Zenkoku Medical Material Control Wholesale	5-1940	195
Tobu Medical Implements Control Wholesale	7-1940	570
Chubu Medical Implements Control Wholesale	7-1940	570
Seibu Medical Implements Control Wholesale	7-1940	570
Nippon Medical Implements Production Control	7-1941	3,000

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Porterage	12-1942	2,500	2,500
Harbour Transport	12-1942	10,000	10,000
Porterage	12-1942	3,000	3,000
Porterage	12-1942	3,500	3,500
Transport Works	1-1943	4,500	4,500
Harbour Transport	1-1943	3,500	3,500
Raft	1-1943	1,500	1,500
Porterage	3-1943	1,500	1,500
Harbour Transport	3-1943	1,000	1,000
Transport	4-1943	10,000	10,000
Harbour Transport	5-1942	800	800
Harbour Transport	6-1943	3,780	3,780
Transport	6-1943	150	150
Harbour Transport	7-1943	2,000	2,000
Harbour Coal Transport	7-1943	1,800	1,800
Harbour Transport	7-1943	2,500	2,500
Harbour Transport	7-1943	1,150	1,150
Harbour Transport	7-1943	6,000	6,000
Harbour Transport	7-1943	1,400	1,400
Sea & Land Transport Works	8-1943	800	800
Air Transportation	8-1939	100,000	62,376
Transportation	9-1937	100,420	100,420
Speed Transportation	7-1941	60,000	25,000
Controlled Sport Goods Dis.	12-1939	195	98
No 1 Gauze Mfg. Control	9-1939	500	500
Subsistent Cotton Mfg. Control	1-1940	500	500
Control	4-1940	500	500
Medical Material Control Wholesale	5-1940	195	195
Medical Implements Control Wholesale	7-1940	570	570
Medical Implements Control Wholesale	7-1940	570	570
Medical Implements Control Wholesale	7-1940	570	570
Medical Implements Production Control	7-1941	3,000	1,500

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Ca Pa (in an
Osaka Harbour Transport	12-1942	65,000	
Kammon Ship Portorage	12-1942	2,500	
Osaka Harbour Coal Transport	12-1942	15,000	
Osaka River Transport	12-1942	10,000	
Amagasaki Harbour Transport	12-1942	6,700	
Sakai Harbour Transport	12-1942	500	
Fushimi Harbour Transport	12-1942	1,000	
Nittesu Yawata Harbour Transport	12-1942	6,500	

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
hour Transport	12-1942	65,000	65,000
ip Portorage	12-1942	2,500	2,500
hour Coal Transport	12-1942	15,000	15,000
er Transport	12-1942	10,000	10,000
Harbour Transport	12-1942	6,700	6,700
hour Transport	12-1942	500	500
harbour Transport	12-1942	1,000	1,000
awata Harbour Transport	12-1942	6,500	6,500

Appendix XXV - continued

	Date of Estab- lishment	Authorized Capitalisa- tion (in thousand yen)	Capit Paid (in th and ye
Nippon Medical Implements Distribution Control	7-1941	5,000	3
Nippon Dental Supply Control	1-1942	300	
Nippon Medical Care Public Corp.	6-1942	100,000	148
Zenkoku Sanitary Cotton Wholesale	11-1942	500	
Zenkoku Medical Goods Control	12-1942	2,500	1
Housing Public Corp. (Eidan)	5-1941	100,000	56

SOURCE: Kigyo Tokai Soran (1943) pp. 35-47.

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	Date of Estab- lishment	Authorized Capitaliza- tion (in thousand yen)	Capital Paid-up (in thous- and yen)
Medical Implements Distribution Control	7-1941	5,000	3,750
Medical Supply Control	1-1942	300	300
Medical Care Public Corp.	6-1942	100,000	148,915
Sanitary Cotton Wholesale	11-1942	500	500
Medical Goods Control	12-1942	2,500	1,500
Public Corp. (Eidan)	5-1941	100,000	56,724

Eigyō Tokai Soran (1943) pp. 35-47.

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Enemy BranchADMINISTRATION OF PRODUCTION PROGRAMS IN JAPAN

Special attention is called to the fact that this document was substantially completed prior to the surrender of Japan. Persons using this document are cautioned that its recommendations were written prior to the acceptance of the Potsdam Declaration and the Instrument of Surrender. All recommendations must, accordingly, be critically examined in the light of current U.S. policy.

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July 1945

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PART IINTRODUCTION AND SUMMARY OF RECOMMENDATIONS

I. Introduction

It is the purpose of this guide to recommend the general administrative and control measures to be applied to carry out the production programs with which M. G. will be concerned in Japan. The term "Administration of Production Programs" as used in this guide is defined as covering all activities involved in the processing of supplies from raw materials to the finished product, but does not include such portions of specific industries as normally do not utilize industrial processes such as agriculture and fisheries with respect to which activities special guides have been prepared. The objectives of these production programs have been outlined in Part III, Section 1 below. Background information descriptive of the Japanese controls for the administration of their war-time economy has been presented in Part II. Illustrative material has been provided in the Appendices. The recommendations presented summarily below have been set forth in more detail with the reasons therefor in Part III. More specific recommendations with respect to particular industries may in some cases be found in the respective industry guides.

In drawing up the recommendations it was assumed that the occupation of Japan would occur on a progressive basis until all or a major portion of the main islands would be brought under Military Government. Moreover it was assumed that the occupation would continue long enough to give rise to the necessity for M.G. to control the export and import of essential commodities for various purposes. Furthermore, as this guide is concerned with the administration of production controls, therefore it is considered necessary to assume that M.G. may have to concern itself with programming and allocating the flow of all vital materials needed to produce the categories of priority goods set forth in Part III, Section 1. Should the occupation of Japan be only partial or of short duration or should other conditions or policy directives determine that M.G. control of production be more limited than is here implied, modifications or utilization of portions of the recommendations which follow will readily suggest themselves to those using the guide in their planning. In addition it should be pointed out that this guide should be used in conjunction with the respective industry guides which may have more detailed recommendations as to the control of such industries as it may be decided M.G. shall be directly concerned with in accordance with policy directives. This guide, in short, aims to set the over-all administration framework within which M.G. can operate, either in a supervisory capacity or directly, such production controls as policy directives and operational conditions and problems shall determine in the future.

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II. Summary of Recommendations

A. Methods for exercising economic controls

1. To assure the maintenance of priority production schedules with which M.G. is concerned, as set forth in Part III, Section 1, M.G. should establish supervisory administrative controls over the utilization and movement of required raw and semi-finished materials in short supply by a coordinated application of the following methods:
 - a. Establishment of priorities.
 - b. Granting of allocations in accordance with priorities to specific plants, or organizations of producers on a territorial basis.
 - c. Extension of credits where needed to enterprises or groups of producers receiving allocated priority materials.

B. Extent of application of economic controls

As a general rule production of items not on M.G.'s priority production programs should be allowed without allocations providing:

- a. Such production does not require utilization of facilities banned by M.G. because of their war-potential character.
- b. Does not require the utilization of materials in short supply.
- c. Does not impede the movement of priority raw materials and end-products.

The Japanese officials should, however, be required to report on such production in order that surplus local production of particular commodities in particular areas may be made available, insofar as transportation facilities permit, to deficit areas.

C. Recommendations concerning the utilization of Japanese control agencies and regulations.

1. At the outset of the occupation M.G. should maintain in force Japanese war-time control regulations relating to control of industry and allocations fuels, power, raw materials, semi-finished goods, items for maintenance and repair subject to subsequent directives as to amendments, abrogation, etc.

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2. Likewise, M.G. at the outset should maintain or re-establish local governmental agencies responsible for the administration and enforcement of such laws and regulations as are maintained in force and require officials and employees of such agencies to continue with or return to their functions.
3. The principles governing the subsequent utilization, abrogation, or modification of existing Japanese controls should have two major objectives:
 - a. The re-direction of the flow of materials from war production into civilian production channels and the production of equipment for the restoration and maintenance of essential transportation and public utilities. War-time restrictions on the utilization of materials for such purposes and to meet M.G. priority production programs should be relaxed.
 - b. In consonance with long-range U.S. policy objectives, M.G. should exercise its controls and reorganize or abolish Japanese agencies in order to re-direct Japanese war-time economy into a free enterprise, competitive economy in which small and particularly medium-sized enterprises are unstifled by excessive government controls or by cartels and combines.
4. The Munitions Ministry should be abolished and much of its war-time functions and controls as are needed to attain M.G. objectives should be transferred back to the old line pre-war ministries.
5. The 400 odd designated munitions companies should in principle be initially closed down particularly those producing military items, and only those most essential and most readily convertible to lines of production in which M.G. is interested be allowed subsequently to operate under direct or indirect supervision.
6. M.G. should directly concern itself with the assets, property and facilities of National Policy Companies and all Eidan or public corporations. Insofar as M.G. finds it useful to continue the operation of any of the facilities of government managed or owned agencies and monopolies or utilize their organization and material M.G. may do so or order Japanese officials to do so under its supervision.

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7. Because of the extent to which Japan has decentralized its controls operationally on a regional basis it is recommended that M.G. subordinate prefectural controls to regional controls. For this purpose it is recommended that the Regional Superintendents-General Offices be retained and utilized to gather information on the requirement and supply situation in each region and to allocate out regional allotments of raw materials made by M.G.'s central production control agency.
 8. It is recommended that regional advisory councils be formed representative equally of small, medium and large sized producers of the area to advise M.G. and Japanese officials.
 9. It is recommended that the Control Societies and Control Associations be abolished and their assets and property be sequestered by M.G. to be disposed of in accordance with subsequent directives. The companies, organizations, and federations which made up these organizations should be authorized to reorganize along pre-war types of commercial and industrial organizations, known as Kumiai on a voluntary, cooperative, and democratically organized basis.
- D. Recommendations concerning the utilization of Japanese personnel. Japanese personnel should be as fully utilized as possible to carry out M.G. directives and policies. Individuals, however, whose names appear on purge lists, because their past records and activities make them unfit to hold responsible positions, should not be appointed to such positions.
- E. It is recommended that Japanese officials and such governmental and quasi-governmental agencies, private organizations and individuals as may be designated by M.G. be required to submit initial reports and thereafter current reports covering the points set forth under Part III, Section 7 in order to assist M.G. in drawing up its production programs and determining priorities and allocations.
- F. It is recommended that M.G. place on an area or region as a whole, as well as on designated Japanese officials the responsibility for fulfilling production programs and observing allocations and priority regulations. In the event that sabotage is wide-spread in a particular area it is recommended that its allotment of raw materials, power, consumer goods, etc., be cut down until such sabotage or misuse of materials ceases, or is reduced to isolated cases which can be handled by direct and specific disciplinary measures.

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G. Suggestions concerning Military Government's organization for the administration of production programs.

It is suggested that M.G. set up at central headquarters a production control agency to include a planning and control unit and functional units to carry out the functions set forth in Part III, Section 9 A; and branch agencies in each of the regions occupied with sub-branches in each occupied prefecture to carry out the functions outlined in Part III, 9 B.

PART II

DESCRIPTIVE ANALYSIS OF JAPAN'S WARTIME ECONOMIC CONTROLS

I. Introduction

The descriptive analysis of Japan's wartime economic controls which is set forth below relates to the situation which obtained in June of 1945 and is based upon the latest information available. Undoubtedly there will be additional changes in the details of the administrative structure of these controls as the war goes on, such as have occurred frequently in the past. However, the basic underlying pattern will probably remain the same as existed at that time. The major trend at that time was the decentralization of national controls and their concentration in the eight administrative regions into which the country has been divided. The purpose of course was to prepare Japan against an invasion by increasing the economic self-sufficiency and administrative autonomy of each region in the event of the breakdown of centralized administration at the national level which the disruption of transportation and communications would entail.

As in the case of Germany prior to occupation, information is lacking to disclose accurately and in detail just how Japan administered its production programs, allocated raw materials, established priorities, let and sub-let contracts, prepared reports on inventories, supplies of raw materials, semi-finished goods, etc. Presumably such information will become available to M.G. after occupation insofar as the archives and records of the various Ministries, the Munitions Companies, the Eidan, the national and regional offices of the Control Associations, the regional superintendents-generals Offices in each of the eight regions and the prefectural and metropolitan administrative offices have not been destroyed. Access to such records will aid M.G. materially in establishing its own production controls. It is pertinent to note that the Government has stipulated that all accounts and records of Control Societies and Associations and Munitions Companies, presumably relating to fiscal matters, materials and production should run according to the Government's fiscal year namely from April 1 to March 30, thus establishing

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a completely unified national system of accounting in harmony with national production scheduling and the allocation of raw materials on a quarterly basis in which the first quarter runs from April through June.

Even with access to such detailed information it will not be easy to grasp fully an understanding of how the Japanese military, bureaucrats, business and industrial leaders have administered their production programs. The layer upon layer of economic controls set up by decree, law, ordinance and a plethora of subsequent administrative regulations since the passage of the General Mobilization Law of 1938 and the Extraordinary War Measures Bill of June 1945, accompanied by frequent shifts in the administrative structure nationally and locally are difficult to disentangle in order to discover exactly where the lines of administrative authority lie as between the various Ministries and their bureaus, the quasi-governmental agencies such as the Control Societies and the Munitions Companies, the local government bureaus and private commercial and industrial enterprises. It was not until November of 1943, when the Munitions Ministry was established, that the Japanese government succeeded in creating a degree of centralized allocating of raw materials and the scheduling of production programs which might be compared with the work of the U.S. War Production Board. Even after that date, the old-line ministries and agencies continued to guard jealously and to exercise to a degree their former control functions causing confusion and inefficiency, and endless red tape. The continuing struggle of the big industrialists and Zaibatsu to retain control, working chiefly through the control societies, various advisory councils and by holding positions in the government itself at Ministerial level, against the bureaucrats on the one hand and the military on the other have resulted in a series of compromises which limit the full application of the government's innumerable minute regulations. These struggles have led to frequent administration reorganizations and even cabinet changes. A study of the myriad of decrees, ordinances, regulations and ministerial orders can give only a general picture of how the Japanese actually controlled their production programs. Japan is ruled more by men than by law and the bureaucrats' network of regulations and red-tape can be readily cut through at will by the military, financial and industrial oligarchs. Nevertheless a study of the development and interrelation of the existing mechanisms and agencies of economic control is necessary as a background upon which to base recommendations for their suppression or utilization with or without modification by M.G. to establish its controls over production. The rest of this section will be devoted to a generalized description of the prevailing mechanisms and agencies of control which obtained in June 1945. More detailed studies of how the controls were actually applied in specific industries will be found in the respective industry Guides.

II. Controls at the National Level

A. Basic authority for economic controls*

The basic authority for the exercise of wartime economic controls by the government until June 1945 found its origin in the General National Mobilization Act of 1938 and as subsequently revised (see Appendix II) together with the myriad of imperial decrees, ordinances and ministerial orders and regulations which derive from and implement that act. The controls were highly centralized until June of 1943 when a trend toward decentralization arose as it became increasingly apparent that the war was going against Japan and that the home-islands would be subject to increasing attack from the air and possibly even invasion. At that time Japan was divided into nine administrative regions (reduced to eight in Feb. 1945) with the President of each region directly responsible to the Premier. The Progressive loss of Guam, Saipan, the Philippines, Iwo Jima and finally Okinawa speeded up the decentralization trend culminating in the passage on June 12, 1945 by an extraordinary session of the Diet of an Extraordinary War Measures Bill which gives the government power to nullify or revise provisions of the General Mobilization Act and all subsequent legislation and to issue new orders and regulations without check by the Diet. Through the passage of this Bill, the Diet surrendered to the Government virtually all of its power and presumably will not sit again until after the war.

Within the Bill, "Government" was defined as including not only the Ministries of the Cabinet but also the Offices of the Superintendents - General, newly created two days before the passage of the Bill to head up the administration of the eight regions (see Appendix I and Chart). Thus, the basis was provided for complete regional administrative autonomy over economic controls in the event any region was completely cut off from contact with the central regime following invasion.

The broad scope of the Bill is stated in Article 1 (Tokyo broadcast in English), "...the Government, when urgently necessary, will take steps for the proper measures regardless of the stipulations in other laws and regulations concerning: (1) increase of military and war requirement production; (2) maintenance and improvement of transportation and communications; (3) strengthening of defense and maintenance of order; (4) adjustment of the taxation system; (5) measures for war damages; (6) other matters necessary for compensating and manifesting the fighting strength specified by Imperial ordinances."

*For a brief account of history of pre-war to wartime economic controls, see Civil Affairs Handbook - Japan - Sec. 8 A - Industry, p. 89.

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According to a Domei broadcast in English "The Government gazetted, under the date of June 22, the Extraordinary War Measures Act and also its enforcement decree, to be effective from June 23. According to the enforcement decree, this act will be enforced not only in Japan proper but also in Chosen and Taiwan. Those vested with the powers of issuing orders and making other dispositions under this act include Cabinet Ministers, Regional Superintendents General, and the Governors General of Chosen and Taiwan." The fields of authority covered by the Act as given in the same broadcast are as follows: "(1) Commencement and abolition of business, management of business, and punishment of those engaged in business; (2) organizations of business bodies, cooperation between various business bodies, and control of employment and expropriation of business bodies; (3) adjustment of labor supplies--including electricity motive power and funds, possession and disposition of supplies and control of employment and expropriation of supplies and motive power; (4) construction, expansion, repairing, maintenance, exchange, consolidation, disposition, control, employment, and expropriation of land, buildings, trees, equipment, and other facilities; (5) acquisition, forfeiture, change, exercise, employment, and expropriation of rights; (6) incorporation, merger, dissolution of juridical persons, and changes in objects of juridical persons; (7) contracts on prices, wages and other delivery of property, and also payment and receipt thereof; (8) movements and domicile of persons; (9) the collection, official inspection, and examination of reports; (10) exceptions and exemptions to laws concerning control and regulations; and (11) Other matters designated after consultation with the competent Cabinet Minister and the Premier."

B. Government Ministries and Bureaus Exercising Economic Controls

The Ministries responsible for exercising war production controls and the scope of their activities as of January 1, 1945 (for full description see Civil Affairs Handbook, Section 2 A - Government and Administration and "The Japanese Ministries; Table of Administrative Structure," Office of Strategic Services, R. and A No. 2836) are as follows:

1. Munitions Ministry - Established in November 1943 to exercise overall controls over industries directly related to munitions production.

Total Mobilization Bureau - Including a General Affairs Defense and Investigation Section, a Supervision Division which included a Control, Labor, a Financial and an Efficiency Section.

Aircraft Ordinance Bureau; Electric Power Bureau; Fuel Bureau, covering petroleum, the fermentation industry, synthetic oil and gas; Coal Bureau, Non-Ferrous Metals Bureau; Iron and Steel Bureau, including Sections on Iron and Steel Manufacturing, Special Steels, and Distribution; Light Metals Bureau, including Sections on Aluminum, Magnesium and Carbon Alloys; (incorporated into Aircraft Ordinance Bureau, June 1945) Chemicals Bureau, including

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Organic, Inorganic Synthetic, Chemical Administration and "Household" Sections; Machinery Bureau, including Machinery (probably machine tools), Administration, Precision Instrument, Industrial Machinery and Power Machinery Sections; Organization Bureau, including Financial Affairs Section; Statistics Bureau; Mining Superintendent Bureau; Planning Board; Munitions Superintendent Division and a Works Bureau with an Equipment Section.

2. Agriculture and Commerce Ministry - General Affairs Bureau, including a General Affairs, Adjustment, Resources Mobilization, Associations (of agriculture, industry and commerce), funds, Oils and Fats and Planning Sections; Agriculture Administration Bureau, including Agriculture Administration, Management, Agricultural Products, Agricultural Insurance, Land Cultivation, Animal Products, Fertilizer and Feed Sections; Textile Bureau, including Cotton Manufacturing, Silks and Woolens, Synthetic Fibre, Sericulture and Planning Sections; Forestry Bureau, Fruits Bureau, Fisheries Bureau; Horse Administration, Consumers Commodities Bureau, including Agricultural Food Products, Animal Food Products, Manufactured Foods, Manufactured Goods Section; Commodity Price Bureau; Food Control Bureau; Business Affairs Bureau.

3. Finance Ministry has among other Bureaus a Monopoly Bureau dealing with tobacco, salt and camphor and a Patent Bureau.

4. Greater East Asia Ministry which handles economic affairs relating to Japanese trade and economic activities in the occupied areas includes a Manchurian Affairs Bureau with a Development of Industries Section, Land Development Section and a Colonial Affairs Section; China Affairs Bureau, including General Affairs, Government Administration, Financial, Agriculture and Forestry, Commerce and Industry, Transportation, and Special Property Sections;

Southern Regions Bureau (includes all other occupied areas), including Industrial, Financial, Commercial and Transportation Sections;

Trade Bureau including a Planning Section, Import Section and Export Section.

5. Home Affairs Ministry -

Prefectural Bureau, including an Administration Section and a Financial Administration Section; Police Bureau, National Public Works Bureau, including a Rivers Section and a Road Section; Control Bureau, including a Civil Administration Section, Financial Section, Development of (Local) Industries Section, Economic Section;

6. Transportation and Communications Ministry*

Communications Board including a General Affairs Bureau, Operations Bureau, Savings and Insurance Bureau, and an Engineering Bureau; Railway Bureau General, including a General Affairs Bureau including Accounts, Treasury, Labor, Training, and Welfare Sections; Bureau of Operations including Finance, Warehouses, Transportation, Shipping, Traffic, and Engines and Cars Sections; Installations and Equipment Bureau, including an Equipment, Maintenance and Repair, Roadbed, Stations, Trunk Lines, Construction, and Machinery, Electric Power, and Communications Section; Materials Bureau, including Rolling Stock, Metals, Coal and Materials, Shops Passenger and Freight Cars, and Engine Sections; Labor Bureau, Regional Installation Department Offices and Regional Railroad Bureau Offices; Marine Transportation Bureau-General, including General Affairs Bureau, Marine Transportation Bureau, including Harbor Administration, Marine Affairs, Beacons and Engineering Sections; Seamen's Bureau, Shipping Bureau; and Regional Marine Transportation Bureau; Aviation Bureau (civil aviation); Lighthouse Bureau, Motor Vehicles Bureau, Harbor Bureau, including Harbor Construction Divisions at Niigata, Yokohama, Kobe and Shimonoseki.

7. Ministry of Welfare

Health Bureau; Labor Bureau including Control, Planning, Facilities, and Registration Sections; Insurance Bureau and a War Labor Promotion Headquarters.

A study of the above list of the economic functions of the various Ministries discloses that production controls at the national level were concentrated largely in the Munitions Ministry and the Ministry of Agriculture and Commerce. The former concerns itself largely with the production of munitions other than ordnance which is directly under Army and Navy Ministries and the industries connected therewith while the latter concerns itself largely with the distribution of essential minimum civilian requirements. The Munitions Ministry, which combined functions of a War Production Board, a War Manpower Commission, a War Labor Board and a part of the Army Service Forces (as far as aviation is concerned), maintained under the Premier a dominant position over the other Ministries. In general it controlled the National Economic Mobilization policies; the production of raw materials for key industries; the production, distribution, consumption and price of mineral and industrial products; the regulation of labor, wages, and capital in enterprises relating to production and distribution of electricity (see Civil Affairs Handbook, Japan, Section 10 A - Administration of the Electric Power Industry) production and distribution of machinery and machine tools; and controlled the petroleum and alcohol monopolies. It exercised such

*In the Spring of 1945 the Communications Board was separated from the Ministry.

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over-all allocations of raw materials and priorities determinations as obtained in Japan, operational details concerning which are still unavailable.

The reorganization of the control functions to achieve decentralization on a regional basis which got underway in June, 1945, resulted in the transfer of many functions formerly exercised by the Ministries to the Regional Superintendents-General Offices. These offices in case of emergency were to allocate the materials and supervise production on a regional basis in accordance with over-all regional allocation made by the central government. All national mobilization and production programs were worked on a yearly basis and broken down into quarters for purposes of allocating materials and power. The Japanese year for this purpose is the same as the government's fiscal year namely from April 1 to March 31. Thus the first quarter embraces April, May and June.

Its only competitors bureaucratically speaking were the Army and Navy Ministries who could place contracts directly with the Munitions Companies for ordnance and who controlled directly the Army and Navy Arsenals. In addition the Navy Ministry exercised control over all ship-building, both naval and merchant marine.

Such intra-Cabinet bureaucratic conflicts as arose were probably resolved within the Cabinet by the Premier acting on the advice of the Cabinet Planning Bureau, and possibly the Cabinet Advisory Board.

Sharper and more enduring than the clashes among the bureaucrats within the Government as to the development and exercise of economic controls has been the conflict between Government and business and industry at all levels. Nevertheless, the Government has progressively extended its control directly and indirectly over all industrial as well as agricultural production from the largest Zaibatsu enterprises down to the small local enterprises in the mura at a sub-prefectural level. The heaviest sufferers in this progressive elimination of a free-enterprise, competitive economy have been the small and medium sized commercial and industrial organizations and businesses, which, under the combined pressure and manipulation of the Government and the large industrial and commercial enterprises (including the Zaibatsu) have been in large measure squeezed out of existence either through forced mergers, or by being deprived of essential raw materials, capital or labor needed to carry on their activities. The largest concerns have been able to hold their own through a series of compromises whereby they have become virtually quasi-governmental enterprises and their leading representatives virtual government officials, who in a few cases have taken positions of ministerial rank in the Cabinet. There has developed in recent years forms of organization of industry which stop only just short of a complete nationalization of that industry. Under the powers conferred upon the Government by the War Measures Act of June 1945, it is quite possible that the nationalization of Japan's war industry will occur before the end of the war. These organizations are the Control Societies (Tosek-kai) and their sub-organizations the Control

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Associations (Tosei-Kumiai); the Munitions Companies, the National Policy Companies and the Eidan or Corporations.

Under a law passed on February 18, 1942, which was based on Article 18 of the National General Mobilization Law, official authority was extended to the Control Societies, the National Policy Companies, the Corporations (Eidan) to carry out their responsibilities (See Appendix VII). These control organizations were to be considered as government agencies in discharging their responsibilities and any violation of their orders was to be considered as a violation of the particular law or regulation upon which their order was based. The officials of these organizations were to be considered as Government officials. Matters relating to the allocation and distribution of raw materials and of production programs within the respective industries were to be conducted by these organizations.

In addition, there were the prefectural Commercial and Industrial Economic Boards organized under Government direction. A description of the organization, operational responsibilities and interrelationships of these agencies with each other and with the Government will throw further light on how Japan's war economy functions and provide a background upon which to base recommendations as to the extent to which M.G. can or should utilize them for the control of its own production programs.

C. Quasi-Governmental Organizations Controlling Industry

1. Control Societies (Tosei-Kai) and Control Associations (Tosei-Kumiai).

The Major Industries Association Ordinance promulgated August 29, effective September 1, 1941, laid the basis for the organization of the major proportion of industry for war production. (For text and Amendment see Appendices V and VI). By 1943, 12,762 of the 83,024 corporations of Japan or 15 percent, were organized into Control Societies under this ordinance representing assets evaluated at 11,626,000,000 yen or 38 percent of the total industrial assets. Prior to the establishment of the Munitions Ministry in November 1943 there were no less than 345 of those Societies organized and placed under the supervisory control of the former Ministry of Commerce and Industry (22 under Metals Bureau, 75 under Bureau of Chemistry, 31 under Machine Bureau, 96 under Textile Bureau, 99 under Fuel Bureau, and two under Trade Bureau). Since that time many more have been organized. Distribution according to industry in 1943 was as follows: Metal Mining 397 corporations; Coal Mining 215, Metal Refining 134, Machinery 4,844, Cement 68, Trade 880, Rails, 297, Fibre 4,315, Chemical 541, Fats and Oil 329, Rubber 440, Leather 306.

The passage of the ordinance setting up these vertical control societies followed a long struggle between elements in the bureaucracy and among the military and private industry, and represents a compromise whereby private industry was to retain its basic character as such but to be brought under the stricter control

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of the government than ever before. The ordinance provided for the establishment of Control Societies (Tosei-Kai) and Control Associations (Tosei-Kumiai) by kind of industry when designated to do so by the competent minister. They are set up under civil law as joint stock companies. The functions of the Control Societies as defined in Article 6 are broad in scope. They are responsible for planning with the government the national program for production and distribution in the industry concerned, the means of supplying the labor, raw material, capital and any other demands of the industry concerned; for controlling and guiding production and distribution of any of the enterprises belonging to the industry concerned; providing for the complete equipment of the industry, developing the technique, increasing the efficiency, unifying the techniques of production, performing the management, undertaking investigation of the enterprises within the industry and conducting research.*

Officers of a Control Society consist of a president, several directors, several inspectors, and a board of trustees. In some cases two vice-presidents and one chief-director may be appointed. The president represents the Society, controls and guides the Society and manages all the affairs of the Society. His is a very powerful position and that position has usually been held by the head of one of the largest units in the industry as a whole. He is appointed to the position by the competent minister from among those suggested by the nominating committee. The nominating committee in turn is appointed by the competent minister from among those "who have had experience with or have made special studies on the industry concerned" (Art. 14). The president in turn appoints, with the approval of the competent minister, the vice-presidents, the chief-director, the directors and members of the board of trustees. Each board "elects" inspectors who investigate the financial conditions of the Society and advise the president on inquiries submitted to them by the president. With the approval of the competent minister, the president can discharge the vice-president, chief-director and the directors even during their three year term of office. The officers shall not be engaged in other official duties or in commercial business except as the competent minister may allow (Articles 12-16).

Through this autocratic method of selecting officers it is understandable how it has come about that the dominant units, usually Zaibatsu controlled, have been able to control these Societies through their keymen in close cooperation with the ministerial bureaucrats.

*In July 1945, the Major Industries Ordinance was revised to strengthen the Control Society in order to increase their regional administrative autonomy. (See Appendix VI).

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The Control Society may give suggestions about matters related to the industry to the minister concerned with the industry and must give answers to inquiries submitted by the minister. In turn the officers may request from members submission of the necessary material for the investigation of certain points regarding the industry and such material must be submitted immediately (Articles 17, 18). The Control Society may levy assessments and fines on members, establish control regulations governing members, investigate the business affairs, financial conditions, account books, establishments, and other property of members if it is considered necessary. The president may with approval of the competent minister discharge officials of member concerns when an ordinance, or administrative decision based on an ordinance is violated, or the Society's regulations are violated or the public welfare is jeopardized. (Art. 27).

The powers reserved by the Government over the Control Societies are extensive as defined in Articles 31-36. The competent ministers may order business reports to be made whenever they consider necessary or inspect factories, accounting books, documents or other items; they may order the Society to conduct such investigations or order the Society to operate a needed enterprise; they may take over management of the Society itself; they may discharge the presidents and other officers and may dissolve the Societies.

The Control Associations (Tosei-Kumiai) closely parallel in their functions and organization the Control Societies and are subordinated to them. The Societies represent and control the industry as a whole, while Kumiai representing largely medium and small sized enterprises are organized into a Control Association on a territorial basis, i.e., Do, Fu or Ken. They may have as members single proprietors, companies, joint stock companies, industrial or commercial associations, federations of industrial and commercial associations, or mixed combinations in a given industry. They may embrace two or more such administrative divisions. The head of the association is a Chief-Director who is appointed by the president of the Control Society over the same industry. When there is no Control Society, the competent minister appoints a Chief-Director. With respect to certain functions and powers set forth in Art. 50 the government's local prefectural administrative office takes the place of the competent minister. By Art. 51 the Minister of Army or Navy replaces the competent minister when inquiries, reports, inspections, investigations and orders concerned are of direct military importance. This clause was a source of conflicting jurisdictional disputes both within the Government and in the Control Societies. The establishment of the Munitions Ministry in November 1943 was designed to resolve these disputes at the top level. At the operating level the conflicts occurred in the relation of the Munitions Companies to the Control Societies.

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Operationally the major Control Societies have head offices usually in Tokyo with branch offices in the eight regions and sub-branch offices in prefectures where their enterprises are centered.

The Government, in order to exercise control over the Societies issued under Article 16 of the General National Mobilization Law on May 13, 1942, an ordinance which vested in the Ministries the authority to restrict or prohibit the use or transfer of industrial facilities or patent rights held by manufacturing or commercial organizations; to restrict or prohibit sale of enterprises, to order the transfer, by sale or lease, of industrial facilities or patent rights held by companies or juridical bodies and to order companies or juridical bodies to absorb specified enterprises. This ordinance was to apply to both large and small enterprises but to be applied against larger ones only when they show reluctance to comply with government requests for expansion or alteration of their lines of production. The result of this ordinance was to increase the rate of merging or abolishing small and medium sized enterprises.

At the outset the Control Societies under the general supervision of the competent ministers had the responsibility of controlling and allocating materials within their spheres. This, however, led to a chaotic situation in which enterprises were competing for the same materials but in different Societies. There was lacking a uniform allocating system under a priorities rating until the Munitions Ministry was established late in 1943. This development and the increase in the number of Munitions Companies seemed to reduce the dominant role of the Control Societies over the economy as a whole. However, that was not the case and they continued to exercise a useful role of a liaison character and in carrying out the administrative regulations of the government with respect to the control and operation of industry itself. Likewise through their control over the thousands of small enterprises organized into the Tosei-Kumiai they brought their capacities and facilities into relationship with the overall production schedules of the government. In this regard they operated most effectively at the regional and prefectural levels.

In general it can be said that by July 1945, the Control Societies controlled the production and distribution of the products of their respective industries under the regional allocations of the Regional Superintendents-General Offices in accordance with the overall regional allocations granted the region under the General Mobilization Plan of the central government. An ordinance issued July 4, 1945 revised the Major Industries Ordinance of September 1, 1941 for the purpose of strengthening the Control Societies giving them the power to operate and administer as well as exercise general managerial supervision over all members' facilities (See Appendix VI). In so doing however, they were to remain under the general supervision of the Regional Superintendents-General Offices set up in June 1945. The Regional Offices' task

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was to set up supply and distribution quotas for their respective regions and issue allocation certificates under a priority system to the Regional Control Society branches. It is the job of each Society to see that production quotas are met, to allocate production quotas among the enterprises within the Society and to assist the competent minister in determining prices and to distribute the product properly under the allotment certificates issued by the Government. Thus even in case of a through-production plant such as a steel plant it cannot utilize its own ingot or special steels except under an allotment certificate. (For regulations of typical Societies see Appendices VIII-XVIII).

2. Munitions Companies (Junju Kaisha)

Several years before the outbreak of war in the Pacific in 1941 the Japanese Government, through the Ministry of Commerce and Industry and Army and Navy Ministers, began to extend its control over designated plants of the larger industrial interests to guide them in converting and expanding their facilities for the production of munitions of all kinds. The Army and Navy bought for them with government funds necessary machine tools of all kinds from abroad, placed contracts with them, guaranteed profits, assisted them in getting priorities on scarce materials and labor. They sent their own technicians into these plants and supervised and inspected the output. By the time the war broke out there were over a hundred of such plants and sub-plants producing the most advanced types of ordnance of which Japan was capable, from aircraft to small arms ammunition.

On December 7, 1943, a Munitions Company Law (for summary, see Appendix III) went into effect designed to extend the government's direct control over these plants even further. Since the passage of the act the number of such companies has increased to over 400. The range of activities engaged in by these companies extend from finished aircraft, ordnance, tanks, trucks, through iron and steel manufacturing, chemicals, machine tools, fuels, coal, non-ferrous metals, electric power and gas works. While the ownership of the companies remained private the Government, particularly the Munitions Ministry and the Army and Navy Ministries, virtually managed them.

According to the Article 5 of the Act, the designated companies were "to select a person responsible for production among the officials of the company." If they could not do so the government would appoint a person to that position. The managerial staff and employees would be subject to the orders of the "leader" in charge (Art. 14). The government could punish this designated "leader" for failure to carry out his duties.

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The Government might designate the "time, plans, quantities, and other necessary matters" relating to production schedules (Art. 6). It might issue orders relating to the acquisition, storage and movement of basic materials, to the improvement of technique, the supervision of labor and other matters necessary to carry on the enterprise (Art. 7). It might restrict or ban the Munitions Companies from engaging in other than designated operations (Art. 10). It might issue necessary orders "in connection with the amalgamation or dissolution of munitions companies" (Art. 11). It might "issue orders to munitions companies necessary to effect the adjustment and management of funds" (Art. 12). It might issue orders or take necessary measures for the supervision of munitions companies (Art. 15), and gather, inspect and examine reports on "the business matters of munitions companies" (Art. 16).

In return for submitting to these Government controls, the Munitions Companies enjoyed many privileges. The Government might cancel bans and restrictions in regard to procedures for permits, etc., (Art 3). They could thus obtain special priorities with respect to materials, equipment, and capital funds. They could recruit labor and the government could guarantee profits (Art. 4). The Government could back up the absorption of one enterprise by another (Arts. 8 and 9). Under Article 8, the Government might "issue orders necessary for cooperation between the Munitions Company and those (persons) connected with carrying on the operation of cooperating factories and subsidiary factories and other enterprises which the Munitions Company conducts". Under Article 9, the Government might "issue to Munitions Companies orders necessary in connection with the taking over or taking custody of enterprises, the classification (of articles of trust), or changes in the articles or incorporation, the delegation, transfer, or discontinuing or suspension of operations (and) the transfer of equipment or (patent rights) belonging to an enterprise." Administratively these companies were placed under the direct supervision of the Munitions Ministry through the Munitions Superintendence Bureaus set up in the nine (later, after February 1945, eight) regions.

In view of the favored position held by the Munitions Companies, it is natural that doubts arose as to the continued usefulness of the Control Societies. However, they continued to survive, as we have seen above and were given a stronger position under an ordinance issued about July 4, 1945. The relations between the Control Societies and Munitions Companies at the regional level were controlled by the Munitions Superintendence Bureau, which after June 1945, were placed in the Regional General-Superintendents' offices. The principal function of the Regional Superintendence Bureaus (for details see Appendix IV) was to coordinate production with requirements and see that Munitions Companies got their priority quotas of raw and semi-finished materials from the Control Societies and Associations.

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The fact that the large Zaibatsu and other combines had some factories which were designated Munitions Companies and some which were in the Control Societies or Associations together with the general situation that Munitions Companies utilized the materials and semi-finished products produced by them to fabricate end-products reduced the sphere of potential conflict between the two. Furthermore, overall priority and allocations control was concentrated in the Munitions Ministry which continued after the decentralization reorganization of June 1945, to issue basic production and allocation quotas on a regional basis.

3. National Policy Companies

Japan began the establishment of semi-official "national policy" companies in 1881 with the establishment of the Yokohama Specie Bank.* Up to 1939 there were 36 of these companies. Before 1936 these companies were usually concerned with banking communications and colonial and regional development. Two of the most famous in the last named field were the South Manchurian Railway Company and the Oriental Development Company. The first such company to be concerned primarily with the industrial field was the Japan Iron Manufacturing Company established in 1933. Fourteen of these companies were organized between 1937 and 1939, a number of which were designed to expand production of "strategic" materials regardless of cost. These included the Imperial Fuel Development Company, Japan Electric Power Generation and Transmission Company, Japan Rice Company, Imperial Mining Development Company, Japan Aeronautical Transportation Company, Japan Fertilizer Company and the Japan Coal Company.

The government as a rule contributes part of the capital (usually half), permits the issue of debentures up to anywhere from two to ten times the paid-up capital; guarantees the principal and interest on debentures; receives dividends at a

*The general term "National Policy Companies" as used herein and generally elsewhere in reality covers two types of companies, namely, Kokusaku Kaisha (National Policy Companies) and Tokushu Kaisha (Special Companies). The former term refers to large regional development companies such as the Hokkaido Development Company, the Oriental Development Company (for Korea), North China Development Company, etc. These companies usually include subsidiary companies. The Special Companies cover specific commodities or industries. The generic term is justified as the government exercises large measures of control and directly or indirectly and finances them to carry out broad national policies.

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lower rate than private shareholders or gives them up entirely when profits are small; grants exemptions from income, profit and local taxes and from import duties on imported materials and equipment for a limited number of years; and sometimes provides subsidies. In general, national policy companies were formed to assure adequate expansion of facilities and materials to meet the needs of the expanding strategic industries and establish to the fullest extent possible and uneconomic autarchic war economy. During the war these companies have continued to enjoy high priority preferential treatment in the supply of materials, equipment and manpower under direct control of the competent Cabinet Ministers. The number of such companies operating in Japan proper has considerably increased since 1941. By 1943, there were no less than 480 of these policy companies operating in Japan proper. (See Appendix XXV for a list.)

4. Eidan or Corporations

The Eidan (possibly an abbreviation of Eigyo Dantai) are state-managed and sometimes partially or wholly government financed corporations established to engage in enterprises and activities which are frequently uneconomic in character, but essential to the war effort such as the importation of vitally needed raw materials regardless of cost, the purchase of vital raw materials within Japan and control of their movement, the purchase of outworn equipment, liquidation of enterprises which, because of their smallness or lack of technical efficiency, are unsuited for war production purposes, construction of housing for war workers, farm development projects, the selling, purchasing, and manufacturing of important food-stuffs, improve medical and hospital facilities, etc. A brief description of a number of these Eidan will give a picture of their functions and relation to the control of the war economy.

(a) Industrial Facilities Business Corporation (Sangyo Setsubi Hidan)

This corporation was organized by the government on December 27, 1942 with an authorized capitalization of 200,000,000 yen. The government issued bonds at a price of 95.9 yen per hundred yen bond to cover this capitalization. The purpose of the corporation was to purchase or transform the equipment of facilities of idle and unfinished industrial establishments under the guidance and authority of the Commerce and Industry Ministry to make them of use for munitions production. With the permission of the government authorities such industrial establishments can be rented out to munitions companies or other concerns for the production of munitions or other essential products. It was provided that Article 16 of the General Mobilization Law could be invoked against owners of such idle and unfinished plants who might be unwilling to sell them or refuse to convert them to war production.

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(b) Essential Materials Supervision Corporation
(Juyo Busshi Kanri Sidan)

This corporation was organized under Law No. 69, dated February 24, 1942, with a capitalization of 20,000,000 yen, supplied entirely by the government (See Appendix XVIII). The purpose of the corporation was, "To guarantee and increase stocks of essential materials in wartime; to provide for efficient and adequate utilization of the stored essential materials". The corporation was to provide for the storage of essential materials either in its own facilities or to order others to do so. It was to purchase locally or through importation essential materials, to stockpile them and sell them under priority allocations to war industries. It possibly took over control of warehoused enemy materials. The Corporation can demand reports on stored materials and inspect books of concerns holding such stocks.

There is no provision for issuing of debentures, nor for covering losses, the government absorbing all losses. Penalties are provided in case of negligence on the part of the corporation's officials. With the establishment of the Koeki Eidan in July 1943, the functions of this organization were absorbed into it.

(c) Regional Trading Corporation (Koeki Eidan)

The Koeki Eidan was established by the Government in July 1943 and placed under the supervision of the Greater East Asia Ministry to centralize, and make more direct than in the past, government control over all export and import trade, to relate that trade directly to the war effort by assuring that the greatly restricted flow of exports be directed to secure essential commodity imports for war industries and to assure that the minimum exports allowed be made available for export and not find their way into the domestic markets. (For details see the Foreign Trade Guide.)

The corporation absorbed the functions of the Essential Materials Supervision Corporation and supervised the over-all Trade Control Society, organized January 27, 1942, composed of 83 companies and 90 guilds (renamed Japan Trade Association May 4, 1942).

One major wartime problem confronting the Japanese was to assure that articles would be made available for export necessary to obtain a return flow of vitally needed imports. There existed within Japan such a vast unsatisfied demand for the same articles for which high prices could be paid that a rigid control, under what the Japanese called the "link system", had to be maintained. The link-system began to develop in 1937 and was designed to link the raw material imports to their finished end-product for export to assure that all the end-products would not be absorbed in the domestic market. This was done by designating certain factories to produce the end-products for export and allocating raw material imports to them accordingly. This practice was continued after the war started as evidenced in regulations on articles for exportation issued March 5, 1942 (see Appendix XXII).

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Undoubtedly the Koeki Eidan continued to operate the link system to obtain the same objectives. As M.G. may be faced with the same problem, a description of the link system as it worked before the war has been appended to this guide. (See Appendices XXIII, XXIV.)

With the establishment of the Koeki Eidan (Koeki may be translated as Regional, or Zonal, i.e., greater East Asia Sphere trade) Japan further abandoned liberal trading principles and set up a virtual state controlled trade (See Appendix XXI). In order to simplify control the number of persons and firms engaged in export and import "barter" trade numbering over 6,000 in 1942 was reduced to 600 by the end of 1943. The Koeki Eidan operated in cooperation with a number of associations to which most of the remaining 600 firms belonged. These associations served as agents of the Eidan. Export firms which exported more than five kinds of goods exceeding an average value of 5,000,000 yen during the years 1941 and 1942 were allowed to continue business. All others were to be merged according to order from the greater East Asia Ministry under whose supervision the Koeki Eidan operated.

The minimum yearly turnover of importers was also fixed at 5,000,000 yen. Importers who did not achieve this minimum in the past were not allowed to merge but were compelled to give up the import business. They received up to 100,000 yen compensation paid either by the exporters' guilds or by the Koeki Associations (Koeki Kyokni) organized into the Japan Trade Control Society. This latter society was reported to have established a Regional Trade Adjustment Committee consisting of 39 members divided into 19 sub-committees according to kind of goods to be exported and one sub-committee dealing with imports. The Committee was entrusted with handling imports, conducting research, giving necessary advice, and answering questions asked by the government.

The scope of the powers of the Koeki Eidan was broad. It had control over the import and export of commodities and the purchase and sale of same in connection with their import and export. It was responsible for warehousing, controlling the movement, purchasing and selling certain imported vital war materials. It could engage in auxiliary activities as the need arose related to the above activities. It also had the responsibility for adjusting commodity prices in the Greater East Asia Co-Prosperity Sphere. It was to carry out its trading function and vital resources control function in accordance with an annual plan laid down by the government subject to readjustment every three months in accordance with the changing supply and demand situation. It might allow other legal persons or institutions to carry out a part of its business with the approval of the government. In that case the corporation or institution which participated was considered as the part of the staff of Midan. When the organization was first established 687 articles

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were designated for import. Later the list was lengthened. Exclusive of rice, wheat, tobacco, charcoal and salt, ranged all the way from iron and coal down to towels and shoe-strings. The export business was carried on in two ways: (1) Direct export by the Eidan, (2) Export by entrusted export organizations. Such entrusted organizations were the Japan Controlling Company for Grocery Trade, Japan Export Promotion Company for leather products, the respective Japan Export Associations for Brushes, for Textile Materials, for Furs, for Tea, for Agricultural Products for Greens and Fruits and for Marine Products. The import business was either carried on directly or by entrusting persons to carry it on. Regions covered were Kuantung, Leased Territory, Manchuria, China, Thailand, French Indo-China, Germany and Italy. The Southern Regions under Military control were excluded.

Its control over vital resources covered: (1) iron and steel, raw materials, for iron and steel, and iron and steel products, (2) non-ferrous metals, their raw materials and products, (3) textile products and raw materials, (4) medicine, medical instruments and other materials for hygienic purposes; and (5) other materials as designated by the appropriate ministries. To carry out this function a section on control and planning was set up in the planning department of the organization.

The Eidan had the function of purchasing unutilized raw materials in one factory and moving it to another as needed.

It had the responsibility for purchasing and ware-housing and conserving materials needed for emergency relief such as lumber, galvanized shooting, nails and also medicines.

Certain vital materials such as coal, cotton and bauxite were put in charge of the respective Control Societies of the industries utilizing them but the Eidan had continued supervising control over their disposition.

It had control over such stocks of materials and commodities assigned for export when war broke out as still remained in Japan.

It purchased and controlled luxuries, confiscated enemy goods, artificial silk pulp and raw rubber.

It had control over enemy properties.

Its auxiliary business consisted of the management of warehouses in which the commodities under its control were stored; supply of materials for manufacture of goods for export and providing loans.

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It thus plays a role roughly parallel to the Foreign Economic Administration, the U.S. Commercial Company, and the Alien Property Custodian in the U.S.

Among the other Eidan was one to provide housing for civilian workers. It was established May 1, 1941, with an authorized capitalization of 100,000,000 yen, 56,723,640 yen of which was paid up by 1943 all by the government. The headquarters were Tokyo with a branch office in Yokohama, Osaka, Nagoya, Hiroshima, Fukuoka and Sendai. Another was the Central Food Administration Corporation established September 1, 1942. The authorized capitalization was 100,000,000 yen, of which 30,000,000 yen was invested by the government. The purpose was to control the preservation and distribution of food under government direction. It had branches in Otaru, Sendai, Nagoya, Osaka, Kobe, Takamata and Moji and field offices located in Niigata, Toyama, Mito, Yokohama, Shizuoka, Kyoto, Okayama, Hiroshima, Nagasaki, Kumamoto, Kagoshima, and Taihoku. In addition there was an Eidan governing local food administration with offices in each prefecture and metropolitan area.

This completes the descriptive survey of the major governmental and quasi-governmental agencies exercising economic controls at the national level. There should, however, be mentioned in passing the various and frequently changing Cabinet advisory boards and councils in which the representatives of the largest industrial combines found a place. Their existence represents an effort to compromise the conflicts which arose among the bureaucrats; the military and industrialists. Through these advisory councils and through the positions held in the Cabinet by representatives of the combines, the big industrialists have retained a position of influence in the formulation of policy and its administration. In addition there existed a number of industrial councils made up of representatives from industry who advise the various ministries and assist in the coordination of production program.

III. Controls at the Regional Level

The development of the administration of economic controls at a regional level began in June 1943, when Japan proper was divided into nine administrative regions. The purpose at that time was to simplify administration by eliminating the excessive bureaucratic red-tape and jurisdictional conflicts

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which arose out of the exercise of controls at the level of the 47 little prefectures under which the country had been administered since the latter half of the past century. At the same time the "Presidents" of these nine regions were given rank equivalent to that of a Cabinet Minister and were to report directly to the Premier. The ultimate aim was to develop regional economic self-sufficiency for war purposes.

In February of 1945 the number of regions was reduced to eight, by which time they coincided exactly with the six military districts into which the country was divided - one of the military districts, called the "Central District", containing three of the administrative regions. On June 23, 1945 this Central Army District was divided into three parts exactly along the lines of the three administrative regions formerly located within it. Thus by that time the eight Army Districts coincided with the eight Regional Districts and were called by the following names: Hokkai, Tohoku, Kanto-Shinetsu, Tokai-Hokuriku, Kinki, Chugoku, Chikoku, and Kyushu. (For a list of the prefectures included in each region and the name of the head city where the regional administrative control offices are located, see Appendix I).

In June 1945 the Government, under the imminent threat of invasion, laid the basis for the extension to the eight regions administrative autonomy in the event any one or more of them should be cut off from contact with the central regime. On June 10th the regional administration offices were reorganized into Regional General Superintendents-General Offices with a Superintendent-General in charge of each. The personnel of the offices began to be strengthened by transferring officials from the Ministries to these Offices. The basis for the authority of these Offices was provided for in the Extraordinary War Measures Bill passed on June 12. Under this Bill the Dist surrendered to the Government, its powers for the duration of the war. In the bill the term "Government" was defined to include the new Regional Superintendents-General. The powers conferred under this Bill were total in scope and subject only to an Imperial check. Unlike the National General Mobilization Law, first passed in 1938, the Bill provides for unlimited power to be exercised by the Government which can exercise its powers not only through the issuance of Imperial decrees but through Ministerial ordinances and regulations. These same powers can be exercised by the Superintendents-General in case of emergencies. All previous legislation, ordinances and decrees can be set aside insofar as the Government determines to do so and new

regulations and controls established. The broad powers thus potentially conferrable on the Regional Superintendents-General have been set forth above.

The regional Munitions Superintendence Bureaus were retained and incorporated into the structure of the new Superintendents-General Offices. The regional Munitions Bureaus were originally set up by the Munitions Ministry and were designed to supervise over-all production programs at a regional level. Their function was to supervise and coordinate production programs among the Munitions Companies within each region and to coordinate the production of the members of the Control Societies within the region to that of the Munitions Companies, depending upon them for raw materials and semi-finished products. Under the re-organization of June 1945 they will not only exercise their former functions, but also will exercise broader controls undoubtedly as the war goes on. An indication of this is seen in a Tokyo broadcast to the home audience in June 1945 to the effect that the control over the disposal or purchase of special ores and ferro-alloys formerly exercised by the Munitions Ministry will henceforth be carried out in accordance with distribution regulations of the local Munitions Superintendence Bureaus.

To serve in an advisory capacity to the Regional Superintendents-General it was proposed in June that in addition to the members of the prefectural and other local administrative councils, that members of the Diet living in a region and other leading individuals be organized into a Council.

It is apparent that the trend toward decentralization had by June 1945 placed in the hands of the regional authorities responsibility for directly controlling war production programs under over-all plans laid down in Tokyo by the Cabinet in general and the Munitions Ministry in particular. This is of significance to M.G. in their own planning as the utilization of this same regional basis for the administration of their own programs and the subordination of prefectural controls to regional controls would serve to simplify the problems of coordination which will arise.

IV. Controls at the Prefectural and Municipal Level

While the operational controls exercised at the regional level largely concerned themselves with the production of war materials those at the local administrative level were related to the production of food and civilian commodities in

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general required to meet the minimum needs of the people as a whole. Such controls were of course exercised under the direct supervision of responsible Ministries in Tokyo. (For details on the administrative organization and functions of local government, see Civil Affairs Handbook; Japan, Section, 2 A and 2 B, Government and Administration- Local Government). The trend toward decentralization outlined above with respect to the regions likewise affected the responsibilities of the local administrative units. In May 1944 many functions formerly exercised by the central government were delegated to the prefecture. The Home Ministry transferred 51 functions including the right to authorize the construction of public utilities costing less than 100,000 yen, the rights to authorize improvements of rivers, bridges, and urban dwellings, etc. The Munitions Ministry transferred controls over the acquisition of raw materials and production of goods peculiar to certain local regions, while the Agriculture and Forestry Ministry transferred supervision over crop improvements and local marketing facilities.

In general the major aim was to allow the prefectures greater freedom to cooperate with the regional administration in developing regional self-sufficiency in supplying the needs of the people and maintaining public services. In order to coordinate the functions of the various prefectures in a region with that of the regional administrations, local and regional Administrative Councils were set up in March 1944 including representatives from the local monopoly bureaus, local fuel bureaus, local communications bureaus, railway bureaus, Marine transportation bureaus and mines superintendence bureaus. The chiefs of the Munitions Superintendencies became members of these Councils at that time.

To draw the small and medium-sized local commercial and industrial interests closer into the net-work of controls a law was promulgated on March 12, 1943, setting up Commercial and Industrial Economic Boards in order to supervise and control their activities under the "leadership principle". (See Appendix XIX, XX). As the Boards were set up the former Chambers of Commerce and Industry were abolished. The new Boards were to be more broadly representative of local interest than the former Chambers whose membership was confined largely to the urban areas. The Boards were to assist local authorities in coordinating local production programs and to supplement the vertical controls exercised by the Control Associations and Societies by horizontal controls extending across all lines of production. However the Boards exercised

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only advisory and educational functions so as not to conflict with the stronger vertical controls exercised at regional and national levels. They were to organize regulating groups in urban and rural areas to facilitate the work of the government in carrying out governmental regulations and maintain liaison function with local Control Association (Tosei-Kumiai) into which even small enterprises at the mura or village level were organized.

The chairman of the Boards had dominate power. They were appointed by the Ministry of Commerce and Industry from lists submitted by the prefectural governors. Directors were appointed by the prefectural governors. Both chairman and directors were on a salary basis. Members represent all types and sizes of business. Big concerns were represented by individuals and small concerns by their respective group organizations. There were three types of members: (1) Individuals representative of comparatively large firms paying above a fixed amount of tax, (2) Commercial and industrial associations, trade association, etc., (3) Groups connected with the economy but not in a profit-making manner or regulatory capacity such as Councils, Federations of Associations, Factory Societies, Research groups, etc.

In the fall of 1943 it appears that the Boards were reorganized on a regional basis with branch offices at of each regional administrative center.

These Boards, after reorganization to afford more democratic representation of small enterprises to make it possible for them to express their will through a council, could be of aid to M.G. by advising on the civilian needs of each prefecture or region and recommend channels through which materials could be sold and to recommend to whom to grant needed credits.

PART IIIRECOMMENDATIONS**I. Military Government's concern in the administration of production programs in Japan.**

Objectives governing the administration of production programs by Military Government.

Subject to the restrictions imposed by policy directives with respect to the Disarmament of Japan and the prevention of the redevelopment of the Japanese war potential Military Government will be concerned with the administration of production programs in order to:

1. Produce goods to supply the needs of the occupying forces.
2. Produce consumer goods to provide for the minimum essential needs of the civilian population and reduce the necessity for imports.
3. Produce goods for export, the first charge against which will be for the payment of approved essential imports.
4. Provide capital goods to repair and maintain:
 - a. The equipment of factories and facilities producing the goods for the above four purposes;
 - b. Essential public utilities;
 - c. Essential communications and transportation.
5. Provide solid and liquid fuels.
6. Provide essential housing and building materials.
7. Administer production programs in such a manner as to create conditions favorable to the emergence and growth of democratic forces in Japan.

The term "Administration of Production Programs" as used in this guide is defined as covering all activities involved in the processing of supplies from raw materials to the finished product, but does not include such portions of specific industries as normally do not utilize industrial processes such as agriculture and fisheries with respect to which activities special guides have been prepared.

II. The general situation which will confront Military Government in Japan.

Whether the occupation of Japan be partial or complete or of short or long duration Military Government will need to concern itself in production programs to attain the objectives outlined above due to universal shortages of vital raw materials and consumer goods which will obtain. Moreover, the destruction or breakdown of transportation facilities and public utilities will effect every area of Japan in varying degree and require a control over production, allocation and movement of equipment and repairs to restore the most essential facilities.

The efforts of the Japanese authorities since 1943 to establish economic self-sufficiency on a regional basis will have attained at most only a temporary effectiveness through stock-piling of supplies traditionally deficient in particular areas. By the time of invasion these stock-piles of consumer goods and repair equipment may well be destroyed or used up creating a situation in which essential supplies will have to be brought in from other areas normally producing surpluses or where destruction will have been less widespread. This situation will necessitate the application of M.G. control to determine where such relative "surpluses" may exist and to order their transfer to areas where they may be most needed. This is a problem that cannot be left to the Japanese alone to solve. Under the impact of invasion M.G. must be prepared to face a chaotic condition in which practically all centralized controls will have broken down, while regional controls will be largely ineffective if only due to the fact the top-ranking officials will probably disappear, particularly if their families live elsewhere. Under calamitous conditions the Japanese officials will tend to think first of their family, second of their local and prefectural region and last of their responsibilities to the state. Consequently only some of the regional and prefectural controls will be operating to any effective extent with lower-ranking local officials on hand. Because of their outlook and interests local officials will not be concerned about supplying other areas and will seek to retain and conceal stocks for local use and to exaggerate local needs. Consequently M.G. will have to take direct charge of top regional and central controls and order Japanese officials to carry out allocation and production programs which they have drawn up with Japanese assistance as discussed below. Japanese officials may have to be ordered back to their posts or assume new positions in areas to which they may have fled.

In the event that the occupation of Japan occurs only after surrender possibly a more orderly government set-up will obtain and M.G. will be able more quickly to establish its over-all controls which can be more supervisory and indirect in character than if the occupation occurs only after invasion and fighting.

III. Methods for exercising economic controls.

Due to the probable shortages of some key raw materials and of available facilities for processing the end-products with which M.G. is concerned priority and allocations controls supplemented by credit controls should be established. As a rule only key materials in short supply will need to have priority and allocating controls. However, due to transportation difficulties, the movement of all materials may have to be under control to assure that all essential materials have priority of movement from sources of supply to plant facilities and then end-products distributed according to need.

As a general rule production of items not on M.G.'s priority listing of requirements or beyond the amounts M.G. allocates to meet its objectives should be allowed providing (1) it does not require utilization of facilities banned by M.G. because of their war-potential character (2) does not utilize materials in short supply and (3) does not impede the movement of priority raw materials and end-products. In other words, M.G. need concern itself directly only with its own priority production programs and limit its concern with all other production to see that it does not interfere with M.G.'s production programs nor break security objectives with respect to disarmament or utilize banned facilities ordered shut down for whatever reason by M.G. authorities.

Local M.G. authorities should permit, under their general supervision, the production of items not included in the above lists, which require only local materials and which are essential to meet civilian needs either locally or elsewhere, or for the export insofar as their production does not interfere with the fulfillment of the above priority program.

There are three major ways in which to control production programs, namely through the granting of priorities, of allocations, and of credits.

A. Priorities.

Priorities should be established to maintain at the highest feasible level the production of:

1. Products of first priority which are those required by military forces, both in the pre-surrender and post-surrender periods, and the fuels, materials, equipment including maintenance and repair items, required to produce them.

2. Products of second priority which are those required to supply minimum essential civilian requirements such as food products, medical supplies, clothing and textiles, bicycles, household equipment, sanitation supplies, soap, liquid and solid fuels, fertilizers and the fuels, materials and equipment, including repair and maintenance items, required to produce them.

3. Products of third priority (possibly occurring only in the post-surrender period) to supply goods for export, the first charge against which will be for the purchase of essential imports to meet above production priorities.

B. Allocations.

Japanese authorities operating under M.G. should be ordered to allocate fuels, raw materials, semi-finished and finished goods, items for maintenance and repairs on the following priority basis:

1. To meet the requirements of the armed forces.
2. To meet transportation requirements to meet civilian needs for agricultural products, the processing of food products, medical supplies, sanitation supplies, soap and fertilizers.
3. To meet requirements for the production of clothing, textiles and footwear, farm equipment and implements, bicycles, and household equipment.
4. To meet any authorized export requirements.

C. Credits.

M.G. through its control over the financing facilities of the Bank of Japan (see Guide on Control and Use of the

Bank of Japan during the period of Military Government) will have in its hands an instrument for supplementing its priority and allocation controls. The devastation caused by the war and the attendant shortages of raw materials and capital goods accompanied by rising prices will necessitate the extension of credit to enterprises authorized by M.G. to produce essential materials. By coordinating credit authorizations with priority allocations, M.G. can channel the flow of scarce materials into the enterprises producing priority goods. As states in the guide on Control and Use of the Bank of Japan, Section on Financing of Industrial Activities "in cases in which corporate funds are inadequate and bank loans are not readily available, industrial enterprises essential for the administration and maintenance of the minimum civilian economy of the country should be permitted direct access to the financing facilities of the Bank of Japan. For these purposes, the Bank of Japan should undertake directly those types of industrial finance, operations which were formerly performed by the Industrial Bank of Japan and other banks. It should provide short-term credit to industrial enterprises by discounting three to nine months bills secured by contracts with orders of the Civil Affairs and other military authorities, or Japanese governmental organs with the approval of the Civil Affairs authorities."

Reorganized local commercial and industrial associations (Kumiai) made up in large part of cooperative enterprises and small and medium-sized business producing consumer's goods should especially receive the support of M.G. in the way authorized credit extensions as most of the members will have no funds while many of them will have been forced out of production for civilian use by the war economy.

The adoption of a liberal credit policy with respect to small and medium-sized local producers of civilian goods for the domestic market will relieve M.G. of many of its most pressing problems. As these incentive goods start flowing into the markets farmers will be led to expand production of foodstuffs, curtailing inflationary trends and permitting a gradual relaxing of rationing and price controls.

In the case of larger established enterprises with whose products M.G. is concerned the Bank of Japan should make advances on the security of government bonds, corporate debentures, equipment certificates and general mortgages on industrial properties.

IV. Recommendations concerning the utilization of Japanese control agencies and control regulations.

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A. General Recommendations. In general M.G. at the outset of the occupation should maintain in force laws and regulations relating to the control of industry and allocation of fuels, power, raw materials, semi-finished goods, items for maintenance and repair subject to subsequent directives from higher authorities as to amendments, abrogation, etc. Likewise M.G. at the outset should maintain or re-establish local agencies responsible for the administration and enforcement of such laws and regulations as are maintained in force and require officials and employees of such agencies, to continue with or return to their functions.

The principles governing the utilization, abrogation, or modification of existing Japanese controls should have two major objectives. First, the re-direction of the flow of materials from war production into civilian production channels and the production of equipment for the restoration and maintenance of essential transportation and public utilities. Wartime restrictions on the utilization of materials for such purposes and to meet M.G. priority production programs should be relaxed. Secondly, in accordance with long-range U.S. policy objectives, M.G. should exercise its controls and reorganize or abolish Japanese agencies in order to re-direct Japanese war-time economy into a free enterprise, competitive economy in which small and medium-sized enterprises are unstifled by excessive government controls or by the cartels and the combines. By according small and medium-sized enterprises democratic representation in the conduct of the affairs of the associations to which they belong, by giving them a strong position in any advisory councils and by granting them higher priorities than the large enterprises and combines, that have sided and abetted the war policies of Japan, with respect to power, credits and raw materials, M.G. can help these smaller enterprises to get on their feet first. The hope of encouraging the emergence of a democratic Japan resting upon a strong middle class lies in the strength and position of the small and medium-sized producers and distributors in the economy. From the outset of the occupation M.G. can give a bent and direction to Japanese economy which will hasten the achievement of long-range U.S. objectives. There is every reason to believe that such an economic policy would meet with wide-spread approval in Japan, and lead to the cooperation of the people as a whole with M.G.'s programs.

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B. Utilization of Japanese control agencies at the national level.

Whether or not M.G. deals with or replaces the Ministries, the Munitions Ministry should be abolished and such of its war-time functions and controls as are needed to obtain M.G. objectives should be transferred back to the old-line Ministries together with unpurged personnel, and its records preserved.

The designated 400 odd munitions companies, which operated under its supervision and under the more direct control and supervision of the Army and Navy Ministries, should, in principle be closed down and only those most essential and most readily convertible to line of production in which M.G. is interested be re-opened (for details and exceptions see industry guides and the guide on war industries). M.G.'s policy should be to favor, first, small and medium-sized plants which continued to produce commodities during the war in which M.G. is interested, and secondly, such small and medium-sized plants as were more or less converted to war production on a contract or sub-contract basis with the designated munitions companies. Any large munitions plants M.G. might need to operate should be operated directly under M.G. supervision in accordance with general policy directives and the recommendations in the respective industry guides.

M.G. in accordance with procedures set forth in the appropriate Property Guide, should directly concern itself with assets, property and facilities of all National Policy Companies and all Eidan or public corporations. (See Part II, B, 3 and d). Insofar as M.G. finds it useful to continue the operation of any of the facilities of government managed or owned agencies and monopolies or utilize their organization and materials it may do so. It is conceivable, for example, that the Koeki Eidan, which controls foreign trade, might be utilized should M.G. be confronted with the necessity of assembling commodities for export, or the Emergency Housing Eidan might be utilized for building barracks, etc.

C. Utilization of Japanese control agencies at the regional and local levels.

The large extent to which Japan has decentralized its operational controls on a regional basis, as discussed above Part II, C, forms the basis for the recommendations below that M.G. do likewise and base its operational controls at that level and subordinate prefectural agencies of control to

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the regional set-up. Production programs and controls could then be centralized and coordinated on a regional basis and Japanese agencies and mechanisms could be more readily adapted and utilized. The Regional Superintendents General Offices could be charged with the responsibility for developing programs. The Munitions Superintendence Bureaus attached to such offices should be abolished and replaced by a central planning and control unit. It is suggested that there be attached to the offices of M.G.'s regional production agencies advisory councils made up of representatives of industrial and commercial interests of the region. Such councils should adequately represent small and medium sized interests who should hold a majority of the places on the councils and be able to out-vote representatives of large firms having facilities in a specific region. The chairman of the councils should be democratically selected by the members subject only to the approval of M.G. The regional organizations of the Commercial and Industrial Boards, discussed above Part II, D, should be utilized and adapted to fit this advisory function.

With the majority of the 400 odd munitions companies plants either destroyed prior to occupation or shut down by M.G., the facilities left available for approved production programs will be those vertically organized into the Control Societies (Tosei-kai) and their subsidiary Content Associations (Tosei Kumiai), (for a description of these see Part II, B, 3a). The Control Society itself is a quasi-governmental control agency as the Chairman and Board of Directors were government appointed and had transferred to them official administrative powers. Through them the government has been able to extend its control over all industry down to the small locally organized Kumiai or industrial or commercial associations. In order to establish a free-enterprise, competitive economy the Control Societies and Control Associations should be abolished and their assets and property placed under custody and the Kumiai reorganized along voluntary cooperative lines on a local or prefectural basis. Equal voting rights should be assured to prevent renewed domination of the Kumiai by the large concerns representing the combines who in the past have, through financial controls and cartelization techniques, tended either to force them to merge or to go out of business. Since 1937 and to a greater extent after 1941 thousands of small producers supplying the domestic consumers and to some extent foreign markets have been forced out of business pressure from the government and combines. In the post-surrender period many of them will seek to get back into their former production and distribution activities again.

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The great demand for locally produced consumer goods will give them an enticing market. M.G. should encourage them by allowing them to reorganize along cooperative democratic lines, allocate materials and equipment to them and grant them credits. The restraints and controls exercised by the Control Societies under government direction on a nation-wide basis should be abolished. As recommended above the regional and central Control Societies' offices, records and staffs, below that of Presidents and Directorys can be utilized by M.G. to obtain over-all information on the regional set-up of the industry as it obtains at the time of occupation for M.G.'s planning and control purposes.

As M.G.'s first problems with respect to Japan's economy will probably arise at the sub-prefectural and prefectural level the above policy vis-a-vis the small and medium sized local producers of civilian goods should be put into effect at the outset. By encouraging the existing and former local producers and distributors freely to organize themselves, as they will instinctively want to do, into cooperative, and democratically run organizations M.G. will at one and the same time relieve itself of many problems connected with consumer goods production and re-orientate Japanese economy to peacetime production for the domestic market, first, and ultimately to the kind of export production Japan may be permitted to engage in.

V. Recommendations concerning the utilization of Japanese personnel.

In consonance with the general policy directives with respect to the principles set up covering the utilization of Japanese personnel, officials and others, or in accordance with prepared lists of people to be purged, M.G. should avoid using all officials who since July 7, 1937 have held positions of Shin-nin and Choku-nin ranks or positions of equivalent importance in the Japanese government ministries, regional and prefectural offices and control agencies; all Presidents, Directors, and members of Boards of Trustees of the Control Societies and Control Associations; high executives of National Policy Companies and Eidan; governmentally designed individuals responsible for production in the Munitions Companies, the top officials in charge of the Munitions Superintendence Bureaus, Chairman or heads of Economic Industrial Boards, etc. Japanese who have held similar high-ranking positions outside of Japan; who have been in active military or naval service since July 7, 1941; who have held directive positions in the Imperial Rule

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Assistance Associations or its successors together with their affiliated organizations; and those who have been members of "patriotic societies" of extreme nationalist tendencies should not be utilized.

VI. Recommendation concerning the protection of records, plants, etc.

M.G. should hold designated Japanese officials and employees of quasi-governmental agencies, officials and employees of industrial and other business associations and of individual companies and organizations strictly responsible for the protection from destruction and the preservation intact of all funds, property, equipment, and records of all government agencies; all plants, mines, property, stocks of materials on hand, equipment and patents; and all books and records of companies and organizations and trade and research associations.

VII. Recommendations concerning reporting.

It is recommended Japanese officials and such governmental and quasi-governmental agencies, private organizations and individuals as may be designated by M.G. be required to submit initial reports and thereafter current reports covering the following points.

A. For each factory or establishment employing or capable of employing 10-15 (possibly 30) or more employees (a) name and location; (b) stocks on hand, supplies and finished goods on hand, capacity and current production; (c) how much electric power or fuel, lubricants, raw material, machinery and machine tools, and manpower is necessary to maintain full production; (d) feasibility of converting a war plant to other production and equipment required to do so; (e) patents and processes employed; (f) current state of equipment and repair items needed, etc.

B. Reporting on establishments employing 10-15 (possibly 30) or less employees, it is suggested might be done on a sub-prefectural territorial basis such as the mura or groups of mura by the associations or cooperatives (kumiai) into which they are organized placing upon the associations responsibility therefor.

C. For each prefecture designated Japanese officials, assisted by an advisory council democratically representative of

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of small, medium and large sized commercial, agricultural, and industrial interests in the area should prepare an overall report on a quarterly basis setting forth:

1. Minimum civilian requirements for food, clothing, household equipment, medical supplies, etc; together with current prices for same.
2. What portion of these requirements can be met by local production using local materials consequently showing what finished products and raw materials must be brought into the prefecture.
3. What surplus production for distribution elsewhere the prefecture is capable of supplying.
4. What essential public utilities and services need repair and restoration to maintain essential economy and what supplies will be needed.
5. A census of the prefecture on an age, occupation, and residential basis. The census should show number of displaced persons in prefecture, including family relatives who did not live in prefecture before war started, and the number of aliens including Koreans.
6. Any other reports required by the regional or central control agencies to inform them on conditions locally or which would enable them to determine what portion of Japanese wartime controls to utilize to attain M.G. objectives in consonance with U.S. long-range policy vis-à-vis Japan.
7. The M.G. regional agencies might utilize the records and personnel of regional branch offices of the Control Associations to report on membership status, facilities, production capacities, condition, and raw material requirements of all individual and group or association members (Tosei-Kaisha and Tosei Kumiai).

They should also be asked to report on what equipment would be necessary to convert to civilian production. Each major concern might be required to report percentage of production which went into munitions and what percentage went into civilian

needs. This would afford a basis upon which to allocate materials to concerns or associations that had retained during the war a predominately civilian line of production and could continue to produce without the necessity of converting. Facilities utilized directly or indirectly for munitions purposes should obtain lowest priority or be entirely shut down. Those putting out munitions end-products will of course be shut down. The Control Societies as such, however, should be abolished as recommended above under IV, c.

VIII. Recommendation concerning sabotage and the enforcement of M.G. Controls.

Through its controls over the flow of vital materials M.G. has in its hands the power to lessen or increase that flow to areas or regions in accordance with the degree of cooperation obtained. In areas or regions where sabotage is frequent or widespread, where materials are misused or production schedules are not maintained without justifiable reasons, the allocations of power or materials to such regions or areas can be curtailed. In other words, punishment should not be limited to individuals or even to plants unless cases of sabotage, etc. are few and widely scattered, but should be extended to the whole community or area. This would fix responsibility on the area as a whole and engender cooperation with M.G. in suppressing sabotage, and in meeting production schedules. In no case should materials be cut off to the point where minimum essential civilian needs cannot be met. Rather the emphasis should be on rewarding areas that cooperate by increasing the availability of civilian supplies, while designated Japanese officials and individuals or associations could be held initially responsible for enforcing controls and meeting production schedules.

IX. Suggestions concerning Military Government's organization for the administration of production programs.

A. Central Organization.

It is suggested that M.G., because of its concern in production programs as outlined above, set up at central headquarters a production control agency which will include a planning and control unit. This unit, on the basis of reports submitted by the functional units of the central agency as to

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requirements, and the availability of facilities and materials in the occupied region as a whole, could draw up priority production schedules and allocate production quotas, key raw materials, credit, and power accordingly and determine the distribution of the end-products in accordance with the needs of M.G. first, of the civilian population, secondly, and eventually if and when foreign trade is resumed, to determine what proportion of the production in any given line shall be made available for export. Such programming and allocating should be worked out from the outset if possible on a quarterly basis bearing in mind in that connection that the Japanese controlled production year extends from April 1 to March 30 and the first quarter thus covers the months of April, May and June.

Because of the unavailability at present of detailed data as to the Japanese techniques, forms and procedures for over-all programming and allocating for the consumer economy, it is suggested that M.G. in its planning utilize the experience of the War Production Board and study its techniques, forms and procedures.

In order to supply the planning and control unit with the data it requires to carry out its over-all planning and control functions and in order to take supervisory responsibility for the fulfillment of production programs M.G. will probably need to establish functional units covering liquid and solid fuels, mining, industry, public works and utilities, transportation, and if and when foreign trade is resumed, a foreign trade unit, etc. These units could advantageously be broken down further into end-product, sub-units. The industry unit, for example, could have sub-units dealing with textiles and clothing items in general, chemicals, building materials, metal processing and metal goods, manufacture of light and heavy electrical goods, consumer goods, etc.

These units and sub-units on the basis of their own investigations and on reports submitted by the agency's branches in the occupied regions could make reports as to requirements and as to the availability of facilities, materials and power to meet these requirements. Operationally they could determine in accordance with policy directives, which facilities should be operated to produce the materials and goods required and what proportion of one total each territorial unit should produce. They could determine the distribution flow of end-products to meet M.G. requirements first; minimum consumer economy needs secondly, and into

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foreign trade channels in the third place in accordance with policy determinations as to priorities. In all these operations they should conform to the allocation and priority decisions of the central planning and control unit.

B. Regional and prefectural organization.

At the outset of the occupation the central production control agency could exercise direct control in the initial prefectures or region occupied (for a description of the region into which Japan has been divided see Part II, Section III and Appendix I). As the occupation progresses the central agency might continue directly to control production in the metropolitan area or prefecture where its headquarters may be located and supervise the sub-branches in the other prefectures belonging to the region where it is located. In all other partially or wholly occupied regions it could establish regional branches modelled structurally after the central agency subject to the peculiar productive capabilities of the region. It might be the responsibility of the regional branches, on the basis of their own direct investigations in the prefecture in which they are located and on the basis of reports and recommendations submitted by the sub-branches in the other prefectures within their respective regions, to draw up requirements for the region as a whole, submit to the central agency inventories of supplies of raw material, condition and nature of processing facilities and what equipment and repairs would be needed to put them into operation or to convert them from production of munitions to production of items required to meet M.G. production programs. In accordance with allocations of materials and production quotas worked out by the central agency on the basis of the reports thus submitted, the regional branch could reallocate its overall regional quotas among the prefectures within its region. In the case of large manufacturing units it might be more feasible for the regional branch to allocate materials directly to such plants and to exercise a more direct supervision over such plants wherever situated in its region.

Appendix I

Administrative Regions of Japan - 1945

<u>Army Districts</u>	<u>Regional Administrative Districts and Regional Munitions Superintendencies</u>	<u>Prefectures Included in Region</u>	<u>Location of Offices of Regional Superintendencies</u>
Northern	Hokkai	Hokkaido (including Karafuto)	Sapporo
Tohoku	Tohoku	Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima, Ibaragi, Tochigi, Gumma, Saitama, Chiba, Tokyo, Kanagawa, Yamanashi, Niigata, Nagano.	Sendai
Eastern	Kanto-Shinetsu		Tokyo
Tokai	Tokai-Hokuriku	Gifu, Shizuoka, Aichi, Mie, Ishikawa, Toyama	Nagoya
Kinki	Kinki	Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama, Fukui	Osaka
Chugoku	Chugoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi	Hiroshima
Shikoku	Shikoku	Tokushima, Kagawa, Ehime, Kochi	Takamatsu
Western	Kyushu	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, Okinawa	Fukuoka

(As of June 1945)

Appendix I

Administrative Regions of Japan - 1945

<u>Regional Administrative Districts and Regional Munitions Superintendencies</u>	<u>Prefectures Included in Region</u>	<u>Location of Offices of Regional Superintendents-General</u>
Hokkai	Hokkaido (including Karafuto)	Sapporo
Tohoku	Aomori, Iwate, Miyagi, Akita, Yamagata, Fukushima, Ibaragi, Tochigi, Gumma, Saitama, Chiba, Tokyo, Kanagawa, Yamanashi, Niigata, Nagano.	Sendai
Kanto-Shinetsu		Tokyo
Tokai-Hokuriku	Gifu, Shizuoka, Aichi, Mie, Ishikawa, Toyama	Nagoya
Kinki	Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama, Fukui	Osaka
Chugoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi	Hiroshima
Shikoku	Tokushima, Kagawa, Ehime, Kochi	Takamatsu
Kyushu	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, Okinawa	Fukuoka

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APPENDIX II

National Mobilization Law of Japan

Law No. 19 of 1941

Promulgated March 1, 1941

Article 1. The term national general mobilization as used in this law denotes the control and operation of human and material resources in order that the nation may be enabled to display its total power most effectively for the realization of national defense purpose in time of war (including an incident corresponding with a war, the same applying correspondingly to the following parts).

Article 2. The term general mobilization goods in this law denotes things listed below:

1. Armaments, war vessels, ammunitions and other military goods.
2. Garments, foodstuffs, beverages and fodders which are necessary for national general mobilization.
3. Medicines, medical instruments, other sanitary materials which are necessary for national general mobilization.
4. Ships, airplanes, rolling stock and vehicles, horses, and other materials for transportation which are necessary for national general mobilization.
5. Goods for communications which are necessary for national general mobilization.
6. Engineering and building materials and goods for lighting system which are necessary for national general mobilization.
7. Fuels and electric power which are necessary for national general mobilization.
8. Raw and other materials, machines and tools, equipment and other goods which are necessary for the production, repair distribution and conservation of each of the foregoing stipulations and

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9. Goods besides each of the foregoing which may be designated by Imperial Ordinances as necessary for national general mobilization.

Article 3. General mobilization businesses under this law denote those which are listed below:

1. Businesses relating to the production, repair, distribution, exportation, importation and storing of general mobilization goods.
2. Businesses relating to transportation and communications which are necessary for national general mobilization.
3. Businesses relating to money and banking which are necessary for national general mobilization.
4. Businesses relating to sanitation, veterinary sanitation and relief.
5. Businesses relating to education and training which are necessary for national general mobilization.
6. Business relating to experiments and researches which are necessary for national general mobilization.
7. Businesses relating to information and campaign of education which are necessary for national general mobilization.
8. Businesses concerning guarding which is necessary for national general mobilization.
9. Businesses besides each of the foregoing which may be designated by Imperial Ordinances as necessary for national general mobilization.

Article 4. In time of war the Government if necessary for national general mobilization may enlist subjects of the Empire and place them in general mobilization businesses in accordance with provision of Imperial Ordinances. This provision does not prevent the application of the Conscription Law, however.

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Article 5. The Government if necessary for national general mobilization in time of war may cause subjects of the Empire or juridical persons or other organizations of the Empire to cooperate with the State or local public organizations or other persons designated by the Government.

Article 6. The Government if necessary for national general mobilization in time of war may issue orders which are necessary regarding the use, employment or discharge or assumption of offices or assumption of service or retirement of employees or wages, salaries and other working conditions, in accordance with provisions of Imperial Ordinances.

Article 7. The Government if necessary for national general mobilization in time of war may issue necessary orders regarding the prevention or settlement of labor disputes or the closing of plants, suspension of operations, or restriction or prohibition of acts relating to labor disputes, in accordance to provisions of Imperial Ordinances.

Article 8. The Government if necessary for national general mobilization may issue necessary orders regarding the production, repair, distribution, transfer or other disposal, uses, consumption, holding and movement of goods, in accordance with provisions of Imperial Ordinances.

Article 9. The Government if necessary for national general mobilization in time of war may restrict or prohibit exportation or importation, or may impose export duties or import duties, or may increase or decrease export duties or import duties, in accordance with provisions of Imperial Ordinances.

Article 10. The Government if necessary for national general mobilization in time of war may use or expropriate or cause a person who administers general mobilization business to use or expropriate general mobilization goods, in accordance with provisions of Imperial Ordinances.

Article 11. The Government if necessary for national general mobilization in time of war may restrict or prohibit the establishment or corporations, capital increases, consolidations, changes in the purposes of businesses flotation of debentures or the second subsequent calls for unpaid portions of capital; and may issue orders regarding disposition of corporation profits, writing off of fixed assets or other matters concerning accounting; and also may issue orders against banks, trust companies, insurance companies and others designated by

Imperial Ordinances regarding the operation of their funds, or undertaking or guaranteeing monetary obligations.

Article 12. The Government if necessary for national general mobilization in time of war may make special arrangements in accordance with Imperial Ordinances, and irrespective of the provisions of Article 200 or 210 of the Commercial Code, with respect to flotation of debentures or capital increase of a corporation engaged in a general mobilization business to meet expenses for equipment belonging to said corporation.

Article 13. The Government if necessary for national general mobilization in time of war may manage or use or expropriate the whole or part of factories or workshops or vessels and other facilities belonging to a general mobilization business or other facilities which are convertible into it, in accordance with provisions of Imperial Ordinances.

In case of use or expropriation of things listed in the foregoing clause the Government may cause the owner of them to offer the operatives, or may operate patent inventions or registered utility models which are actually operated in the said facilities, in accordance with provision of Imperial Ordinances.

The Government if necessary for national general mobilization in time of war may manage, use or expropriate land, houses or other establishments which are necessary for general mobilization businesses, or may cause a person who administers a general mobilization business to use or expropriate them, in accordance with provisions of Imperial Ordinances.

Article 14. The Government if necessary for national general mobilization in time of war may use or expropriate the mining rights or rights relating to the use of water, and may cause a person who administers a general mobilization business to operate patent inventions or registered new utility models or to use the mining rights or rights relating to the use of water.

Article 15. When things expropriated by the Government under the provisions of the preceding two Articles have become out of use, and in case they are to be sold within a period of 10 years following their expropriation, or when things expropriated by a person who conducts a general mobilization business under the provisions of Article 13, Paragraph 3, have become out of use within a period of 10 years following their expropriation, the former owners or former holders of the rights

or legitimate successors to them may buy them back on a preferential basis, in accordance with provisions of Imperial Ordinances.

Article 16. The Government if necessary for national general mobilization in time of war may restrict or prohibit establishment or extension or improvement of equipment belonging to a general mobilization business, or may order the establishment or extension or improvement of equipment belonging to a general mobilization business, in accordance with provisions of Imperial Ordinances.

(2) The Government if necessary for national general mobilization in time of war may issue necessary orders concerning transfer or other disposal of, investments in, use and removal of, equipment belonging to a general mobilization business, in accordance with provisions of Imperial Ordinances.

(3) The Government if necessary for national general mobilization in time of war may issue necessary orders relating to the assumption, entrusting, joint management, transfer, abolition or suspension of business, or changes in business objectives or consolidation or dissolution of corporations, in accordance with provisions of Imperial Ordinances.

Article 17. The Government if necessary for national general mobilization in time of war may cause the proprietors of the same or different kinds of enterprises to obtain approval of the Government regarding the conclusion or change or abolition of an agreement or agreements on control of the respective enterprises, or may order them to conclude or change or cancel control agreement or agreements among themselves, or may order the participants to act in accordance with the said control agreement or agreements, in conformity with provision of Imperial Ordinances.

Article 18. If necessary for national general mobilization in time of war the Government, in accordance with provisions of Imperial Ordinances, may cause the proprietors of the same or different kinds of enterprises or their organizations to control the said enterprises or order them to establish an organization or corporation with the object of operating for the control.

An organization which is to be established under the foregoing provisions shall be a juridical person.

When persons who have been ordered to establish an organization in accordance with the provisions of Paragraph 1 have failed to establish it, the Government may take necessary measures regarding the preparation of articles or association or other matters relative to its establishment.

When an organization has been established in accordance with the provisions of Paragraph 1, the Government may cause persons who have qualifications as the constituent members of the said organization to become the constituent members of the said organization.

The Government may cause an organization which has been established in accordance with the provisions of Paragraph 1 to obtain approval of the Government regarding the adoption or change or abolition of its control regulations pertaining to enterprises of its constituent members (including the constituent members of the latter, this applying correspondingly to the following parts), or order it to adopt or change the control regulations, or may order its constituent members or persons who are qualified to be its constituent members to act in conformity with the control regulations.

Matters pertaining to an organization or a corporation under the provisions of Paragraph 1 shall be prescribed by Imperial Ordinances.

(2) In case the Government has ordered the transfer of facilities or rights, or investments under the provisions of Article 16, Paragraph 2, or has ordered the transfer of an enterprise under the provisions of Article 16, Paragraph 3, necessary matters relating to the succession to obligations of the transfer or investor or disposition of their security shall be prescribed by Imperial Ordinances.

(3) Regarding the transfer of facilities or rights, or investment under the provisions of Article 16, Paragraph 2; or transfer of an enterprise or consolidation of corporations under the terms of Article 16, Paragraph 3; or an organization of a corporation established in accordance with the provisions of Article 18, Paragraph 1 or 3; the government, in accordance with provisions of Imperial Ordinances, may set up exceptions pertaining to calculations of the standard of tax levy, or may make arrangements for reduction or exemption of taxes.

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Article 19. If necessary for national general mobilization in time of war the Government, in accordance with provisions of Imperial Ordinances, may issue necessary orders, regarding price, transportation charge, storage, insurance premium, rentals, processing charge, repairing charge or rates of other payments on property.

Article 20. If necessary for national general mobilization in time of war the Government may restrict or prohibit the insertion of articles in newspapers or other publications, in accordance with prohibition of Imperial Ordinances.

The Government may prohibit sales and distribution of newspapers or other publications containing items which hinder the national general mobilization in violation of restriction or prohibition under the foregoing provisions, and may attach them. In this case the Government also may attach their original plates.

Article 21. The Government, whenever it deems it necessary for national general mobilization, may cause subjects of the Empire or the employers of Japanese subjects to report regarding the occupational ability of the Japanese subjects, or may conduct examination concerning the occupational ability of the Japanese subjects.

Article 22. The Government if necessary for national general mobilization may issue necessary orders against the administrators or managers of schools, training institutes, factories, workshops and other institutions suitable for training technicians or the employers of persons who are to be trained, regarding training of technicians necessary for national general mobilization.

Article 23. If necessary for national general mobilization the Government, in accordance with provisions of Imperial Ordinances, may cause a person who is engaged in the production, sales or importation of general mobilization goods to hold a certain fixed quality of the said goods or raw or other materials thereof.

Article 24. If necessary for general mobilization the Government, in accordance with provisions of Imperial Ordinances, may cause the proprietor of a general mobilization enterprise or a person who shall have to operate a general mobilization enterprise in time of war to formulate a plan regarding general mobilization business which is to be operated in time of war or may cause him to conduct exercises and training on the basis of the said plan.

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Article 25. The Government if necessary for national general mobilization may order a person who is engaged in the production or repair of general mobilization goods or the administrator of an experimental and research institute to conduct experiments and researches.

Article 26. If necessary for national general mobilization the Government, in accordance with provisions of Imperial Ordinances, may guarantee a certain fixed amount of profit or grant subsidy within the limit of its budget for a person who is engaged in the production or repair of general mobilization goods. In this case, the Government may cause the said person to produce or repair general mobilization goods or to install equipment necessary for general mobilization.

Article 27. The Government in accordance with provisions of Imperial Ordinance, shall compensate losses that may arise from measures taken under the stipulations of Articles 8, 10, 13, 14 or Article 16, Paragraph 2; orders of exportation and importation issued according to the provisions of Article 9, orders regarding capital accommodation, subscription to securities, underwriting or purchase of securities, acceptance of obligations or guarantee of obligations under the provisions of Article 11; orders regarding the establishment or extension or improvement of equipment under the provisions of Article 16; or orders regarding commission, transfer, abolition or suspension of an enterprise or orders requiring changes in the business purposes or dissolution of a corporation under the provisions of Article 16, Paragraph 3, except the cases under Paragraph 2 of this Article.

A person who administers general mobilization business shall compensate losses that may arise in case of this use, expropriation or operation under the provisions of Article 10, Article 13, Paragraph 3 or Article 14, in accordance with provisions of Imperial Ordinances.

Article 28. In case the Government issues orders under the provisions of Articles 22, 23, or 25, it shall compensate losses arising therefrom or grant monetary subsidy, in accordance with provisions of Imperial Ordinances.

Article 29. The amount of compensation as under the provisions of the preceding two articles and purchase value as under the provisions of Article 15 shall be determined by

the Government after consultation with the General Mobilization Compensation Commission.

Rules governing the General Mobilization Compensation Commission shall be prescribed by Imperial Ordinance.

Article 30. The Government shall supervise all enterprise that receives the guarantee of profit or subsidy money under the provisions of Articles 26 or 28, and may issue orders or take measures which are necessary in this connection.

Article 31. If necessary for national general mobilization the Government by order may demand reports or may have the competent officials inspect necessary places and examine business conditions or books or documents or other things.

(2) A person falling under either of the following shall be subject to penal servitude not exceeding 10 years or a fine not exceeding ₱ 50,000:

1. A person who has violated an order or orders issued under the provisions of Article 8.
2. A person who has violated an order or orders issued under the provisions of Article 19.

Article 32. A person who, in violation of an order issued under the provisions of Article 9, has exported or imported goods or has attempted to do so, shall be subject to penal servitude not exceeding three years or a fine not exceeding ₱ 10,000.

In the case of the foregoing paragraph, the goods which the offender has exported or imported or attempted to export or import, if in possession of the offender, be confiscated. If it has been impossible to confiscate the whole or a part of the said goods, their value may be added to the fine.

Article 33. A person falling under either of the following shall be subject to penal servitude not exceeding three years or a fine not exceeding ₱ 5,000:

1. A person who has violated order or restriction or prohibition under the provisions of Article 7.
2. A person who, in violation of the order under the provisions of Article 9, fails to export or import.

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3. A person who has refused or hindered or evaded the use or expropriation of general mobilization goods as under the provision of Article 10.
4. A person who has refused or hindered or evaded the management or use or expropriation of facilities, land or constructions, or offering of the operatives as under the provisions of Article 13.

Article 34. A person falling under either of the following shall be subject to penal servitude not exceeding two years or a fine not exceeding ₦ 3,000:

1. A person who has violated restriction or prohibition as under the provisions of Article 11.
2. A person who has violated restriction or prohibition or order as under the provisions of Article 16.
3. A person who has violated orders and under the provisions of Article 16, Paragraph 2.
4. A person who has violated orders as under the provisions of Article 16, Paragraph 3.
5. A person who in violation of the provisions of Article 17 or Article 18, Paragraph 5, has set up or changed or abolished a control agreement without approval of the Government, or has violated an order issued under the provisions of Article 17 or Article 18, Paragraph 5.
6. A person who, in violation of the provisions of Article 23, does not hold goods.
7. A person who, in violation of the provision of Article 26 does not produce or repair or install equipment.

Article 35. A person who has committed a criminal act under the preceding four Articles may be subjected to concurrent imposition of penal servitude and fine.

Article 36. A person falling under either of the following shall be subject to penal servitude not exceeding one year or a fine not exceeding ₦ 1,000:

1. A person who does not acced to expropriation or does not execute the business as under the provisions of Article 4.
2. A person who has violated an order issued under the provisions of Article 6.

Article 37. A person falling under either of the following shall be subject to a fine not exceeding ₦ 3,000:

1. A person who has violated an order issued under the provisions of Article 22.
2. A person who does not formulate a plan or does not execute trainings, in violation of an order issued under the provisions of Article 24.
3. A person who does not conduct experiments and researches, in violation of orders issued under the provisions of Article 25.

Article 38. A person falling under either of the following shall be subject to a fine not exceeding ₦ 1,000:

1. A person who, in violation of orders issued under the provisions of Article 18, Paragraph 1, fails to organize an organization or corporation.
2. A person who has violated an order issued under the provisions of Article 18, Paragraph 6.
3. A person who has violated an order disposition as under the provisions of Article 30.
4. A person who has neglected reporting or made false report in violation or in order issued under the provisions of Article 31.

Article 39. In case of a newspaper having violated restriction or prohibition as under the provisions of Article 20, Paragraph 1, its publisher and editor, and in case of other publications their publishers or authors, shall be subject to penal servitude or imprisonment not exceeding two years or a fine not exceeding ₦ 2,000:

In case of a newspaper, a person who actually was in charge of editing one and who signed the article or articles involved, besides the editor, shall be subject to the

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foregoing provisions.

Article 40. A person who hindered the execution of attachment asunder the provisions of Article 20, Paragraph 2, shall be subject to penal servitude or imprisonment not exceeding six months or a fine not exceeding ₺ 500.

Article 41. The stipulations of the Criminal Code regarding concurrent crimes shall not be applicable to a crime under the foregoing two articles.

Article 42. A person who has refused or hindered or evaded the inspection by the competent officials as under the provisions of Article 31 shall be subject to penal servitude not exceeding six months or a fine not exceeding ₺ 500.

Article 43. A person who, in violation of the provisions of Article 21 has neglected reporting or refused or hindered or evaded the inspection by the competent officials shall be subject to a fine not exceeding ₺ 50 or detention or a minor fine.

Article 44. When a person, who is or has been engaged in a general mobilization business, has disclosed or secretly used official secrets regarding general mobilization business designated by the competent Government offices which he had come to knowledge of in relation with the execution of his business, he shall be subject to penal servitude not exceeding two years or a fine not exceeding ₺ 2,000.

Article 45. When an official or a person who has been engaged in official service has disclosed or secretly used business secrets of a juridical or natural person which he had come to knowledge of in relation to the execution of his duties under the provisions of this law, he shall be subject to penal servitude not exceeding two years or fine not exceeding ₺ 2,000.

The provisions of the preceding clause shall apply in case an officer or employee, or a person who has been an officer or employee, of an organization or corporation established for the purpose of controlling enterprises under the provisions of Article 18, Paragraphs 1 or 3 or other juridical person or other organization which administers control by order on the basis of this law, has disclosed or secretly used business secrets of a juridical or natural person which he had come to knowledge of in relation to the execution of his duties.

Article 46. When an officer or employee of an organization or corporation established for the purpose of controlling enterprises under the provisions of Article 18, Paragraph 1 or 3, or other juridical person or other organization which administers control by order on the basis of this law, has received or demanded or promised acceptance of, a bribe in conjunction with his duties, he shall be subject to penal servitude not exceeding two years. When the said person accordingly has committed an improper act or has not committed a proper act, he shall be subject to penal servitude not exceeding five years.

The bribe received in the case of the foregoing clause shall be confiscated. If the whole or a part of it could not be confiscated, its value shall be levied on the said person.

Article 47. A person who has given or offered or promised a bribe to the person mentioned in the preceding clause, shall be subject to penal servitude not exceeding two years or a fine not exceeding ¥500.

When a person who has committed a crime under the preceding clause, has surrendered himself to justice, the penalty may be mitigated or he may be remitted.

Article 48. When a representative of a juridical person or proxy of a juridical or natural person or other employee or other operative thereof has committed an offense under the provisions of Article 31, Paragraph 2 to Article 34, Article 36, Paragraph 2, Articles 37, 38 or the fore part of Article 43, the said juridical or natural person shall be subject to a fine or minor fine provided in each of the above Articles, in addition to the punishment of the said offense.

Article 49. The provisions of the preceding Article shall be applied to an act committed in land outside the territories where this law is in force by a representative or proxy or employee or other operative of a juridical person, who has his headquarters or main business office within the territories where this law is in force. The same shall also apply to an act committed in land outside the territories where this law is in force by a representative or employee or other operative of a natural person, who has his domicile within the territories where this law is in force.

The penalty provision of this law shall be applied to a subject of the Empire who has committed a crime in land outside the territories where this law is in force.

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Article 50. The National General Mobilization Commission shall be established to respond to inquiries from the Government regarding important matters relative to the enforcement of this law (exclusive of those pertaining to the military rules).

Rules governing the National General Mobilization Commission shall be prescribed by Imperial Ordinance.

Source:- Domei Tsushin Sha (The Overseas Department), Wartime Legislation in Japan, Nippon Shogyo Tsushin Sha, Tokyo, 1941, p. 30-62

APPENDIX III

Major Provision of the Munitions Company Act of October 28, 1943.

1. Under this law, munitions companies shall be those companies that engages in enterprises necessary (to supply) arms, aircraft, warships, and other war materials, and shall mean those designated by the Government, and the scope of the enterprises in the preceding clause will be prescribed by order.
2. Munitions companies, heeding the demands of the State for increased fighting strength, shall conform to the plans of the Government and shall assume responsibility in the operation of enterprises pertaining to sufficiency in munitions.
3. With regard to munitions companies, as fixed by the orders (of the Government), bans and restrictions imposed by laws shall be cancelled, obligations shall be removed, and also special regulations may be enacted in connection with procedures for permits, and so forth.
4. The Government, under the stipulations of these main points, in cases when it is deemed necessary to issue orders or to take measures, may, under the provisions of the orders, guarantee assistance as well as profits to munitions companies.
5. Munitions companies must select a person responsible for production from among the officials of the company. When selection of a responsible person for production cannot be made, the Government may appoint a person, in which case the person appointed shall become an official of the company. The person responsible for production will represent the munitions company, and is appointed to the office for the fulfillment of the obligations of increasing fighting power.
6. The munitions company, without the approval of the Government, may not dismiss the person responsible for production who was selected by the Government. The Government will designate to the munitions companies time, plans, quantities, and other necessary matters, and may issue orders embracing the manufacture and repair of goods necessary for sufficient war materials.
7. The Government, according to the provisions of the orders, may issue orders to munitions companies or take measures for the establishment of new precautionary installations, the acquisition, storage, and movement of basic materials,

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the improvement of technique, the supervision of (trade) and labor, and other matters necessary to carry on the enterprise.

8. The Government may issue orders necessary for cooperation between the munitions company and those (persons) connected with carrying on the operation of cooperating factories, and subsidiary factories, and other enterprises which the munitions company conducts.
9. The Government, according to the provisions of the orders, may issue to munitions companies orders necessary in connection with the taking over or taking custody of enterprises, the clarification (of articles of trust), or changes in the articles of incorporation, the delegation, transfer, or discontinuing or suspension of operations, (and) the transfer of equipment or (patent rights) belonging to an enterprise.
10. The Government may restrict or ban the munitions company from engaging in operations other than those designated by the Government.
11. The Government, according to the provisions of the orders, may issue orders necessary in connection with the amalgamation or dissolution of munitions companies.
12. The Government, in accordance with the stipulations of the orders, may issue orders to munitions companies necessary to effect the adjustment and management of funds.
13. Persons responsible for production, or persons in charge of production, in accordance with the provisions of the orders, have the right to recruit workers as provided by the National Mobilization Law.
14. The staff and employees of munitions companies will be under the orders of the person responsible for production, or the person in charge of production.
15. The Government may issue orders to munitions companies, or take necessary measures regarding supervision.
16. With regard to the business matters of munitions companies, the Government may gather reports, as well as inspect or examine them.

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17. When the person responsible for production, or the person in charge of production, does not fulfill his responsibility, or when the staff and other employees of the munitions company do not obey the orders of the persons responsible for production, or the persons in charge of production, the Government, in accordance with the provision of the order, will find the means of imposing the necessary punishment.
18. Necessary penal regulations shall be enacted.
19. These main points may be applied to companies other than those engaged in the enterprises set forth in the first clause.

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APPENDIX IV

**ACTIVITIES OF THE MUNITIONS SUPERINTENDENCE BUREAUS OF
THE MINISTRY OF MUNITIONS (ABSTRACT)****I. The vigorous activities of the Munitions Superintendence Bureaus.**

The Munitions Superintendence Bureaus were formed with the establishment of the Munitions Ministry to undertake the responsibility of increasing production. The law provides that the Minister of Munitions shall establish local or branch offices of the Ministry, whenever necessary to divide the affairs of supervisions, control and management of munitions factories and enterprises. And the munitions officials or munitions superintendence officials shall become the chiefs of local and branch offices of the Ministry. The primary purpose of establishing such local offices is to control the munitions industry without a single gap throughout the country and to push forward the industry with an over-all efficiency.

Under the above provision of law, local offices are located in Sapporo, Sendai, Tokyo, Nagoya, Niigata, Osaka, Hiroshima, Matsuyama, and Fukuoka to divide the affairs of munitions production in nine, (later eight areas) through the country. The Munitions Superintendence officials in these nine areas consist of former industrial staff members of Commerce and Industry Ministry, Mining Superintendent Bureau Officials, Labor Bureau Officials of Public Welfare Ministry and Army and Navy Officials. The Munitions Superintendence Chief shall direct all the officials in their supervision of munitions production by distributing them to essential factories and plants.

II. Special characteristics of the administration.

The special characteristics of Munitions Superintendence Bureaus administration are as follows:

1) The unification of administration. The Munitions Superintendence Bureaus and its officials are in charge of the unified administration of production throughout the country. They control capital, management, labor, price, raw material distribution and motive power. Formerly these were divided into ministries and departments.

2) The principle of production-first. Previously, the industrial administration was divided according to the legal rights of control and the actual work of production.

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But the activities of the officials are not bound to such divisions but the actual control and direction of production. All activities are centered in the principle of production-first.

3) The motivating characteristic. Compared with the previous administration, the Munitions Superintendence Bureaus has a more unified and wider scope of administration and management of munitions production which is typical in wartime. It is richer in motivating power and creative leadership.

III. The structure of the Munition Superintendence Bureaus.

- 1) The General Affairs Section plans a unified arrangement and control of labor and defense affairs.
- 2) The First Superintendent Section controls aircraft production and its related weapons and machines.
- 3) The Second Superintendent Section undertakes the affairs of machines, steel, light metals, chemicals and fuel that were handled formerly by the old Commerce and Industry Ministry.
- 4) The Finance Section controls capital arrangement, management, prices and price accounting.
- 5) The Electric Power Section undertakes the affairs of electric power and hydro-electric power.

The scope of each of these sections is wider. For instance, the Electric Power Section controls not only the electric utilities of munitions factories and plants but it controls the use of electricity in all places including the use of electricity in theaters. The First and Second Superintendent Sections control a narrower scope than that of the Electric Power Section but in essence they control the most significant domains of aircraft and raw material.

IV. Problems that need to be adjusted.

The problems that confront the administration of the department are as follows:

- 1) Those that confront the munitions companies with their responsibilities for production and the Munitions Superintendence Bureaus.

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- 2) Those relative to general local administration.
- 3) Those relative to controlled factories under the Army and Navy Ministries.

First, the munitions companies are responsible for production and the Superintendence Bureau officials are responsible for the arrangement of production. It is natural that some problems result from this relationship of production and arrangement by the different bodies. But the munitions companies must understand that they are designated and assigned by the Government for production responsibility while the Munitions Superintendence Bureaus officials are appointed to give a hand in directing and guiding and to encourage work in the plants. However, the orders of the Munitions Ministry create a double responsibility. Thus, for the second time, the 424 companies that have been under the control of Ministries of Munitions, Army, Navy and Transportation have been brought under the direct control of Munitions Superintendence Bureaus to avoid a double responsibility and to make a complete unification. All of the 424 munitions companies which were designated by the law of munitions companies are to be supervised by the Superintendence Bureaus under the direction of the Government.